



**Annuity Fund**  
**of the**  
**International Union of**  
**Operating Engineers,**  
**Local Union 94-94A-94B, AFL-CIO**

**331-337 West 44<sup>th</sup> Street**  
**New York, NY 10036**  
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**Summary Plan Description**

**July 1, 2014**

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**Record-keeper**

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**To: All Fund Participants and Beneficiaries**

**From: Trustees of the Annuity Fund of the  
IUOE, Local Union 94-94A-94B, AFL-CIO**

We are pleased to present you with this Summary Plan Description (“SPD”) for the Annuity Fund of the International Union of Operating Engineers, Local Union 94-94A-94B, AFL-CIO (the “Plan”), as amended and restated effective July 1, 2014. Accordingly, this SPD describes the provisions of the Plan in effect as of July 1, 2014. If you were in “covered employment”(as discussed in the section entitled “Who Is Eligible” herein) and separated from service any time and/or received a full distribution of your account prior to July 1, 2014, the benefits described in this SPD may not apply to you.

The Plan covers eligible employees of the International Union of Operating Engineers, Local Union 94-94A-94B, AFL-CIO (the “Union”); the Plan; the Training Fund of the IUOE, Local Union 94-94A-94B, AFL-CIO; the Health & Benefit Trust Fund of the IUOE, Local Union 94-94A-94B, AFL-CIO; and of the various employers who are required to contribute to the Plan pursuant to the terms of a collective bargaining agreement with the Union.

The primary purpose of this description is to provide you with a simple, non-technical explanation of the most important features of the Plan. We urge you and your family to read this SPD, so that you will understand the Plan as it applies to you. To this end, this booklet contains a summary in English of your Plan rights and benefits under the Plan. If you have difficulty understanding any part of this booklet, contact the Fund Office by writing to the Annuity Fund of the International Union of Operating Engineers, Local Union 94-94A-94B, AFL-CIO, 331-337 West 44th Street New York, NY 10036. You may also call the Fund Office at (212) 459-8948, or visit the Plan’s website at [www.ibenefitcenter.com](http://www.ibenefitcenter.com). for assistance. The office hours are from 8 a.m. to 4 p.m. Monday through Friday. In addition, please be sure that the Plan has your correct, current mailing address and if you have not designated a beneficiary, please do so now.

Because no explanation such as this can adequately give you all the details of the Plan, this SPD does not change or otherwise interpret the terms of the official Plan document, the Trust Agreement establishing the Plan, or applicable collective bargaining agreements. If there is any conflict between the terms of the official Plan documents and this summary, the official Plan documents shall control. Terms not defined herein shall have the meaning assigned to them in the official Plan document. Any information or opinion concerning your rights under the Plan, to be official, must be communicated to you, in writing, and signed on behalf of the full Board of Trustees.

If you have any questions, or if you lose your copy of this SPD, please feel free to call the Fund Office.

With our very best wishes,

The Board of Trustees

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## **The Plan in General**

The International Union of Operating Engineers, Local Union 94-94A-94B, AFL-CIO (the “Union”) and the Contributing Employers (as defined below) established the Plan in 1982 to provide a source of income for your retirement, or in the case of your total and permanent disability.

Under the Plan, an Individual Account is established for each participant. These Individual Accounts are funded by contributions from your Contributing Employer.

Under the terms of the Plan, upon your retirement, “separation from service” or total and permanent disability, you can elect to receive your Individual Account balance in a series of periodic payments or in a lump sum. In the event of your death, either before or after your retirement, your beneficiary may be entitled to benefits from the Plan.

You may also apply to receive a loan against your Individual Account balance for qualifying expenditures (of \$1,000 or over) related to the purchase or structural improvement of a principal residence, medical expenses that are not reimbursed by medical insurance, education (tuition) expenses, the legal adoption of a child or funeral expenses incurred because of the death of your Spouse or a dependent child.

This summary plan description (“SPD”) provides an overview of the benefits available from the Plan. It also discusses when you are eligible to receive benefits and how they will be paid. Capitalized words that are not specifically defined herein shall have the meaning assigned to them in the plan document for the Plan in accordance with the references set forth in or as plainly required by the context of the applicable sections or subsections herein.

As a reminder, Mercer performs most of the recordkeeping and administrative services for the Plan.

### **Important Note: The Plan and the Union Are Separate Entities**

All benefits described in this SPD are provided by the Plan (not the Union, which is a separate entity). Accordingly, if you have a question regarding your benefits under the Plan, please do not contact the Union. Instead, all questions concerning the Plan should be directed to the Fund Office. Please note that the Plan makes no profits of any kind and all assets are used for the sole and exclusive benefit of Plan participants. The Plan is governed by a Joint Board of Trustees that is made up of an equal number of Union and Employer Trustees who have equal voting power. Therefore, neither the Union nor the contributing employers may unilaterally determine the policies of the Plan. The Trustees receive no compensation for their service to the Plan.

## **How the Plan Works**

### **Who Is Eligible**

You are eligible to participate under the Plan if you work for (i) an employer who contributes to the Plan on your behalf according to the terms of a collective bargaining agreement between the

employer and the Union, or (ii) the Union, the Plan, the Health & Benefit Trust Fund of the IUOE Local Union 94-94A-94B, AFL-CIO or the Training Fund of the IUOE Local Union 94-94A-94B, AFL-CIO and your employer contributes to the Plan on your behalf pursuant to a participation or other agreement between your employer and the Trustees. Any such employer is referred to in this SPD as a “Contributing Employer.” You will become a Plan participant on your first day of work for a Contributing Employer for which a contribution is required to the Plan (i.e., “covered employment”).

The following individuals are not eligible to participate in the Plan:

- 1) individuals classified as an independent contractor by a Contributing Employer;
- 2) individuals being paid by or through an employee leasing company or other third party agency; or
- 3) any other person classified by a Contributing Employer as a leased employee;

during the period the individual is so paid or classified even if such individual is later retroactively reclassified as a common-law employee of a Contributing Employer during all or any part of such period pursuant to applicable law or otherwise.

### **Employer Contributions to the Plan**

The Contributing Employers pay the full cost of the Plan. The amount your Contributing Employer contributes to the Plan is set by the terms of the collective bargaining agreement, or other applicable agreement, which requires your Contributing Employer to contribute to the Plan. You are not required (nor are you allowed) to make contributions to the Plan.

You are, however, allowed to transfer into the Plan any portion of an eligible rollover paid to you from another employer’s qualified retirement plan. An eligible rollover may include a distribution that you received as a surviving Spouse of a participant in another qualified retirement plan or as an alternate payee under a qualified domestic relations order (as defined under Section 414(p) of the Code) under another qualified retirement plan. The Trustees must approve any such transfers in their sole and absolute discretion. (The Plan does not accept the rollover of any after-tax contributions made to the other retirement plan.)

The Plan provides for contributions, service credit, and other benefits to persons returning to employment after a period of qualified military service to the extent required by the Uniformed Services Employment and Reemployment Rights Act of 1994 (“USERRA”). In the case of a Participant who dies on or after January 1, 2007 while performing qualified military service (as such term is defined in Section 414(u) of the Code), in accordance with the applicable mandatory requirements under the Heroes Earnings Assistance and Relief Tax Act of 2008, the beneficiaries of such Participant shall be entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) that would have been provided under the Plan to such beneficiaries had the Participant resumed work in covered employment, and then terminated covered employment on account. If you are re-employed by a Contributing Employer following a period of uniformed military service, please contact your Contributing Employer and/or Mercer for further information with regard to your eligibility for USERRA benefits under the Plan. A

Veterans directory and additional information on this matter is available at [www.dol.gov/vets](http://www.dol.gov/vets).

### **Establishment of Individual Accounts**

Once you become a Plan participant, an Individual Account will be set up in your name to which all contributions required to be made on your behalf under the Plan, as well as any eligible rollover you are permitted to transfer to the Plan, will be credited.

