

# SOUTHERN CALIFORNIA PIPE TRADES CHRISTMAS BONUS FUND

## SUPPLEMENT #7

To: All Participants  
From: Board of Trustees  
Date: November 2010  
Re: Formula for Appropriating the Distributable Amount for 2010

### **PLEASE KEEP THIS NOTICE WITH YOUR SUMMARY PLAN DESCRIPTION BOOK**

The formula that will be used by the Trustees for apportioning the Distributable Amount for distributions from the Christmas Bonus Fund commencing in 2010 is set forth below. This formula will continue to be used until the Trustees revise it.

The total Distributable Amount will be divided into two parts. The first part will be for those eligible persons attached to pensions with a majority of service originally earned under the former Local 460 Plan. The second part will be for the remaining eligible persons. The portion of the total Distributable Amount attributable to each part will be based on that part's percentage of the total eligible persons.

The portion of the Distributable Amount for each part will be apportioned among that part's eligible Pensioners, eligible unmarried surviving spouses,

and eligible beneficiaries based on the last monthly pension payment received by each eligible person during the Accumulation Period. The Christmas Bonus factor for each part will be calculated by dividing that part's portion of the total Distributable Amount by that part's total monthly pension amount for all eligible persons in that part. The applicable Christmas Bonus factor is then multiplied by the individual monthly pension benefit to determine the amount of the Christmas Bonus payment. In addition, the amount of the Christmas Bonus payment for any eligible person attached to a pension with any service originally earned under the former Local 460 Plan will not exceed the amount of the Christmas Bonus payment for any of the remaining eligible persons.

The amount of any Christmas Bonus payment will be reduced proportionally for those years on and after 1994 during which the eligible Pensioner had Christmas Bonus Fund contributions on less than 50% of his hours under Retirement Fund. This reduction will be based on a fraction, the numerator of which is the total amount of pension credit earned under the Retirement Fund during such years and the denominator of which is the total amount of all pension credit earned under the Retirement Fund. The total amount of all such reductions will then be paid out as outlined above as a Distributable Amount under the preceding two paragraphs. If the recipient of the Christmas Bonus payment is an eligible unmarried spouse or eligible beneficiary, this reduction will be based on the pension credit history of the Pensioner upon whom the Christmas Bonus payment to the spouse or beneficiary is derived. In determining whether the Pensioner had Christmas Bonus Fund contributions for 50% of his

Retirement Fund hours in the years 1994 through 1999, credit under the Local 460 Plan will be treated as if it had been earned under the Southern California Pipe Trades Retirement Fund and will be treated as if Christmas Bonus Fund contributions had been made for those hours.

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