JULY 2017

SOUND RETIREMENT TRUST

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A LABOR-MANAGEMENT RETIREMENT PLAN SUMMARY PLAN DESCRIPTION

SOUND RETIREMENT TRUST

FORMERLY KNOWN AS RETAIL CLERKS PENSION TRUST

A Labor-Management Retirement Plan Summary Plan Description

July 1, 2017

This booklet generally applies to individuals who are active participants of the Sound Retirement Trust on or after July 1, 2017. If you terminated or retired prior to July 1, 2017, you should consult the booklet (including updates) in effect on the earlier of your termination date or retirement date. If you terminated or retired prior to the date your plan merged into this Plan, you should consult your plan's booklet.

Sound Retirement Trust

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(206) 282-4500
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www.soundretirementtrust.com

YOUR SUMMARY PLAN DESCRIPTION

We are pleased to present this Summary Plan Description ("SPD" or "booklet") explaining the pension benefits provided under the Sound Retirement Plan ("Plan document") through the Sound Retirement Trust ("Sound Trust"), formerly known as the Retail Clerks Pension Trust ("Clerks Trust"). We suggest you review this material carefully in order to take full advantage of the benefits provided. This SPD explains the basic rules of the Plan as of July 1, 2017. This SPD is only a summary of the rules and procedures of the Plan document. You should refer to this booklet whenever you need general information about your Plan and benefits. However, if there is a conflict between the terms of the Plan document and this booklet, the official plan document will govern.

Special Provisions for Current Drug and Meat Employees and Former Drug and Meat Plan Participants

In general, this summary plan description describes the benefit you earn on or after October 1, 2016 under the Sound Plan. This booklet also includes information on the benefits for certain former participants in the Retail Drug Employees Pension Trust ("Drug Plan") as of October 1, 2008 and for certain former participants in the Washington Meat Industry Pension Trust ("Meat Plan") as of July 1, 2014 who became participants in the Sound Plan. Certain former and current Drug Plan and Meat Plan participants have different provisions that apply to their pension benefit. These differences are discussed in the following Appendices:

- **Appendix A** applies to Drug employees hired on or after October 1, 2008.
- **Appendix B** applies to former Drug Plan participants who earned pension benefits before October 1, 2008 and began participation in the Sound Plan on that date.
- **Appendix C** applies to Meat employees hired on or after July 1, 2014.
- **Appendix D** applies to former Meat Plan participants who earned pension benefits before July 1, 2014 and began participation in the Sound Plan on that date.

If you were a participant in either the Drug Plan or the Meat Plan but you were never employed in a job covered by the Sound Plan after the respective merger dates, your benefits are determined under the terms of the Drug Plan or Meat Plan before each merger. If you have questions about how these different provisions apply to you, please contact the Administrative Office at (206) 282-4500 or (800) 225-7620.

This SPD describes how the Sound Plan works and how benefits are paid to you under the terms of the Sound Plan as of July 1, 2017, unless otherwise noted. If you retired or terminated your employment before that date, your pension benefit will be calculated under the terms of your pension plan on the date you retired or terminated. If this applies to you, contact the Administrative Office at (206) 282-4500 or (800) 225-7620 for more information. You may also visit **www.soundretirementtrust.com** for general information about the Sound Plan, including information about plan provisions, frequently asked questions, and details about your own pension benefit.

The Trust is funded by contributing employers under collective bargaining agreements and participation agreements with the Trust. It is intended to provide retirement income that is additional to any benefits you may be entitled to receive from Social Security.

It is extremely important that you keep the Trust Office informed of any change in address, marital status, or desired changes in beneficiary designation.

The importance of a current, correct address on file with the Trust Office cannot be overstated. It is the primary way to keep in touch with you regarding Plan changes and other developments affecting your benefits under the Trust.

HOW YOUR PENSION PLAN WORKS

You earn a benefit based on a certain percentage of employer contributions made on your behalf for each Plan Year (October 1–September 30), provided you complete a sufficient amount of service to vest. When you begin receiving benefits, these amounts are added together to determine your base monthly payment for life, payable as a single life annuity.

The amount of your plan benefit will depend on all of the following:

- Your required contributions from a contributing employer.
- The percentage of employer contributions you are eligible to receive.
- Your years of service.
- Whether you terminate your employment before retirement age.
- When you begin receiving your pension benefit.

KEY FEATURES OF YOUR PENSION PLAN

- Contributing employers make all contributions to the plan; you are not required nor permitted to make contributions.
- You earn a right to your pension benefit after you complete 5 years of service. This is known as "vesting."
- Several payment options are available. Generally, all options pay monthly benefits for your lifetime.
- Your pension benefit is insured, up to certain limits, by the Pension Benefit Guaranty Corporation, a U.S. Government corporation.

LEGAL INFORMATION

The contents and delivery of this booklet are intended to comply with the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If there is any conflict between the information in this booklet and the official plan document, the official plan document will govern.

The only party authorized by the Board of Trustees to answer questions concerning the pension plan is the administrative agent, Zenith American Solutions ("Zenith"). Zenith may be contacted at:

Zenith American Solutions
201 Queen Anne Avenue North, Suite 100
Seattle, Washington 98109-4896
Telephone number: (206) 282-4500 or (800) 225-7620

The Board of Trustees has the sole power and discretion to interpret, apply, construe, and amend the provisions of the Plan and make factual determinations regarding its construction, interpretation and application, and any decision made by the Board of Trustees in good faith is binding upon employers, employees, a union, participants, beneficiaries, and all other persons who may be involved or affected by the Sound Plan.

No contributing employer, employer association, labor organization, or any individual employed thereby, has any authority to answer questions about the plan. The Trustees have full discretionary and final authority to interpret the Plan, and to decide all pension benefit claims (subject to the appeal rights summarized beginning on page 46 of this booklet.)

If you have questions about this booklet or the terms of the Sound Plan, please contact the Administrative Office at (206) 282-4500 or (800) 225-7620, or visit **www.soundretirementtrust.com**.

QUESTIONS AND ANSWERS

Where do I find a list of defined terms?	This SPD uses a variety of terms specific to the Plan, many of which are defined in "Definitions" on page 52. These definitions are capitalized when used in this booklet. If a used term is not captured in the "Definitions" section, you may contact the Administrative Office with your question or to request a copy of the full Plan document, which defines all terms used in the administration of the Plan.
Does my pension benefit under this Plan affect my Social Security benefits?	No. Benefits paid under this Plan are in addition to benefits you receive from Social Security.
Can I receive a copy of documents describing this Plan?	Yes. Copies of the following documents are available for inspection at the Administrative Office during regular business hours. Copies are also available upon written request – see the Administrative Office's contact information on page 54. The Administrative Office may charge a reasonable amount for copying these documents. You may request in writing to review a number of documents regarding the Pension Trust, including: ➲ The Plan document and Trust agreement (including amendments) adopted by the Trustees. ➲ Collective bargaining agreements and/or participation or special agreements that apply to you. ➲ Annual reports filed with various government agencies that have been in the Trust's possession for less than six years.

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ELIGIBILITY AND PARTICIPATION

You are a participant if you are an employee of a contributing employer working under a collective bargaining agreement with your union or a special agreement with the Trustees that requires contributions to the Trust for your employment. Your participation begins on the first day of the calendar month after you work 1 hour of Covered Employment.

The Plan does not cover any sole proprietors, partners, corporate owner/officers with management responsibilities, or any other self-employed persons.

If you last worked under the Sound Plan before July 1, 2017, please refer to your prior SPD for more detail on the eligibility and participation details that applied to you. You may also contact the Administrative Office at (206) 282-4500 or (800) 225-7620 if you have any questions, or visit **www.soundretirementtrust.com**.

QUESTIONS AND ANSWERS

Is my eligibility affected if I transfer from a position as a Clerks employee to one as a Drug employee or Meat employee?	No. Provided your transfer occurred on or after October 1, 2008 (for the Drug Plan) and July 1, 2014 (for the Meat Plan), you will continue to earn benefits under the provisions of the Sound Plan, but after your transfer date benefits will be earned as described in "Appendix A," beginning on page 61 for the Drug Plan and "Appendix C" beginning on page 74 for the Meat Plan. Benefits you earned prior to the time of your transfer will not be affected. If your transfer occurred before October 1, 2008 (from Drug) or July 1, 2014 (from Meat), you are subject to the rules of the Sound Plan or Drug or Meat Plan in effect at the time of your transfer. If this applies to you, contact the Administrative Office for details.

SERVICE

You must earn credited service to qualify for a benefit under the Plan. Credited service is granted for the hours you work for a contributing employer in work for which employer contributions are required subject to a collective bargaining agreement or other agreement with the Trust. Credited Service may also be counted for hours worked before your employer was required to contribute to the Sound Plan.

Your total credited service is comprised of your credited future service and credited past service. It is used to determine your benefit eligibility and whether you are vested in the benefits you have accrued. Credited past service is also used to determine the amount of any past service benefit you may have earned.

CREDITED FUTURE SERVICE

Earning credited future service depends on when your service was earned.

- **Before October 1, 1977**, you earned 1 year of credited future service for each Plan Year you worked 375 or more hours in Covered Employment between the date a contributing employer first made contributions to this Plan for your work in Covered Employment and September 30, 1977.
- **On and after October 1, 1977 and before October 1, 2016**, you earn 1 year of credited future service for each Plan Year you work 500 or more hours in Covered Employment.
- **On and after October 1, 2016**, you earn 1 year of credited future service for each Plan Year you work 750 or more hours in Covered Employment.

CREDITED PAST SERVICE

In general, credited past service is service you earned while working for a contributing employer before that employer began contributing to the Plan. In other words, it is service you would have earned had you been eligible for Plan participation before your effective date of coverage. Your effective date of coverage is the date when employer contributions on your behalf first became effective.

- **If you are under age 65 on your effective date of coverage**, to receive credited past service you must have worked at least 500 hours in Covered Employment (375 hours if your effective date of coverage was before October 1, 1977) in
  - 1 of the 2 consecutive 12-month periods following your effective date of coverage, or

- Either the Plan Year in which your effective date of coverage occurred or the following Plan Year.

➲ **If you are age 65 or older on your effective date of coverage**, to receive credited past service you must have

- Worked at least 80 hours in Covered Employment in the 12 consecutive months immediately following your effective date of coverage, and
- Worked at least 500 hours (375 hours if your effective date of coverage is before October 1, 1977) in employment for a contributing employer during the 12 consecutive months immediately before your effective date of coverage.

Methods of Crediting Past Service

Credited past service can be based on affiliated union membership or on industry employment. Your credited past service will be calculated using both methods, and the Plan will use the method that provides you with the greater number of years.

➲ **Credited past service based on union membership** is granted for continuous years of membership in a union participating in the Plan. One year of credited past service is granted for each 12 consecutive months of membership.

For this purpose, continuous years of membership are years without a break. A break occurs when more than 24 months separates 2 periods of union membership. No credited past service will be credited prior to a break.

➲ **Credited past service based on industry employment** is granted for continuous years of employment under a collective bargaining agreement with the union or with a contributing employer. (This is provided if your work with a contributing employer was in a job classification included in any collective bargaining agreements requiring contributions to the Plan.)

For this purpose, continuous years of employment are years without a break in service. A break in service occurs when you work 500 or fewer hours (the rule was less than 435 hours prior to October 1, 2016 and 375 hours before October 1, 1976) in Covered Employment during any 12-month period before your effective date of coverage. No past service will be credited prior to a break in service.

Your Maximum Credited Past Service

The maximum years of credited past service you can receive is determined by your effective date of coverage.

If your effective date of coverage was...	Your maximum credited past service is...
Between 10/1/65 and 9/30/82	20 Years
Between 10/1/82 and 9/30/83	18 Years
Between 10/1/83 and 9/30/84	16 Years
Between 10/1/84 and 9/30/85	14 Years
Between 10/1/85 and 9/30/86	12 Years
On 10/1/86 or later	10 Years

VESTING SERVICE

You are 100% vested in your pension benefit if you have 5 or more years of credited future service and/or credited past service (provided you have at least 1 year of credited future service). If your employment terminates or you have a one-year Break in Service before earning 5 years, you are not entitled to any pension benefit from the Sound Plan unless you return to work before incurring a Permanent Break in Service.

BREAK IN SERVICE

If you stop working for a contributing employer before you are vested, you may lose all of your credited service and accrued benefits. This happens if you are out of Covered Employment or Continuous Non-Covered Employment for 5 consecutive years, called a Permanent Break in Service. If, before you incur a Permanent Break in Service, you return to Covered Employment and earn an additional year of service, your prior credited service and vesting service will be restored.

Effective October 1, 1986, if you have 5 consecutive one-Year Breaks in Service before you are vested, it is considered a Permanent Break in Service. In this case, all of your years of vesting and credited service are permanently canceled. Any service you earned before the Permanent Break cannot be used to qualify for pension or death benefits.

The Plan's break in service rules are different for various periods of service, as shown in the following table.

If you had a break...	You have a 1-year break in service for each Plan Year your Covered Employment and/or continuous non-Covered Employment was...	And have a permanent break in service if you earned...
Before 10/1/76	Less than 375 hours	2 consecutive 1-year breaks in service*
Between 10/1/76 and 9/30/86	Less than 435 hours	➲ 2 consecutive 1-year breaks in service, and ➲ You had as many break in service years as credited service years
Between 10/1/86 and 9/30/2016	Less than 435 hours	5 consecutive 1-year breaks in service
On or after October 1, 2016	500 or fewer hours	5 consecutive 1-year breaks in service
* Certain grace periods apply before October 1, 1976. Contact the Administrative Office at (206) 282-4500 or (800) 225-7620 for details.		

Break in Service Grace Periods

If you have a leave of absence, you may be eligible for a break in service grace period, depending on the type of leave you take.

Maternity/Paternity Leave

Effective October 1, 1986, if you are absent due to maternity or paternity reasons, you will be credited with hours of service if they are necessary to prevent a break in service for that year. Otherwise, those hours will be credited the following year in order to prevent a break in service.

Hours of service will be credited for maternity/paternity leave for

- Your pregnancy,
- The birth of your child,
- The placement of a child with you due to adoption, or
- Care of your child immediately after birth or adoption.

No more than 501 hours will be credited for any 1 absence, and will be applied only to prevent a break in service. These hours will not add to your credited service.

If you qualify for a grace period for maternity or paternity reasons, you must submit a grace period application and provide adequate proof of the circumstances on which the application is based. You must provide the number of days for which there was an absence.

Family and Medical Leave

If you are absent from Covered Employment after August 4, 1993 and eligible for family or medical leave under the provisions of the Family and Medical Leave Act of 1993, you will receive credit for the time on leave, but only for determining whether or not a 1-year break in service has occurred. These hours will not count toward earning credited service.

Military Service under USERRA

The Uniformed Services Employment and Reemployment Rights Act ("USERRA") provides reemployment rights and benefits and protection from discrimination to individuals who, either by induction or as volunteers, have entered military service in any branch of the uniformed forces of the United States. If you satisfy the conditions for protection under USERRA, and you are on leave of absence due to military service, you will receive credited service for any period of required military service plus a readjustment or re-education period, provided you worked for a contributing employer prior to military service and became employed by that contributing employer after the readjustment or re-education period.

To be entitled to reemployment rights and benefits under USERRA, the law generally requires that you:

- leave employment because of your military service;
- give advance notice of your military service to your employer, unless notice is prevented by military necessity or is otherwise impossible or unreasonable to give under the circumstances;
- be absent from employment for military service for five years or less, unless extended service is required as part of your initial period of obligation or your service is involuntarily extended, such as during war;
- apply for a job as required by law within the requisite time period; and
- receive an honorable discharge or satisfactorily complete your military service.

Effective October 1, 2007, if you die while performing military service and would otherwise qualify for reemployment rights under applicable federal law, you will be treated as having been reemployed on the day preceding the date of death and then having terminated employment on the date of death to the extent required by law.

This is only a brief summary of the rules under USERRA. You will be entitled to these rights and benefits under the Plan only if you satisfy the requirements under the law.

Upon release from military duty, you must apply for reemployment by these deadlines:

- **For less than 31 days military service,** apply immediately, taking into account safe transportation plus an 8-hour rest period.
- **For 31-180 days military service,** apply within 14 days.
- **For more than 180 days military service,** apply within 90 days.

If you are hospitalized or convalescing, these reemployment deadlines are extended while you recover (but not longer than 2 years).

The rules above also apply to uniformed service in the commissioned corps of the Public Health Service.

To ensure proper crediting of service under USERRA, you should notify the Administrative Office when you take USERRA leave and notify them again when you apply for reemployment after your leave.

USERRA only applies if you seek reemployment after December 11, 1994. For information on military service provisions before that date, and for details on service under USERRA, please contact the Administrative Office at (206) 282-4500 or (800) 225-7620, or visit **www.soundretirementtrust.com**.

Example of Breaks In Service

Example: Break in Service

Linda's effective date of coverage under the Plan was October 1, 2008, after which she earns 4 years of credited service. Then she has 4 successive Plan Years in which she works less than 435 hours of service, earning a break in service each year. The following year, beginning October 1, 2016, Linda works 800 hours, which adds 1 year of credited service to the 4 she originally earned.

In the Plan Year beginning...	Linda worked...	And earned her...
10/1/08	1,400 hours	1st year of credited service
10/1/09	1,800 hours	2nd year of credited service
10/1/10	1,100 hours	3rd year of credited service
10/1/11	1,200 hours	4th year of credited Service
10/1/12	200 hours	1st break in service
10/1/13	345 hours	2nd break in service
10/1/14	275 hours	3rd break in service
10/1/15	400 hours	4th break in service
10/1/16	800 hours	5th year of credited service

Because Linda earned 5 years of credited service before having 5 consecutive break in service years, she becomes fully vested in her pension benefit. If Linda had 5 consecutive break in service years *before* earning her 5th year of credited service, she would lose the pension benefit she earned during her first 4 years of Covered Employment.

