

**CASCADE PENSION TRUST**

**SUMMARY PLAN DESCRIPTION**

## TABLE OF CONTENTS

INTRODUCTION .....	1
GENERAL DESCRIPTION .....	2
TRUST MANAGEMENT .....	4
ELIGIBILITY TO PARTICIPATE .....	4
Bargaining Unit Employees .....	4
Employees of Union, Credit Union, Trust Fund, NECA and Trustee-Approved Employers .....	4
Non-Bargaining Unit Employees .....	4
1. All Non-Bargaining Employees .....	5
a. Regular Plan .....	5
b. 401 (k) Plan .....	5
2. Former Bargaining Unit Employees .....	5
CONTRIBUTIONS .....	5
Regular Plan .....	5
401(k) Plan .....	6
1. Election .....	6
2. Percentage Contribution Limitation .....	6
3. Dollar Contribution Limitation .....	6
4. Contribution Refund .....	6
5. Withholding .....	7
VESTING .....	7
FORFEITURE AND RESTORATION OF ACCOUNTS OF MISSING PARTICIPANT/BENEFICIARY .....	7
SEPARATE ACCOUNT ELECTION .....	7
LOANS TO PARTICIPANTS .....	8
401(k) ACCOUNT INVESTMENT .....	10
RETIREMENT BENEFITS .....	11
SPOUSE'S RIGHTS .....	11
DEATH BENEFIT .....	12
DISABILITY RETIREMENT BENEFIT .....	12
BENEFIT FORMS .....	12
1. Lump Sum .....	13
2. Single Life Annuity .....	13
3. Fixed Installments .....	13
4. Annuity for a Certain Period .....	13
5. Life Annuity with a Certain Period .....	13
6. Joint and Survivor Annuity .....	13
BENEFIT SELECTION .....	14
REQUIRED MINIMUM DISTRIBUTIONS .....	14
DEATH BENEFICIARY DESIGNATION .....	15
DISTRIBUTION OF SMALL ACCOUNTS .....	16
BENEFIT APPLICATION PROCEDURE .....	16
SERVICE IN ARMED FORCES .....	17
PLAN PARTICIPATION AFTER RETIREMENT .....	17
CLAIMS PROCEDURE .....	18
RECIPROCITY .....	23
REPORTS .....	24
INCOME TAXES .....	24
ROLLOVERS .....	24
AMENDMENT OR TERMINATION .....	25
STATEMENT OF ERISA RIGHTS .....	25
1. Receive Information About Your Plan and Benefits .....	25
2. Prudent Actions by Plan Fiduciaries .....	26
3. Enforce Your Rights .....	26
4. Assistance with Your Questions .....	26

SOURCE OF MORE INFORMATION .....	26
IMPORTANT FACTS .....	27
FORMS .....	29
1. 401(k) Contribution Election (NECA, Union, Credit Union, Trust) .....	31
2. 401(k) Contribution Election (Bargaining Unit Employees) .....	32
3. 401(k) Contribution Election (Nonbargaining Unit Employees) .....	33
4. SPECIAL TAX NOTICE .....	34
5. Beneficiary Designation Form .....	43

# CASCADE PENSION TRUST

## INTRODUCTION

The Cascade Pension Trust established a Money Purchase Pension Plan effective July 1, 1975, to provide retirement, death and disability retirement benefits for members of the International Brotherhood of Electrical Workers Local Unions 280, 659 and 932 and their families. Effective January 1, 1985, a 401(k) Plan was added.

This booklet summarizes the most important features of the Trust and both Plans. However, if some information in this booklet is in error or is inconsistent with the terms of the Plans or Trust Agreement, those documents shall control.

Included in this booklet is a summary of the important features of the money purchase (Regular) and 401(k) Plans, a Special Tax Notice concerning taxation of Plan benefits, a beneficiary designation form, and a 401(k) enrollment form. Please review all of the material carefully. If you still have questions, contact the Administrator at the address or telephone number listed below.

This booklet replaces all previous booklets issued. We encourage you to read this booklet carefully, share it with your spouse or beneficiary and keep it in a safe place for future reference.

The Board of Trustees has discretionary authority to interpret all provisions of this booklet and the Plans or Trust Agreement. The Board of Trustees also has the sole and absolute discretion to amend or modify the Plans or Trust Agreement and terminate the Plans for any reason at any time. No individual trustee, union representative, employer representative or employee of the Administrator is authorized to interpret this booklet or the Plans or Trust Agreement for the Board of Trustees. The Board of Trustees has authorized employees of the Administrator to respond informally to your written and oral inquiries on an informal basis. However, the written and oral answers are not binding upon the Board of Trustees.

If you have any questions about the Plans or Plan administration, or need further information, please contact the Administrator at the address and phone numbers listed below.

Cascade Pension Trust  
BeneSys, Inc.  
5331 S. Macadam Ave., Suite 220  
Portland, OR 97239

Phone Number: (503) 224-0048  
Outside Portland: 1-800-547-4457 ext. 1682 (toll-free)  
Fax Number: (503) 228-0149

Sincerely,

The Board of Trustees  
CASCADE PENSION TRUST

# CASCADE PENSION TRUST

## GENERAL DESCRIPTION

The Cascade Pension Trust is a multiemployer, collectively bargained trust fund established under a Trust Agreement between Local Unions 280, 659 and 932 (Local Unions) of the International Brotherhood of Electrical Workers (I.B.E.W.) and the Oregon Pacific-Cascade Chapter of the National Electrical Contractors Association (NECA). The Trustees have established a money purchase plan (referred to in this Summary Plan Description as the “Regular” Plan) and a 401(k) Plan. They are both defined contribution plans. They were established to provide pension benefits for members of the Local Unions working under a collective bargaining agreement between the Local and NECA. Non-bargaining unit employees of signatory employers may also participate if the employer enters into an agreement with the Trust to allow non-bargaining unit employees to participate. Employees of (1) the three Local Unions, (2) NECA, (3) another trust fund established under a collective bargaining agreement between a Local Union and NECA, (4) a credit union sponsored by a Local Union for its members, (5) any labor management cooperation committee established by a Local Union and NECA, may also participate in the Plan if the employer enters into an agreement with the Trust to allow its employees to participate, and (6) other employers approved by the Board of Trustees. A complete list of participating employers and a copy of the collective bargaining and participation agreements may be obtained upon written request to the Administrator, and is available for examination by participants and beneficiaries, at the address and telephone number listed on page 21. Collective bargaining agreements with signatory employers are also available for examination at the offices of the Local Union which is a party to the agreement.

The Trust has two pension plans under which benefits are provided. They are the Regular Plan and the 401(k) Plan.