### **Investment of Individual Accounts**

As a reminder, prior to January 2008, the Trustees invested all amounts held under the Plan pursuant to the Trust Agreement establishing the Plan. In this regard, you were not entitled to direct the investment of your Individual Account prior to January 2008. Effective January 2, 2008, the Trustees added a feature to the Plan to allow you to direct the investment of your Individual Account (hereinafter this feature will be referred to as the “Participant-directed Investment Feature”). The Participant-directed Investment Feature permits Participants, such as yourself, to invest their Individual Account and future Employer Contributions from among a variety of investment options offered under the Plan in accordance with their respective personal investment goals, time horizons and risk tolerances. These investment options are generally mutual funds and insurance company separate accounts, which are professionally managed by Putnam and other investment advisors.

If you had an Individual Account in the Plan on January 2, 2008, then 50% of your account balance was transferred to the appropriate ready-mixed (already diversified) Putnam Retirement Advantage Portfolio based on your then-current age and the assumption that you will retire at age 62. The other 50% of your account balance remained in the portion of the Trust Fund invested by the Trustees (“Trustee-directed Investment Fund”). Although these two investment options are sometimes referred to as “default investment options,” the appropriate Putnam Retirement Advantage Portfolio is intended to qualify as a “qualified default investment arrangement” in accordance with the applicable federal regulations. In addition, on a forward going basis, your future Employer Contributions will be invested in these default investment options at the aforementioned allocation percentages (i.e., 50% will be invested in the Trustee-directed Investment Fund and 50% will be invested in the appropriate Putnam Retirement Advantage Portfolio) until you elect to invest them in a different manner.

If you became a Participant in the Plan after January 2, 2008 and failed to make an election as to how to your Individual Account is to be invested, then your Individual Account and all your Employer Contributions will be 100% invested in the appropriate Putnam Retirement Advantage Portfolio (based upon your then current age and the assumption that you will retire at age 62), until you elect to invest them in a different manner.

Generally speaking, the Putnam Retirement Advantage Portfolio investment options are modeled investment portfolios that are designed to provide varying degrees of long-term appreciation and capital preservation through a mix of equity and fixed income exposures based on your age and target retirement date assumption of age 62. These portfolios change their asset allocations and associated risk levels over time with the objective of becoming more conservative (i.e., decreasing risk of losses) with increasing age.



If your date of birth is not on file, then the portion of your Individual Account and future Employer Contributions that otherwise would have been invested in the appropriate Putnam Retirement Advantage Portfolio based upon your age and the assumption that you will retire at age 62, instead, will be invested into the Putnam Advantage Maturity Portfolio, which is the most conservative Putnam Retirement Advantage Portfolio option.

### **Right To Alternative Investment Options**

Even if some or all of your Individual Account and future ongoing contributions are invested in the default investment options, you have the continuing right to direct the investment of your Individual Account and ongoing future contributions in one or more of the investment options made available to you under the Plan.

The current investment options including the Putnam Retirement Advantage Portfolio(s) are available on the fee disclosure forms as well as the annual fee disclosure notice (commonly known as the “Plan, Fee and Expense Statement”). The current investment options (as well as the fee statement) are available at [www.ibenefitcenter.com](http://www.ibenefitcenter.com) under the “Quick Links” tab located in the upper right hand side of the summary plan overview page. Once you click on the “Quick Links” tab, scroll down and click on the “View Plan Fees and Expenses” tab to access the information about the investment options offered under the Plan or for a copy of the fee statement. You can also request this information by calling Mercer at 1-877-UNION-44.

The Trustees rely on financial advisors to decide which investment options to offer under the Plan. Pursuant to the Trustees discretion, investment options are subject to change from time to time. For example, a new investment option can be offered, or an existing investment option may be discontinued or replaced by the Trustees.

Each of the investment options is valued every day on which the New York Stock Exchange is open for business.

### **Personalized Investment Advice**

The Plan offers personalized investment advice through:

- **Retire Rite:** One-on-one investment guidance available by phone, provided by J.W. Thompson Investments (“JWTI”). JWTI is a registered investment advisor with considerable experience working with retirement plan participants just like you. This service is designed to help you and your beneficiaries make the most of the benefits available through the Plan. This is available at no direct cost to you.

Benefit from three levels of personalized, one-on-one investment advice from JWTI over the phone by calling (888) 453-1869, Monday through Friday, 9:00 a.m. – 5:00 p.m. Eastern Time, any business day, or e-mail: [jay@jwti.com](mailto:jay@jwti.com), or [john@jwti.com](mailto:john@jwti.com).

- *Level I: Analysis of Your Current Savings Strategy*

Hear answers to questions about general retirement plan information—that is, non-specific investment and non-individualized retirement planning/savings questions—from you or your beneficiaries.

- *Level II: Personalized One-On-One Advice*

Get one-on-one investment advice that takes into consideration only your assets in your Individual Account under the Plan. Once you request and receive this level of investment advice, JWTI will update your information no less than annually and will provide follow-up investment consulting advice on an ongoing basis.

- *Level III: Comprehensive Retirement Savings Plan*

Receive one-on-one investment advice that takes into consideration your Plan assets as well as assets you hold outside the Plan. This level of service can also include your spouse's assets. However, JWTI cannot offer investment advice for your assets held outside the Plan or your spouse's assets. Once you request and receive this level of investment advice, JWTI will update your information no less than annually and will provide follow-up on an ongoing basis.

To access Retire Rite, you may speak with a JWTI representative by calling (888) 453-1869, Monday through Friday, 9:00 a.m. – 5:00 p.m. Eastern Time, any business day, or emailing: [jay@jwti.com](mailto:jay@jwti.com), or [john@jwti.com](mailto:john@jwti.com).

***Please remember that you are responsible for investment decisions relating to the investment of the assets in your Individual Account under the Plan. In addition, the Plan's Trustees, fiduciaries and representatives are not liable for any losses that are the direct and necessary result of any personalized investment advice that you receive from JWTI through its respective program.***

## **Changing the Way You Invest**

As indicated above, there are a number of investment options available through the Plan. You choose the investment options for your Individual Account and future ongoing contributions. You may change your investments from one investment option to another at any time during the calendar year, subject to Mercer's excessive trading policies (as well as any short-term, excess, and/or market timing trading policies set by the respective mutual fund options). Mercer's excessive trading policy does not impose a fee but does restrict trading. In general, Mercer's excessive trading policy restricts the trading activities of short-term investors to prevent two (2) round-trip investments in the same investment option within a 90 day period. In addition, please note that each investment option has its own short term and or market timing fees, which generally are assessed to participants that exchange in and out of a specific investment option that is subject to a trading restriction. Please refer to the each investment option's respective investment prospectus for more information about the applicable short term and/or market trading fees before investing in that investment option. Notwithstanding the above, you can reallocate and change your investment options whenever you like, but you must do it in multiples of 1% or specific dollar or share amounts. Your investment elections apply to your entire Individual Account balance and/or future ongoing contributions depending upon your investment instruction; that is, you may elect an investment mix that will apply to your Individual Account balance (at the time of such election) and may also elect a different (or the same) investment mix that will apply to your future ongoing contributions.

You can reallocate your investments for either or both your current account balance and your future contributions whenever you like through Mercer at 1-877-UNION-44, or by logging on to [www.ibenefitcenter.com](http://www.ibenefitcenter.com). Your change generally will take effect on the same day if you complete your call by 4 p.m. on a business day (a day that the New York Stock Exchange opens for business). Otherwise, your change will be effective the next business day. Whatever investment selections you elect will remain in effect until you subsequently change them. Accordingly, it is up to you to monitor the investment options in your Individual Account and to make investment elections that meet your own financial goals.

### **Participant Investment Responsibility**

ERISA imposes certain duties on the parties who are responsible for the operation of the Plan. These parties, called fiduciaries, have a duty to invest Plan assets in a prudent manner. However, an exception exists for plans that comply with Section 404(c) of ERISA in order to permit Participants to exercise control over the assets in their plan account and choose from a broad range of investment options. This Plan is intended to constitute a plan under Section 404(c) of ERISA and Title 29 of the Code of Federal Regulations Section 2550.404c-1. Consequently, you are responsible for investment decisions relating to the investment of the assets in your Individual Account under the Plan. In addition, the Plan's Board of Trustees, fiduciaries and representatives are not liable or responsible for any losses that are the direct and necessary result of the investment instructions given by you or your representative. The Board of Trustees urges you to read the literature describing each investment option prior to making any investment decision.