QUESTIONS AND ANSWERS

How are credited service and breaks in service used to determine benefits under the plan?	**Credited future and credited past service** are used to determine your eligibility for pension and death benefits, the amount of those benefits, and your right to receive a benefit (also called vesting). **Breaks in service**, or Plan Years in which you work less than the required number of covered hours, can affect your right to receive a pension benefit and the amount you are eligible to receive.
Are there any breaks that may be excepted when determining continuous years of credited service?	Yes. Your continuous years of service will not be broken by periods of ➲ Military service when you had reemployment rights under federal law, ➲ Qualifying maternity, paternity, and family medical leave, ➲ Service as an employee or official of a union participating in the Plan, or ➲ Employment in a managerial or non-covered position with a contributing employer either immediately before or immediately after covered employment with that employer.
Do breaks in service affect me if I'm already vested?	Once you are fully vested under the Plan, a break in service will not cause you to lose the benefit you have earned. However, you will not earn any additional benefit eligibility or vesting credit for any break in service years. You could lose your ability to receive early retirement benefits under more favorable terms if you incur a break in service which is not "repaired" -- see page 25.

REGULAR PENSION

ELIGIBILITY

You are eligible for a regular pension when 6 months have elapsed since your effective date of coverage and you are either:

➲ Age 65 or older and have 5 or more years of credited service (without a Permanent Break in Service), or

➲ Age 65 or older and have passed your 5th anniversary of participation (without a Permanent Break in Service).

If you are a terminated vested participant (see page 19), you are eligible for a regular pension or a deferred vested pension at age 65. You may be eligible for an earlier commencement if you return to work. See the rules on early retirement pension on page 18 for more information.

YOUR REGULAR PENSION AMOUNT

Your regular pension is a monthly amount equal to the sum of your past service benefit and your future service benefit.

➲ **Your past service benefit** is a monthly amount equal to $5.98 multiplied by your years of credited past service.

➲ **Your future service benefit** is a monthly amount equal to

- 7.1% of the employer contributions credited to you between October 1, 1965 and September 30, 2002,
- 6.34% of the employer contributions credited to you between October 1, 2002 and August 31, 2003, and
- 3.0% of the employer contributions credited to you on or after September 1, 2003.

This amount is then adjusted for the form of payment you select and your age at when your benefit begins.

Example: Regular Pension Benefit		
Terry's effective date of coverage is October 1, 1980. He has 34 years of credited future service and works an average of 1,800 hours per year. He has no credited past service. Terry retires on July 1, 2014, at age 65.		
For the period of...	**Terry's benefit equaled...**	**Resulting in a monthly pension benefit of...**
10/1/80 to 9/30/82	3,600 hours x $0.40 per hour x 7.1%	$102.24
10/1/82 to 9/30/02	36,000 hours x $0.55 per hour x 7.1%	$1,405.80
10/1/02 to 8/31/03	1,650 hours x $0.55 per hour x 6.34%	$57.54
9/1/03 to 6/30/2014	19,500 hours x $0.55 per hour x 3.0%	$321.75
Terry's regular pension at age 65 =		**$1,887.33 per month**
After adding together Terry's pension benefit for each of the periods in which he worked, Terry is entitled to a regular pension benefit of $1,887.33 per month payable as a single life annuity. If Terry selects a different form of payment (for example, if he is married and selects the 50% spouse pension), these monthly amounts will be reduced.		

QUESTIONS AND ANSWERS

How will my regular pension be paid?	If you are not married, your regular pension amount will be paid as a single life annuity. If you are married, your regular pension amount will be paid as a 50% spouse option, unless you and your spouse elect otherwise. All the Sound Plan's payment options are described in "Forms of Payment" beginning on page 38.

EARLY RETIREMENT PENSION

INTRODUCTION

There are several different types of early retirement pension:

- Standard Reduced Pension -- is a partly subsidized benefit with no reduction for retirements at age 63 and above, meaning that while the benefit is reduced based on your age, it is not fully reduced as with the Modified Reduced Pension.
- Modified Reduced Pension-- is not subsidized at all and is fully reduced to take into account the earlier age that you begin to receive benefits before age 65. The early retirement factors used to calculate this pension provide a monthly benefit that is approximately equal in value at each early age. Because there is no subsidy in this benefit, the reductions in the Modified Reduced Pension are larger than for the Standard Reduced.
- 55/30 Partly Reduced Pension—is a "partly" reduced pension because benefits earned before September 1, 2003 are not reduced at all for your age. Your benefit earned on and after September 1, 2003 is reduced based on your age, but it is reduced using the same factors as the Standard Reduced Pension, which do not reduce your benefit as much as they would if they were to fully account for the early retirement.

The type that applies to the benefit you have earned depends on your age, service, participation status and retirement date. In general, an early retirement pension benefit is based on the regular pension benefit you would be eligible to receive at age 65, but reduced because your benefit is expected to be paid for a longer period of time.

WHEN DOES THE 2016 REHABILITATION PLAN APPLY TO ME?

The benefit changes under the 2016 Rehabilitation Plan are described in each section of this SPD. The rules under the prior Rehabilitation Plans are in Appendix E. Most benefit changes under the 2016 Rehabilitation Plan do not apply to retirements occurring before January 1, 2017. The 2016 Rehabilitation Plan applies to you the first day of the month following the earliest of:

- The date the 2016 Rehabilitation Plan is adopted under the collective bargaining agreement between your employer and your union; or
- The effective date of the first agreement that applies to you, if you are not covered by a collective bargaining agreement; or

- The date after your collective bargaining agreement that was in effect on October 1, 2016 expires and no new agreement is adopted within 180 days.

Effective Dates

The rules for early retirement pension changed under the 2016 Rehabilitation Plan. See above for an explanation of when the 2016 Rehabilitation Plan applies to you.

- If you are a terminated vested participant as of September 30, 2016, these rules will apply to retirements on or after October 1, 2016.
- Please contact the Administrative Office for the early retirement details that applied to you if you retired prior to October 1, 2016.

Eligibility for All Early Retirement Pensions

For any early retirement, you must satisfy all of the following eligibility criteria:

- You are at least age 55, but not yet age 65, and
- 6 months have elapsed since your effective date of coverage, and
- You have at least 5 years of credited service, including 1 or more years of Credited Future Service, and
- You are not considered a terminated vested participant when you retire.

Effective October 1, 2016, you are not considered a terminated vested participant at the time of your retirement if you earn 750 or more hours of credit during the Plan Year of your retirement or the Plan Year prior to your retirement. If you did not incur a break in service in the last Plan Year prior to the Plan Year in which you retire and the 2016 Rehabilitation does not yet apply to you when you retire (see Appendix E), then you will also not be considered a terminated vested participant

Each of the Plan's early retirement pension types are described in the following sections.

STANDARD REDUCED PENSION

Eligibility

Once the 2016 Rehabilitation applies to you, you are eligible for a standard reduced early retirement pension on all of your benefits if:

- You satisfy the eligibility conditions that apply to any early retirement (see above), and
- During the most recent 5 Plan Years prior to the Plan Year of your retirement, you have not incurred a break in service and have earned at least 750 hours during Plan Years beginning October 1, 2016.

If the 2016 Rehabilitation Plan does **not yet** apply to you (see Appendix E) — you are eligible for a standard reduced early retirement pension if, during the 2 most recent Plan Years prior to the Plan Year of your retirement, you have not incurred a break in service.

If you are eligible for early retirement but do not satisfy the two criteria to receive a Standard Reduced Pension on all of the benefits you have earned, you will still qualify for a Standard Reduced Pension on all benefits earned after your most recent break in service.

Your Standard Reduced Pension Amount

Your standard reduced pension benefit is equal to the portion of your regular pension benefit you would be eligible to receive at age 65 on which you **have** met the Standard Reduced Pension eligibility requirements, reduced for your age when you begin receiving payments. This amount is then adjusted again based on the form of payment you select.

The applicable portion of your regular pension benefit is reduced by ½ of 1% for each month you are younger than age 63 (but not younger than age 60), and ⅓ of 1% for each month you are younger than age 60.

Example: Standard Reduced Pension Benefit		
Jim's effective date of coverage is October 1, 1993, he has 20 years of credited future service, a regular pension benefit of $750 per month (payable at age 65 as a single life annuity), and he worked an average of 1,800 hours per year. He has no credited past service or breaks in service when he retires on October 1, 2017, at age 58. Because Jim retired at age 58 and was eligible for a standard reduced pension benefit on all the benefits he earned, his monthly payment will be adjusted as follows.		
For ages...	**Jim's early retirement reduction is calculated as...**	**For a standard early retirement reduction of...**
60 to 63	36 months x 1/2 of 1% per month	18%
58 to 60	24 months x 1/3 of 1% per month	8%
Jim's standard early retirement reduction at age 58 =		**26%**

After adding together Jim's reduction percentages based on his age at retirement, then subtracting from 100%, Jim is eligible for a standard early retirement pension equal to 74% (100% − 26%) of his regular pension amount. He will therefore receive $555 per month ($750 x 74%), payable as a single life annuity. If Jim selects a different form of payment (for example, if he is married and selects the 50% spouse pension), this monthly amount will be further reduced.

MODIFIED REDUCED PENSION

Eligibility

You are eligible for a Modified Reduced Pension if you have met the eligibility criteria for early retirement but are not eligible for the other types of early retirement. The portion of your pension that is not eligible for the Standard Reduced Pension is eligible for the Modified Reduced Pension.

Your Modified Reduced Pension Amount

Your modified reduced early retirement pension benefit is equal to the portion of your regular pension benefit you would be eligible to receive at age 65 on which you **have not** met the Standard Reduced Pension eligibility requirements, reduced for your age when you begin receiving payments. Your regular pension benefit is reduced by 2/3 of 1% for each month you are younger than age 65 (but not younger than age 60), and 5/12 of 1% for each month you are younger than age 60. This amount is then adjusted for the form of payment you select.

Example: Modified Reduced Early Retirement Pension Benefit

Jim's effective date of coverage is October 1, 1993, he has 20 years of credited future service, a regular pension benefit of $750 per month (payable at age 65 as a single life annuity), and he worked an average of 1,800 hours per year through the Plan Year ending September 30, 2013. He has no credited past service but has a break in service in the 2013/2014 Plan Year followed by 3 Plan Years in which he worked 1,000 hours and earned an additional $75 per month when he elects to retire on October 1, 2017, at age 58. Jim's employer is subject to the 2016 Rehabilitation Plan when he retires.

Because Jim's employer is subject to the 2016 Rehabilitation Plan (see page 18) and Jim has not completed enough service following his 2013/2014 Plan Year break in service, he is not eligible for a standard reduced pension benefit on benefits earned prior to the break in service but is eligible for a standard reduced pension on the amounts earned after his break in service. The portion of Jim's monthly benefit earned prior to his break in service will be adjusted as follows:

For ages...	Jim's early retirement reduction is calculated as...	For a Modified Reduced early retirement reduction of...
60 to 65	60 months x 2/3 of 1% per month	40%
58 to 60	24 months x 5/12 of 1% per month	10%
Jim's Modified Reduced early retirement reduction at age 58 =		**50%**

The portion of Jim's monthly benefit earned after his return to employment following his break in service will be adjusted as follows:

For ages...	Jim's early retirement reduction is calculated as...	For a Standard Reduced early retirement reduction of...
60 to 63	36 months x 1/2 of 1% per month	18%
58 to 60	24 months x 1/3 of 1% per month	8%
Jim's Standard Reduced early retirement reduction at age 58 =		**26%**

After adding together Jim's reduction percentages based on his age at retirement, then subtracting from 100%, Jim is eligible for a modified reduced early retirement pension equal to 50% (100% − 50%) of his regular pension amount earned prior to his break in service. He will therefore receive $375 per month ($750 x 50%), payable as a single life annuity for that portion. After adding together Jim's reduction percentages based on his age at retirement, then subtracting from 100%, Jim is eligible for a standard reduced early retirement pension equal to 74% (100% − 26%) of his regular pension amount earned following his break in service. He will therefore receive $55.50 per month ($75 x 74%), payable as a single life annuity for this portion. Jim's total early retirement benefit payable as a single life annuity is $430.50 per month ($375.00 + $55.50). If Jim selects a different form of payment (for example, if he is married and selects the 50% spouse pension), this monthly amount will be further reduced.

55/30 PARTLY REDUCED PENSION

Eligibility

Once the 2016 Rehabilitation Plan applies to you (see page 18), the 55/30 partly reduced pension is no longer available for retirements on or after January 1, 2017 except if you:

- Had 30 or more years of service by September 1, 2016;
- Turned 55 between December 1, 2016 and December 31, 2017;
- Retire and begin receiving your pension benefits in 2017 (or on January 1, 2018 if you turn 55 in December 2017); and
- Meet all other conditions for the 55/30 Partly Reduced Pension.

If you meet these requirements for a 55/30 Partly Reduced Pension and wish to elect this benefit, please contact the Trust Office at your earliest opportunity.

If you retire before the 2016 Rehabilitation Plan applies to you (see page 18), you are eligible for a 55/30 partly reduced pension if you meet the following requirements:

- You satisfy the eligibility conditions that apply to any early retirement (see above),
- You became a participant in the Sound Plan before September 1, 2003,
- You have earned 30 or more years of credited service (without a Permanent Break in Service), including 1 or more years of Credited Future Service, and
- During the 2 most recent Plan Years prior to the Plan Year of your retirement, you have not incurred a break in service.

Your 55/30 Partly Reduced Pension Amount

Your 55/30 partly reduced pension benefit equals:

- The regular pension benefit you earned before September 1, 2003, plus
- The regular pension benefit you earned on and after September 1, 2003, reduced by ½ of 1% for each month you are younger than 63 (but not younger than 60), and ⅓ of 1% for each month you are younger than age 60.

Once your 55/30 partly reduced pension benefit is calculated, your total amount is adjusted for the form of payment you select.

Example: 55/30 Partly Reduced Pension Benefit		
Alex's effective date of coverage is October 1, 1982. He has 35 years of credited future service, and works an average of 1,800 hours per year under the Sound Plan. He has no credited past service or breaks in service. Alex retires on October 1, 2017, at age 58, when he is entitled to a regular pension benefit of $1,881.62 per month (payable at age 65 as a single life annuity). Alex's benefit through September 1, 2003 equaled $1,463.34, which will not be reduced. However, because Alex retired at age 58 with a 55/30 partly reduced pension benefit, the pension amount he earned on and after September 1, 2003 will be adjusted as follows.		
For ages…	**Alex's early retirement reduction is calculated as…**	**For a standard early retirement reduction of…**
60 to 63	36 months x 1/2 of 1% per month	18%
58 to 60	24 months x 1/3 of 1% per month	8%
Alex's 55/30 early retirement reduction at age 58 =		**26%**
After adding together Alex's reduction percentages based on his age at retirement, then subtracting from 100%, Alex is eligible for a standard early retirement pension equal to 100% of his benefit earned before September 1, 2003 ($1,463.34), plus $309.53 of his regular pension amount ($418.28 x 74%) earned on or after September 1, 2003. He will therefore receive $1,772.87 per month ($1,463.34 + $309.53), payable as a single life annuity. If Alex selects a different form of payment (for example, if he is married and selects the 50% spouse pension), this monthly amount will be further reduced.		

QUESTIONS AND ANSWERS

How will my early retirement pension be paid?	Regardless of your type of early retirement benefit, your payment options generally will be the same. If you are not married, your early retirement pension will be paid as a single life annuity, unless you elect otherwise. If you are married, your early retirement pension will be paid as a 50% spouse option, unless you and your spouse elect otherwise. The Plan's payment options are described in "Forms of Payment," beginning on page 38.
Will my early retirement benefits be adjusted to reflect changes in the cost of living?	The cost of living adjustment (described beginning in Appendix E on page 89) allows the benefits for certain participants that were earned prior to September 1, 2003 to be adjusted each year to reflect changes in the cost of living. You are only eligible for this adjustment if you retire prior to the date that the 2016 Rehabilitation Plan applies to you (see Appendix E).
If I am not eligible for a Standard, Modified Reduced, or 55/30 Partly Unreduced Pension, can I retire before normal retirement (generally age 65)?	Once the 2016 Rehabilitation Plan applies to you (see page 18 above), you generally must meet one of the age and service requirements for early retirement explained above or you must wait until you are age 65 to begin your benefit. The exception to this rule is explained above.
Once the 2016 Rehabilitation Plan applies to me, can I earn back the rights to a Standard, Modified Reduced or 55/30 Partly Unreduced early retirement pension?	Once the 2016 Rehabilitation Plan applies to you (see page 18), the 55/30 Partly Unreduced early retirement benefit is no longer available unless the above exception applies to you. You can regain your rights to the Standard Reduced Pension on service you earned if you later work at least 5 consecutive Plan Years of 750 or more hours following your most recent break in service year. **If you do, your early retirement benefits are determined using more favorable Standard Reduced Pension factors for your entire benefit.** If, following your return, you work more than 1 but fewer than 5 Plan Years of 750 or more hours, you will regain eligibility for the Modified Reduced Pension on benefits earned prior to the most recent break in service (year in which you worked fewer than 750 covered hours) and a Standard Reduced Pension on benefits earned after that year. **If you do, you will be able to early retire but your pension will be determined using the less favorable Modified Reduced Pension factors on the benefits your earned prior to this break and the more favorable Standard Reduced Pension Factors on the benefits you earned after this break.** You will lose early retirement eligibility again if you later incur a break in service or do not work 750 or more covered hours in a Plan Year starting October 1, 2016 or later that is not subsequently repaired.