**Regular Plan.** Most but not all of the collective bargaining agreements of the three Local Unions, and participation agreements between employers and the Trust, require signatory employers to contribute a specified amount to the Regular Plan for work by certain categories of employees covered by the collective bargaining or participation agreement. Contributions are credited to an account for the employee whose work was used to determine the contribution. The accounts are invested and adjusted for investment gains and losses. The administrative costs of the Trust are deducted from each account. When a plan participant retires, dies or becomes disabled, the participant's account balance is used to provide benefits.

**401(k) Plan.** Some employees may elect to contribute a portion of their wages to the Participant-directed 401(k) Plan (see the section entitled **Eligibility to Participate**).

The 401(k) Plan is intended to constitute a plan as described in Section 404(c) of ERISA and Title 29 of the Code of Federal Regulations Section 2550.404c-1. Since you will be choosing how to invest your account, you will be responsible for any investment losses resulting from your investment elections. The Board of Trustees of the 401(k) Plan will not be liable for any losses which are the direct and necessary result of investment instructions given by a participant, or from the qualified default investment (if a participant does not make an election).

Participants choose the investment options in which they want to invest their 401(k) contributions. All participants have separate accounts for recordkeeping purposes. The investment options involve various degrees of risk, and amounts invested in the plan are not insured or guaranteed in any way. The value of your 401(k) account may increase or decrease depending on the performance of the investment options you select. (See the section entitled **401(k) Account Investment**.)

The 401(k) Plan maintains a separate account for each participant for record keeping purposes. All 401(k) contributions made on behalf of a participant are credited to his/her 401(k) account. The balance in a participant's 401(k) account is the total of contributions received and adjustments due to distributions, investment gains and losses, investment management fees and plan administrative expenses. At the end of each calendar quarter, you will receive a statement from the 401(k) Plan which summarizes all the activity in your 401(k) account since the last statement, including new contributions, distributions, transfers in and out of your selected investment options, investment gains and losses and plan administrative expenses.

You are responsible for the investment of your 401(k) account. Participants may direct their existing account and future contributions in any one or a combination of 11 investment options available. The investment options are generally mutual funds that invest in a variety of securities. Each investment option is managed by a professional investment manager. The investment manager's fees and applicable investment and administrative costs are deducted from the participant's 401(k) account.

The Board of Trustees, with the assistance of professional advisors, has the responsibility for selecting the investment options offered by the 401(k) Plan. The Board of Trustees from time to time may revise the investment options offered by the plan by adding or deleting investment options that are available for investment.

**Note the following about 401(k) Plan investment options:**

401(k) Plan investments are not FDIC insured, are not deposits or obligations of or guaranteed by any bank, and involve risks, including possible loss of principal invested. As with any investment, the past performance of the investment options in the 401(k) Plan is not a guarantee or necessarily indicative of future results. Participants in the 401(k) Plan are responsible for their own investment decisions. The information contained in this summary is not intended to be, and does not constitute, investment advice or an endorsement of any particular method of investing. If you have any questions or concerns about making your investment elections, you should consider consulting a financial professional.

The Board of Trustees has selected a default investment to comply with certain qualified default investment alternative provisions under ERISA. With respect to contributions invested in a qualified default investment alternative, the Board of Trustees and the Plan fiduciaries are not responsible for the future performance of the fund(s). This section describes the default fund and alerts you that you are able to direct the investment of your 401(k) Plan account.

You have the right to direct the investment of your contributions to the 401(k) Plan among the investment options offered. If you do not provide investment direction, or if contributions are received by the 401(k) Plan prior to your investment direction being received by the Administrator, your contributions will be directed to the default investment fund, which is the Vanguard Wellington Admiral Fund.

The 401(k) account balance is used to provide benefits upon the participant's retirement, disability or death.

## **TRUST MANAGEMENT**

The Trust is managed by a Board of Trustees made up of equal representation from the Local Unions and NECA. The Trustees have established the Regular and 401(k) Plans which control how benefits are determined and conditions for eligibility for benefits. The Trustees have retained an Administrator which is responsible for the administration of the Trust and Plans. The Trustees have also retained a consultant to advise them on various matters, an investment manager to manage the Trust investments and an attorney to advise the Trustees on legal matters. The Trustees have retained a certified public accountant who audits the financial records of the Trust annually to ensure they fairly present the financial condition of the Trust.

## **ELIGIBILITY TO PARTICIPATE**

**Bargaining Unit Employees.** Most, but not all, employees working under a collective bargaining agreement between a Local Union and NECA are eligible for employer contributions to the Regular Plan. Every employee working under a collective bargaining agreement is eligible to contribute to the 401(k) Plan. Employees should refer to the applicable collective bargaining agreement to determine eligibility for employer contributions to the Regular Plan.

**Employees of Union, Credit Union, Trust Fund, NECA and Trustee-Approved Employers.** The Local Unions and NECA, any credit union sponsored by a Local Union for the benefit of its members, and any trust established under ERISA by an agreement between NECA and a Local Union may also sign a participation agreement under which its non-bargaining unit employees can participate in both the Regular and 401(k) Plans. Certain non-bargaining unit employees of other employers may participate if approved by the Board of Trustees. The terms of participation are set forth in each participation agreement. Copies of the participation agreements are available from the Administrator.

**Non-Bargaining Unit Employees.** Employers which are parties to a collective bargaining agreement requiring employer contributions to the Regular Plan may also request that the Trustees permit the employer to contribute to the Regular Plan for its employees (except partners and sole proprietors) who are not covered by the bargaining agreement. If approved by the Trustees, the employer may elect to contribute for either, but not both, of the following two groups of non-bargaining unit employees. The election must be made in the form of a participation agreement signed by the employer and the Administrator, covering either all non-bargaining unit employees, or

all former bargaining unit employees. Copies of the participation agreement form may be obtained from the Administrator.

1. **All Non-Bargaining Employees.** Non-bargaining unit employees of an employer may participate in the Regular Plan or the Regular and 401(k) Plans, subject to the following requirements:

a. **Regular Plan.** Employers may contribute to the Regular Plan for its non-bargaining unit employees if: (1) all non-bargaining unit employees of the employer participate; (2) the contribution percentage is uniform for all non-bargaining unit employees (for example, the same rate per hour, or the same percentage of compensation); and (3) the Trustees approve both the participation agreement with the employer and contribution rate for the non-bargaining unit employees.

b. **401 (k) Plan.** Non-bargaining unit employees of the employer may also contribute a portion of their wages to the 401(k) Plan, but only if their employer agrees to make contributions to the Regular Plan for all of its non-bargaining unit employees equal to at least 3% of each non-bargaining unit employee's salary.