Remember, you will share in any losses as well in any gains experienced by the investment option(s) you select.

If you want any additional information about any of the investment options, you may request the following information by calling Mercer at 1-877-UNION-44 or logging on to [www.ibenefitcenter.com](http://www.ibenefitcenter.com). Such information that is available on request includes:

- A description of the annual operating expenses of each investment option (e.g., investment management fees, administrative fees, transaction costs) which reduce the rate of return to you, and the aggregate amount of such expenses expressed as a percentage of average net assets of the designated investment alternative;
- Copies of prospectuses, financial statements and reports, plus any other relevant materials which relate to the available investment options offered under the Plan to the extent that such information is provided to the Plan;
- A list of the assets comprising the portfolio of each investment option that constitute plan assets within the meaning of 29 CFR 2510.3-101, the value of each such asset (or the proportion of the investment option which it comprises), and with respect to each such asset which is a fixed rate investment contract issued by a bank, savings and loan association or insurance company, the name of the issuer of the contract, the term of the contract and the rate of return on the contract;

- Information concerning the value of shares or units of the investment options available to you under the Plan, as well as the past investment performance of such investment options, determined net of expenses, on a reasonable and consistent basis; and
- Information concerning the value of shares or units in the investment options held in your Individual Account.

Although Mercer can give you information about the investment options, it cannot give you investment advice. Since you are responsible for your investment choices, please read the above-referenced literature and materials on each investment option before making any investment decisions. Remember, you will share in any losses as well as any gains of the investment options that you choose.

You will also receive quarterly benefit statements reflecting the value of your Individual Account, and containing the following information:

- Individual Account value as of the end of the preceding calendar quarter.
- Contributions received on your behalf during the calendar quarter.
- Distributions made during the calendar quarter.
- Amounts deducted from your Individual Account during the calendar quarter for Plan operating expenses that are comprised of a fixed quarterly fee (which is subject to change depending upon the Plan's actual costs) and for any management fees related to your elected investment options. In general, management fees are based upon each investment option's "expense ratio," which is a percentage of the assets in such option that shareholders pay toward that investment option's operating expenses and management fees. Expense ratios are deducted from an investment option's current income and are disclosed in each investment option's annual report, prospectus, or offering statement. You can receive a list of the expense ratios for the Plan's current investment options by logging onto [www.ibenefitcenter.com](http://www.ibenefitcenter.com).
- Balance of any outstanding loan(s) from the Plan.

You should review the benefit statement as soon as you receive it. If there are any discrepancies between this statement and your records of employment with contributing employers (such as pay stubs), you should bring such discrepancies to the attention of the Fund Office immediately and be prepared to present your employment records. All other discrepancies regarding your benefit statement should be brought to the attention of Mercer. We also recommend that you keep a record of your quarterly benefit statements.

### **Accessing Your Account**

The Plan offers you two convenient ways to manage your account:

**1. By Logging onto the Plan's website: [www.ibenefitcenter.com](http://www.ibenefitcenter.com)**

The Plan's website provides you with interactive planning tools to help you make your investment decisions. To enroll online,

#### New Users

- You will need to register your account to gain access to the website. To do this, click on

- “Get Started” and follow the prompts.
- As part of the account setup process, you will be asked to create a user name and password. You will also be asked to give the answers to several security questions, which will allow you to retrieve your login information if you forget it in the future.
  - Once you’ve created your account, click on “Enroll now” and follow the instructions.

### Returning Users

- Returning Users will need to enter user name and password to log into their account.
- There is an option on the Plan’s website to click if needed to use the “Forgot User Name and Password” link to obtain this information.
- Note: for previously registered participants the same user name and password can still be used to access the account.

## **2. By Calling the Plan’s Toll Free Number: 1-877-UNION-44**

For personal assistance, call the Plan’s toll-free number between 8 a.m. and 10 p.m. EST, Monday through Friday, and press “0” to speak with a Service Representative.

- You will need to enter your Social Security number and your personal identification number (PIN). Your initial PIN will be the last four digits of your Social Security number. You will then be prompted to select a new PIN.

## **Safeguarding Your User Name, Password & PIN**

Here are some pointers to help you protect your User Name, Password, and PIN.

- Do not share your User Name, Password, and PIN with anyone.
- Memorize your User Name, Password, and PIN.
- If you must write it down, don’t label the number as your User Name, Password, and PIN for the Plan.
- Do not use your User Name, Password, and PIN when someone else can see you keying it in.
- Change your User Name, Password, and PIN from time to time.
- Change your User Name, Password, and PIN immediately if you suspect it has been exposed to others or that an unauthorized person has tried to access your account.

In addition, please note that your User Name must be at least 8 characters and must contain at least 1 letter(s) and 1 number(s). In addition, Passwords must be between 8 and 20 characters and must contain at least 1 letter(s) and 1 number(s).

## Monitoring Your Account

As indicated above, the Plan offers two automated systems (a telephone voice response system and a website) 24 hours a day, 365 days a year that allow you to:

### Get Information

- check your account balance
- see investment option results
- obtain stock and market index quotes
- learn investment basics
- get tips on how to save for retirement
- read articles from financial publications

### Make Transactions

- move money from one investment from one investment option to another
- change the way your future contributions are invested

Here's how you can contact Mercer:

- By phone via a toll-free voice response system. Call 1-877-UNION-44 and follow the automated instructions, which will assist you in obtaining the above-referenced information or making (if permitted) transactions for your account.
- Online at [www.ibenefitcenter.com](http://www.ibenefitcenter.com).

You will need your PIN to access the automated systems. When you enter your PIN, it's equivalent to a written election and signature.

## A Word of Caution

Please remember that any investment carries a degree of risk. The annual rate of return on your investment will depend on the investment options in which you invest. How the investment options have performed in the past does not guarantee that those performance results will continue in the future. Accordingly, you should evaluate the investment options available under the Plan in the same manner that you would evaluate any investment to determine whether you are comfortable with the investment risk and potential rewards.

## Vesting

You are always fully vested in the entire amount of your Individual Account. This means that you have a nonforfeitable right to the contributions and investment earnings allocated to your Individual Account. As a result, when you become eligible to receive benefits from the Plan, you will be entitled to receive all of the amounts which have been properly credited to your Individual Account.

## **Receiving Benefits From the Plan**

### **When You Will Receive Your Individual Account Balance**

You will be entitled to a distribution of your Individual Account balance when you:

- Terminate your employment with all Contributing Employers (as explained below);
- Become totally and permanently disabled; or
- Retire at or after age 55 (the Plan's "Normal Retirement Age").

The form in which your Individual Account balance is paid under each of these circumstances is described below.

### **Retirement or Total and Permanent Disability**

If you retire at or after age 55 or become totally and permanently disabled, the value of your Individual Account will be payable to you as soon as administratively possible after you submit a completed application for your benefit (including any required documentation). In order to obtain a distribution on account of retirement at or after age 55 or disability, you must present documentary evidence satisfactory to the Fund Office of your retirement or disability. In the case of retirement, such evidence may include, for example, your written representation (in a form satisfactory to the Trustees) that you no longer have an employment relationship with a Contributing Employer and a representation by your most recent Contributing Employer confirming your termination of employment with the Contributing Employer.

Total and permanent disability is the permanent inability of a participant to work as a stationary engineer or in such other position held prior to the onset of the disability, as determined by the Trustees, in their sole and absolute discretion, based upon medical evidence.

If your Individual Account balance is \$1,000 or less (including any rollover contributions you made to the Plan and any earnings thereon) or you have reached your "required distribution date," your Individual Account balance will automatically be distributed to you without requiring an application from you or consent from your Spouse. Your "required distribution date" for all purposes of the Plan is the April 1st following the later of the calendar year in which you reach age 70 ½ or you retire. However, if you remain in covered employment after reaching your "required distribution date," you may elect to commence distribution of your Individual Account balance in the Plan even if you have not yet retired.