DISABILITY PENSION

ELIGIBILITY

You are eligible for a disability pension if:

- You are totally and permanently disabled for at least 6 months,
- You are under age 65,
- You have earned 5 or more years of credited service (without a Permanent Break in Service), including 1 or more years of credited future service,
- You earned at least 1 year of credited service in the 2 Plan Years immediately before the Plan Year in which you became totally and permanently disabled, and
- You are not receiving an early retirement pension (except as discussed below).

The 6-month requirement may be waived if the Trustees conclude earlier that your disability is total and permanent. Before ruling on any disability, the Trustees may require that you be examined by a qualified physician of their choice.

A "total and permanent disability" is a disability resulting from bodily injury, disease, or mental disorder that, on the basis of medical evidence, is found by the Trustees to be permanent and is expected to continue for the reminder of your lifetime, and which renders you incapable of continuing in the employment of a contributing employer or engaging in other substantially gainful employment which you would otherwise have been expected to be capable of performing in light of your training, experience and abilities.

If you are eligible for early retirement and apply for a disability pension on or after July 1, 1993, you may begin receiving a temporary early retirement pension while awaiting a decision on your disability pension application. Disability under this exception must be established within 36 months of the start date for your early retirement pension, and must have commenced within the 2 Plan Years immediately before the Plan Year in which you became totally and permanently disabled (and before the start date of your early retirement pension). If your disability application is approved, your temporary early retirement pension will be converted to a disability pension retroactive to the date you began receiving benefits.

YOUR DISABILITY PENSION AMOUNT

Before the 2016 Rehabilitation Plan applies to you (see page 18), your disability pension amount is determined in the same way as your regular pension, as described on page 16. In this case, even if you become disabled before your normal retirement date, your disability pension will not be reduced based on your age when you begin receiving payments. However, this amount will be reduced if you select a form of payment other than the single life annuity.

Once the 2016 Rehabilitation Plan applies to you, your disability pension amount is your regular pension (as described on page 16) with a reduction for your age if you are younger than age 63. The reduction is 6% per year (1/2% per month) for the first 3 years that you are younger than age 63, 4% per year (1/3% per month) from age 60 to age 47 with a maximum reduction of 70%. This amount will be further reduced if you select a form of payment other than the single life annuity.

Example: Disability Retirement Pension Benefit

Gwen's employer is subject to the 2016 Rehabilitation Plan on February 1, 2017. Gwen's disability onset is effective on October 1, 2017 and she retires at age 52 under disability with a regular pension benefit of $1,750 per month (payable at age 65 as a single life annuity).

Because Gwen's disability onset date is after the 2016 Rehabilitation Plan applies to her, her regular pension benefit will be reduced as follows.

For ages…	Gwen's disability retirement reduction is calculated as…	For a disability retirement reduction of…
60 to 63	36 months x 1/2 of 1% per month	18%
52 to 60	96 months x 1/3 of 1% per month	32%
Gwen's disability retirement reduction at age 58 =		**50% per month**

After adding together Gwen's reduction percentages based on her age at retirement, then subtracting from 100%, she is eligible for a disability retirement pension equal to 50% (100% – 50%) of her regular pension amount. She will therefore receive $875 per month ($1,750 x 50%), payable as a single life annuity. If Gwen selects a different form of payment (for example, if she is married and selects the 50% spouse pension), this monthly amount will be further reduced.

ABOUT YOUR DISABILITY PAYMENTS

Disability pension payments are paid retroactively to the first of the calendar month coinciding with or following the date you become totally and permanently disabled, up to a maximum of 6 months before the month in which your disability pension application is received.

If you begin receiving an early retirement pension after your employment terminates and it is later determined that you qualified for a disability pension when you left, the difference in benefit amounts will be paid retroactive to the effective date of your early retirement pension.

Disability pension payments will stop when your total disability stops, unless you are age 65. The Trustees may require proof from time to time that your disability is continuing.

Returning to Work

You are allowed to return to work for a trial work period without losing eligibility for a disability pension benefit, provided:

- You submit a statement from your doctor that you are still considered totally and permanently disabled and stating the maximum hours of trial work recommended,
- You work less than 500 hours over 12 consecutive months during your trial work period,
- Your disability does not cease during your trial work period,
- You have only 1 trial work period during any 1 period of disability, and
- You do not work for more than 9 months (not necessarily consecutive) during a trial work period.

During a trial work period, the suspension of benefits provisions described in “Reemployment After Retirement,” beginning on page 49, do not apply.

YOUR DISABILITY PENSION PAYMENTS

When selecting a form of payment for your disability pension, there are differences that would not apply if you were selecting the same form for a regular, early, late, or deferred vested pension. These payment differences are detailed below.

Single Life Annuity

If you are eligible for a disability pension and select the single life annuity, as described on page 38, and survive to normal retirement age (age 65), you may change your payment form to the 50% spouse pension or contingent annuitant benefit option, as described beginning on page 38. This election would be effective the first day of the month coinciding with or following your 65th birthday, and will determine the form of benefit paid to your spouse upon your death.

50% Spouse Option

If you are eligible for a disability pension, select the 50% spouse option, you may not change your benefit payment option when you reach normal retirement age.

PROOF OF DISABILITY

You must submit proof to the Trustees of total and permanent disability, including a statement from your physician describing the nature of your disability and how long it is expected to last. The Trustees may also require additional information.

Before making a decision concerning your entitlement to a disability pension, the Trustees may designate a physician to examine you.

QUESTIONS AND ANSWERS

When is someone considered totally and permanently disabled?	Under the Sound Plan you are considered totally and permanently disabled if you are unable to engage in any substantially gainful employment for at least 6 consecutive months because of a bodily injury, disease or mental disorder which, on the basis of medical evidence, the Trustees determine is total, permanent and expected to continue for the remainder of your lifetime.
How will my disability pension be paid?	If you are not married, your disability pension will be paid as a single life annuity, unless you elect otherwise. If you are married, your disability pension will be paid as a 50% spouse option, unless you and your spouse elect otherwise. All the Plan's disability payment options are described above in "Your Disability Pension Payments". Please note that the contingent annuitant benefit option is not available if you are receiving a disability pension. However, if you originally chose a single life annuity, you will have the option to change your payment form to another form when you reach age 65.

LATE RETIREMENT PENSION

ELIGIBILITY

You are eligible for a late retirement pension if you have met the eligibility requirements for a regular pension or a deferred vested pension, but wish to defer the start of your pension until after your regular pension would ordinarily begin. However, whether or not you stop working, a late retirement pension must begin by April 1 following the calendar year you reach age 70½.

YOUR LATE RETIREMENT PENSION AMOUNT

Your late retirement pension amount is determined in the same way as the regular pension amount, as described on page 16, except that it includes benefits earned to your late retirement date (or April 1 following the year you reach age 70½, if sooner). Each year after normal retirement and prior to your benefit commencement date, the additional benefit you earn will be the larger of the benefit calculated under the Plan's formula, or the prior year's benefit times an actuarial increase factor. This amount is then adjusted for the form of payment you select.

QUESTIONS AND ANSWERS

How will my late retirement pension be paid?	If you are not married, your late retirement pension will be paid as a single life annuity, unless you elect otherwise. If you are married, your late retirement pension will be paid as a 50% spouse option, unless you and your spouse elect otherwise. All the Sound Plan's payment options are described in "Forms of Payment," beginning on page 38.
Is my late retirement benefit affected if I'm still working at age 70 ½ and begin receiving payments?	Yes. If you are employed beyond age 70½ and begin receiving minimum distributions from the Sound Plan, you will receive an annual update of your monthly benefit to reflect any additional benefits you earn under the Plan.

DEFERRED VESTED PENSION

ELIGIBILITY

You are eligible for a deferred vested pension if you leave the industry after earning a specified number of years of credited service (including 1 or more years of credited future service). The years of credited service you are required to earn depends on the date you left the industry, as shown in the following table.

If you left the industry…	You are eligible for a deferred vested pension after you…
Before 6/1/73	➲ Attained age 45 and completed 10 or more years of credited service, or ➲ Completed 15 or more years of credited service (regardless of age)
Between 6/1/73 and 9/30/86	Completed 10 or more years of credited service and attained early or normal retirement age
On and after 10/1/86	Completed 5 or more years of credited service and attained early or normal retirement age

Once the 2016 Rehabilitation Plan applies to you (see page 18), if you meet one of the above service requirements but have not worked at least 750 hours in Covered Employment in one of the two consecutive Plan Years before retirement, your deferred vested pension will be payable when you become eligible for a regular pension (described beginning on page 16) or a late retirement pension (described beginning on page 30). See the rules for early retirement (described beginning on page 18) if you have not incurred a break in service.

If you retire before the 2016 Rehabilitation Plan applies to you (see page 18), if you meet one of the above service requirements but have not worked at least 435 hours in Covered Employment in one of the two consecutive Plan Years before retirement, your deferred vested pension will be payable when you become eligible for a regular pension (described beginning on page 16) or a late retirement pension (described beginning on page 30). You may also be eligible for early retirement (described beginning on page 18) if you have not incurred a break in service.

PENSION AMOUNT

Your deferred vested pension benefit is equal to your regular, early, or late retirement pension amount, depending on the type of pension for which you are eligible (see Early Retirement starting on page 18). This amount is then adjusted for the form of payment you select.

QUESTIONS AND ANSWERS

How will my deferred vested pension be paid?	If you are not married, your deferred vested pension will be paid as a single life annuity, unless you elect otherwise. If you are married, your late retirement pension will be paid as a 50% spouse option, unless you and your spouse elect otherwise. All the Sound Plan's payment options are described in "Forms of Payment," beginning on page 38.
Once the 2016 Rehabilitation Plan applies to me, am I eligible for an early retirement pension if I retire after leaving active service?	Generally, no. There are exceptions for the 55/30 Partly Reduced Pension in 2017 and also if you have not yet incurred a break in service during a Plan Year on or after October 1, 2016 and the 2016 Rehabilitation Plan does not yet apply to you (see page 18).

PARTIAL PENSION

If, because of job changes or transfers, you have worked under the jurisdiction of different pension plans, you may not qualify for a pension if you do not have sufficient service under the jurisdiction of any one pension plan. To remedy this, the Sound Trust entered into agreements to recognize service with other pension plans for purposes of vesting for a partial pension. These are called Reciprocity Agreements. See below for a list of these plans.

ELIGIBILITY

You are eligible for a partial pension if you would not otherwise qualify for a pension from the Sound Plan because your years of creditable employment were divided between the jurisdiction of this Plan and a related pension plan. A related pension plan is another plan in the retail industry which the Trustees have agreed to recognize for the purpose of providing partial pensions. See "Related Pension Plans," later in this section, for details.

You are eligible for a partial pension if:

- You would be eligible for a pension if your combined credited service earned under the Sound Plan and related pension plan(s) were treated as credited service under this Plan, and
- You earned 1 or more years of credited service under the Sound Plan as a result of work in Covered Employment.

YOUR PARTIAL PENSION AMOUNT

Your partial pension amount is determined in the same way as the regular, early, late, disability, or deferred vested pension, depending on the type of partial pension for which you are eligible. Only credited service and contributions applicable to the Sound Plan are used to determine your partial pension amount. This amount is then adjusted for the form of payment you select.

Example: Partial Pension
Carol retires on October 1, 2013, at age 65, after earning 4 years of future credited service under the Sound Plan and 3 years of service in a related pension plan. (See "Related Pension Plans," later in this section.) Without the provision for a partial pension, Carol would not be eligible for a pension from either plan since she did not earn enough service under either plan. However, the partial pension provisions permit service under both plans to be combined. In this case, Carol would receive a monthly pension payment based on her credited service and employer contributions earned under the Sound Plan, plus a monthly pension payment based on her service in the other pension plan. (This is provided Carol did not have a permanent break in service between her service periods in the 2 plans.)

RELATED PENSION PLANS

As of July 1, 2017, the following plans are considered related pension plans. If you need to confirm the current status of these reciprocity agreements, contact the Administrative Office at (206) 282-4500 or (800) 225-7620.

Related Pension Plan	Local Unions
Alaska United Food and Commercial Workers Pension Trust	1496 and 1689
Clark County Employers and Retail Clerks Union Local #942 Pension Trust (merged with Oregon Retail Employees Pension Trust)	942
Rocky Mountain United Food & Commercial Workers Unions and Employers' Pension Trust (through 1994, then merged with Desert States January 1, 1995)	7
United Food & Commercial Workers Unions and Employers Midwest Pension Fund	30, 35, 98, 219, 229, 254, 304, 313, 418, 435, 482, 526, 575, 580, 680, 736, 896, 912, 1053, 1130, 1263, 1354, 1453, 1460, 1470, 1504, 1540, 1550, 1595, and 1696
Intermountain Retail Store Employees Pension Trust	4, 8, 33, 102, 189, 560, 683, 684, 991, 1434, 1439, 1573, 1612, and 1614
United Food & Commercial Workers District Union Local 2 and Employers Pension Fund (formerly the Kansas City Area Retail Food Store Employees Pension Fund)	322, 576, and 782
Northern California Retail Clerks Unions and Food Employers Joint Pension Trust Fund	8, 17, 199, 373, 410, 428, 541, 588, 648, 775, 839, 1100, 1179, 1288, 1364, and 1532
Oregon Federation of Butchers Pension Trust (merged with Oregon Retail Employees Pension Trust)	143, 231, 524, 555, 656
Oregon Retail Employees Pension Trust (and Lower Columbia Fish Packing Industry)	25, 143, 148, 201, 555, 992, 1092, 1188, and 1257
Retail Drug Employees Pension Trust (through September 30, 2008), until the merger with this Trust as of October 1, 2008	21, 330, and 1001
Washington Meat Industry Pension Trust (through June 30, 2014), until the merger with this Trust as of July 1, 2014	44, 81, 367, 554, and 1439
Retail Clerks Specialty Stores Pension Trust (formerly Northern California Retail Specialty)	115, 120, 377, 410, 428, 480, 588, 648, 775, 839, 870, 1100, 1119, 1179, 1288, and 1532

Related Pension Plan	Local Unions
Southern California UFCW Unions and Food Employers Pension Trust Fund	135, 324, 770, 905, 1036, 1167, 1428, and 1442
Retail Food Employers & UFCW Local 711 Pension Trust	4 and 711
Intermountain Retail Food Industry Pension Trust	33, 99R, 242, and 368
UFCW Local 1439 and Food Industry Retirement Savings Trust	1439
UFCW International Union-Industry Pension Fund (Chicago)	Contact the Administrative Office at (206) 282-4500 or (800) 225-7620 for this Plan's local unions.
Desert States Pension Plan	99 and 1564

QUESTIONS AND ANSWERS

How is service under a related pension plan measured?	Service under a related pension plan is measured using related hours and related credit: ➲ Related hours are hours of employment for which contributions are required to be made under the related pension plan. Related hours are used to determine related credits, and are counted as hours in Covered Employment to determine whether you had a break in service. They are also used to determine whether a permanent break in service has occurred, until you stop receiving contributions under this Plan or a related pension plan. After that time only Sound Plan service is used to determine whether a permanent break in service has occurred. ➲ Related credit is past credited service or future credited service you earned under a related pension plan. Related credit is counted as credited service in order to determine your vested status, provided you have 1 or more years of credited future service under the Sound Plan.
How will my partial pension be paid?	If you are not married, your partial pension amount will be paid as a single life annuity, unless you elect otherwise. If you are married, your partial pension amount will be paid as a 50% spouse annuity, unless you and your spouse elect otherwise. All the Plan's payment options are described in "Forms of Payment," beginning on page 38.

PENSION EFFECTIVE DATES

Your pension benefit is generally payable beginning the first day of the month in which the Administrative Office receives a completed pension application, provided you are eligible to receive a pension and you have retired. If you are under age 62 when your benefits begin, to be retired you must have a separation from service of at least 30 days (that includes the date your payments begin) from employment in the industry, in the same trade or craft in which you were employed while a participant in the Sound Plan, and in the same geographic area covered by the Sound Plan. If you are age 62 or older when your benefits begin, to be retired you must not work more than 58 hours per month in the industry, in the same trade or craft in which you were employed while a participant in the Sound Plan, and in the same geographic area covered by the Sound Plan. For example, if you want to receive your first pension payment on November 1 at age 62 or later, you must not be working more than 58 hours per month and the application must be received by the Administrative Office on or before November 30. See page 49 for more information on trade or craft.

However, whether or not you retire, your pension must begin by April 1 following the calendar year you reach age 70½ (see page 30).

IF YOU DELAY RECEIVING YOUR REGULAR PENSION BENEFIT

If you are eligible for a regular pension, retire, but delay filing a pension application with the Administrative Office, you may receive retroactive benefits. In other words, you will receive the monthly benefit amount you would have received if you had immediately taken your regular pension benefit at retirement, plus a make-up payment. This make-up payment will include the missed pension payments from the 1st day of the month in which you attained normal retirement age (or in which you worked 58 hours or less in the industry, in the same trade or craft in which you were employed while a participant in the Sound Plan, and in the same geographic area covered by the Sound Plan), whichever is later, plus 5% interest per year. This make-up payment will not include amounts for any month you worked more than 58 hours in the industry.

If you are married, your spouse must consent to the payment of retroactive benefits. This consent must be in writing on the Plan's consent form, witnessed by a notary public, and submitted to the Administrative Office within the 180-day period ending on the date your benefit payments begin.

Instead of retroactive payments, you can elect an immediate commencement date. In this case, you receive an actuarial increase to reflect the delay after your normal retirement age.

Retroactive benefit payments are available only to participants retiring with a regular pension benefit. They do not apply to participants retiring with any other type of pension benefit.