See the section entitled **Contributions** which outlines limits on the amount of employer and employee contributions.

2. **Former Bargaining Unit Employees.** The employer can elect to contribute to the Regular Plan for all non-bargaining unit employees who are or were members of a Local Union bargaining unit and worked at least one-half of their hours during one year as a member of the bargaining unit. Contributions will be at the journeyman rate for the Local Union in which the work is performed. Such employees may not contribute to the 401(k) Plan, regardless of the amount of contributions to the Regular Plan by their employer. The employer must enter into a participation agreement with the Trust to contribute for former bargaining unit employees.

## **CONTRIBUTIONS**

**Regular Plan.** The Local Union collective bargaining agreement specifies the amount of contributions which must be made to the Regular Plan by signatory employers for bargaining unit employees. The contribution level may change whenever the collective bargaining agreement is changed. The rate may also be different for journeyman, apprentices and other categories of workers or for overtime and straight time. Check the bargaining agreement to determine the required contribution rate.

The contribution rate to the Regular Plan for employees of the Local Unions, NECA, the I.B.E.W./SJ Cascade Federal Credit Union, the Central, Crater Lake and Southwest Training Trusts, any LMCC Trust, and for non-bargaining employees of other employers are set forth in each employer's participation agreement with the Trust. Copies of the participation agreements may be obtained from the Administrator.

The total contribution to the Regular Plan for each participant for any year may not exceed the lesser of 100% of a participant's compensation for the year or \$57,000 (adjusted for inflation after 2020).

**401(k) Plan.** Participants who elect to contribute to the 401(k) Plan must specify the portion of their wages which they will contribute to that Plan. Contributions to the 401(k) Plan are subject to the following rules:

1. **Election.** Each participant can elect how much of the participant's wages to contribute to the 401(k) Plan subject to the limitations set forth in Sections 2 and 3 below. The election must be made on a form provided by the Trust. Participants may obtain copies of the form from their Local Union or the Administrator. A copy of the form for each type of contributing employee is located on pages 22-24 at the back of this Summary Plan Description. The completed form must be filed with the Administrator before it is effective.

Once a participant has elected a contribution rate to the 401(k) Plan, the amount of the contribution may **not** be changed except:

- a. When the participant starts work for a new employer;
- b. In December of each year for the following calendar year; or
- c. Any other time at which the participant's employer allows the change to be made.

An election to change the amount of the contribution is made in the same way as the original election. Contribution elections or changes may not be made retroactively to any previous pay periods. The election to change contributions on January 1 must be made during the preceding December.

2. **Percentage Contribution Limitation.** A participant's 401(k) Plan contribution during one year may not exceed 100% of the participant's compensation for the year.

3. **Dollar Contribution Limitation.** The maximum amount which can be contributed to the 401(k) Plan by any participant during one year is \$19,500. A participant who is 50 years of age or older by the end of the year may contribute an additional \$6,500 for that year, also known as catch-up contributions. These limits may be adjusted for years after 2020. However, make-up contributions due to qualifying military service in prior plan years are not included in those annual limits. (See the section entitled **Service in Armed Forces**.)

4. **Contribution Refund.** In the event a participant's contributions to the 401(k) Plan for any calendar year exceed either the percentage or annual contribution limitation set forth in Sections 2 and 3 above, the amount of the contribution which exceeds the limit, and any earnings on that amount, will be refunded to the participant during the following year. The amount distributed will be includable in the participant's taxable income.

5. **Withholding.** Contributions to the 401(k) Plan are not includable for income tax purposes in the participant's taxable income in the year they are contributed. There will be no income tax withheld from the contribution, but 401(k) Plan contributions are subject to Social Security and Medicare (FICA) and Unemployment (FUTA) Tax, and those taxes will be withheld from the employee's paycheck. If you have questions about the tax consequences of contributing to the 401(k) Plan you should consult a professional tax advisor.

## **VESTING**

Both the Regular and 401(k) accounts of each participant are fully "vested" at all times. There is no minimum period of employment or service required for a participant's account to be vested. The accounts in either Plan are also non-forfeitable, except for the rare situation of a participant or beneficiary who cannot be located after reasonably diligent search. (See the section entitled **Forfeiture and Restoration of Accounts of Missing Participant/Beneficiary**.)

## **FORFEITURE AND RESTORATION OF ACCOUNTS OF MISSING PARTICIPANT/BENEFICIARY**

In the event that the Plans cannot locate a participant or beneficiary after reasonably diligent efforts, the Board of Trustees has the discretion to either: (a) roll the account(s) involved over into an individual retirement account, if the amount involved is more than \$1,000 but less than \$5,000; or (b) forfeit the account(s) involved, subject to later restoration as provided herein. If the account is rolled over into an individual retirement account, then the benefit involved will be as determined by such individual retirement account. If the account is forfeited, then the amount so forfeited will be placed in a forfeiture account, the sums in which will be used to defray expenses of the Plan and to restore forfeited benefits to a subsequently located participant or beneficiary. A subsequently located participant or beneficiary may make a claim for benefits. (See the section entitled **Benefit Application Procedure**.) The amount of the benefit in the event of restoration will be the amount of the account(s) involved on the date of forfeiture, without gains or losses subsequent to that date. The funds for such restoration will come from the forfeiture account on the date of restoration or, in the event such account has insufficient funds on that date, then from the Plan(s) involved as an operating expense.

## **SEPARATE ACCOUNT ELECTION**

All participants' Regular Plan accounts are invested together as a single Trust fund. Investment of the Trust fund is managed by the Trust investment manager. The Trust fund is invested in stock, mutual funds, bonds, government securities, real estate and other types of investments. Federal law requires the Trust fund to be revalued at least once each year and the Trust fund and participants' Regular Plan account balances adjusted due to changes in market value of the Trust investments. That revaluation could cause a reduction in the value of a participant's accounts. Therefore, the Plan created a separate investment account into which participants who are at least 52 years of age can transfer their Regular Plan accounts to avoid market value fluctuations as they approach retirement. Participants' 401(k) accounts are not eligible for the separate account election.

The following rules apply to the separate account:

1. The participant must be 52 years of age to transfer funds to the separate account.
2. The participant must transfer all of the participant's Regular Plan account balance to the separate account.
3. The participant must file an election to transfer the Regular Plan account to the separate account with the Administrator.
4. Funds in the separate account must be transferred back to be invested as a part of the Regular Plan account not less than one, nor more than three, years after establishment of the separate account.
5. Regular Plan contributions after establishment of a separate account will be credited to the separate account.
6. A Participant who transfers the participant's Regular Plan account into the separate account, and subsequently transfers the funds out of the separate account, may not thereafter transfer funds back to the separate account.