### **Termination of Employment**

If you "separate from service" from all Contributing Employers for any reason other than your retirement at or after age 55 or total or permanent disability, the value of your Individual Account will be payable to you as soon as administratively possible after you submit a completed application for your benefit. If your Account balance is \$1,000 or less (including any rollover contributions you made to the Plan and any earnings thereon), or you have reached your "required distribution date", the distribution of your Individual Account balance to you will

automatically commence without requiring an application from you or consent from your Spouse.

For purposes of the Plan, you will be considered to have “separated from service” only if you no longer have an employment relationship with any Contributing Employer for 12 consecutive months.

### **Forms of Payment**

If your Individual Account balance does not exceed \$1,000 (including any rollover contributions you made to the Plan and any earnings thereon) and is payable for any reason under the terms of the Plan, your entire Individual Account will be distributed to you in a single lump sum payment. If, however, at the time your Individual Account is to be distributed to you (or if the payment is on account of your death or the death of your spouse or beneficiary, as the case may be) the value of your Individual Account balance does not exceed \$5,000 (including any rollover contributions you made to the Plan and any earnings thereon), your entire Individual Account shall be paid in a lump-sum payment, and no other form of benefit payment shall be permitted under the Plan. If your Individual Account balance exceeds \$5,000 (including any rollover contributions you made to the Plan and any earnings thereon), unless you elect an optional form of benefit distribution, as described below, the value of your Individual Account will be used to purchase from an insurance company (selected by the Trustees) a nonforfeitable and nontransferable “qualified annuity.” The amount of the monthly benefit that will be payable to you under a qualified annuity will depend on many factors, including the amount in your Individual Account, certain interest rate and other assumptions used by the insurance company, and your (and, if applicable, your Spouse’s) age. A qualified annuity means:

- (i) if you are married, a monthly payment for your lifetime and upon your death, a monthly payment during your Spouse’s lifetime equal to 50% of your monthly payment.
- (ii) if you are not married, a monthly payment for your lifetime.

You may elect in writing not to receive your benefits in the form of a qualified annuity and to elect an optional form of benefit, as described below. You must make this election during the 180-day period before your benefits are due to be paid. Between 30 to 180 days before your benefits are scheduled to begin, Mercer will provide you with a detailed written explanation of the terms and conditions of the qualified annuity, the right to waive that form of benefit (and the effect of doing so), the right to revoke the waiver, and the rights of your Spouse under the law. However, you may waive the minimum 30-day waiting period, in which case you are permitted to revoke your election not to receive your benefits in the form of a qualified annuity at least until the date your benefits commence, or, if later, at any time within 7 days after the explanation of the qualified annuity is provided to you. A distribution kit may be requested by calling Mercer and is also available online by logging onto [www.ibenefitcenter.com](http://www.ibenefitcenter.com).

If you are married, an election to waive the qualified annuity benefit form shall not be effective without the written consent of your Spouse, unless such election is to receive a QOSA as described below in which case spousal consent is not required. Your Spouse is a person of the same or opposite gender) to whom a Participant is legally married (as determined in accordance



with the state and federal laws of the jurisdiction in which he resides) on the earlier of the Participant's annuity start date or his or her date of death ("Spouse"). Such election shall also designate a beneficiary and/or a benefit form which may not be changed without the consent of your Spouse (unless your Spouse's consent expressly permits you to designate a new beneficiary and/or benefit form without any further consent by your Spouse). Your Spouse's consent must be in writing and witnessed by a notary public. You may revoke your waiver of the qualified annuity at any time prior to benefit commencement without the consent of your Spouse.

Any election (or revocation of an election) that you make, or any consent to waive a qualified annuity by your Spouse, shall be made on a form deemed acceptable by the Plan Administrator and shall not be deemed effective until delivered to the Fund Office. As indicated above, spousal consent also will not be required if you elect the QOSA described below. In certain circumstances, Spousal consent will not be required if it is established to the satisfaction of the Trustees that such consent cannot be obtained because (i) your Spouse cannot be located; or (ii) of such other circumstances as may be prescribed by IRS Regulations. This exception, however, does not apply unless you agree in writing that if ordered by a court you will pay any court-assigned portion to your Spouse, and any legal fees and expenses, and you will not hold the Plan (or the Trustees) responsible for making any payment based on your representation of your marital status or your Spouse's whereabouts.

Optional forms of benefit payments are:

- (i) A single lump sum payment of your entire Individual Account balance;
- (ii) Monthly, quarterly, semi-annual or annual installments over a period of 10, 15 or 20 years; or
- (iii) An annual payment equal to the interest and/or investment income earned during the prior year, with the principal being paid as a lump sum (the "income only benefit form"), subject to the required minimum distribution rules.
- (iv) A 75% qualified optional joint and survivor annuity ("QOSA") (purchased from an insurance company selected by the Trustees with your Individual Account), which provides you with monthly payments for your lifetime and upon your death, a monthly payment during your Spouse's lifetime equal to 75% of the monthly payment you received prior to your death. The QOSA is available for only married participants and shall be the actuarially equivalent of the qualified annuity and, therefore, is intended to qualify as a "Qualified Optional Survivor Annuity" as such term is defined under Section 417(g) of the Code.

Under the installment or income only benefit form of distribution, you (or your beneficiary) may elect at any time to receive the remaining balance in your Individual Account in a lump sum payment.

## **Survivor Benefits**

If you die while receiving your Plan benefit in the form of annual, semi-annual, quarterly or monthly installments over 10, 15 or 20 year period, your Spouse or beneficiary may choose to receive the remaining balance of your Individual Account in the form of ongoing installment payments or a single lump sum (which may be rolled over into an individual retirement account (“IRA”) or another employer plan). Beneficiaries other than surviving Spouses may rollover the remaining balance of a Participant’s account to an IRA only.

If you die while receiving payments of interest only under the income only benefit form, your Spouse or beneficiary will receive the remaining balance of your Individual Account in the form of a single lump sum (which may be rolled over into an IRA or another employer plan). Beneficiaries other than surviving Spouses may rollover the remaining balance of a Participant’s account to an IRA only.

If you received a single lump sum payment or an annuity payable for only your lifetime, there will be no benefits payable to your Spouse or beneficiary.

If you die while receiving payments under the 50% qualified joint and survivor annuity, or the 75% qualified optional joint and survivor annuity, your surviving Spouse (determined as of the date your benefits began), if any, will receive 50% or 75% of the monthly benefit you were receiving, as the case may be, for the remainder of his or her lifetime.

If you die before commencement of your benefits under the Plan, your Individual Account will be paid to your designated beneficiary (see section below) in a single lump sum payment as soon as practicable after the date the Fund Office receives notification of your death.

If you die before commencement of your benefits under the Plan and your beneficiary for your Individual Account is your Spouse, unless he or she otherwise elects (as described below), the entire amount of your Individual Account will be used to purchase from an insurance company (selected by the Trustees) an immediate, nonforfeitable and nontransferable single life annuity for your Spouse, with payments to commence as soon as practicable after the end of the Plan Year in which the Fund Office receives notification of the occurrence of your death. Instead of the immediate annuity described in the previous sentence, your Spouse may elect a deferred annuity, monthly, quarterly, semi-annual or annual installments over a period of 10, 15 or 20 years, or a lump sum payment (which may be rolled over); provided that the payment to your Spouse cannot commence later than what would have been your required distribution date had you lived. If your Spouse elects to delay distribution and dies prior to benefit commencement, the portion of your Individual Account to which your Spouse was entitled will be paid in a lump-sum to your Spouse’s estate (your Spouse or other beneficiary cannot name his or her own beneficiary).

Notwithstanding the foregoing, if your Individual Account balance is \$1,000 or less, your Spouse will receive such amount as a single lump sum payment as soon as administratively practicable following the date the Fund Office receives notification of your death. In addition, if, at the time your Individual Account is to be distributed to your spouse or beneficiary (as the case may be) the value of your Individual Account balance does not exceed \$5,000 (including any rollover contributions you made to the Plan and any earnings thereon), your entire Individual Account

shall be paid in a lump-sum payment, and no other form of benefit payment shall be permitted under the Plan.