WHEN BENEFITS MUST BEGIN

Federal law requires the Plan to commence payment of pension benefits no later than the April 1 following the calendar year in which you reach age 70½, which is your "required beginning date". You will be required to pay additional taxes (which can be 50% of the amount you should have received) if your pension payments do not begin on your required beginning date.

Because you must apply for a pension before it can begin, you must apply for your pension in a timely manner. If you are age 70, you should contact the Administrative Office for information concerning your required beginning date. If you continue to work in Covered Employment after you reach age 70½ and accrue benefits, your pension benefits will be recalculated each year. If you fail to file an application in a timely manner and elect a benefit form, the Administrative Office will automatically begin payment of your pension in the form of a 50% spouse annuity. That means that even if you are not married, your benefits will start in the form of a 50% spouse annuity. Also, if the Trust does not have your spouse's date of birth on record, it will be assumed that your spouse is the same age as you. You may apply for a different form of payment, but payments already made will be deducted from your benefit.

FORMS OF PAYMENT

When you retire, you will be able to receive your pension benefit in one of several forms of payment. You may not change your selected form after you begin receiving your monthly payments.

The Sound Plan's forms of payment are described in the following sections. If you are single when you retire, you will automatically receive your pension benefit as a single life annuity. If you are married when you retire, you will automatically receive your pension benefit as a 50% spouse annuity, unless you elect otherwise and your spouse consents to that election.

When you apply for retirement benefits, you will be given additional information concerning each of the following payment options. You (and your spouse, if you are married) can make the decision and change it as often as you wish before benefits commence. However, no changes can be made after benefit payments have commenced.

SINGLE LIFE ANNUITY

If you are single, the Sound Plan's normal form of payment is the single life annuity for your lifetime. Under this form of payment, you receive a monthly payment for your lifetime equal to your regular, early, late, or disability retirement pension.

50% SPOUSE ANNUITY

If you are legally married, the Sound Plan's normal form of payment is the 50% spouse annuity. Under this form of payment, you receive a reduced monthly payment for your lifetime. If you die after you retire and before your spouse, he or she will receive 50% of your monthly payment for the remainder of his or her lifetime.

If you are legally married and select a payment option other than the 50% spouse annuity, your spouse must consent to that selection. This spousal consent must be witnessed by a notary public. Written spousal consent is not required if you demonstrate that you are legally separated or are unable to locate your spouse or if spousal consent is not required by law.

Monthly payments under the 50% spouse annuity will be made according to several rules.

- You and your spouse must have been legally married to each other at the time of your benefit commences for the 50% spouse annuity to apply,
- If your spouse dies before you, no further pension benefits will be paid from the Plan following your death,

- Payments to your surviving spouse are for the spouse's lifetime. They do not stop if your surviving spouse remarries. Once your surviving spouse dies, no further pension benefits will be paid from the Plan, and
- Once you begin receiving payments under the 50% spouse annuity, your form of payment cannot be changed – even if you and your spouse later divorce. If your spouse died before you, however, your monthly payments will be increased to the amount that would have received if you had retired and elected a single life annuity.

Reduced Payment Amount

Because the 50% spouse annuity guarantees pension benefits for 2 lifetimes (yours and your spouse's), the amount you receive each month will be reduced to cover the longer payment period. The amount of this reduction depends on the age difference (in years and months) between you and your spouse, as shown in the following example.

If your spouse is...	The factor applied to your pension payment will be...
10 years younger than you	88%
Your same age	92%
5 years older than you	94%

The reductions shown are based on the spouse ages indicated. When you retire, the percentage reduction applied to your benefit will be determined based on the actual age difference between you and your spouse. In general, your adjustments start with a base percentage of 92%, which is adjusted

- 0.4% higher for each year your spouse is older than you, or
- 0.4% lower for each year your spouse is younger than you.

If you retire with a disability pension, different spouse reductions will apply to your monthly payments and modified payments may be made to your spouse depending on your age at death. Contact the Administrative Office at (206) 282-4500 or (800) 225-7620 for details.

CONTINGENT ANNUITANT BENEFIT OPTION FOR MARRIED PARTICIPANTS

If you are married, you and your spouse may elect a contingent annuitant benefit option from the Plan instead of the 50% spouse annuity. The contingent annuitant benefit option works much like the 50% spouse annuity, except that it permits you to provide 75% or 100% (whichever you choose) of your monthly payment to your spouse following your death. This option is not available if you are receiving a disability pension before age 65, although you may change your disability retirement payment to a contingent annuity benefit option once you reach age 65, unless you are already receiving your pension as a 50% spouse annuity.

You must choose this option before your first pension payment is issued. The option can only be revoked if notice is given to the Trustees before your pension starts.

The factor used for your contingent annuitant benefit option depends on the annuity form you select and the age difference between you and your spouse, as shown in the following table.

If you select the following contingent annuity option...	Your base factor will be...	Plus this percentage for each year your spouse is older than you...	Or minus this percentage for each year your spouse is younger than you...
75% annuity	88%	+0.5%	−0.5%
100% annuity	84%	+0.6%	−0.6%

LUMP SUM PAYMENT

If the actuarial value of your pension benefit is $5,000 or less when you apply to receive a benefit, the Board of Trustees will automatically pay this amount in a single lump sum payment. Such payment is full payment of benefits under the Plan.

You may not receive a lump sum payment if the actuarial value of your pension benefit is greater than $5,000.

Example: Forms of Payment		
Joan and her spouse are both 60, and Joan retires from the Sound Plan with a standard reduced early retirement pension equal to $1,500 per month, payable as a single life annuity. Because Joan's age is equal to her spouse's age, the optional form factors are 92% (50% spouse option), 88% (75% contingent annuity option) and 84% (100% contingent annuity option) and the annuity payments under each option would be:		
If Joan and her spouse select the...	**Joan's adjusted monthly payment during her lifetime will be...**	**And after Joan's death her spouse will receive...**
Single life annuity	$1,500.00	$0.00
50% spouse option	$1,380.00	$690.00
75% contingent annuity option	$1,320.00	$990.00
100% contingent annuity option	$1,260.00	$1,260.00
Because the actuarial value of Joan's benefit is greater than $5,000, she would not be eligible to receive a lump sum payment. If she was eligible, however, she would receive the actuarial value of her pension benefit in 1 single sum, and her spouse would not be eligible for any additional payments following her death.		

COST OF LIVING ADJUSTMENT

If you retire before the 2016 Rehabilitation Plan applies to you, monthly benefits earned under the Sound Plan before September 1, 2003 and payable to you, your spouse, or your surviving family members may be adjusted each year to reflect changes in the cost of living. See Appendix E for more detail.

DIRECT ROLLOVERS

Under federal law, you, your surviving spouse, your former spouse who is an alternate payee under a qualified domestic relations order (QDRO), or your beneficiary may be entitled to directly transfer or "roll over" all or part of a lump sum payment directly to your individual retirement account (including a Roth IRA) or annuity, an annuity plan, or other qualified employer (or trust-sponsored) retirement plan, including a 403(b) or 457(b) plan. Unless a direct rollover is made, the Administrative Office must withhold 20% of the payment for federal income taxes. Because the rollover applies only if you are receiving a small lump sum payment (see page 40), most benefits will not be eligible to rollover. You will be notified upon your retirement if the benefit distribution you receive from the Trust will be an eligible rollover distribution.

QUESTIONS AND ANSWERS

Can my pension benefits be assigned to another person?	No, unless legally required. The Plan prohibits the assignment of your pension benefits to a different party, except as required for compliance with an IRS levy, a qualified domestic relations order resulting from divorce proceedings, or child support enforcement. For details, see "Ineligibility, Loss or Suspension of Benefits," beginning on page 55.

DEATH BENEFITS

If you die, the Plan provides benefits to your surviving spouse if you have met certain conditions. Survivor benefits depend on whether your death occurs before or after retirement.

IF YOU DIE BEFORE RETIREMENT

If you have 5 or more years of credited service (with at least 1 or more years of credited future service), your surviving spouse is eligible for pre-retirement death benefits in the event of your death.

If You Are Married

If you are legally married and vested in your pension benefit when you die, your surviving spouse's benefit is figured as if you had retired the day before your death and elected the 50% spouse option.

Payments will begin on the first of the month on or immediately after receipt of your spouse's application, unless you died before you were eligible for early retirement. In that case, your spouse's survivor benefit will be calculated as if you had lived until early retirement and died the next day. Payments to your survivor may not begin until the date you would have been eligible to retire. For example, if you have 15 years of credited service and die at age 45, payment of a 50% spouse benefit may not begin until after the first of the month following the date you would have reached age 55.

If You Are Not Married

If you are not legally married when you die, there is no benefit payable after your death, unless a QDRO provides a pre-retirement death benefit to your former spouse. Your surviving family members will not receive a death benefit.

IF YOU DIE AFTER RETIREMENT

If you die after you retire, the form of payment you elected when you retired will govern the death benefit which is payable after your death.

HOW TO APPLY FOR BENEFITS

APPLICATION FOR A RETIREMENT PENSION

When you retire, you must complete a pension application, available from the local union or from the Administrative Office. You should complete, sign and send your application (along with proof of birth) to the Administrative Office no later than the month you want your pension to start.

When you apply, you will receive a written explanation of the payment options available to you, the amount of monthly benefit payable under each option and an explanation of what happens if you defer receiving your benefit. Based on this information, you and your spouse (if you are legally married) may take at least 30 days to decide on the payment options for which you are eligible. You also may waive the 30-day waiting period (with your spouse's written consent) by returning your completed pension application early — but payment(s) will not be made until at least 8 days after the application is sent to you, and normal processing time still applies. You may change your payment selection at any time during the 180-day period ending on the date your payments are scheduled to begin.

- **If you are legally married and reject the 50% spouse annuity and elect a single life annuity,** you must also submit your spouse's written consent to that election. This consent must be in writing and witnessed by a notary public, and must be submitted to the Administrative Office within the 180-day period ending on the date your payments are scheduled to begin.
- **If you elect the 50% spouse annuity or the contingent annuitant benefit option,** you will need to provide proof of your marriage and of your spouse's birth date.
- **If you are applying for a disability pension,** you will need to submit proof of your total and permanent disability.

The Trustees have the right to recover any benefits paid on the basis of a false or fraudulent application or before a required notification is received.

Before the Administrative Office can make pension payments, it must verify the amount of any credited past service (periods prior to your effective date of coverage) you earned. Because of this calculation, it may take the Administrative Office 120 days or longer to process your application and you should take that into account when deciding when to submit your application for retirement.

Your form of payment cannot change once you begin receiving monthly payments (unless you qualify to receive a disability pension before age 65, as described on page 26).

APPLICATION FOR PRE-RETIREMENT DEATH BENEFITS

If you die before retiring and your surviving spouse is entitled to a death benefit, he or she must file a pension application with the Administrative Office. This application can be obtained from the Administrative Office or the local union office at any time after your death.

Before the Administrative Office can make pre-retirement death payments, it must verify the amount of retirement benefit you had earned, including any credited past service (periods prior to your effective date of coverage). Because of this calculation, it may take the Administrative Office 120 days or longer to process an application.

QUESTIONS AND ANSWERS

If my (or my spouse's) pension application is denied, can that decision be appealed?	Yes. You, your spouse, or your surviving family member can appeal a denied pension benefit to the Appeals Committee. The deadline for your appeal, and other rules concerning filing an appeal with the Appeals Committee, are described beginning on page 46. Generally, only the Trustees have discretionary and final authority to interpret the Sound Plan and decide pension benefit claims.

CLAIM AND APPEAL PROCEDURES

To claim your pension benefit under the Plan, you must complete a pension application (available from your local union or the Administrative Office). Submit this application in accordance with the instructions provided on page 44 of this booklet.

If your claim for benefits is denied, the Board of Trustees has adopted the following procedures to appeal such a denial. The Board of Trustees has the sole power and discretion to interpret, apply, construe, and amend the provisions of the Plan and make factual determinations regarding its construction, interpretation and application, and any decision made by the Board of Trustees in good faith is binding upon employers, employees, a union, participants, beneficiaries, and all other persons who may be involved or affected by the Plan. The Trustees have the discretionary and final authority to decide pension benefit claims, subject only to the appeal rights described in this section.

REVIEW BY APPEALS COMMITTEE

If you (or your spouse) apply for benefits, and that pension application is denied, in whole or in part, you have the right to request the Appeals Committee of the Board of Trustees to conduct a review of the matter. You must send a written request for a review of the benefit denial to the Trust Office no later than 60 days after the date you receive the notice of denial (no later than 180 days for a disability application). The appeal must set forth the specific element of the claim which is being appealed and the reason why you believe the denial is wrong. You may appoint an authorized representative to act on your behalf in writing by providing the Trust Office with the representative's name, address, and telephone number.

The Appeals Committee will review all documents related to your claim, plus any additional information that you (or your spouse) have submitted regarding the benefit. A decision will be issued by the first regular appeals meeting (or the second regular meeting if more time is needed) following the date your appeal was received, unless you (or your spouse) agree to a different schedule. You (or your spouse) will be notified of the Appeals Committee's decision within 5 days of the date a decision is made. If the Appeals Committee upholds the denial, the Trust will send you a written notice which contains the following:

- The specific reasons for the Trustees' decision;
- References to the Plan provisions on which the denial is based;
- A description of any additional material or information necessary for you to perfect your application and an explanation why such material or information is necessary;

- A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your application;
- In the case of an application for disability benefits, a copy of any internal rule, guideline, protocol or other similar criterion relied upon in making the appeal determination or a statement that such rule, guideline, protocol or other criterion was relied upon in making the appeal determination; and
- A description of the procedures for an appeal to the Hearing Committee and for arbitration and the time limits applicable to such procedures, including a statement of your right to bring a civil action under Section 502(a) of ERISA if you exhaust your administrative remedies under the Plan.

APPEAL TO HEARINGS COMMITTEE

If you (or your spouse) are dissatisfied with the decision of the Appeals Committee, you may request a hearing before the Hearings Committee, designated by the Trustees. This request must be made in writing and must be received by the Trust within 30 days following the date you receive notice of the Appeals Committee's decision.

The Hearings Committee will conduct a hearing within 30 days of the receipt of the appeal unless more time is needed, or unless you (or your spouse) agree to a different schedule. If more time is needed, you (or your spouse) will be notified. At the hearing, you (or your spouse) will be entitled to present your position and any evidence. You (or your spouse) may be represented before the Hearings Committee by an attorney or by any other representative of your choosing.

You (or your spouse) will be notified of the Hearings Committee's decision within 5 days of the date a decision is made. The Hearing Committee's decision is the final and binding decision of the Board of Trustees and no further appeal is available under the Plan. If the Hearings Committee upholds the denial, the Trust will send you a written notice which contains the following:

- The specific reasons for the Trustees' decision;
- References to the Plan provisions on which the denial is based;
- A description of any additional material or information necessary for you to perfect your application and an explanation why such material or information is necessary;
- A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your application;

- In the case of an application for disability benefits, a copy of any internal rule, guideline, protocol or other similar criterion relied upon in making the appeal determination or a statement that such rule, guideline, protocol or other criterion was relied upon in making the appeal determination; and
- A description of the procedures for an appeal to arbitration and the time limits applicable to such procedures, including a statement of your right to bring a civil action under Section 502(a) of ERISA.

APPEAL TO ARBITRATION

If you (or your spouse) are dissatisfied with the decision of the Hearings Committee, you have the right to appeal the matter to arbitration in accordance with the labor arbitration rules of the American Arbitration Association unless the decision involves an application for disability benefits, in which case you may file suit in a state or Federal court pursuant to Section 502(a) of ERISA. To appeal to arbitration you must submit a request to the Trust, in writing, within 60 days of receipt of the Hearings Committee's decision. If an appeal to arbitration is requested, the Trustees will submit to the arbitrator a certified copy of the record upon which the Trustees' decision was made.

The questions for the arbitrator shall be whether:

- The Trustees were in error upon an issue of law;
- The Trustees acted arbitrarily or capriciously in the exercise of their discretion; or
- The Trustees' findings of fact were supported by substantial evidence.

In general, the decision of the arbitrator shall be final and binding upon the Trustees, upon the appealing party, and upon all other parties whose interests are affected. In very limited circumstances, however, the arbitrator's decision may be overturned by a court of law.

The expenses of arbitration will be covered equally by the appealing party and by the Trust, unless otherwise ordered by the arbitrator.

QUESTIONS AND ANSWERS

Does arbitration apply to appeals on disability benefits?	No. Regulations of the U.S. Department of Labor prohibit the use of binding arbitration on claims for disability pensions. If the Trustees deny your (or your spouse's) disability pension application, your only recourse will be to file suit in state or Federal court.

REEMPLOYMENT AFTER RETIREMENT

If you retire, start your pension and later return to work, under certain circumstances your monthly benefit payments may be suspended.

If you are under the required beginning date (see page 30), contact the Administrative Office at (206) 282-4500 or (800) 225-7620 immediately if you return to work. Generally, your monthly benefit payments will be suspended during any month you:

- Perform more than 58 hours of work;
- Work in the same geographic area covered by the Plan;
- Work in the same trade or craft in which you were employed at any time while a Plan participant; and
- Your employment is in the type of business activity engaged in by contributing employers.

This type of employment is "suspendible employment." For purposes of this Section, trade or craft means the skill or skills achieved through training or practice which you acquired while working under the Plan, including work as a supervisor, sole proprietor, partner or corporate owner.

If you return to work on or after the required beginning date (see page 30), your monthly benefit payments will not be suspended. In addition, the Plan's suspension rules will not apply to any benefits earned before January 1, 1982.