The separate account reduces the risk of market value fluctuations. But, it also increases the risk of a lower rate of return for a Participant who elects to put the Participant's Regular Plan account in the separate account.

## **LOANS TO PARTICIPANTS**

Under certain circumstances participants may borrow from their accounts. To be eligible for a loan, participants must have at least \$2,000 in either the Regular Plan or the Participant-directed 401(k) Plan. A participant may elect to borrow from either their Regular Plan or their Participant-directed 401(k) Plan or both. Amounts borrowed from either Plan will be considered separate loans. Participants need not be actively employed to request a loan. The spouse of married participants must consent to each loan. Alternate payees (see the section entitled **Spouse's Rights**) are not eligible for loans. The maximum loan term is five years. Payments must be made via automatic withdrawal from a checking or savings account. The minimum amount participants can borrow is \$1,000, and the maximum amount is the lesser of (1) 50% of the participant's Regular Plan or 401(k) Plan account balance from which the loan is taken, or (2) \$50,000 reduced by the excess, if any, of the highest outstanding balance of loans from both the Regular Plan and the 401(k) Plan during the one year period ending on the day before the date on which the loan is made, and the outstanding balance of loans from the Trust on the date on which the loan is made.

All initiation and maintenance fees associated with a loan will be deducted from the borrowers account. The interest rate is fixed and will be equal to the Prime Rate (as published by the *Wall Street Journal*) plus 1%. All interest paid is credited to the participant's account. The amount borrowed will not share in earnings from the other Plan investments. Loans may be paid in full or in part at any time. Failure to repay a loan in accordance with the loan terms will result in default. A

participant who defaults on a loan will be taxed on the unpaid balance, plus accrued interest, and will not be eligible for another loan at any time.

A participant may refinance a loan which is not in default. The term of the balance of the original loan may not exceed five (5) years from the date of the original loan. Any additional amount borrowed may be paid over five (5) years from the date the loan is refinanced. All other loan requirements apply.

**Example.** Ed borrowed \$10,000 on July 1, 2017. The payments were current on July 1, 2020, and the balance due was \$5,000. Ed could refinance and take out a loan of \$15,000 (\$5,000 on the original loan and a new \$10,000 loan) if the other loan requirements are met. The remaining \$5,000 of the original loan would have to be paid by July 1, 2022, but the additional loan of \$10,000 could be paid over a period of time extending to June 30, 2025.

A participant with an outstanding loan may be eligible to defer loan payments, and a maximum interest rate of 6% per year, due to qualifying service on active duty in the military. (See the section entitled **Service in Armed Forces**.)

Loan repayments otherwise due between March 27, 2020 and December 31, 2020 may be eligible for deferral for certain participants impacted by the virus SARS-CoV-2 or by coronavirus disease 2019 (COVID-19). Participants eligible for such deferral are individuals: (a) who were diagnosed with the virus SARS-CoV-2 or by coronavirus disease 2019 (COVID-19) by a test approved by the Centers for Disease Control and Prevention; (b) whose spouse or dependent (as defined by Section 152 of the Internal Revenue Code) were diagnosed with such virus or disease by such test; or (c) who experienced adverse financial consequences as a result of being quarantined, being furloughed or laid off or having work hours reduced due to such virus or disease, being unable to work due to lack of child care due to such virus or disease, closing or reducing hours of a business owned or operated by the individual due to such virus or disease, or other factors as determined by the Secretary of the Treasury (or his or her delegate). The maximum period of deferral for each payment so elected for deferral is one year from the original due date of such payment. Interest will continue to accrue during the period of any deferral. If an eligible participant elects to defer, any subsequent repayments will be appropriately adjusted to reflect the delay in the due date and any additional interest accruing during such delay.

In addition, loan deferrals are available for certain persons with a principal place of residence located in a qualified disaster area, and who sustained an economic loss by reason of such qualified disaster. A “qualified disaster area” is one for which a major disaster was declared during the period January 1, 2020 through February 25, 2021 by the U.S. President under Section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, for disaster incidents on or after December 28, 2019 and on or before December 27, 2020, but excluding any disasters so declared only by reason of COVID-19. Loan repayments eligible for deferral for this purpose are those repayments which originally came due during the period beginning on the first day of the incident period (as determined by the Federal Emergency Management Agency) for such qualified disaster and ending with repayments which originally came due not more than 180 days after the last day of such incident period. The maximum period of deferral for each payment so elected for deferral is the later

of either one year from the original due date of such payment, or June 25, 2021. Interest will continue to accrue during the period of any deferral. If an eligible participant elects to defer, any subsequent repayments will be appropriately adjusted to reflect the delay in the due date and any additional interest accruing during such delay.

A participant with an outstanding loan, who is also eligible for a distribution, may receive a distribution if the loan is paid off prior to the distribution being made, if the loan is paid off from the distribution, or if the balance of the participant's account from which the loan was taken is at least twice the outstanding loan balance after the distribution.

Participants can model and request a loan and new loan information on-line at The Standard Insurance Personal Savings Center website at [www.retirement.standard.com](http://www.retirement.standard.com). A personal identification number is required. One may be requested by calling The Standard Insurance at (971) 321-7526 or (800) 858-5420. Participants may also contact the Administrator for more information about loans.

#### **401(k) ACCOUNT INVESTMENT**

Investment of participants' Regular Plan accounts is managed by the Trust investment manager. However, Participants direct the investment of their own 401(k) Plan accounts, and select from a variety of investment alternatives. Participants should contact the Administrator for information about the investment options available for participant-directed investments. Any portion of the participant's 401(k) contributions for which the participant has not made an investment direction will be invested by default in the Vanguard Wellington Admiral Fund.

The 401(k) Plan is intended to constitute a plan described in Section 404(c) of the Employee Retirement Income Security Act of 1974 and Title 29 of the Code of Federal Regulations, Section 2550.404(c)-1 under which the Cascade Pension Trust Trustees may be relieved of liability for any losses which are the direct and necessary result of investment instructions given by a participant.

Funds in the 401(k) account are invested at the direction of a participant. All expenses directly associated with that investment will be charged to the participant's account. In addition, expenses for administration of the 401(k) accounts are allocated among 401(k) participants' accounts. Participant 401(k) accounts also share in the general expenses of the Trust that apply to both the Regular Plan and the 401(k) Plan. Information regarding such expenses or the information described in Title 29 Code of Federal Regulation, Section 2550.404(c)-1(b)(2)(i)(B)(2) may be obtained from the Administrator.

You may get information about, or manage aspects of your self-directed 401(k) account, by telephone or the Internet. You will have to register and obtain a personal identification number (PIN). The telephone number is (971) 321-7526 or (800) 858-5420. The website address is [www.retirement.standard.com](http://www.retirement.standard.com).