### **Naming a Beneficiary**

When you enroll in the Plan, you must complete a beneficiary designation form on line or by completing a printed form and delivering it to Mercer. Your election is not deemed effective unless it is properly completed and delivered to Mercer. In the absence of any such designation or if no designated beneficiary is living at the time a benefit becomes payable, your beneficiary will be your surviving lawful Spouse, or if you have no Spouse, your estate.

Notwithstanding the above, if you were a married participant and previously provided a completed beneficiary form to the Fund Office in order to designate a non-spouse beneficiary prior to the effective date (January 2, 2008) that Mercer (or its predecessor) began providing administrative services to the Plan, you are required to complete another beneficiary designation form, which must be executed before a notary of the public and, thereafter, delivered to Mercer. If you fail to complete and file a second beneficiary designation form with Mercer, your beneficiary designation that is on file with the Fund Office will continue to be in effect until you complete and file a new beneficiary form. If you failed to file a completed beneficiary form with the Fund Office prior to January 2, 2008 and do not complete a new beneficiary designation form and file it with Mercer after such date, your beneficiary will be your surviving lawful Spouse, or if you have no Spouse, your estate.

If you die before the commencement of your benefit under the Plan, unless you designate another individual with your Spouse's consent, your Spouse will automatically be your beneficiary for 100% of the value of your Individual Account. If you wish to designate another beneficiary for any portion of your Individual Account, your Spouse must consent, in writing, to waive any right to full payment of this death benefit. This is accomplished by you and your Spouse submitting a fully completed (in the appropriate sections) beneficiary designation form provided by Mercer. You can make this election at any time. However, if you do so prior to the first day of the Plan Year in which you reach age 35 (or, if earlier, the date you separate service from all Contributing Employers) it will automatically become invalid on that date. You must then elect, again, with your Spouse's consent, to waive his/her right to the death benefit.

You can revoke, in writing, an election to waive the spousal benefit made in accordance with the preceding paragraph. However, any subsequent election to waive it will again require your Spouse's consent.

Spousal consent must be in writing, witnessed by a notary public, and acknowledge the specific non-Spouse beneficiary (unless your Spouse's previous consent expressly permits you to designate a new beneficiary without any further consent by your Spouse). As indicated above, in certain circumstances, Spousal consent will not be required if it is established to the satisfaction of the Trustees that such consent cannot be obtained because (i) your Spouse cannot be located; or (ii) of such other circumstances as may be prescribed by IRS Regulations. This exception, however, does not apply unless you agree in writing that if ordered by a court you will pay any court-assigned portion to your Spouse, and any legal fees and expenses, and you will not hold the Plan (or the Trustees) responsible for making any payment based on your representation of your marital status or your Spouse's whereabouts. Any change in your

beneficiary designation will result in a written confirmation from Mercer acknowledging such change. If you don't receive such confirmation, you should contact Mercer to request a copy of it for your records.

## **How to Apply for Benefits**

When you become eligible to receive your benefits, an application must be made in writing using the applicable form available on [www.ibenefitcenter.com](http://www.ibenefitcenter.com). You may also receive copies of such form by calling Mercer at 1-877-UNION-44. You may also be required to furnish additional information necessary to process your benefits, as requested by the Fund Office.

As discussed previously, if you have not attained your required distribution date and your Individual Account balance exceeds \$5,000 (including any rollover contributions you made to the Plan and any earnings thereon); you may request that distribution of your Individual Account balance commence immediately following the event that entitles you to the distribution of your Individual Account. Alternatively, you may leave your Individual Account balance in the Plan even after you are eligible for a distribution, until you elect to have distributions under the Plan commence. You will be required to commence distributions once you reach your required distribution date, however. You will continue to receive participant statements and share in the net income, gain or loss on the Plan's assets until your Individual Account is distributed (but you are no longer eligible for a Plan loan).

If you leave your Individual Account balance in the Plan, you may elect to have the Plan commence distributions to you at any time by providing Mercer advance notice of your election. Mercer will then send to you the appropriate application forms to receive a distribution of your Individual Account balance (see the rules under "Forms of Payment" above). You can also download these forms online at [www.ibenefitcenter.com](http://www.ibenefitcenter.com). Your Individual Account will be valued for distribution purposes, as of the Valuation Date immediately preceding the date of payment.

Payments will be made only within the limits of existing laws and regulations and are subject to the terms and conditions of those laws and regulations.

## **Loans from the Plan**

### **Loan Eligibility**

The Plan allows you to borrow from the Plan, secured by your Individual Account balance. The loan feature is designed to give you access to funds that otherwise might not be available to you while you are working by using a portion of your Individual Account balance to invest in a loan made to you. Except as provided below, you are eligible for a loan if you are currently actively employed by a Contributing Employer to the Plan, and you have been so employed for at least three years regardless of whether the employment period was consecutive. You may have only one loan outstanding at a time. An outstanding loan balance (active or defaulted) must be paid in full prior to applying for a subsequent loan (except those loans that were defaulted prior to January 1, 1996).

A loan may be taken for one of the following six reasons:

- Purchase of a principal residence;
- Structural improvement of a principal residence;
- Medical bills that are not reimbursed by medical insurance;
- Educational expenses (tuition) at any accredited school, including vocational school, at any level;
- Expenses incurred for the legal adoption of a child; or
- Funeral expenses incurred because of the death of your Spouse or a dependent child.

From time to time, as permitted by applicable law, the Trustees may also temporarily liberalize the loan procedures as an emergency measure to assist those who suffer from economic hardships attributed to federally declared disaster areas in accordance with guidance released by the federal government. For example, this was the case with regard to the temporary emergency relief measures that were in effect from December 7, 2012 through February 1, 2013 to assist those participants whose principal residence (or place of employment) was impacted by Hurricane Sandy. If the Trustees decide to implement such temporary emergency relief measures in the future, you will receive a written notice advising of the same. In all cases, the Trustees are the sole and absolute judges of whether or not your expenditures qualify for a loan from the Plan and whether the proof of such expenditures is sufficient.

You can borrow up to the amount of eligible expenses for which you are applying, so long as your loan request does not exceed 50% of the balance currently in your Individual Account, or \$50,000 minus your highest outstanding loan balance (active or defaulted) from the Plan during the one-year period ending on the day before the date on which such loan is made, whichever is less.

The minimum Plan loan amount is \$1,000.

### **Who's Not Eligible**

If you fall into any of the following categories, you are not eligible to apply for a loan:

- Non-participants, retirees, and participants not employed in covered employment.
- Participants who already have an active Plan loan outstanding.
- Participants who have a Plan loan that defaulted after January 1, 1996 and which remains outstanding.
- Participants who have had an active or defaulted Plan loan that exceeds the \$50,000 maximum loan amount over the past twelve months.

### **How to Apply**

You must apply for a Plan loan in writing by submitting to the Fund Office the completed application forms along with any required documentation. The Trustees can deny your loan if you do not provide proof promptly and accurately, or if you provide incorrect information. If you are married, you must provide the Fund Office with a signed and notarized consent of your Spouse to any loan.

You will be required to execute a promissory note for the amount of the loan including interest, payable to the order of the Trustees and to pledge as security for the loan an appropriate portion of your Individual Account.

### **Interest Rate**

Loan interest rates are determined by Mercer on a monthly basis. In setting the interest rate, Mercer takes into consideration the interest rates currently being charged for similar arm's length loans by commercial institutions in the lending business. Your loan's interest rate will remain fixed for the life of your loan.

The Plan does not discriminate among Plan participants regarding interest rates, but loans granted at different times may bear different interest rates.

As a general rule, your loan's interest rate will be one (1) point above the published prime interest rate set by a leading commercial bank monthly, and will depend on when your loan is approved by the Fund Office. For example, if your loan is granted between July 1st and July 31st and the monthly prime rate for July of that year is 7%, then the Plan interest rate for the life of your loan is 8%.

Since the loan is treated as an investment of a portion of your Individual Account, your interest payments (rather than the net investment yield on your Individual Account balance) will be credited to the portion of your Individual Account attributable to the loan.