RESUMING YOUR PENSION BENEFIT

When you again retire or work less than 58 covered hours in a subsequent month (if you are age 62 or older), you must notify the Administrative Office so your monthly benefit payments can resume. If you earned 1 or more years of credited service during your return to Covered Employment, you will receive additional pension benefits. Your monthly benefit payments generally will be in the same form you previously received, and will reflect additional pension benefits earned, if any.

IF YOU RETURN TO WORK FROM A DISABILITY RETIREMENT

If you return to work in any type of employment while receiving a disability benefit from the Sound Plan, and you are under age 65, you will be deemed to have recovered from your disability and your monthly benefit payments will be suspended. If you are a disability pensioner on a trial work period, your pension payments will not be suspended as described in "Disability Pension," beginning on page 26.

NOTIFYING THE PLAN OF WORK AFTER RETIREMENT

It is your responsibility to notify the Administrative Office, in writing, of any work you do after retirement that could result in your benefit being suspended, regardless of the number of hours you work in a month. You can obtain an advance determination from the Administrative Office of whether the particular type of employment will cause your benefit to be suspended. If you disagree with a determination, you have the right to request a review. The request for review will be processed in the same way as an appeal of a pension denial (see page 46).

SUSPENSION OF BENEFITS DURING PROHIBITED EMPLOYMENT

If the Board of Trustees becomes aware that you are working and you have not provided sufficient information for a determination of whether pension payments should be suspended, the Board of Trustees will assume that you are working in suspendible employment and your pension payments will be withheld until such time that you show that the work was not suspendible.

REPAYING BENEFITS PAID DURING PROHIBITED EMPLOYMENT

It is important for you to understand that if you work in suspendible employment and receive pension benefits, you are obligated to repay the pension amount received for any month in which you worked in suspendible employment. The Trust has the right to recover pension payments that were improperly paid, including the right to offset against future benefit payments. This means subsequent monthly pension payments will be reduced until the improper payments are collected by the Trust.

QUESTIONS AND ANSWERS

Am I working in employment that will result in suspension of my benefit?	Please contact the Administrative Office at (206) 282-4500 or (800) 225-7620 if you have questions about whether a certain type of employment might result in suspension of your monthly benefit payments.
If I return to work in the industry after retirement but I'm employed outside the state of Washington, will my pension benefit be suspended?	Not currently. As of July 1, 2017, the geographical area of the Plan is limited to the State of Washington and any included Standard Metropolitan Statistical Area. If that does not change and you are later employed in the industry outside Washington State, your pension benefit would not be suspended. However, if the Plan's geographical area expands in the future, benefits earned after such an expansion could be suspended.

DEFINITIONS

The following are general definitions of terms used in explaining the Sound Plan. The actual Plan document includes these and other definitions in greater detail.

Collective Bargaining Agreement

The written agreement between an employer or an employer-association and a union under which the employer is obligated to make contributions to the Trust.

Participation Agreement or Special Agreement

Written agreement between an employer and the Board of Trustees (including any supplement, amendment, continuation or renewal) which obligates the employer to make contributions to this Trust for the purpose of providing benefits to certain employees.

Continuous Non-Covered Employment

Continuous employment on and after October 1, 1976 with a contributing employer in a job that is not covered employment under this Plan.

A period of non-Covered Employment is considered "continuous" with Covered Employment only if there is no quit, discharge, or other termination of employment between periods of covered and non-Covered Employment.

Covered Employment

Employment in a job for which contributions are made or required to be made to this Plan.

Credited Service

Your hours of work in covered and continuous non-Covered Employment that are recognized by the Sound Plan in determining your pension benefit.

Effective Date of Coverage

Your employer's effective date of coverage is the later of the date your employer is first required to contribute to the Sound Plan or October 1, 1965.

Employee

Any person employed by a contributing employer and for whom the employer is obligated to make contributions to the Trust.

Normal Retirement Age

Age 65, or if later, the first day of the 60th month following the date on which you became a participant, unless you subsequently had a permanent break in service.

One-Year Break in Service

Effective October 1, 2016, you incur a 1-year break in service when you fail to work more than 500 hours in a Plan Year. Before October 1, 2016, you incur a 1-year break in service when you fail to work at least 435 hours in a Plan Year. (Different rules apply to breaks in service that occurred before October 1, 1976.)

Permanent Break in Service

If you are not vested, you incur a permanent break in service if you have 5 or more consecutive 1-year breaks in service. Once you incur a permanent break in service, all your credited service and accrued pension benefits are canceled. (Different rules apply to permanent breaks in service that occurred before October 1, 1986.)

Plan Year

The 12-month period from October 1 of any year through September 30 of the following year. Plan Year is used for determining vesting and benefit accruals.

Spouse

The person to whom you are legally married. For pre-retirement deaths and for retirements on or after September 16, 2013, the term "spouse" includes a person of the same sex if you and that person are considered legally married under the law of the state where the marriage was performed, and, to the extent provided in a Qualified Domestic Relations Order, a person to whom you were formerly married.

Trustees, Board or Board of Trustees

The Board of Trustees who administers this Plan and Trust in accordance with the provisions of the Sound Plan and Trust Agreement.

Union

Any organization which represents employees in collective bargaining with contributing employers.

ADMINISTRATIVE FACTS

Name of Plan	Sound Retirement Plan, formerly known as the Retail Clerks Pension Trust
Plan Number	001
Employer Identification Number	91-6069306
Name of Trust	Sound Retirement Trust, formerly known as the Retail Clerks Pension Trust (see beginning on page 2, for additional details).
Plan Sponsor	The Plan is sponsored and administered by a joint labor- management Board of Trustees. The Board of Trustees may be reached at: Board of Trustees of the Sound Retirement Trust c/o Zenith American Solutions 201 Queen Anne Avenue North, Suite 100 Seattle, Washington 98109-4896 Telephone number: (206) 282-4500 (800) 225-7620 A complete list of the employers and employee organizations sponsoring the Plan may be obtained upon written request to the Trustees or may be examined at the Administrative Office.
Type of Plan	Defined benefit pension plan.
Plan Year	October 1 to September 30.
Plan Contributions	The Plan is funded through employer contributions, determined through collective bargaining agreements between contributing employers and labor organizations and special agreements with the Trust.
Plan Administration	The Plan is administered by the Board of Trustees, who have hired Zenith American Solutions, a contract administrative organization to operate the Plan day to day. The Plan Administrator can be reached at: Board of Trustees of the Sound Retirement Trust c/o Zenith American Solutions 201 Queen Anne Avenue North, Suite 100 Seattle, Washington 98109-4896 www.soundretirementtrust.com Telephone number: (206) 282-4500 (800) 225-7620
Agent for Service of Legal Process	Each member of the Board of Trustees is an agent for purpose of accepting service of legal process on behalf of the Trust. In addition, service of legal process may be made upon the Plan Administrator.

Collective Bargaining Agreements	The Plan is maintained pursuant to many collective bargaining agreements. Copies of these agreements may be obtained upon written request to the Trustees, or by contacting the Administrative Office. A reasonable charge may be imposed to cover the cost of furnishing the agreements. You (or your beneficiaries) may inquire as to the amount of the charges before requesting copies.	
Trustees	**Employer Trustees**	**Union Trustees**
	Scott Klitzke Powers Allied Employers, Inc 811 Kirkland Avenue, Suite 100 Kirkland, WA 98033	Faye Guenther UFCW Local 21 5030 First Ave. South, Suite 200 Seattle, WA 98134
	Frank Jorgensen Safeway, Inc. P.O. Box 85001 Bellevue, WA 98005	Todd Crosby UFCW Local 21 5030 First Ave. South, Suite 200 Seattle, WA 98134
	Sean Hammond Fred Meyer Stores 3800 SE 22nd Ave. Portland, OR 97202	David Blitzstein 17439 Cherokee Lane Olney, MD 20832
	Brent Bohn Albertsons, Inc. 1421 S. Manhattan Ave. Fullerton, CA 92831	Denise Jagielo UFCW Local 367 6403 Lakewood Dr. W. Tacoma, WA 98467-3331
	Yvonne Peters Allied Employers, Inc. 811 Kirkland Avenue, Suite 100 Kirkland, WA 98033	Joe Mizrahi UFCW Local 21 5030 First Ave. South, Suite 200 Seattle, WA 98134
		James To UFCW Local 21 5030 First Ave. South, Suite 200 Seattle, WA 98134

INELIGIBILITY, LOSS OR SUSPENSION OF BENEFITS

In certain circumstances your application (or your beneficiary's application) for Plan benefits may be denied or partially denied, including:

- You do not meet the eligibility and participation requirements, as described on page 7,
- You are not vested when you leave the Plan, as described on page 10,

- You have a break in service or return to work after a break, but do not meet the requirements for reinstatement of service and accrued benefits, as described on page 10,
- You return to work after retirement, as described on page 49,
- The Plan's assets are inadequate to fund benefits following the Plan's termination, on page 57,
- Limitations and/or taxes must be applied to your pension benefits, as described in the Internal Revenue Code,
- Your benefits are subject to a qualified domestic relations order, as described in the following section,
- The Plan becomes insolvent and benefits are replaced with termination insurance, as described on page 57,
- You die before retiring and have no surviving spouse, as described on page 43, or
- Your application for benefits is not timely, as described on page 44.

QUALIFIED DOMESTIC RELATIONS ORDERS

Generally, your Plan benefit may not be assigned and is not subject to garnishment, attachment, or other legal process. Federal law provides an exception with respect to benefits that become payable due to a qualified domestic relations order (QDRO). A QDRO is a judgment, decree, or order that relates to divorce decrees, property settlements, and child support orders in accordance with state domestic relations law.

A QDRO must meet certain requirements set forth in the Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974. A QDRO may require the Plan to pay a portion of your benefits to a former spouse or child (known as an alternate payee). Furthermore, a QDRO may provide that a former spouse be treated as the surviving spouse for purposes of the survivor annuities payable from the Trust. A QDRO may not require the Trust to provide any type or form of benefit or any option not otherwise provided under the Plan. When the Administrative Office receives a judgment, decree, or order (including court approval of a property settlement agreement) that would require the Plan to pay all or a portion of benefits to an alternate payee pursuant to state domestic relations law, the Administrative Office will notify you and the prospective alternate payee of the procedures for determining whether the order is a QDRO. The Plan can only pay benefits to an alternate payee if the Plan Administrator determines that the court order meets all the requirements to be a QDRO.

If the Administrative Office receives a QDRO that may affect your Plan benefit, a hold may be placed on distributions from the Plan for a period of time determined to be reasonable by the Administrative Office. You will be notified if a hold is placed on your benefit. You will also have the opportunity to appeal any decisions to pay some or all of your benefit to someone else based on the terms of the order.

For more information regarding QDROs or for a copy of the Plan's QDRO procedures, please contact the Administrative Office.

TRUST

Employer contributions are received and held by the Board of Trustees of the Sound Retirement Trust for the purpose of payment of benefits and administrative expenses. The Board of Trustees pays benefits directly from the Trust. The Administrative Office handles the daily business of the Trust, including employer contributions, administrative costs, and benefit payments. The investment consultant is Verus Investments.

Termination of the Trust

It is intended that the Sound Trust will continue indefinitely. However, if necessary the Trustees have the authority to terminate (or to partially terminate) the Plan and the Trust in accordance with prevailing law. The Trust may also terminate upon the expiration of all collective bargaining agreements and special agreements requiring the payment of contributions to the Trust.

TERMINATION INSURANCE

Your pension benefits under the Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. The Plan is considered a multiemployer plan, which is a collectively bargained pension arrangement involving 2 or more unrelated employers, usually in a common industry.

Under the multiemployer plan program, the PBGC provides financial assistance through loans to plans that are insolvent. A multiemployer plan is considered insolvent if the plan is unable to pay benefits (at least equal to the PBGC's guaranteed benefit limit) when due.

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by (1) 100% of the first $11 of the monthly benefit accrual rate and (2) 75% of the next $33. The PBGC's maximum guarantee limit is $35.75 per month times a participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be $12,870.

The PBGC guarantee generally covers: (1) normal and early retirement benefits; (2) disability benefits if you become disabled before the plan becomes insolvent; and (3) certain benefits for your survivors.

The PBGC guarantee generally does not cover: (1) benefits greater than the maximum guaranteed amount set by law; (2) benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the earlier of: (i) the date the plan terminates or (ii) the time the plan becomes insolvent; (3) benefits that are not vested because you have not worked long enough; (4) benefits for which you have not met all of the requirements at the time the plan becomes insolvent, and (5) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

For more information about the PBGC and the benefits it guarantees, ask the Plan Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street, N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877- 8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at **www.pbgc.gov**.

STATEMENT OF ERISA RIGHTS

This statement is furnished to you pursuant to Department of Labor Regulations. As a participant in the Sound Retirement Trust you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. ERISA provides that all plan participants will be entitled to:

- Examine, without charge, at the plan administrator's office and at other locations, such as work sites and union halls, all documents governing the Plan, including collective bargaining agreements, and a copy of the latest annual report (Form 5500) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the plan administrator, copies of all plan documents and other plan information, including copies of the latest annual report (Form 5500) and an updated summary plan description. The plan administrator may make a reasonable charge for the copies.
- Receive a summary of the plan's financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain, upon written request to the plan administrator (but not more than once a year), a statement telling you whether you have a right to receive a retirement benefit at normal retirement age (generally, age 65) and if so, what your benefits would be at normal retirement age if you stop

working under the plan now. If you do not have a right to a retirement benefit, the statement will tell you how many more years you have to work to get the right to a retirement benefit. This statement is provided free of charge.

In addition to creating rights for plan participants, ERISA imposes duties on the people who operate the plan. The people responsible for exercising discretion in the administration or operation of the Plan are called fiduciaries. These individuals or entities have an obligation to administer the plan prudently and to act in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a retirement benefit from the Plan or exercising your rights under ERISA.

If your claim for a retirement benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in federal court. In such a case, the court may require the Plan to provide the materials and pay you up to $147 per day (but no greater than $1,472 per request) until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan.

If your claim for benefits is denied or ignored, in whole or in part, you may file suit in a state or federal court. If your claim for benefits is denied, however, you must appeal the decision and follow the claims procedure described in this document before you may file suit. If you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. Further, if you are dissatisfied with the Trustee's determination, you may appeal their decision to arbitration in accordance with the Labor Arbitration Rules of the American Arbitration Association.

If it should happen that plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about the Plan, contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, contact the nearest office of the Employee Benefits Security Administration, Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue NW, Washington, DC 20210. You also may obtain certain publications about your rights and responsibilities under ERISA by calling the publication hotline of the Employee Benefits Security Administration at (866) 444-3272, or through the website at **www.dol.gov/ebsa**.

APPENDIX A: Drug Employees Hired on or After October 1, 2008

The Retail Drug Industry Pension Trust ("Drug Plan") merged into the Sound Retirement Trust (formerly the Retail Clerks Pension Trust) effective October 1, 2008. Employees hired on or after October 1, 2008 by Drug employers or employed in Drug positions with no service earned under the Drug Plan have the same benefits as those participants in Clerks positions under the Sound Trust, except as provided in this Appendix A. (Please contact the Administrative Office for more details.)

REGULAR PENSION

Your Regular Pension Amount

For pension benefits earned on or after October 1, 2008, your regular pension is a monthly amount equal to 3.0% of 5/7 of the July 2004 employer contributions (plus any pensionable contribution increases bargained after that date) credited to you. This amount is then adjusted for the form of payment you select.

QUESTIONS AND ANSWERS

Is my eligibility affected if I transfer from a position as a Drug employee to one as a Clerks employee?	No. In either case you will earn benefits under the provisions of the Sound Plan, if your transfer occurred on or after October 1, 2008. The only difference will be to the regular pension amount you earn and the terms governing reemployment after you transfer, as described in this Appendix A.

APPENDIX B: Drug Plan Participants Prior to October 1, 2008

The Retail Drug Industry Pension Trust (“Drug Plan”) merged into the Sound Retirement Trust (formerly the Retail Clerks Pension Trust) effective October 1, 2008. The Sound Plan terms described in this SPD do not affect the pension benefit you earned under the Drug Plan through September 30, 2008. Except as provided in this Appendix B, the provisions discussed in the rest of this booklet apply to benefits earned under the Sound Plan on and after October 1, 2008. Your September 30, 2008 pension benefit under the Drug Plan, as adjusted using the Drug Plan’s actuarial factors, will always serve as a minimum benefit under the Sound Plan. If you did not earn any years of credited future service on or after October 1, 2008, your benefits will be determined under the terms of the Drug Plan before the merger.

For the rules on benefits under the Sound Plan on and after October 1, 2016, refer to the Sound Plan rules from pages 1 to 60.

ELIGIBILITY AND PARTICIPATION

If you had an accrued benefit in the Drug Plan as of September 30, 2008, you were automatically a participant in the Sound Plan effective October 1, 2008, regardless of whether you work in Covered Employment on or after that date.

SERVICE

Credited Service

Before October 1, 2016, you earned a year of credited service for each Plan Year you completed 500 or more hours of credited service. In addition, you earned partial years of credited service prior to October 1, 2016 if you earned between 90 and 499 hours of service during the Plan Year, as shown in the following table. (For the current Sound Plan rule, see page 8.)

If you earn this many hours of Covered Employment prior to October 1, 2016 ...	You will earn credited service equal to...
0 - 89	0 years
90 – 179	1/12 year
180 – 269	2/12 year
270 – 359	3/12 year
360 – 449	4/12 year
450 – 499	5/12 year
500 or more	1 year

Vesting Service

The vesting service you earned under the Drug Plan prior to October 1, 2008 will also count as vesting service under the Sound Plan. For example, if you have 3 years of vesting service under the Drug Plan as of that date, you are considered to have 3 years of vesting service under the Sound Plan. If you then complete 2 years of vesting service under the Sound Plan, you will be fully vested in both the Drug Plan benefit you earned through September 30, 2008 and the Sound Plan benefit you earned thereafter.