Participants may access their 401(k) self-directed investments on-line over the Internet at [www.retirement.standard.com](http://www.retirement.standard.com).

## RETIREMENT BENEFITS

A participant may elect to receive normal retirement benefits on the first day of any month following the participant's 55th birthday. The participant's account balances will be used to provide retirement benefits. If either the Regular or 401(k) account balance is less than \$5,000, that account will be paid in a single lump sum to the participant. If an account balance is \$5,000 or more and the participant is unmarried, the benefit will be paid in the form of an annuity for the life of the participant unless the participant elects otherwise. If the participant is married, the benefit will be paid in the form of a 50% joint and survivor annuity unless the participant and spouse both elect otherwise.

For accounts over \$5,000, the participant may elect one of the other benefit forms described in the section **Benefit Forms**. However, if the participant is married, the participant's spouse must consent to the alternate benefit form selected, and the consent must be given within 180 days before benefit payments commence.

## SPOUSE'S RIGHTS

Federal law requires that a participant obtain the participant's spouse's consent to the designation of anyone other than the spouse as the beneficiary of death benefits under the Plans. (See the section entitled **Death Beneficiary Designation**.) In addition, federal law requires that a participant obtain the participant's spouse's written consent to normal or disability retirement benefits which are to be paid in any form other than a 50% joint and survivor annuity to the participant and spouse. (See the section entitled **Benefit Selection**.)

If the participant is involved in a domestic relations court proceeding, such as a divorce, or relating to the provision of child support, alimony, spousal support, or marital property rights, the court has the power to order that all or any portion of the participant's accounts in the Regular Plan, 401(k) Plan, or both, be paid to the participant's spouse, former spouse, child, or other dependent. That person is known as an alternate payee. The order is called a qualified domestic relations order. A sample domestic relation order will be provided by the Administrator on request. If a participant is involved in such a court proceeding, the participant should contact an attorney concerning the participant's rights.

If an alternate payee is awarded a portion of the participant's accounts, the alternate payee may select any of the benefit forms available to the participant, except a joint and survivor annuity with respect to the alternate payee and the alternate payee's subsequent spouse (see the section entitled **Benefit Forms**). In addition, the alternate payee may elect to commence benefits at the first of any month after the alternate payee is awarded a portion of the participant's account. The alternate payee does not have to wait until age 55 to commence benefits.

Any court order dividing a participant's account must be approved by the Administrator. Once approved, the order is called a qualified domestic relations order. The Trust has established a procedure for determining whether court orders dividing participant's accounts are acceptable to the Trust. Contact the Administrator for a copy, without charge, of the domestic relations order procedure and sample domestic relations order form.

## **DEATH BENEFIT**

If a participant dies before retirement, the participant's accounts will be paid as a death benefit. If the participant dies after retirement, there is no death benefit unless it is provided by the retirement benefit option which the participant selected at retirement.

Federal law restricts a participant's right to designate a death beneficiary. (See the section entitled **Death Beneficiary Designation**.) The death benefit will be paid to the participant's spouse if the participant is married at the time of death. If the participant does not want the death benefit to be paid to the participant's spouse, the participant must designate another beneficiary on a form provided by the Administrator, and the participant's spouse must consent to the beneficiary designation. A subsequent change in the beneficiary to anyone other than the beneficiary's spouse may be made only with the spouse's written consent.

If the balance of a participant's account at the time of death is less than \$5,000, the account balance will be paid in a single lump sum payment. If the account is \$5,000 or more, the beneficiary may elect to be paid in one of the forms described in the section entitled **Benefit Forms**. If no election is made, the benefit will be paid in the form of an annuity for the life of the beneficiary.

## **DISABILITY RETIREMENT BENEFIT**

If a participant becomes disabled, the participant will be entitled to a disability retirement benefit instead of a regular retirement benefit regardless of the participant's age. A participant will be treated as disabled if the participant provides the Administrator, at the participant's expense, with medical or other evidence satisfactory to the Trust establishing that the participant is:

1. Unable to continue employment in the electrical industry;
2. Suffering from an illness or disease which will result in the inability of the participant to continue employment in the electrical industry within a reasonable period of time; or
3. Eligible for Social Security disability benefits.

Disability benefits may be paid in any of the forms in which normal retirement benefits may be paid. (See the section entitled **Benefit Forms**.)

## **BENEFIT FORMS**

Disability or retirement benefits may be paid in any of the forms listed below. The participant may elect the form of benefit with the consent of the participant's spouse, if married. This consent is required by federal law. A death beneficiary also has the right to have the death benefit paid in a form the beneficiary selects. Alternate benefit forms cannot be selected when the balance of the participant's account is less than \$5,000. In that case, the benefit must be paid in a single, lump sum payment.

Any form of benefit selected will be equal in value to the participant's account balance. Benefit selection must be made on a form provided by the Administrator. The form must be signed by the participant and the participant's spouse and the spouse's signature must be notarized. Once payments have begun in any benefit form other than fixed installments, the form of benefits may not be changed.

A participant or beneficiary can also have an account split, and take each part in a different benefit form, if the value of each form of benefit is \$5,000 or more. A participant may also receive a portion of the participant's accounts as a lump sum and leave the remainder in the Trust for withdrawal as a lump sum or another form of benefit at a later date. But a lump sum benefit must be taken for any distribution which is less than \$5,000.

If you request, the Administrator will provide a statement showing the amount of the benefit payments to which you are entitled under the various benefit forms. The Trust offers annuities issued by Standard Insurance Company. However, the participant may elect to roll an account over to another insurance company and purchase an annuity from that company. Annuity prices provided by the Administrator are Standards' annuity prices.

The following forms of benefit payment are available.

