

**U.A. PLUMBERS & STEAMFITTERS  
DEFINED CONTRIBUTION AND 401(k)  
PLAN OF TEXAS**



**Plan Highlights and Enrollment Information**

## **Plan Highlights**

### **WHO CAN PARTICIPATE**

Participation in the Plan is open to employees who:

- Are covered under a collective bargaining agreement
- Or non-bargaining employees who work for an employer with a collective bargaining agreement
- People who are, considered highly compensated employees, may not participate

Other requirements may also have to be met, as described in your Plan Document.

### **HOW DOES THE PLAN WORK**

The Plan's operation is simple:

- You make contributions to the Plan through regular payroll deductions
- You pay no current federal income tax on the pre-tax amount you contributed to the Plan. You also pay no current federal income tax on the earnings the Plan generates. You only pay tax when you withdraw money from your account.
- You decide how you want your account invested. Your Plan offers several investment alternatives. See the back page of this booklet for additional information regarding your investment alternatives.

### **CONTRIBUTIONS**

By payroll deduction, you can choose to contribute from a minimum of \$.25 cents an hour to the maximum allowed by the IRS in \$.25 cent increments. The IRS adjusts the limits annually. Your contributions are always 100% vested.

### **CHANGE OF EMPLOYMENT**

If you change employers, you must fill out a new enrollment form.

### **WITHDRAWALS**

#### **401(k) and Annuity Accounts**

Generally, funds may be withdrawn from your account in these events:

- Retirement
- Death
- Disability
- Termination of Employment (no contributions for 24 consecutive months)

Hardship Withdrawals from 401(k) funds may be withdrawn for:

- Medical expenses as described in Internal Revenue Code Section 213(d) previously incurred by the Employee, the Employee's spouse, or any dependent of the Employee (as described in Internal Revenue Code Section 152) or necessary for these persons to obtain medical care described in Code Section 213(d), not reimbursed by insurance or otherwise;
- Costs directly related to the purchase of a principal residence for the Employee (excluding mortgage payments)
- Payment necessary to prevent the eviction or foreclosure from the principal residence of the Employee
- Payment of tuition and related educational fees and board expenses for the next 12 months of post-secondary education for participant, his or her spouse, children, or dependents

See your Plan Document for detailed information about taking withdrawals from the Plan.

### **HOW DO I ENROLL**

Simply complete the enclosed enrollment form and the accompanying investment election form. Return it to the designated person/entity on the "How to Enroll form". Be sure you indicate the following:

- How much you want to contribute
- How you want to invest your funds

### **A DEDICATED TEAM TO MEET YOUR NEEDS**

You have access to a dedicated professional team of experts to help you answer questions.

SVS, Inc. 1-800-273-3250

For questions regarding Statements, Account Balances, or obtaining a Personal Identification Number(PIN).

ERISA Administrators 1-866-309-0330

For questions regarding Employer Contributions, Address changes and Request for Distributions.

Kevin Clift Smith Barney Inc. 1-800-261-5531

For questions regarding Investments, Retirement Planning, Educational Planning, and Financial Planning.

**HOW TO ACCESS YOUR ACCOUNT**

You can access your account information by either the:

- Internet at [www.svsval.com](http://www.svsval.com) or
- By the voice response unit at 1-800-827-4023

In order to access your account you will need:

- Your Social Security Number and
- Personal Identification Number (PIN)

To obtain a Personal Identification Number (PIN) call SVS at 1-800-273-3250.

**SVS SERVICE CENTER OFFERS THE FOLLOWING**

- Access virtually 24 hours a day, 7 days a week
- Account inquiry for balances
- Review and change of future investment direction
- Ability to request exchanges among investments
- Retirement Projections - Projects balances and future contributions to age 65 based on contributions and interest assumptions
- Change of Personal Identification Number (PIN)

SVS Representatives are available Monday-Friday from 9:00 a.m. – 5:00 p.m. (Central Time) at 214-521-8691 or 1-800-273-3250.

**UA PLUMBERS AND SEAMFITTERS 401(k) RETIREMENT PLAN OF TEXAS: CONTRIBUTIONS AND YOUR PAYCHECK**

This illustration, intended to show you some of the advantages of making a 401(k) contribution, is based on the following assumptions:

**Annual Pay:** \$40,000      **Marital Status:** Married  
**Payroll Frequency:** Weekly      **Exemptions:** 2

The tax calculations are only approximations of what you might pay. Consult your tax advisor for further information on how 401(k) contributions may affect your particular tax status.