Break in Service

Prior to October 1, 2016, you incurred a 1-year break in service for any Plan Year you completed less than 90 hours of service. See page 10 for the current Sound Plan rule.

REGULAR PENSION

Eligibility

You are eligible for a regular pension when 6 months have elapsed since your effective date of coverage and you are either:

- Age 65 or older and have 5 or more years of credited service (including continuous non-covered service, but without a permanent break in service), or
- Age 65 or older and have passed your 5th anniversary of participation (without a permanent break in service), and are still actively participating in the plan.

Your Regular Pension Amount

For pension benefits earned on or after October 1, 2008, your regular pension is a monthly amount equal to 3.0% of 5/7 of the June 2004 employer contributions credited to you. This formula is unchanged from the one that applied to your pension benefits just before the merger. The monthly amount you earn on and after October 1, 2008 will be added to the monthly benefit you earned under the Drug Plan through September 30, 2008, and the total is your regular pension amount. This total is then adjusted for the form of payment you select, using the adjustment factors in the Sound Plan, but will not be less than the benefit you earned through September 30, 2008 under the Drug Plan using the Drug Plan's adjustment factors.

As under the Drug Plan, once you are eligible for normal retirement, you may begin receiving your regular pension amount even while you are still working.

EARLY RETIREMENT PENSION

This section describes the rules that apply if you retire on an early retirement pension before October 1, 2016. For the current rules on early retirement pension earned under the Sound Plan, refer to the Sound Plan rules from pages 1 to 60.

Early Retirement Before Age 55

Unlike the terms of the Sound Plan, you may elect early retirement before age 55 *if you have 30 or more years of unbroken credited service*. The 30-year eligibility requirement will include credited service you earn under the Sound Plan on or after October 1, 2008, if any. If you retire before age 55 and:

- **Before October 1, 2008,** your early retirement pension will be determined under the terms of the Drug Plan.
- **On or after October 1, 2008,** your initial early retirement pension will be based only on the benefit you earned under the Drug Plan through September 30, 2008 (determined according to the Drug Plan early retirement and payment form adjustment factors). Any benefit you accrued for service under the Sound Plan will be available to you on or after the date you are eligible to retire in the Sound Plan (determined according to any Sound Plan early retirement and Sound Plan payment form adjustment factors; see pages 18 - 42).

Example: Early Retirement Before Age 55
On October 1, 2008, Sam is age 45, has 23 years of unbroken credited service, and a benefit of $1,000 per month under the terms of the Drug Plan. Sam earns an additional 7 years of credited future service under the Sound Plan, retiring on October 1, 2015. During that time, he earns an additional monthly benefit of $72. Because Sam earned an additional 7 years of credited future service, his total years of unbroken credited service between the plans is 30 (23 + 7), allowing him to retire before age 55. Sam's early retirement monthly benefit starting at age 52 will equal $370 per month ($1,000 x 37%, his early retirement reduction factor), subject to further adjustment based on the form of payment he selects. At age 55, Sam is eligible to receive the $72 monthly benefit he earned under the Sound Plan. Upon his election, this additional amount will be adjusted for his age and the form of payment he selects, then added to the $370 he was previously receiving.

Early Retirement On or After Age 55

You are eligible to begin receiving an early retirement pension if you are age 55 or older and have:

- 5 or more years of credited service (including 1 or more years of credited future service earned on or after October 1, 2008) or 10 or more years of credited service (including any continuous non-covered service), and
- You otherwise meet the eligibility requirements for early retirement in the Sound Plan (see pages 18 - 25).

Just like for any Sound Plan participant that earned all of their benefits under the Sound Plan, if you are eligible for early retirement, your early retirement pension for retirement after age 55 will first be determined in two steps: (1) calculation of your regular pension amount in the portion that is eligible for the Standard Reduced Pension and the portion that is eligible for the Modified Reduced Pension; and (2) reducing each portion for your age when you begin receiving payments using the Sound Plan early retirement factors. However, the total of these amounts will not be less than your regular pension amount under the Drug Plan as of September 30, 2008, reduced for your age when you begin receiving payments using the Drug Plan early retirement factors.

Both the Sound Plan and Drug Plan early retirement reduction factors prior to October 1, 2016 are described in the following section.

Early Retirement Reduction Factors

Three sets of early retirement reduction factors may apply to your pension benefit: Two sets applied to your total benefit you earn under the Sound Plan formula, and one set applied to benefits earned through September 30, 2008 under the Drug Plan.

- **Under the Sound Plan factors,** the portion of your regular pension benefit that is paid as a standard reduced pension is reduced by ½ of 1% for each month you are younger than age 63 (but not younger than age 60), and ⅓ of 1% for each month you are younger than age 60; the portion of your regular pension benefit that is paid as a modified reduced pension is reduced by 2/3 of 1% for each month you are younger than age 65 (but not younger than age 60), and 5/12 of 1% for each month you are younger than age 60.
- **Under the Drug Plan factors,** your regular pension benefit is reduced by ¼ of 1% for each month you are younger than age 65 (but not younger than age 60), and ½ of 1% for each month you are younger than age 60.

Note: if you retire after 2010 and you do not have two or more years of future credited service after your most recent break-in-service as a vested participant after September 30, 2010 (September 30, 2009 if you had no contributory hours during the period October 1, 2010 through December 16, 2010), you will not be eligible for the Standard Reduced Pension if you choose to retire early. Instead, at early retirement you would receive the Modified Reduced Pension described on page 21.

Any early retirement pension cannot be less than the pension you would have received under the Drug Plan for benefits earned through September 30, 2008.

Examples: Comparisons of Early Retirement Pension Amount
Example 1: No credited service earned after October 1, 2008
As of September 30, 2008, Bruce is age 55 and has 20 years of credited service under the Drug Plan and a monthly benefit of $1,400, payable at normal retirement as a single life annuity. He is not married. He does not earn any additional credited service on or after October 1, 2008, and instead retires on that date. When he retires, Bruce's benefit as of September 30, 2008 under the Drug Plan is all he will receive. As a result, Bruce will receive $770 per month ($1,400 x 55%, his early retirement reduction factor), payable as a single life annuity. Alternatively, he can receive an adjusted amount if he selects a different form of payment, determined using the reduction factors in the Drug Plan as of September 30, 2008.

Example 2: Additional credited service earned after October 1, 2008
As of September 30, 2008, Joy is age 54 and has 15 years of credited service under the Drug Plan and a monthly benefit of $800, payable at normal retirement as a single life annuity. She is not married. She completes six additional years of credited service under the Sound Plan, earning an additional pension benefit of $120/month, and retires on October 1, 2014. When she retires at age 60, Joy's total benefit under the Sound Plan is determined after applying her Sound Plan early retirement reduction ($920 x 82% = $754.40/month). This is compared to her September 30, 2008 benefit under the Drug Plan, using the Drug Plan's factors $(800 x 85% = $680.00/ month). Because Joy receives the higher of these two calculations, she will receive a pension benefit of $754.40 per month, payable as a single life annuity. This amount would then be adjusted if she selects a different form of payment.

DISABILITY PENSION

If you become disabled on or after October 1, 2008, the provisions of the Sound Plan will apply, as described in "Disability Pension" beginning on page 26. If you became disabled before October 1, 2008, the provisions of the Drug Plan will apply. Contact the Administrative Office at (206) 282-4500 or (800) 225-7620 for details.

LATE RETIREMENT PENSION

Your Late Retirement Pension Amount

If you continue working after your normal retirement date, you will continue to accrue pension benefits while you are working. Each year, the additional benefit you earn will be the larger of the benefit calculated under the Plan's formula, or the prior year's benefit times an actuarial increase factor, as described in "Late Retirement Pension" beginning on page 30.

When you eventually retire, your late retirement pension benefit will be no less than the actuarially increased value of your benefit under the Drug Plan through September 30, 2008, using the Drug Plan's actuarial factors.

FORMS OF PAYMENT

The forms of payment available to you depend on whether you earned credited service in the Sound Plan on or after October 1, 2008.

- **If you do not earn any credited service on or after October 1, 2008,** your benefits will be determined under the terms of the Drug Plan as of September 30, 2008.
- **If you earned credited service on or after October 1, 2008,** your payment choices and adjusted amounts will be determined under the terms of the Sound Plan. In general,

when the same form of payment is offered under the Drug Plan and the Sound Plan, your benefit will be the larger of

- Your total benefit using the Sound Plan factors, or
- Your Drug Plan benefit through September 30, 2008 using the Drug Plan factors.

There is an exception if you retire before age 55, in which case the Sound Plan factors apply only to benefits earned on or after October 1, 2008, and to disability pensions.

For forms that are unique to one plan and not the other (such as the 75% contingent annuity option), the adjustment factors will be applied after your total Sound Plan benefit and your September 30, 2008 Drug Plan benefit are compared based on your age at retirement.

Normal Form of Payment if You Are Single

If you are single and do not earn any credited service on or after October 1, 2008, the plan's normal form of payment is the single life annuity. Under this form of payment, you receive a monthly payment for your lifetime. Once you die, no further payments will be made from the Trust.

If you are single and earn credited service on or after October 1, 2008, the Plan's normal form of payment is the single life annuity (with 60 payments guaranteed on benefits that commence prior to 2011), as described under "Single Life Annuity" beginning on page 38.

Normal Form of Payment if You Are Married

If you are married, the Plan's normal form of payment is the 50% spouse option, as described beginning on page 38.

Your benefit will be adjusted based on your age and the age of your spouse.

➲ **Under the Sound Plan,** the formula for determining this adjustment factor is 92% plus 0.4% for each year the spouse is older than you, or 92% minus 0.4% for each year the spouse is younger than you.

➲ **Under the Drug Plan** (for benefits earned as of September 30, 2008), the formula for determining this adjustment factor is 93% plus 0.3% for each year your spouse is older than you, or 93% minus 0.3% for each year your spouse is younger than you.

These factors may be different if you are applying for a disability pension. Contact the Administrative Office for details.

CONTINGENT ANNUITANT BENEFIT OPTION

If you are married, you and your spouse may elect a contingent annuitant benefit option from the Sound Plan instead of the 50% spouse annuity. The contingent annuitant benefit option works much like the 50% spouse annuity, except that it permits you to provide 75% or 100% (whichever you choose) of your monthly payment to your spouse following your death. If you are receiving a disability pension, you may change your disability retirement payment to a contingent annuity benefit option only once you reach age 65 (unless you are already receiving your benefit as a 50% spouse annuity).

You must choose this option before your first pension payment is issued. The option can only be revoked if notice is given to the Trustees before your pension starts.

See pages 39 - 42 for the factors under the Sound Plan.

Under the Drug Plan, the factor used for your contingent annuitant benefit option depends on the annuity form you select and the age difference between you and your spouse, as shown in the following table.

If you select the following contingent annuity option under the Drug Plan...	Your base adjustment factor will be...	Plus this percentage for each year your spouse is older than you...	Or minus this percentage for each year your spouse is younger than you...
100% annuity	87%	+0.5%	−0.5%

You must choose this option before your first pension payment is issued. The option can only be revoked if notice is given to the Trustees before your pension starts.

Example: Forms of Payment

Jeff and his spouse are both 56, and Jeff retires from the Sound Plan on October 1, 2015 with a standard reduced early retirement pension equal to $924 per month, payable as a single life annuity. Jeff's early retirement pension based on his Drug Plan benefit at September 30, 2008 is $830.

The following table shows each of Jeff's payment options, how much he would receive under the terms of the Sound Plan and Drug Plan, and the amount he can expect to be paid (the larger of the two calculations).

If Jeff and his spouse select the...	His benefit under the terms of the Sound Plan would be...	And his benefit under the terms of the Drug Plan would be...	So Jeff and his spouse would receive while Jeff is alive...
Single life annuity	$924.00	$830.00	$924.00
50% spouse option	$850.08	$771.90	$850.08
75% contingent annuity option	$813.12	n/a	$813.12
100% contingent annuity option	$776.16	$722.10	$776.16

Social Security Adjustment Option

This payment option only applies to your Drug Plan benefit earned through September 30, 2008, and only to payments with an annuity starting date on or before January 31, 2009. Contact the Trust Office for more information.

DEATH BENEFITS

If You are Married

As described under "If You Are Married," beginning on page 38, your surviving spouse will receive a death benefit equal to what he or she would have received had you retired at the later of your age at death or age 55 and selected the 50% spouse annuity. One-half of your September 30, 2008 pension benefit under the Drug Plan (reduced by the Drug Plan's actuarial factors for the 50% spouse annuity) will serve as a minimum death benefit for your surviving spouse.

If You are Not Married

If you die before retirement and after December 16, 2010, no death benefits will be paid.

REEMPLOYMENT AFTER RETIREMENT

If you retire and later return to work, under certain circumstances your monthly payments related to benefits earned under the Drug Plan may be suspended.

If you are under age 65, contact the Administrative Office at (206) 282-4500 or (800) 225-7620 immediately if you return to work. Generally, your monthly benefit payments will be suspended during any month you:

- Perform more than 58 hours of work in the industry,
- Work in Western Washington,
- Work in the same trade or craft you in which you were employed at any time while a Drug Plan participant, and
- Your employment is in an industry in which participants in the Drug Plan were employed prior to the merger.

Benefit payments for service earned prior to January 1, 1988 will not be suspended.

These provisions apply only to benefits you earned under the Drug Plan before October 1, 2008. For benefits earned under the Sound Plan on or after October 1, 2008, you will be subject to the reemployment rules described in "Reemployment After Retirement" beginning on page 49.

The Plan's reemployment provisions do not apply after you reach normal retirement age. If you return to work after your normal retirement age (generally, age 65), your pension benefit payments based on benefits you earned under the Drug Plan will continue. In addition, when you reach normal retirement, you will have the option to draw your benefit while continuing to work regardless of how much you are working. In either case, your benefit will be updated annually for any additional benefits you earn.

QUESTIONS AND ANSWERS

Is my eligibility affected if I transfer from a position as a Drug employee to one as a Clerks employee?	No. In either case you will earn benefits under the provisions of the Sound Plan, provided your transfer occurred on or after October 1, 2008. The only difference will be to the regular pension amount you earn and the terms governing reemployment after you transfer, as described in this Appendix B. If your transfer occurred before October 1, 2008, you are subject to the rules of the Sound Plan or Drug Plan in effect at the time of your transfer. If this applies to you, contact the Administrative Office for details.
How do benefits under the Drug Plan and the Sound Plan compare?	Your benefits under the Sound Plan are very similar to the benefits you earned before October 1, 2008 under the Drug Plan. For example, you continue to earn service and pension benefits at the same rate. However, the early retirement and payment form adjustment factors are slightly different. Some are larger and some are smaller, depending on your age at retirement, the age of your spouse, and the form of payment you select.
As a former participant in the Drug Plan, how is my regular pension determined?	Your regular pension is determined based on the benefit you earn between October 1, 2008 and the date you retire or are no longer covered under the terms of the Sound Plan. At retirement, your total pension benefit will be your Drug Plan benefit earned through September 30, 2008, plus your Sound Plan benefit earned on and after October 1, 2008. Because the benefit formula is the same, the only difference in how your regular pension is determined is the adjustment factors used when you select a form of payment.
If I have 30 years of unbroken credited service and retire before age 55, am I eligible to receive all of my pension benefits right away?	No. If you are eligible and retire before age 55, you can begin receiving your benefit earned under the Drug Plan through September 30, 2008. Once you attain age 55, you can begin receiving pension benefits earned under the Sound Plan on or after October 1, 2008, if any. These benefits will be adjusted by the Early Retirement Pension factors described beginning on page 64.
When is my "minimum benefit" under the Drug Plan determined?	When you retire, your total benefit (including amounts earned before and after October 1, 2008, if any) will be determined using the adjustment factors under the Sound Plan. This amount will be compared with your benefit under the Drug Plan through September 30, 2008, using the adjustment factors of that plan. You will receive the larger of these two calculations.
Will my pension benefit be suspended if I return to work in the industry before age 65, but in an area hat was not covered by the Drug Plan?	Your benefit earned under the Drug Plan will not be suspended if you return to work in a position located outside the Drug Plan's former geographical area (Western Washington). However, amounts you earned under the Sound Plan on or after October 1, 2008, if any, may be suspended if you work more than 58 hours in the industry during any given month.

May I begin receiving my pension benefit at age 65 while continuing to work?	Yes. You may begin receiving pension benefits for the benefit earned under the Drug Plan at age 65, regardless of whether you continue to work.
Are the Drug Plan disability provisions still being applied as a minimum?	No. If you become disabled on or after October 1, 2008, the provisions of the Sound Plan will apply. No comparison to your Drug Plan benefit will be made.
How are my early retirement benefits determined if I retire and do not have recent credited future service?	The same as any participant that had all of their service earned under the Sound Plan. See pages 18- 25 for details. (Contact the Administrative Office at (206) 282-4500 or (800) 225-7620 for more information.)

APPENDIX C: Meat Employees Hired on or After July 1, 2014

The Washington Meat Industry Pension Trust ("Meat Plan") merged into the Sound Plan effective July 1, 2014. Employees first hired on or after July 1, 2014 by former Meat Plan employers or employed in positions formerly covered by the Meat Plan have the same benefits as those participants under the Sound Plan, except as provided in this Appendix C.

For the rules on benefits under the Sound Plan on and after October 1, 2016, refer to the Sound Plan rules from pages 1 to 60.

REGULAR PENSION

Your Regular Pension Amount

For pension benefits earned on or after July 1, 2014 and through the date that there is a collective bargaining agreement or special agreement in effect that has adopted a post-merger Rehabilitation Plan schedule, your regular pension is a monthly amount equal to 1.35% of the employer contributions credited to you. For benefits earned on and after the date this schedule is adopted, your regular pension is a monthly amount equal to 3% of the employer contributions credited to you that are counted for purposes of determining benefit accruals. This amount is then adjusted for the form of payment you select.