1. **Lump Sum:** A single, lump sum payment of all or a portion of the account balance.
2. **Single Life Annuity:** Equal periodic payments to the person receiving the benefit for that person's lifetime.
3. **Fixed Installments:** Equal periodic payments in an amount specified by the party receiving benefits. The payments will continue until the account is exhausted. If the party receiving payments dies before all payments are made, the remaining payments will be paid to a beneficiary designated by the person receiving payments.
4. **Annuity for a Certain Period:** Equal periodic payments for a fixed term specified by the party receiving benefits. The period specified may be from 1 to 15 years. If the party receiving payments dies before all payments are made, the remaining payments will be paid to a beneficiary designated by the person receiving the payments.
5. **Life Annuity with a Certain Period:** Equal periodic payments, which will continue for a period selected by the party receiving payments, from five to fifteen years, or until the death of the party receiving payments, whichever is later. If the party receiving payments dies before the end of the guaranteed period of years, payments will be paid to a beneficiary designated by the person receiving payments for the remainder of the guaranteed period.
6. **Joint and Survivor Annuity:** Equal periodic payments for the life of the primary beneficiary with payments continuing after the primary beneficiary's death for the remainder of the life of a secondary beneficiary. If the consent of a spouse is required but not given, the benefit will be paid in the form of a qualified joint and survivor annuity, under which the benefit amounts are no less than 50%, and no more than 100%, of the amount payable during the joint lives of the

participant and his or her spouse. However, married participants with the consent of their spouse, and unmarried participants, may elect an optional joint and survivor annuity, under which the payment through the secondary beneficiary can be not less than 75% nor more than 100% of the payment to the primary beneficiary. The payment to the secondary beneficiary cannot be less than 50% or more than 100% of the payment to the primary beneficiary. The level of payments to the secondary beneficiary must be selected before any benefits are paid to the primary beneficiary. All benefits cease on the death of both beneficiaries.

**Example No. 1:** Jim retires and selects a 50% qualified joint and survivor annuity for Jim and his wife. If Jim is paid a benefit of \$1,600 a month and dies before his wife, she will receive a monthly benefit during the remainder of her life of \$800. If Jim's wife dies before Jim, Jim will continue to receive \$1,600 per month after her death for the remainder of his life.

**Example No. 2:** Sue is not married. Sue retires and selects a 100% optional joint and survivor annuity with her daughter. If Sue gets \$1,000 a month during her lifetime, her daughter will get \$1,000 a month after Sue's death, for the remainder of her lifetime. If Sue's daughter dies before Sue, all benefits stop on Sue's death.

**Example No. 3:** Bill is married and has a disabled son. Bill retires and, with his wife's consent, elects an 80% optional joint and survivor annuity with his son. If Bill's monthly benefit is \$1,200 and he dies before his son, Bill's son will receive \$960 per month for the remainder of his life. If Bill's son dies before Bill, all benefits stop on Bill's death.

## **BENEFIT SELECTION**

Benefit selection must be in writing on forms provided by the Administrator, and must be filed with the Administrator to be effective. The signature of the participant's spouse must be notarized. A spouse's consent is valid only if it is given no more than 180 days before benefits commence.

The beneficiary of a lump sum death benefit may elect one of the alternate benefit forms. (See the section entitled **Benefit Forms**.) The election must be made after the participant's death and before benefits commence. No additional consent is required.

## **REQUIRED MINIMUM DISTRIBUTIONS**

Federal law requires that retired participants and some owners of contributing employers be distributed a portion of their accounts by April 1 of the year following the calendar year in which they are either 70½ years of age (for those born before July 1, 1949) or 72 years of age (for those born after June 30, 1949) and by December 31<sup>st</sup> of each succeeding year. However, if you are not an owner and still working, you may delay the beginning date for required minimum distributions until you retire. Required minimum distributions are calculated in accordance with applicable federal law. In general, all required minimum distributions must be fully paid and concluded within 10 years (or five years, if neither the participant nor this plan designates the participant's beneficiary) of the death of the participant. However, special rules may extend that deadline for payment to be over the life or life expectancy of someone who was an "eligible designated beneficiary" on the date the

participant dies: a person who is the surviving spouse of the participant, a minor child of the participant (but such payments may not exceed 10 years from the date the child achieves his or her majority), a disabled or chronically ill individual within the meaning of certain provisions in the tax code (including for this purpose such disabled or chronically ill individual's interest in a multi-beneficiary trust as permitted by the tax code), and any individual not described above who was also not more than 10 years younger than the participant. In any event, where an eligible designated beneficiary is receiving benefits from a deceased participant and that eligible designated beneficiary dies, all of the participant's remaining benefits otherwise payable to or for the benefit of that deceased eligible designated beneficiary must be fully paid and distributed within 10 years from the death of the eligible designated beneficiary, and no person may be deemed to be an eligible designated beneficiary with respect to such participant's remaining unpaid benefit.

## **DEATH BENEFICIARY DESIGNATION**

A participant may designate a beneficiary to receive any death benefit from the participant's accounts. The right of a married participant to make the designation is restricted in several ways.

1. Designation of a beneficiary other than a married participant's spouse before January 1 of the year in which the participant attains age 35, or the date the participant stops working for contributing employer, whichever occurs first, is automatically revoked on January 1 of the year in which the participant attains age 35.

2. A married participant's spouse must consent to the designation of any beneficiary other than the spouse.

3. A beneficiary designation by an unmarried participant will automatically be revoked upon the participant's marriage unless the designated beneficiary is the new spouse.

4. A beneficiary designation by a married participant of the participant's spouse is automatically revoked if the participant and spouse are subsequently divorced.

5. Once a beneficiary designation has been made by a married participant, the designation may not be changed to anyone other than the participant's spouse without the spouse's consent.

If a participant is married, widowed, or divorced, the participant should make a new death beneficiary designation. Occasionally, this is not done and the death benefit becomes payable contrary to the participant's intentions.

Beneficiary designation forms may be obtained from the Administrator. A designation is not valid until properly completed and filed with the Administrator. A beneficiary designation may only be changed by filing a new beneficiary designation with the Administrator.

If a participant dies without a valid death beneficiary designation, the participant's death benefit will be paid to a married participant's surviving spouse or to the participant's estate if the participant was not married when the participant died.

## **DISTRIBUTION OF SMALL ACCOUNTS**

If a participant meets all of the following requirements, the participant may have the participant's accounts distributed, regardless of whether the participant has reached age 55.

1. The participant has performed no work for a period of 12 consecutive months for which contributions are payable to the Trust;
2. The participant is not employed in any capacity by an employer which is obligated to make contributions to the Trust; and
3. The sum of all participant's accounts is less than \$10,000 on the first day of the second month following the last date work was performed for which contributions were payable to the Trust.

If at the end of any calendar year a participant's combined account balances are less than \$5,000 and the participant has not worked for a contributing employer for two years, or any reasonable amount of time if the Trust cannot locate the participant or beneficiary after reasonable efforts, the Trustees may require a lump sum distribution of the account balances. If the amount in any account is over \$1,000 and the participant fails to elect an alternative form of benefit, the distribution will be rolled over to an IRA for the benefit of the participant.

Distribution of a small account will not affect future participation in the Trust.

## **BENEFIT APPLICATION PROCEDURE**

Application for benefits must be made in writing to the Administrator on forms provided by the Trust and may be obtained from the Administrator or Local Union.