### **Repayment Conditions**

Even though your loan is secured by your Individual Account, you are required to repay your loan in a fixed level monthly installments. You must repay the loan within five years (or ten years for the purchase of a primary residence); however, you can pre-pay any outstanding loan in full at any time, without penalty, before the end of the term.

Loan repayments must be made on a monthly basis; payments are due the **first** day of each month. The initial loan payment is due on the first day of the month following the month in which the loan was granted. For example, if you are granted a loan on January 20, your first installment will be due on February 1 and subsequent installments will be due on the first of each following month.

If you fail to make **one** required monthly repayment to the Plan by the end of the calendar quarter following the calendar quarter in which the payment was due, your loan will be in **default**, and the amount of the outstanding loan plus accrued interest will be treated as a taxable distribution. If you default on a loan, you will be issued an IRS Form 1099R and you will be required to pay income taxes on the principal balance plus all accrued interest and, if applicable, a 10% federal excise tax. However, loan repayments may be suspended if you enter qualifying

military service; please contact the Fund Office and Mercer for details.

If you default on a Plan loan, the loan will be considered outstanding until you are eligible to receive a distribution. In this regard, even though you paid taxes on the defaulted amount, for as long as you are in default, you still owe the outstanding loan balance plus all interest for the entire period that the loan remains outstanding. At the time of your distribution, the balance of your Individual Account (which includes the loan principal and interest) will be offset by the loan principal and interest, leaving you with only the non-loan portion of your Individual Account. When you receive an actual distribution of the remaining balance of your Individual Account under the Plan, you would be taxed only on the amount actually distributed. Any additional interest accrued since the default on the loan will not result in any additional tax to you.

If you have defaulted on a Plan loan which has been treated as a distribution, you can repay the outstanding balance of a loan until the date on which your Individual Account is offset by the loan amount. If you choose to repay the outstanding balance of your defaulted plan loan prior to offset, these repayments will be treated as after-tax contributions because you would have already been taxed on the outstanding balance of your defaulted Plan loan at the time of default. Accordingly, you will not be subject to taxation again upon the later distribution of the amounts which you repaid.

## **Other Information About Your Plan**

The Fund Office is available to help resolve any problem you may have regarding your rights to benefits. All Plan documents and other related information are available for your review upon request.

## **Claims Procedures**

To obtain Plan benefits, you (or your beneficiary) must file a written application with the Board of Trustees through the Plan Administrator. You will be notified of the acceptance or denial of the claim for benefits within 90 days from the date the Board of Trustees (or its designee) receives the claim (or within 45 days in the case of a claim for a disability benefit). In some cases, the request may take more time to review and an additional processing period of up to 90 days may be required. If that happens, you will be notified in writing prior to the expiration of the initial 90 day period. The written notice of extension shall indicate the special circumstances requiring the extension of time and the date by which the Board of Trustees (or its designee) expects to make a determination with respect to the claim.

In the case of a claim for disability benefits, in lieu of a 90-day extension, there may be two extension periods of up to 30 days each, provided that the Board of Trustees (or its designee) determines that such an extension is necessary due to circumstances beyond the control of the Plan. In the event of such an extension, notice of the extension will be provided to you before expiration of the initial 45-day period (or before expiration of the first 30-day extension, in the case of a second extension). The notice will explain the circumstances requiring the extension and inform you of the date by which the Board of Trustees (or its designee) expects to make a decision. The notice will also specifically explain the standards on which entitlement to the benefit is based, the unresolved issues that prevent a decision on the claim, and the additional

information needed to resolve those issues, and you shall be afforded at least 45 days in which to provide the specified information.

In the case of a disability claim or any other claim, if an extension is required due to your failure to submit information necessary to decide the claim, the period for making the determination will be tolled from the date on which the extension notice is sent to you until the earlier of: (i) the date on which you respond to the Board of Trustees' (or its designees') request for additional information, or (ii) expiration of the period within which you must provide the requested additional information.

If your claim is wholly or partially denied, or any other adverse benefit determination is made with respect to the claim, the Board of Trustees (or its designee) shall furnish you with a written notice of this denial. The written notice shall contain the following information: (a) the specific reason or reasons for the denial; (b) specific reference to those Plan provisions on which the denial is based; (c) a description of any additional information or material necessary to correct the claim and an explanation of why such material or information is necessary; (d) a description of the review procedures and the applicable time limits, as well as a statement of the right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review; and (e) with respect a claim for disability benefits, if an internal rule, guideline, protocol or similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol or criterion or a statement that such item was relied upon and a copy thereof will be provided free of charge upon request. If notice of the denial of a claim is not furnished in accordance with the above within a reasonable period of time, the claim shall be deemed denied.

**Appeals of Denied Claims.** A participant or beneficiary whose application for benefits under this Plan has been denied, or with respect to which any other adverse benefit determination is made with respect to the claim, may submit the claim for review to the Board of Trustees. For purposes of disability claims, the individual making the determination on review cannot be the same person who made the initial determination or a subordinate of that individual, and the initial adverse benefit determination will not be afforded deference. The claim must be filed for review no later than 60 days after the denial of the claim for benefits (or, if none was provided, no later than 60 days after the deemed denial of the claim) or within 180 days if the claim is for a disability benefit.

In connection with the request for review, the participant or beneficiary (or their duly authorized representative) may submit to the Board of Trustees written comments, documents, records, and other information relating to the claim. In addition, the participant or beneficiary shall be provided, upon written request and free of charge, with reasonable access to (and copies of) all documents, records, and other information relevant to the claim. The review by the Board of Trustees shall take into account all comments, documents, records, and other information submitted relating to the claim. With respect to a claim for disability benefits, in the case of an appeal of an adverse determination that is based in whole or in part on a medical judgment, the Board of Trustees shall consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment (and is neither an individual who was consulted in connection with the initial adverse benefit determination nor a subordinate of such individual), and the Board of Trustees will identify the medical or vocational experts whose advice was obtained in connection with the claim (even if the advice was not



relied upon).

The Board of Trustees shall make a final written decision on a claim review, in most cases, at its next regularly scheduled meeting if the appeal is filed with the Board at least 30 days prior to such meeting. If the appeal is filed with the Board of Trustees less than 30 days prior to the next regularly scheduled meeting, no decision shall be made on such appeal until the second regularly scheduled meeting following receipt of such appeal. In some cases, the claim may take more time to review, in which case the decision may be made at the third meeting following receipt of such appeal. If that happens, the participant or beneficiary shall be notified in writing before the end of the initial period. The written notice of extension shall indicate the special circumstances requiring the extension of time and the date by which the Board of Trustees expects to make a determination with respect to the claim. If the extension is required due to the failure to submit information necessary to decide the claim, the period for making the determination will be tolled from the date on which the extension notice is sent until the earlier of: (i) the date on which the participant or beneficiary responds to the Plan's request for information, or (ii) expiration of the period within which the participant or beneficiary must provide the requested information.

The Board of Trustees' decision on the claim for review shall be communicated to the participant or beneficiary in writing. Such notice will be provided no later than 5 days after the determination is made. If an adverse benefit determination is made, this notice shall include (i) the specific reason(s) for the adverse benefit determination, with references to the specific Plan provisions on which the determination is based; (ii) a statement that the participant or beneficiary is entitled to receive, upon request and free of charge, reasonable access to (and copies of) all documents, records and other information relevant to the claim; (iii) a statement of the participant's or beneficiary's right to bring a civil action under Section 502(a) of ERISA; and (iv) with respect to a claim for disability benefits, if an internal rule, guideline, protocol or similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol or criterion or a statement that such item was relied upon and a copy thereof will be provided free of charge upon request. A document, record or other information is considered "relevant" to a claim for this purpose if it (i) was relied upon in making the benefit determination, (ii) was submitted, considered, or generated in the course of making the benefit determination, without regard to whether such document, record or other information was relied upon in making the benefit determination, or (iii) demonstrates compliance with the administrative process and safeguards required by law when making the benefit determination. Any claim not decided upon in the required time period shall be deemed denied.