QUESTIONS AND ANSWERS

Will I earn a higher benefit after July 1, 2014 once my employer negotiates a new agreement?	Not likely. It is expected that the 3% benefit rate will be applied to a lower amount of contributions to produce the same benefit amount as would have been produced under the 1.35% formula.
Is my eligibility affected if I transfer from a position as a Meat employee to one as a Clerks or Drug employee?	No. In either case you will earn benefits under the provisions of the Sound Plan, provided your transfer occurred on or after July 1, 2014. The only difference will be to the regular pension amount you earn and disability eligibility, as described in this Appendix C. If your transfer occurred before July 1, 2014, you are subject to the rules of the Sound Plan or Meat Plan in effect at the time of your transfer. If this applies to you, contact the Administrative Office for details.

APPENDIX D: Meat Plan Participants Prior to July 1, 2014

The Washington Meat Industry Pension Trust ("Meat Plan") merged into the Sound Plan effective July 1, 2014. In addition, effective as of July 1, 2014, there was a transfer of benefits earned under the Meat Plan by employees of Kroger-related employers to the UFCW Consolidated Pension Plan ("Consolidated Plan"). **If your benefit for service before July 1, 2014 was transferred to the Consolidated Plan, this section does not apply to your benefit for service before July 1, 2014 – see the Consolidated Plan summary plan description for more information.**

The Plan terms described in this booklet do not affect the pension benefit you earned under the Meat Plan through June 30, 2014, even if this benefit was transferred to the Consolidated Plan. Except as provided in this Appendix D, the Sound Plan provisions in this booklet only apply to benefits earned on and after July 1, 2014. Your June 30, 2014 pension benefit under the Meat Plan, as adjusted using the Meat Plan's actuarial factors, will always serve as a minimum benefit under the Sound Plan or Consolidated Plan. **If you did not earn any years of credited future service on or after July 1, 2014, your benefits will be determined only under the terms of the Meat Plan before the merger.**

For the rules on benefits under the Sound Plan on and after October 1, 2016, refer to the Sound Plan rules from pages 1 to 60.

ELIGIBILITY AND PARTICIPATION

If you had an accrued benefit in the Meat Plan as of June 30, 2014 that was not lost due to a permanent break in service, you were automatically a participant in the Sound Plan effective July 1, 2014, regardless of whether you work in Covered Employment on or after that date.

SERVICE

Credited Service

Credited service earned under the Meat Plan prior to July 1, 2014 will be carried forward to the Sound Plan and be applied towards your eligibility for benefits and vesting status in the Sound Plan. Starting October 1, 2014, you earn a year of credited future service for each Plan Year ending prior to October 1, 2016 (October 1 through September 30) you complete 500 or more hours of Covered Employment. You earn a year of credited future service for each Plan Year beginning on or after October 1, 2016 in which you complete 750 or more hours of Covered Employment.

For the period July 1, 2014 through September 30, 2014, you will also earn a year of credited future service if you complete 500 or more hours of Covered Employment during that period **or** 1000 hours during each of the periods July 1, 2014 through June 30, 2015 and October 1, 2014 through September 30, 2015.

If your accrued benefit was transferred to the Consolidated Plan effective July 1, 2014, your credited service as of June 30, 2014 will be recognized by both the Sound Plan and the Consolidated Plan in determining your eligibility and vesting status with respect to benefits payable from either Plan. This means that, if you need five years for a vested benefit and you have three years of vesting service earned under the Meat Plan with Kroger-related employers that was transferred to the Consolidated Plan and you earn two years of vesting service after July 1, 2014 under the Sound Plan, both Plans will recognize five years of vesting service.

Vesting Service

The vesting service you earned under the Meat Plan prior to July 1, 2014 will also count as vesting service under the Sound Plan or the Consolidated Plan (if your June 30, 2014 accrued benefit was transferred to the Consolidated Plan). For example, if you have 3 years of vesting service under the Meat Plan as of June 30, 2014, you are considered to have 3 years of vesting service under the Sound Plan. If you then complete 2 years of service under the Sound Plan, you will be fully vested in both the Meat Plan benefit you earned through June 30, 2014 (even if it was transferred to the Consolidated Plan) and the Sound Plan.

Break in Service

Starting October 1, 2014, you will incur a 1-year break in service for any Plan Year (October 1 through September 30) you complete less than 435 hours of service during the Plan Year. The period July 1, 2014 through September 30, 2014 will be ignored in determining whether you have incurred a permanent break in service in the Sound Plan. Starting October 1, 2016, you will incur a 1-year break in service for any Plan Year (October 1 through September 30) you do not complete more than 500 hours of service during the Plan Year.

REGULAR PENSION

Eligibility

You are eligible for a regular pension when 6 months have elapsed since your effective date of coverage and you are either:

- Age 65 or older and have 5 or more years of credited service (including continuous non-covered service, but without a permanent break in service), or

- Age 65 or older and have passed your 5th anniversary of participation (without a permanent break in service), and are still actively participating in the plan.

Your Regular Pension Amount

For pension benefits earned on or after July 1, 2014 and through the date that there is a collective bargaining agreement or special agreement in effect that has adopted a post-merger Rehabilitation Plan schedule, your regular pension is a monthly amount equal to 1.35% of the employer contributions credited to you. This amount is then added to your Meat Plan accrued benefit (unless your benefit was transferred to the Consolidated Plan as a Kroger related participant) to arrive at your total accrued benefit from the Sound Plan. The total accrued benefit from the Sound Plan is then adjusted for the form of payment you select using the adjustment factors in the Sound Plan, but will not be less than the benefit you earned through June 30, 2014 under the Meat Plan using the Meat Plan's adjustment factors.

EARLY RETIREMENT PENSION

Your early retirement pension will be the sum of what you earned under the Meat Plan for benefits earned prior to July 1, 2014 and what you earned in the Sound Plan on or after July 1, 2014. This section will cover the early retirement benefits earned prior to July 1, 2014. See Appendix E for a description of the early retirement benefits for service before October 1, 2016. See pages 18 - 25 for the current Sound Plan rules.

There are 2 different types of early retirement pensions applicable to your Meat Plan benefits earned as of June 30, 2014. Each is based on your age and service. In general, an early retirement pension benefit is based on the regular pension benefit you would be eligible to receive at age 65, but reduced because your benefit is expected to be paid for a longer period of time. The exception is the Rule of 85 Pension, as described below.

Standard Reduced Meat Plan Pension

You are eligible for a Standard Reduced Meat Plan early retirement pension payable from the Sound Plan if you are not a Kroger related participant whose June 30, 2014 benefit was transferred to the Consolidated Plan and:

- You are at least age 55, but not yet age 65,
- You have 5 or more years of credited service (without a permanent break in service), including 1 or more years of credited future service,
- You are **not** eligible for the Rule of 85 Pension that is described in the next section.

Your Standard Reduced Meat Plan pension benefit is equal to the regular pension benefit you would be eligible to receive at age 65 based on what you earned through June 30, 2014 (excluding any benefits transferred to the Consolidated Plan), actuarially reduced for your age when you begin receiving payments. This amount is then adjusted for the form of payment you select.

The table below shows the reduction factors that will apply at each age. Factors are interpolated for ages (years and completed months) between those shown.

Participant's Retirement Age	Reduction Factor	Benefit per $1,000
65	1.000	$1,000
64	0.893	$ 893
63	0.799	$ 799
62	0.717	$ 717
61	0.645	$ 645
60	0.582	$ 582
59	0.526	$ 526
58	0.476	$ 476
57	0.432	$ 432
56	0.393	$ 393
55	0.358	$ 358
Prior to 55	Not Available	Not Available

Rule of 85

This pension allows eligible participants to retire at any age when the total of age plus service is at least 85. You are eligible for a Rule of 85 payable from the Sound Plan if:

- You are not yet age 65,
- The sum of your age and credited service, including any credited service you earn under the Sound Plan (including related plan credits) on or after July 1, 2014, is 85 or more,
- You were "Active" at the time of the Meat Plan benefit changes that were generally effective on July 1, 2010. For this purpose, Active means you were not retired as of July 1, 2010 and you completed 360 or more Hours of Service between July 1, 2008 and June 30, 2009 (or you were first hired in the last 6 months of this period);
- You retire from active service with the Meat Plan before the merger or, if you retire after June 30, 2014, you retire from active service with the Sound Trust. (Active for this purpose means that you did not have a break in service before you retired); and

- Your benefit earned as of June 30, 2014 benefit was **not** transferred to the Consolidated Plan.

Your Rule of 85 pension benefit equals the greater of:

- The regular Meat Plan pension benefit you earned before July 1, 2010, or
- The regular pension benefit you earned for service prior to July 1, 2014, reduced by the actuarial equivalent factors described in this section.

If you are less than age 55 when you elect to retire and are eligible for the Rule of 85 pension benefit, you will only be able to start the regular Meat Plan pension benefit you earned for service before July 1, 2010. Any amounts you earn because of your service on or after July 1, 2010 (including benefits you earned in the Sound Plan after June 30, 2014) will be available at the date you retire once you reach age 55.

The amount determined above is then adjusted for the form of payment you select.

Notes:

1) If your June 30, 2014 benefit was transferred to the Consolidated Plan, you will still be eligible to retire early on no less favorable terms as determined under the Consolidated Plan.
2) The rules that apply to Early Retirement on page 18 do not apply to the benefits that were earned as of June 30, 2014 under the Washington Meat Plan ("Meat pre-merger benefits"). These rules do apply to the benefits you earned after June 30, 2014 in the Sound Plan. As a result, you may be eligible to start your Meat pre-merger benefits at early retirement but have to wait until Normal Retirement to start any post-merger benefits that you have earned under the Sound Plan.

Examples: Rule of 85 With Wear Away Meat Plan Pension
Example 1: Retirement From Active Employment Before Age 55
As of October 1, 2016, Neal is age 53 and has 30 years of credited service under the Meat Plan and 3 years of credited service that he earned in the Sound Plan after the Meat merger into the Sound Plan. With age plus service equal to 86 (age 53 plus 33 years of combined service), Neal elects to retire at age 53 on October 1, 2016 from active service under the Sound Plan and receive benefits that are available at that age. Later at age 55, Neal elects to receive any additional benefits he has earned. Neal accumulated a benefit (payable at normal retirement) of $2,300 as of June 30, 2010, $2,400 as of June 30, 2014 and $2,470 as of September 30, 2016. When he retires on October 1, 2016, Neal is age 53, so he is only eligible to receive the $2,300 regular Meat Plan benefit that he earned for service through June 30, 2010. At age 55, Neal is not entitled to any additional Meat Plan benefits because his $2,300 benefit as of June 30, 2010 is larger than his Standard Reduced Meat Plan benefit of $859.20 (based on the $2,400 he has accumulated through June 30, 2014 multiplied by the Meat Plan age 55 reduction factor of 0.358). Neal did earn an additional $70 benefit for the 3 years of service he earned during July 1, 2014 through September 30, 2016. At age 55, he could also receive the Sound Plan Standard Reduced early retirement of $43.40 (the $70 he earned multiplied by the Sound Plan early retirement factor for age 55 of 62%) making his total benefit at age 55 $2,324.50 per month ($2,300 he was receiving plus the additional $24.50 he earned in the Sound Plan). Note, if Neal was a Kroger related participant on June 30, 2014, he would be entitled to the same benefits but he would need to apply to the Consolidated Plan to receive his $2,300 benefit for service through June 30, 2014. He would apply to the Sound Plan upon reaching age 55, to receive the $24.50 benefit for service earned after that date.

Example 2: Retirement From Active Employment on or After Age 55

As of July 1, 2010, Karen is an Active participant in the Meat Plan at age 57 and has 20 years of credited service with a monthly accumulated benefit of $1,500 per month. Karen continues full time work and earns a monthly benefit of $80 for her 4 additional years of service earned during July 1, 2010 through June 30, 2014 and $25 for her hours during July 1, 2014 through September 30, 2015. During the period July 1, 2014 through September 30, 2014, Karen works 400 hours; during each of periods July 1, 2014 through June 30, 2015 and October 1, 2014 through September 30, 2015 she works more than 1,000 hours in covered service. Karen asks if she is eligible for the Rule of 85 Wear Away Plan early retirement benefit and if so, what would her benefit be if she retires as of October 1, 2015?

On October 1, 2015, Karen is age 62 and has 25 years of credited service from the Meat and Sound plans (20 years as of June 30, 2010, 4 years during July 1, 2010 through June 30, 2014 and 1 year for having 1,000 or more covered hours during the periods July 1, 2014 through June 30, 2015 and October 1, 2014 through September 30, 2015). Because her age plus service is 87 as of October 1, 2015 and she was Active when benefits were changed effective July 1, 2010, and remained active through her retirement, she is eligible for Rule of 85 benefit under the Meat Plan.

Karen's early retirement pension on October 1, 2015 is the sum of the early retirement benefit she earned under the Meat Plan prior to July 1, 2014 and the amount of the benefit she earned after that date. The early retirement benefit from the Meat Plan is the greater of the regular Meat Plan benefit she earned for service as of June 30, 2010 ($1,500 per month) and the total Meat Plan benefit she earned as of June 30, 2014 of $1,580 per month multiplied by the early retirement reduction factor as a Standard Reduced Meat Plan early retirement pension (0.717) or $1,156.36 per month. The benefit earned on or after July 1, 2014 for service under the Sound Plan is $23.50 per month ($25 earned multiplied by the Sound Plan early retirement reduction factor for a Standard Reduced early retirement pension of 0.94).

On October 1, 2015, Karen will receive a pension benefit of $1,523.50 per month (=$1,500 + $23.50), payable as a single life annuity. This amount would then be adjusted if she selects a different form of payment.

Example: Deferred Eligibility for Post-Merger Benefits
As of July 1, 2010, Don is an Active participant in the Meat Plan at age 51 and has 25 years of credited service with a monthly accumulated benefit of $1,000 per month. During the 4 Plan Years ending June 30, 2014, Don works full time work and earns a monthly benefit of $100 and $25 for his hours during July 1, 2014 through September 30, 2015. During the period July 1, 2014 through September 30, 2014, Don works 400 hours; during each of periods July 1, 2014 through June 30, 2015 and October 1, 2014 through September 30, 2015 he works more than 1,000 hours. However, during the Plan Year October 1, 2015 through September 30, 2016, Don only works 350 hours in covered service and is a terminated vested participant as of September 30, 2016. Don asks what would his benefit be if he retires as of July 1, 2017? On July 1, 2017, Don is age 58 and has 29 years of credited service from the Meat and Sound plans (25 years as of June 30, 2010, 4 years during July 1, 2010 through June 30, 2014 and 1 year for having 1,000 or more covered hours during the periods July 1, 2014 through June 30, 2015 and October 1, 2014 through September 30, 2015). Because Don has a break in service before his retirement as of July 1, 2017 he is not eligible for Rule of 85 benefit under the Meat Plan even though his age and years of service add up to 87. Don's early retirement pension on July 1, 2017 is the sum of the early retirement benefits he earned under the Meat Plan prior to July 1, 2014. Because he has not met the service requirements for early retirement related to the benefits he earned after June 30, 2014, he must wait until Normal Retirement to start these benefits. The early retirement benefit from the Meat Plan is the greater of the regular Meat Plan benefit he earned for service as of June 30, 2010 ($1,000 per month) and the total Meat Plan benefit he earned as of June 30, 2014 of $1,100 per month, both multiplied by the early retirement reduction factor as a Standard Reduced Meat Plan early retirement pension (0.476) or $523.60 per month. The benefit earned on or after July 1, 2014 for service under the Sound Plan is $25.00 per month. Don will have to wait until Normal Retirement to start this benefit. On July 1, 2017, Don can start his pension benefit of $523.60 per month payable as a single life annuity. This amount would then be adjusted if he selects a different form of payment.

DISABILITY PENSION

If you are an active Meat Plan participant as of June 30, 2010 (were not retired as of July 1, 2010 and completed 360 Hours of Service in the July 1, 2008 Plan Year (or you were first hired in the last 6 months of this period) and become eligible for early retirement and are "partially disabled", you may begin receiving a temporary early retirement pension if you declare your partial disability at the time you apply for early retirement. Partial disability means a disability due to bodily injury or disease that prevents you from performing the usual duties of your occupation in the industry. If approved, your temporary early retirement benefit will start on the first day of the month in which the Administrative Office receives your application. If your partial disability progresses to a total and permanent disability within two Plan Years of the date of the last Plan Year you earned a year of credited future service, you may be eligible for "progressive disability retirement". If, within 36 months of the start date for your temporary early retirement pension, you submit proof that your disability has become total and permanent, your temporary early retirement pension will be converted to a disability pension retroactive to the later of the date you began receiving benefits or your date of your total and permanent disability. Contact the Trust Office for more details if this may apply to you.

LATE RETIREMENT PENSION

If you continue working after your normal retirement date, you will continue to accrue pension benefits while you are working. If you reached normal retirement age before July 1, 2014, you will receive the benefit you earned in the Meat Plan for service through June 30, 2014 under the terms of the Meat Plan plus any benefits you earn under the Sound Plan for service on or after July 1, 2014. If you reach normal retirement age on or after July 1, 2014, your late retirement benefits will be determined under the Sound Plan provisions. Under the Sound Plan, each year, the additional benefit you earn will be the larger of the benefit calculated under the plan's formula, or the prior year benefit times an actuarial increase factor, as described in "Late Retirement Pension" beginning on page 30.