The Administrator may require information in addition to the application in order to process an application for benefits. This information may include a copy of a birth certificate, marriage certificate, death certificate or medical reports. In addition, you may be required to furnish proof of your marital status if you elect benefits or a death beneficiary which may require a spouse's consent. If you apply for disability retirement benefits, you will be required to furnish, at your expense, medical or other evidence satisfactory to the Administrator establishing your disability.

If you are asked for additional information, please supply it promptly in order to allow your benefit application to be processed as rapidly as possible. An application for benefits will not be processed until all of the required information is submitted.

Distributions are made once a month, generally on or around the 1<sup>st</sup> of a calendar month, based on your account balance as of the day of distribution (which is comprised of the value of the account balance as of the first of the prior calendar month, excluding any gains and losses in the final month before distribution, plus any new contributions to your account made and processed prior to the date of distribution). It generally takes several weeks to process completed applications since it

involves the Administrator, as well as the custodian and master record keeper for the Trust. Complete applications must be submitted not later than the 10<sup>th</sup> of the month in order to be processed on or shortly after the start of the following month.

For example, assume a retiring participant wishes to take a full distribution of his or her money purchase pension account by lump sum on or about June 1, and submits the necessary forms and documents to do so on or before May 10. On or about May 15, the participant's employer contributes an additional \$1,000 in employer contributions for work performed by the retiring participant in April, which was the retiring participant's final month of employment. As happens every month, late in May the accounts of all participants in Cascade's money purchase pension plan are valued as of the first of that month, and this participant's account is determined to be \$100,000 as of May 1. The distribution request for the retiring participant is processed on or about June 1 in the normal course. As happens every month, late in June, investment gains (or losses) for the prior calendar month are determined for all participants in Cascade's money purchase pension plan, and had the participant not taken a full distribution effective as of June 1, his or her account would have increased (or decreased) by \$500 effective as of June 1, resulting from investment gains (or losses) since the last valuation date on May 1. In this hypothetical, the amount of the retiring participant's distribution would be \$101,000.

## **SERVICE IN ARMED FORCES**

If a participant goes on active duty in the United States Armed Forces, the Army or Air National Guard, the Commissioned Corps of the Public Health Service, certain types of duties performed by intermittent employees of the National Disaster Medical System, and other categories of persons designated by the President in time of war or national emergency, the participant may be entitled to special benefits if the participant returns to work for a contributing employer after release from active duty within the meaning of the Uniformed Services Employment and Re-Employment Rights Act of 1994 or any similar law in accordance with Section 414(u) of the Internal Revenue Code. Qualifying returning participants are entitled to contribute to the 401(k) Plan up to the amount which could have been contributed by the participant during the period of active duty if the participant had been working for a contributing employer. If the period of active duty includes one or more prior plan years, the make-up contributions attributable to such prior years are not included in the annual contribution limits for the current plan year, but are subject to the contribution limit applicable to each of the prior plan year(s) for which the make-up contributions are made. In addition, the Trust will credit the Regular Plan account of a qualifying participant with an amount equal to what would have been contributed by a contributing employer during the period of active duty if the participant had been working for a contributing employer. If a participant has an outstanding loan, payments will be suspended, and interest capped at 6% per year, during a period of qualified military service. A request for contributions and benefits must be made in writing to the Administrator on forms which may be obtained from the Administrator. Contact the Administrator for further information.

## **PLAN PARTICIPATION AFTER RETIREMENT**

If a participant starts receiving retirement benefits from either Plan and is subsequently employed by an employer which is required to make contributions to the Cascade Pension Trust, the

retirement benefits previously started will not be altered or suspended. A new account will be established for any new contributions to that Plan. The new account will be used to provide additional death, disability or retirement benefits for the participant. The participant may not receive retirement benefits from this new account until the first day of the second month after the participant's 60<sup>th</sup> birthday or the first day of any subsequent month, or, if sooner, the day the participant becomes eligible for death or disability benefits. But if a participant receives a partial distribution from one account and is reemployed before age 60, the participant may withdraw all or any portion of the remainder of such account. A small account distribution (see the section entitled **Distribution of Small Accounts**) will not require a participant to wait until age 60 for a second distribution. The Regular and 401(k) Plans are treated independently from each other with respect to second distributions.

## **CLAIMS PROCEDURE**

If an application for benefits is denied in whole or in part, the procedure which applies depends on whether the claim is or is not a claim for disability benefits.

Non-Disability Benefits Claims Procedures. If the claim is not one involving disability benefits, it is subject to the following process:

(1) The applicant shall be notified by the Administrator in writing of the specific reasons for the denial within 90 days of the Administrator's receipt of the application, unless special circumstances require an extension of time for processing the application. No extension shall exceed 90 days, and any notice of the need for the extension, shall identify the special circumstances requiring an extension of time and the date by which the Administrator expects to render its determination. The period of time in which a benefit determination is required to be made will begin at the time an application or claim is filed with the Administrator, without regard to whether all the information necessary to make a benefit determination accompanies the filing. However, in the event that a period of time is extended as permitted above, due to the applicant's failure to submit the information necessary to decide the claim, the notice of extension shall also identify the additional information needed to decide the claim, and the period for the Administrator to make the benefit determination shall be tolled from the date on which the notification of the extension is sent to the applicant until the date on which the applicant responds to the request for additional information.

(2) If the Administrator denies the applicant's claim in whole or in part, the Administrator shall provide the applicant with written notice of the adverse benefit determination. The notice shall identify: (i) the specific reason or reasons for the adverse determination; (ii) the Plan provisions on which the determination is based; (iii) if applicable, a description of any additional material or information necessary for the applicant to perfect the claim and an explanation of why such material or information is necessary; and (iv) a description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the applicant's right to bring a civil action under Section 502(a) of ERISA.

(3) When an applicant's claim has been denied in whole or in part, the applicant may appeal the denial to the Trustees. The applicant or his or her representative has 60 days following receipt of the denial notice from the Administrator to file an appeal with the Trustees, and, if not timely filed shall

be deemed waived. The appeal must be in writing, identify all the reasons the applicant disagrees with the denial, and be mailed or delivered to the Trustees, care of the Administrator. The applicant or his or her representative shall have the opportunity to submit written comments, documents, records and other information relating to the claim for benefits. In addition, upon request, the applicant shall be provided free of charge reasonable access to, and copies of, all documents, records and other information relevant to the applicant's claim for benefits. For this purpose, a document, record or other information is considered "relevant" if such document, record or other information was: (i) relied on in making the benefit determination; (ii) submitted, considered or generated in the course of making the benefit determination; (iii) demonstrates compliance with the administrative processes and safeguards of the Plan's Claims Procedure and governing Plan documents and that, where appropriate, the Plan provisions have been applied consistently with respect to similarly situated applicants; or (iv) with respect to a claim for disability benefits, constitutes a statement of policy or guidance with respect to the Plan concerning the denied benefit for the applicant's diagnosis, without regard to whether such advice or statement was relied upon in making the benefit determination.