	<u>0%</u>	<u>2%</u>	<u>4%</u>	<u>6%</u>	<u>8%</u>	<u>10%</u>
Your Current Weekly Pay	\$769.23	\$769.23	\$769.23	\$769.23	\$769.23	\$769.23
Your 401(k) Contribution	0.00	15.38	30.77	46.15	61.54	76.92
Your Taxable Income	769.23	753.85	738.46	723.08	707.69	692.31
<b>Less</b>						
* Federal Income Tax	\$81.49	\$79.18	\$76.87	\$74.57	\$72.26	\$69.95
* State Income Tax	0.00	0.00	0.00	0.00	0.00	0.00
* Social Security Tax	58.85	58.85	58.85	58.85	58.85	58.85
Take-Home Pay	628.89	615.81	602.74	589.66	576.58	563.51
<b>Net Effect:</b>						
* 401(k) Contribution	\$0.00	\$15.38	\$30.77	\$46.15	\$61.54	\$76.92
* Reduction in Take-Home Pay	0.00	13.08	26.15	39.23	52.31	65.38
<b><u>Annual Effect on Your Savings</u></b>						
	<u>2%</u>	<u>4%</u>	<u>6%</u>	<u>8%</u>	<u>10%</u>	
Your 401(k) Contribution	\$15.38	\$30.77	\$46.15	\$61.54	\$76.92	
Total Annual Contribution	800.00	1,600.00	2,400.00	3,200.00	4,000.00	
Total Annual Cost to You	680.00	1,360.00	2,040.00	2,720.00	3,400.00	

## PARTICIPANT INVESTMENT PLANNER

Online by following the steps outlined below:

### THE PARTICIPANT INVESTMENT PLANNER IS NOW ONLINE!

- Step 1: Go to [www.benefitaccess.com](http://www.benefitaccess.com)
- Step 2: Scroll to the center right of the page under other services to click on "receive retirement advice "
- Step 3: Enter your social security number
- Step 4: Enter your date of birth (4 digit year)
- Step 5: Click on "Continue"
- Step 6: Scroll to the bottom of the page and select "Go" to enter the Participant Investment Planner Questionnaire
- Step 7: Enter your PIP Ticket Number 2219 and click "Submit"
- Step 8: Complete all the PIP questions
- Step 9: Click "Confirm Profile"
- Step 10: Read entire letter
- Step 11: Scroll to the bottom of the page and select Page 1 of 3 to review your PIP report and investment recommendations

Your personalized Participant Investment Planner ("PIP") can help you decide how much to contribute to your retirement Plan, and how to direct your contributions among the funds offered within your Plan. Just fill out the Participant Investment Planner Questionnaire.

## PLAN INVESTMENTS

The Collective Trust Funds are sponsored and monitored by the First State Trust Company (FSTC). FSTC appoints a nationally recognized investment management firm as a sub-advisor to these Funds.

### CAPITAL PRESERVATION FUND

**General Description:** The Capital Preservation Fund is sub-advised by Dewight Asset Management.

**Investment Philosophy:** The objective of the fund is to provide stable investment returns, with a high degree of capital protection.

### BOND INDEX FUND

**General Description:** The Bond Index Fund is sub-advised by Barclays Global Investors.

**Investment Philosophy:** The objective of the fund is to provide returns commensurate with the Lehman Brothers Aggregate Bond Index. The Lehman Brothers Aggregate Bond Index is a proxy for the bond universe and is comprised of government bonds, mortgage-backed bonds, and investment grade corporate bonds.

### BALANCED FUND

**General Description:** The Balanced Fund is using a multi-manager structure.

**Investment Philosophy:** The objective of the fund is to maximize total return by investing primarily in a diversified portfolio of growth and value stocks and bonds with varying maturities of up to 30 years, and cash equivalents.

### EQUITY INDEX FUND

**General Description:** The Equity Index Fund is sub-advised by Barclays Global Investors.

**Investment Philosophy:** The objective of the fund is to match the total return performance of the Standard and Poor's 500 Stock Index by investing in all 500 stocks in the Index. Large "blue-chip" stocks dominate the Index.

### INTERNATIONAL EQUITY INDEX FUND

**General Description:** International Equity Index Fund is sub-advised by Barclays Global Investors.

**Investment Philosophy:** The objective of the fund is to match the total return performance of the Morgan Stanley Capital International's Europe, Australia, and Far East (MSCI EAFE) Index.

### SMALL CAP EQUITY INDEX FUND

**General Description:** The Small Cap Core Equity Fund is sub-advised by Barclays Global Investors.

**Investment Philosophy:** The objective of the fund is to match the total return performance of the Russell 2000 Index by investing in a broad-range of small-capitalization U.S. companies.