All interpretations, determinations and decisions of the Board of Trustees (or its designee) with respect to any claim or any other matter relating to the Plan shall be made in its sole discretion based on the Plan documents, and shall be final, conclusive and binding on all parties. You and the Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your State insurance regulatory agency. Please note that you must file an appeal with the Plan and exhaust the Plan's appeal procedures prior to filing a civil action in court under Section 502(a) of ERISA with respect to an adverse decision to an initial claim for benefits.

A claimant's failure to file a petition for review within the applicable filing period set forth above shall constitute a waiver of the claimant's right to reconsideration of the decision on the basis of the information and evidence submitted prior to the decision. In addition, under no

circumstances may any legal action be commenced or maintained against the Plan, the Fund, the Trustees, or any employee or representative of the Plan, Fund, or Trustees more than ninety (90) days after the Trustees' decision on review of a claim.

If you willfully make a false statement or furnish fraudulent information or proof to the Plan (including the withholding of an important fact), your benefits may be denied, suspended or discontinued. The Trustees have the right to recover any benefit payments made in reliance on such false information, plus interests and costs, from you or your beneficiary, including reducing your or your beneficiary's future benefits payable.

### **Taxation of Benefits**

When you receive benefits from the Plan, those benefits are normally considered ordinary taxable income subject to federal income tax withholding. The amount to be withheld from your benefits is determined on your actual marital status, exemptions or all allowances to have additional amounts withheld in accordance with the information set forth in your distribution form, which is available online at [www.ibenefitcenter.com](http://www.ibenefitcenter.com). or by calling Mercer at 1-877-UNION-44. You can adjust the amount of the withholding (or opt-out of withholding, altogether) by completing this distribution form. The failure to complete the applicable section on your distribution form will result in your benefits being subject to withholding tax as if you were a married individual claiming three (3) exemptions.

An automatic 20% withholding tax applies to a lump sum distribution and the annual interest and/or investment income paid to you under the income only benefit form. This withholding tax applies to the amount of such distribution(s) to you and your surviving Spouse which is includible in income. If you are under age 59½ when you receive your distribution, you may also be subject to an IRS tax penalty of 10% unless you are at least age 55 and retired.

You may avoid the automatic withholding tax and tax penalty on these distribution options if you instruct the Fund Office to pay your benefit as a direct rollover to another employer's qualified retirement plan or to a tax-deferred Individual Retirement Account.

Mercer will provide you with additional information concerning taxes when you are eligible to receive a distribution, but it's a good idea to consult your own tax advisor before electing to receive any distribution from the Plan.

### **Benefit Limitations**

There are certain maximum limitations established by the Internal Revenue Service that apply to the Contributing Employer contributions that are made on your behalf to the Plan. If your benefit exceeds these limitations, you will be notified.

### **Plan Continuation**

The Board of Trustees expects to continue the Plan indefinitely, but reserves the right, in its sole and absolute discretion, to change or end the Plan, in whole or in part, at any time or from time to time.

If the Plan is amended or terminated, your right to participate in the Plan, as well as the type and

amount of benefits provided under the Plan, may change or end completely. However, upon termination of the Plan, no part of the funds held in the Plan's Trust Fund can be used for or diverted to any purpose other than for the exclusive benefit of Plan participants and their beneficiaries, except as otherwise provided by ERISA or the Code. The expenses incurred in effectuating the termination of the Plan may be charged against the assets of the Plan. Your remaining Individual Account balance will be distributed to you in accordance with the terms of the Plan.

### **Plan Restriction**

Your Plan benefits cannot be assigned, transferred, or sold to anyone for any reason except as provided by law. This means that you cannot voluntarily or involuntarily assign your Individual Account balance for the benefit of creditors, or to satisfy garnishments, attachments and similar procedures. You also cannot use your Individual Account balance as collateral for a loan.

In the event of a "qualified domestic relations order" (a "QDRO"), however, Plan benefits may be payable to someone other than your designated beneficiary. A qualified domestic relations order, as defined in the Code, is a judgment, decree or order made pursuant to state domestic relations law that requires distribution of a portion of your benefits under the Plan to provide child support, alimony, or marital property rights to a Spouse, former Spouse, child, or other dependent. A QDRO may not require the Plan to provide any type or form of benefit or any option not otherwise provided under the Plan (except that a QDRO may permit an alternate payee to receive payments prior to the participant's earliest retirement date). Plan participants and their beneficiaries can obtain, without charge, a copy of the Plan's procedures for determining whether an order is a QDRO from the Fund Office.

### **What Else Do You Need to Know About the Plan?**

The following information concerning your Plan is provided in accordance with governmental regulations. The Plan is a defined contribution profit sharing plan, which was converted from a defined contribution money purchase plan effective as of January 1, 2008.

The Plan is maintained and administered by a joint Board of Trustees that includes four Union Trustees and four Contributing Employer Trustees with equal voting strength. The Board of Trustees serves as the Plan Administrator and is the designated agent for service of legal process.

The Board of Trustees and/or its duly authorized designee(s) has the exclusive right, power, and authority, in its sole and absolute discretion, to administer, apply and interpret the Plan, including this booklet, the Trust Agreement established under the Plan and any other Plan documents, and to decide all matters arising in connection with the operation or administration of the Plan or trust established under the Plan. Without limiting the generality of the foregoing, the Board of Trustees and/or its duly authorized designee(s) shall have the sole and absolute discretionary authority to:

- Take all actions and make all decisions with respect to the eligibility for, and the amount of, benefits payable under the Plan;
- Formulate, interpret and apply rules, regulations and policies necessary to administer the Plan

in accordance with the terms of the Plan;

- Decide questions, including legal or factual questions, relating to the calculation and payment of benefits under the Plan;
- Resolve and/or clarify any ambiguities, inconsistencies and omissions arising under the Plan, including this booklet, the Trust Agreement or other Plan documents;
- Process and approve or deny benefit claims and rule on any benefit exclusions; and
- Determine the standard of proof required in any case.

All determinations and interpretations made by the Board of Trustees and/or its duly authorized designee(s) shall be final and binding upon all participants, beneficiaries and any other individuals claiming benefits under the Plan; and shall be given deference in all courts of law to the greatest extent allowable by applicable law.

The Board of Trustees has delegated certain administrative and operational functions to Mercer and the staff of the Annuity Fund Office. Most of your day-to-day questions can be answered by Mercer. If you wish to contact the Board of Trustees, write to:

Board of Trustees  
Annuity Fund of the IUOE  
Local Union 94-94A-94B, AFL-CIO  
331-337 West 44th Street  
New York, NY 10036

All contributions to the Plan are made by Contributing Employers in accordance with their written agreement with the Union or the Trustees. Collective bargaining agreements require contributions to the Plan at fixed rates per hours paid. A copy of any such agreement may be obtained by Plan participants and beneficiaries upon written request to the Fund Office, and is available for examination by Plan participants and beneficiaries, as required by law. Furthermore, upon written request, the Fund Office will provide Plan participants and their beneficiaries with information as to whether a particular employer is contributing to the Plan on behalf of employees, as well as the employer's address.

All the funds of the Plan are held by the Board of Trustees in trust for use in providing the benefits under the Plan and paying reasonable administrative expenses in accordance with the terms of the Trust Agreement. The Board of Trustees may use an insurance company, bank, trust company, or investment manager for the purpose of investing or reinvesting such funds as the Board of Trustees may from time to time turn over for investment.

### **Keeping Your Fund Records Up to Date**

In order for you to receive the benefits to which you are entitled under the Plan, you should keep your Plan records up to date.

Please notify the Fund Office immediately if you:

- Have a change of address

- Have a change in marital status

Please notify Mercer immediately if you:

- Wish to change your beneficiary.

## **Your Rights Under the Employee Retirement Income Security Act (ERISA)**

As a participant in the Plan, you are entitled to certain rights and protections under ERISA, which provides that all Plan participants shall be entitled to:

- Receive information about the Plan and your benefits,
- Prudent actions by Plan fiduciaries,
- Enforce your rights, and
- Assistance with your questions.

### **Receive Information About Your Plan and Benefits**

You have the right to:

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including the SPD, insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) 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 documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated SPD. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain quarterly statements indicating the value of your Individual Account. Under the Plan, these statements are provided to each Participant without request. The Plan must provide these statements free of charge.