For the amount earned under the Meat Plan as of June 30, 2014, you will receive a retroactive payment including interest at 5% per year on all payments owed since you were first eligible to commence payments. For benefits earned on or after July 1, 2014, you can choose between retroactive payments and the benefit earned.

FORMS OF PAYMENT

The forms of payment available to you depend on whether you earned credited service in the Sound Plan on or after July 1, 2014.

- **If you do not earn any credited service on or after July 1, 2014**, your payment choices and adjusted amounts will be determined under the terms of the Meat Plan as of June 30, 2014.
- **If you earned credited service on or after July 1, 2014**, your payment choices and adjusted amounts will be determined under the terms of the Sound Plan. In general, when the same form of payment is offered under the Meat Plan and the Sound Plan, your benefit will be the larger of
  - Your total benefit using the Sound Plan factors, or
  - Your Meat Plan benefit through June 30, 2014 using the Meat Plan factors.

Note, the 50% spouse option and the contingent annuity options (75% and 100%) include a "Pop-Up" feature to increase your benefit to the single life annuity value if your spouse dies before you (see page 38). This feature is not included in your Meat

Plan benefit through June 30, 2014 that uses Meat Plan form adjustment factors. As a result, when your total benefit using Sound Plan factors is lower than your Meat Plan benefit through June 30, 2014 using Meat Plan factors, you will have the option to take the lower benefit in order to preserve the Pop-up feature. There is an exception if you retire before age 55, in which case the Sound Plan factors apply only to benefits earned on or after July 1, 2014 and to disability pensions.

For forms that are unique to one plan and not the other (such as the 100% contingent annuity option), the Sound Plan adjustment factors will apply to the entire benefit.

Normal Form of Payment if You Are Single

If you are single, the Plan's normal form of payment is the single life annuity. Under this form of payment, you receive a monthly payment for your lifetime. If you die before your beneficiary, no further payments will be made from the Plan.

Normal Form of Payment if You Are Married

If you are married, the Plan's normal form of payment is the 50% spouse option, as described beginning on page 38.

- Your benefit will be adjusted based on your age and the age of your spouse. See pages 39-40 for the current factors under the Sound Plan. **Under the Sound Plan prior to October 1, 2016,** the formula for determining this adjustment factor is 92% plus 0.4% for each year the spouse is older than you, or 92% minus 0.4% for each year the spouse is younger than you. Below are Sound Plan adjustment factors that would apply at various age combinations.

Sound Plan 50% Spouse Option Factors			
Participant Age	Spouse Same Age	Spouse 3 Years Younger	Spouse 3 Years Older
65	0.920	0.908	0.932
60	0.920	0.908	0.932
55	0.920	0.908	0.932

- **Under the Meat Plan** (for minimum benefits earned as of June 30, 2014), the adjustment factors are determined using plan assumptions, your age and your spouse's age. Below are Meat Plan adjustment factors that would apply at various age combinations.

Meat Plan 50% Spouse Option Factors			
Participant Age	Spouse Same Age	Spouse 3 Years Younger	Spouse 3 Years Older
65	0.905	0.890	0.919
60	0.919	0.908	0.931
55	0.933	0.924	0.942

These factors may be different if you are applying for a disability pension. Contact the Administrative Office for details.

CONTINGENT ANNUITANT BENEFIT OPTION

If you are married, you and your spouse may elect a contingent annuitant benefit option from the Plan instead of the 50% spouse option. The contingent annuitant benefit option works much like the 50% spouse option, except that it permits you to provide 75% or 100% (whichever you choose) of your monthly payment to your spouse following your death. This option is not available if you are receiving a disability pension, although you may change your disability retirement payment to a contingent annuity benefit option once you reach age 65 (unless you are already receiving your benefit as a 50% spouse option).

You must choose this option before your first pension payment is issued. The option can only be revoked if notice is given to the Trustees before your pension starts.

See pages 39-40 for the current factors under the Sound Plan.

Under the Sound Plan prior to October 1, 2016, the factor used for your contingent annuitant benefit option depends on the annuity form you select and the age difference between you and your spouse, as shown in the following table.

If you select the following contingent annuity option under the Sound Plan...	Your base adjustment factor will be...	Plus this percentage for each year your spouse is older than you...	Or minus this percentage for each year your spouse is younger than you...
75% annuity	88%	+0.5%	−0.5%
100% annuity	84%	+0.6%	−0.6%

Under the Meat Plan (for minimum benefits earned as of June 30, 2014), the adjustment factors are determined using plan assumptions, your age and your spouse's age. Below are Meat Plan adjustment factors that would apply at various age combinations for the 75% annuity form (different factors apply for other age combinations).

Participant Age	Spouse Same Age	Spouse 3 Years Younger	Spouse 3 Years Older
65	0.864	0.844	0.883
60	0.884	0.868	0.899
55	0.903	0.891	0.915

You must choose this option before your first pension payment is issued. The option can only be revoked if notice is given to the Trustees before your pension starts.

Example: Forms of Payment

Juan and his spouse are both age 58, and Juan retires from the Sound Plan on October 1, 2016 with a standard reduced early retirement pension equal to $1,380 per month, payable as a single life annuity. Juan's early retirement pension based on his Meat Plan benefit at June 30, 2014 is $1,326.

The following table shows each of Juan's payment options, how much he would receive under the terms of the Sound Plan and Meat Plan, and the amount he can expect to be paid (the larger of the two calculations).

If Juan and his spouse select the...	His benefit under the terms of the Sound Plan would be...	And his benefit under the terms of the Meat Plan would be...	So Juan and his spouse would receive...	Upon Juan's death, his spouse would receive...
Single life annuity	$1,380.00	$1,326.00	$1,380.00	$0.00
50% spouse option	$1,269.60	$1,226.55	$1,269.60	$634.80
75% contingent annuity option	$1,214.40	$1,182.79	$1,214.40	$910.80
100% contingent annuity option	$1,159.20	$1,140.36	$1,159.20	$1,159.20

DEATH BENEFITS

If You are Married

As described under “If You Are Married,” beginning on page 38, your surviving spouse will receive a death benefit equal to what he or she would have received had you retired at the later of your age at death or age 55 and selected the 50% spouse annuity. One-half of your June 30, 2014 pension benefit under the Meat Plan (determined using the Meat Plan’s actuarial factors for the 50% spouse annuity) will serve as a minimum death benefit for your surviving spouse.

If You are Not Married

If you die, no death benefits will be paid.

REEMPLOYMENT AFTER RETIREMENT

If you retire and later return to work, under certain circumstances your monthly payments will be suspended. Generally, the Sound Plan rules described on page 49 will apply to your service after June 30, 1982, except that the portion of your monthly benefit based your Meat Plan service from July 1, 1982 through June 30, 2014 will not be suspended during the first two months of each Meat Plan Year (July 1 to June 30) no matter how many hours you work in those two months. Your Meat Plan benefits earned as of June 30, 1982 will not be suspended.

QUESTIONS AND ANSWERS

Is my eligibility affected if I transfer from a position as a Meat employee to one as a Clerks or Drug employee?	No. In either case you will earn benefits under the provisions of the Sound Plan, provided your transfer occurred on or after July 1, 2014. The only difference will be to the regular pension amount you earn and your eligibility for disability, as described in this Appendix D. If your transfer occurred before July 1, 2014, you are subject to the rules of the Sound Plan (or Drug Plan if prior to October 1, 2008) in effect at the time of your transfer. If this applies to you, contact the Administrative Office for details.

As a former participant in the Meat Plan, how is my regular pension determined?	Your regular pension earned under the Sound Plan is based on the benefit you earn between July 1, 2014 and the date you retire or are no longer covered under the Sound Plan. At retirement, your total pension benefit payable from the Sound Plan will be your Meat Plan benefit earned through June 30, 2014 (excluding any benefits transferred to the Consolidated Plan as a Kroger related participant), plus your Sound Plan benefit earned on and after July 1, 2014. Because the formula that applies to you is equivalent to the Meat Plan formula prior to the merger, the only difference in how your regular pension is determined is the adjustment factors used when you select a form of payment.
If I satisfy the rule of 85 and retire before age 55, am I eligible to receive my pension benefits right away?	If you are eligible and retire before age 55 under the Meat Plan Rule of 85, you can begin receiving your benefit earned under the Meat Plan through June 30, 2010 right away as long as you have not had a break in service before your retirement date. Once you attain age 55, you can begin receiving pension benefits earned under the Meat Plan on or after July 1, 2010, if any, as well as any benefits earned under the Sound Plan on or after July 1, 2014. These benefits will be adjusted by the Early Retirement Pension factors described beginning on page 77 and beginning on page 18 (respectively).
How do the vesting and service crediting rules differ?	The hours threshold for earning a year of service credit is higher under the Sound Plan than it was under the Meat Plan. Under the Sound Plan you must now work 750 or more hours to earn a credit as opposed to the 360 or more while you were covered under the Meat Plan. There are special rules that apply to the period October 1, 2013 through September 30, 2014 and July 1, 2014 through June 30, 2015. To avoid a break in service year, you need to earn more than 500 hours under the Sound Plan (versus 360 hours under Meat Plan). See page 11 for more details.
If I am a Kroger related participant whose Meat Plan benefit was transferred to the Consolidated Plan, how will my benefits be paid?	Only the benefits you earn in the Sound Plan on or after July 1, 2014 will be paid from the Sound Plan. Your transferred Meat Plan benefit will be paid from the Consolidated Plan. Note, your Meat Plan service will continue to apply toward your eligibility for benefit earned after June 30, 2014 that are payable from this plan. (Contact the Administrative Office at (206) 282-4500 or (800) 225-7620 for more information.)

APPENDIX E: Rehabilitation Plans Prior to October 1, 2016

The Pension Protection Act of 2006 (the "PPA") created new funding rules for multiemployer pension plans. To meet the requirements of this law, the Board of Trustees of the Sound Retirement Trust adopted a "rehabilitation plan" designed to improve the funding of the Trust that is updated each year.

The Rehabilitation Plans do not reduce the level of your accrued benefit as of January 1, 2011 payable on the normal retirement date. The benefits of retirees and beneficiaries with benefit commencement dates prior to January 1, 2011 also are not affected by the Rehabilitation Plans.

Under a Rehabilitation Plan, some benefit changes take effect immediately. Other changes take effect based on when your employer and your Union adopted that Rehabilitation Plan (or when that Rehabilitation Plan applies to you under law).

This Appendix E summarizes the changes under all Rehabilitation Plans prior to October 1, 2016. The body of the SPD describes the current rules under the 2016 Rehabilitation Plan.

1. As of December 16, 2010, the level income option form of payment will no longer be available to participants who start their pension benefit after that date.
2. For deaths on or after December 16, 2010, the only pre-retirement death benefits that will be payable are those required to meet the definition of a pre-retirement surviving spouse benefit to your spouse if you are married on the date of your death.
3. As of January 1, 2011, the five-year certain guarantee that applied if you elected the Normal Form of Benefits is eliminated for credited service earned on or after January 1, 2011.
4. As of the effective date of the 2010 Rehabilitation Plan, the five-year certain guarantee on the normal form of payment will not apply to benefits earned prior to January 1, 2011.
5. Effective February 1, 2011, the following benefits are no longer be available to if you are in terminated vested status as of: December 16, 2010
    - Subsidized early retirement benefits are eliminated;
    - The post-retirement cost-of-living adjustments ("COLAs") that were payable on pre-August 2003 accruals will not be provided;

- There will be no pre-retirement death benefits other than the pre-retirement surviving spouse benefit to your spouse if you are married on the date of your death; and
- The 5-year certain guarantee on the normal form of payment for single participants will not apply.

You are in "terminated vested status" if you:

- Are not in payment status on December 16, 2010;
- Are vested as of September 30, 2010;
- Earned less than 435 covered hours of service during the Plan Year ending September 30, 2010; and
- Had no contributory hours during the period October 1, 2010 through December 16, 2010.

6. If your benefits first commenced prior to 2011, you also are eligible for a standard reduced early retirement pension if you have no break in service after September 30, 2010, **or** you have earned a year of Credited Future Service in two consecutive Plan Years following your most recent break in service as a vested participant after September 30, 2010 (September 30, 2009 if you had no contributory hours during the period of October 1, 2010 through December 16, 2010).
7. If your benefits first commence prior to 2011, you are eligible for an unreduced early retirement pension if:
   - You are at least age 63, but not yet age 65;
   - You have earned 5 or more years of credited service (without a Permanent Break in Service), including 1 or more years of credited future service;
   - 6 months have elapsed since your effective date of coverage; and
   - you have no break in service after September 30, 2010, **or** you have earned a year of credited future service in two consecutive Plan Years following your most recent break in service as a vested participant after September 30, 2010 (September 30, 2009 if you had no contributory hours during the October 1, 2010 through December 16, 2010).

   If you qualify for the unreduced pension benefit, the amount you receive is the same as your regular pension benefit. However, the pension benefit you receive may be reduced based on the form of payment you select.
8. If your benefits first commence on or before September 1, 2013, you are eligible for a 55/30 partly reduced pension if:
   - you were at least age 54 and had 30 or more years of credited service as of December 16, 2010), and

- you have no break in service after September 30, 2010, **<u>or</u>** you have earned a year of Credited Future Service in two consecutive Plan Years following your most recent break-in-service as a vested participant after September 30, 2010 (September 30, 2009 if you had no contributory hours during the October 1, 2010 through December 16, 2010)

9. For retirements on or after the effective date of the 2010 Rehabilitation Plan, the formula for determining the 50% Joint and Survivor Option uses the adjustment factor of 92% plus 0.4% for each year the spouse is older than you, or 92% minus 0.4% for each year the spouse is younger than you.

   For retirements on or after the effective date of the 2010 Rehabilitation Plan, the formula for determining the 75% Joint and Survivor Option uses the adjustment factor of 88% plus 0.5% for each year the spouse is older than you, or 88% minus 0.5% for each year the spouse is younger than you. For retirements on or after the effective date of the 2010 Rehabilitation Plan, the formula for determining the 100% Joint and Survivor Option uses the adjustment factor of 84% plus 0.6% for each year the spouse is older than you, or 84% minus 0.6% for each year the spouse is younger than you.

10. The following benefits will not be provided if you incurred a one-year break in service in a Plan Year that began on or after October 1, 2010 and before September 30, 2012 and you were not in pay status on or before September 1, 2013:

    - Subsidized early retirement benefits are eliminated; and
    - The post-retirement COLAs that were payable on pre-August 2003 benefit accruals will not be provided.

11. If you are covered by a bargaining agreements expiring on or after May 1, 2013 or by an agreement that adopts a Schedule on or after that date, the benefit changes described in #5 and #10 above will apply if you incur a one-year break in service during a Plan Year that begins after September 30, 2012. For this purpose, you are considered to be covered by the bargaining agreement under which you last earned an hour of service in Covered Employment.

12. However, if your subsidized early retirement benefits were eliminated under these rules, you may restore the subsidized early retirement benefits that were eliminated by returning to active employment with a contributing employer and earning at least 500 hours of service in Covered Employment in two consecutive Plan Years. If you again become a terminated vested participant after that employment, you would again lose the subsidy on benefits earned prior to your most recent one-year break in service unless you retire before incurring a one-year break in service.

13. If you were in terminated vested status as of December 16, 2010 under #5 above, and attained at least age 54 and had 30 years of service as of that date and your retirement effective date is September 1, 2013 or earlier, you are eligible for subsidized early retirement benefits regardless of whether you return to Covered Employment.

14. If you retire before the 2016 Rehabilitation Plan applies to you (see page 18), monthly benefits earned under the Sound Plan before September 1, 2003 and payable to you, your spouse, or your surviving family members may be adjusted each year to reflect changes in the cost of living. If there is a change in the Consumer Price Index on July 1 of any year (as compared to July 1 of the previous year), your monthly benefit will be changed – upward or downward – beginning with the October 1 pension payment. However, regardless of the changes in the Consumer Price Index, your monthly benefit can never be less than the amount of your first monthly payment. Contact the Trust Office for more information on this adjustment.

    The maximum adjustment to your monthly payment (whether an increase or decrease) is 2%. If the change in the Consumer Price Index is more than 2% in 1 year, the excess will be added to the adjustment for the next year to bring it up to 2%, if necessary. No adjustment will be made to additional amounts payable if prior to October 16, 2010 you selected the level income payment option or, if your benefits commenced after December 16, 2010, you were vested when you incurred a break in service during a Plan Year ending after September 30, 2010 (September 30, 2009 if you had no contributory hours during October 1, 2010 through December 16, 2010).

    Note: unlike with eligibility for certain early retirement benefits, once you lose your right to the cost-of-living increases, you cannot earn them back.

15. **CHANGES UNDER DEFAULT SCHEDULE** The following benefit changes apply to you if you are covered by a collective bargaining agreement that adopts the Default Schedule under the 2010 Rehabilitation Plan (or a later Rehabilitation Plan) or if no schedule is adopted (a) within 180 days following the expiration of your collective bargaining agreement that was in effect the time the Trust entered critical status or (b) the date of the notice sent to the Bargaining Parties regarding the adoption of that Rehabilitation Plan, whichever is later. On and after the date on which the Default Schedule to you:

    - You will accrue benefits in an amount that produces a monthly benefit (payable as a single life annuity commencing at your normal retirement date) equal to the lesser of (i) your current accrual rate under the Plan or (ii) 1% times the total contribution made on your behalf during the Plan Year (excluding any the Default Schedule contribution increases);

- All early retirement subsidies for benefits earned after such date are eliminated; and
- No disability benefits for disabilities incurred after such date will be payable.

16. **WASHINGTON MEAT PRE-MERGER BENEFIT CHANGES** Prior to the merger, the Meat Plan also was subject to a different Rehabilitation Plan. Those benefit reductions continue to apply with respect to your benefits under the Meat Plan through the date of the merger, June 30, 2014.

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