### **Prudent Actions by Plan Fiduciaries**

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and 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 pension benefit or exercising your rights under ERISA.

### **Enforce Your Rights**

If your claim for a 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 a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. In addition:

- If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court.
- 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.
- 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 a Federal court.

In any of the above-referenced events, you must first file an appeal with the Board of Trustees, following the procedures described earlier in this SPD. 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.

### **Assistance with Your Questions**

If you have any questions about your Plan or your Individual Account, you should call the Plan's toll-free number, 1-877-UNION-44 and speak to a Mercer representative. You may also call the Fund Office at (212) 459-8948. 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, you should contact the nearest office of the Employee Benefits Security Administration, U.S. 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 N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration, or by logging onto [http://www.dol.gov/ebsa/aboutebsa/org\\_chart.html#section13](http://www.dol.gov/ebsa/aboutebsa/org_chart.html#section13).

### **Administrative Information**

Mercer or the Fund Office staff should be able to handle most of your questions about the Plan. However, if it ever becomes necessary to contact the U.S. Department of Labor, you will need the following identifying information.

The Plan is maintained pursuant to collective bargaining agreements with the Contributing Employers. Copies of these agreements are on file at the Fund Office.

**Official Name of the Plan**

Annuity Fund of the International Union of Operating Engineers, Local Union 94-94A-94B,  
AFL-CIO

**Plan Sponsor/Plan Administrator**

Board of Trustees  
Annuity Fund of the IUOE  
Local Union 94-94A-94B,  
AFL-CIO  
331-337 West 44th Street  
New York, NY 10036  
(212) 459-8948

**Employer Identification Number (EIN)**

13-6817367

**Plan Number**

001

**Type of Plan**

The Plan is a defined contribution “profit sharing plan” as defined in Section 401(a) of the Code. Prior to that date, the plan was a defined contribution “money purchase plan” as defined in Section 401(a) of the Code. Because the plan is a defined contribution plan, the benefits provided hereunder are not guaranteed by the Federal Pension Benefit Guaranty Corporation, which is a federal agency that insures certain pension plan benefits upon plan termination, because the benefits you receive under this type of plan are based upon the vested amount in your Plan account.

**Agent for Service of Legal Process**

Board of Trustees  
Annuity Fund of the IUOE  
Local Union 94-94A-94B,  
AFL-CIO  
331-337 West 44th Street  
New York, NY 10036

(212) 459-8948

Service of legal process may be made upon a Plan Trustee or the Plan Administrator.

### **Plan Year**

January 1 - December 31

### **Plan Funding**

The benefits under the Plan are held in a trust fund which is held by the Board of Trustees for the benefit of Plan participants and beneficiaries.

### **Plan Statements**

All Participants will receive quarterly statements regarding their respective Individual Account balance under the Plan. These statements will show the growth in your Individual Account balance through the end of the respective calendar quarter (i.e., March 31, June 30, September 30, and December 31). These statements are generally an accurate reflection of your Individual Account balance under the Plan. However, your Individual Account balance may be adjusted if there are mistakes in calculation, updated information pertinent to any calculation or amendments to the Plan.

### **Miscellaneous Provisions**

#### *Incompetence Or Incapacity*

If the Trustees determine that a Participant or a beneficiary is not able to care for his or her affairs because of legal incapacity, or mental or physical illness, accident or incapacity, then the Trustees, in their sole discretion, may elect to pay any payment due to the Spouse or such other person having care and custody in the incapacitated person, unless a claim is made by a duly appointed guardian or legal representative for such incapacitated person. Any retirement benefits so paid shall discharge the obligations of the Trustees and the Plan to the extent of such payments.



### Forwarding Address

Plan Participants and beneficiaries who are to receive benefits should keep the Plan informed of their current addresses to help ensure proper and uninterrupted payment of benefits.

### Information And Proof

At times a Participant may be required to provide information or proof necessary to determine his or her right or a beneficiary's right to benefits under the Plan. When inaccurate information is provided, this ultimately can result in the improper use of Plan assets, which adversely affects the ability of the Plan to provide the highest possible level of benefits.

Accordingly, if a Participant or a beneficiary fails to submit the requested information or proof, makes a false statement or furnishes fraudulent or incorrect information, a Participant's or beneficiary's benefits under the Plan may be negatively affected, and benefits may be denied, suspended or discontinued. Of course, if the Plan makes payment for benefits (to a Participant or Spouse or beneficiary) that are in excess of what is actually payable, due to error (including for example, a clerical error), fraud or for any other reason, the Participant or Spouse or beneficiary must immediately return the overpayment. Amounts recovered by the Plan may include interest, costs and attorneys' fees. If the Plan requests repayment of an overpayment and that overpayment is not fully repaid, then the Plan has the right to recover the overpayment through whatever means are necessary. This includes, for example, deducting any overpayment remaining from future benefits (including benefits due to a surviving Spouse or other beneficiary after the Participant's death), or the use of any other legal means (including, without limitation, the initiation of a lawsuit) as determined by the Trustees or their delegate to be necessary to recover the overpayment.

### Unclaimed Payments or Lost Participants

When distribution of an Individual Account is to commence to a participant, spouse or beneficiary under the Plan, the Trustees shall use all reasonable efforts to locate and contact the participant, spouse or beneficiary in accordance with procedures adopted by the Trustees. If a participant, spouse or beneficiary does not respond to the Trustees and claim his benefit within six (6) months after the Trustees have undertaken reasonable measures to locate and contact such individual, such individual shall be deemed to be "lost" as of such six-month anniversary.

Generally speaking, the unclaimed benefit of a participant, spouse or beneficiary that has been "lost" for a period of two (2) consecutive years shall be forfeited at the end of such two-year period and treated in accordance with other amounts forfeited under the Plan. Nevertheless, a "lost" participant, spouse or beneficiary shall have the right to claim payment of his benefit at any time beyond the two-year period referred to above, and such benefit shall be paid to such person without interest; provided, however, that in the event of a benefit to be paid to a "lost" spouse or beneficiary, such benefit shall be reduced to the extent of any overpayment to the participant as a result of such spouse or beneficiary having been deemed "lost."

### Severability

If any provision of this SPD is held invalid, unenforceable or inconsistent with any law, regulation or requirement, its invalidity, unenforceability or inconsistency will not affect any other provision of the SPD, and the SPD shall be construed and enforced as if such provision were not a part of the SPD.

### Construction Of Terms

Words of gender shall include persons and entities of any gender, the plural shall include the singular and the singular shall include the plural. Section headings exist for reference purposes only and shall not be construed as part of the SPD.

### Applicable Law

The Plan is governed by the Code, ERISA and all applicable federal law including regulations and rulings issued by the Internal Revenue Service or the Department of Labor. The Plan will always be construed to comply with these regulations, rulings and laws. Generally, federal law takes precedence over state law. All questions related to the construction of the Plan and its trust and the accounts and transactions of the parties will be determined, construed and enforced pursuant to New York law to the extent not pre-empted or superseded by federal law.

### No Vested Interest

*Except* for the right to receive any benefit payable under the Plan in accordance with the Plan's rules, no person shall have any right, title, or interest in or to the assets of the Plan's trust or of any contributing employer because of the Plan.

### PBGC Insurance

Benefits under the Plan are not insured by the Pension Benefit Guaranty Corporation (PBGC) because the law does not provide for plan termination insurance for a defined contribution plan. Accordingly, the benefits, if any, which you are eligible to receive under the Plan, are based upon the actual amount in your Individual Account under the Plan.

## **A Final Word**

This Summary Plan Description summarizes the key features of your Plan. The formal terms of the Plan are set forth in the official Plan documents and are not changed or otherwise interpreted by this SPD. To the extent that any of the information contained in this SPD is inconsistent with the official Plan documents, the provisions of the official documents will govern in all cases. The official Plan documents are available upon reasonable notice for your inspection at the Fund Office.

Please call the Fund Office at (212) 459-8948 any time you have questions regarding your Plan benefits. The Fund Office will assist you directly or refer you to Mercer with regard to your questions that concern the Plan.