(4) Upon receipt of an appeal, the Trustees will review the application. The Trustees shall take into account all comments, documents, records and other information submitted by the applicant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination by the Administrator. The Trustees shall make a decision on such application within 60 days following receipt of the appeal, unless special circumstances (including the need to hold a hearing, if the Trustees elect in their sole discretion to hold an in-person hearing) require an extension of time for processing the appeal. No such extension shall exceed 60 days from the end of the initial 60 days' period. Notice of the need for the extension, if any, shall be given to the applicant within 60 days following receipt of the appeal, and shall identify the special circumstances requiring an extension of time and the date by which the Trustees expect to render their determination. The period of time in which a decision on an appeal is required to be made will begin at the time an appeal is filed with the Administrator, without regard to whether all the information necessary to make a benefit determination on appeal accompanies the filing. However, in the event that a period of time is extended as permitted above, due to the applicant's failure to submit the information necessary to decide the claim on appeal, the notice of extension shall also identify the additional information needed to decide the claim on appeal, and the period for the Trustees to make the benefit determination on appeal shall be tolled from the date on which the notification of the extension is sent to the applicant until the date on which the applicant responds to the request for additional information.

(5) The applicant or his or her representative shall be notified in writing of the decision of the Trustees on an appeal within the time period for their decision to be made. In the case of an adverse benefit determination on appeal, the notification shall set forth, in a manner calculated to be understood by the applicant: (i) the specific reason or reasons for the adverse determination; (ii) reference to the specific Plan provisions on which the benefit determination on appeal is based; (iii) a statement that the applicant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant, as described in Section (3) above, to the applicant's claim for benefits; (iv) a statement that the decision is final, the Plan maintains no further voluntary appeal procedures, and the Plan therefore maintains no information it may make available to the participant about such voluntary appeal procedures; and (v)

the applicant's right to bring a lawsuit for benefits under ERISA Section 502(a), and describing any applicable contractual limitations period, if any, that applies to the applicant's right to bring such an action, including the calendar date on which the contractual limitations period expires for the claim.

(6) The claim is subject to the additional provisions below in the section entitled Procedures Common to Both Types of Claims.

Disability Benefits Claims Procedures. If the claim is one involving disability benefits, including a rescission of such benefits, it is subject to the following process. In all events, the Plan will ensure that all claims and appeals for disability benefits are adjudicated in a manner designed to ensure the independence and impartiality of the persons involved in making the decision. Accordingly, decisions regarding hiring, compensation, termination, promotion or other similar matters with respect to any individual (such as claims adjudicator or medical or vocational expert) must not and will not be made based upon the likelihood that the individual will support the denial of benefits:

(1) The applicant shall be notified by the Administrator in writing of the specific reasons for the denial of disability benefits within 45 days of the Administrator's receipt of the application, unless the Administrator determines that an extension is necessary due to matters beyond the control of the Plan and notifies the applicant, prior to the expiration of the initial 45-day period, of the circumstances requiring the extensions of time and the date by which the Plan expects to render a decision. No such initial extension shall exceed 30 days. However, if prior to the end of the first 30-day extension period, the Administrator determines that, due to matters beyond the control of the Plan, a decision cannot be rendered within the initial extension period, the period for making the determination may be extended for up to an additional 30 days, provided that the Administrator notifies the applicant prior to the expiration of the first 30-day extension period of the circumstances requiring the extension and the date as of which the Plan expects to render a decision. In the case of any such extension, the notice of extension shall specifically explain the standards on which entitlement to a benefit is based, the unresolved issues that prevent a decision on the claim, and the additional information needed to resolve those issues, and the applicant shall be afforded at least 45 days within which to provide the specified information. The period of time in which a benefit determination is required to be made will begin at the time an application or claim is filed with the Administrator, without regard to whether all the information necessary to make a benefit determination accompanies the filing. In the event that a period of time is extended as permitted above, due to the applicant's failure to submit the information necessary to decide the claim, the notice of extension shall also identify the additional information needed to decide the claim, and the period for the Administrator to make the benefit determination shall be tolled from the date on which the notification of the extension is sent to the applicant until the date on which the applicant responds to the request for additional information.

(2) If the Administrator denies the applicant's claim for disability benefits in whole or in part, the Administrator shall provide the applicant with written notice of the adverse benefit determination. The notice shall identify: (i) the specific reason or reasons for the adverse determination; (ii) the Plan provisions on which the determination is based; (iii) if applicable, a description of any additional material or information necessary for the applicant to perfect the claim and an explanation of why such material or information is necessary; and (iv) a description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of

the applicant's right to bring a civil action under Section 502(a) of ERISA; (v) a discussion of the decision, including an explanation of the basis for disagreeing with or not following the views presented by the applicant to the Plan of health care or vocation professionals who treated or evaluated the applicant, the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with an applicant's adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination, and any disability determination regarding the applicant presented by the applicant to the Plan made by the Social Security Administration; (vi) if the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request; and (vii) either the specific internal rules, guidelines, protocols, standards or other similar criteria of the Plan relied upon in making the adverse determination, or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Plan do not exist.

(3) When an applicant's claim has been denied in whole or in part, the applicant may appeal the denial to the Trustees. The applicant or his or her representative has 45 days following receipt of the denial notice from the Administrator to file an appeal with the Trustees, and, if not timely filed shall be deemed waived. The appeal must be in writing, identify all the reasons the applicant disagrees with the denial, and be mailed or delivered to the Trustees, care of the Administrator. The applicant or his or her representative shall have the opportunity to submit written comments, documents, records and other information relating to the claim for benefits. In addition, upon request, the applicant shall be provided free of charge reasonable access to, and copies of, all documents, records and other information relevant to the applicant's claim for benefits. For this purpose, a document, record or other information is considered "relevant" if such document, record or other information was: (i) relied on in making the benefit determination; (ii) submitted, considered or generated in the course of making the benefit determination; (iii) demonstrates compliance with the administrative processes and safeguards of the Plan's Claims Procedure and governing Plan documents and that, where appropriate, the Plan provisions have been applied consistently with respect to similarly situated applicants; or (iv) with respect to a claim for disability benefits, constitutes a statement of policy or guidance with respect to the Plan concerning the denied benefit for the applicant's diagnosis, without regard to whether such advice or statement was relied upon in making the benefit determination. However, before the Plan can issue an adverse benefit determination on appeal of a disability benefit claim, the Administrator shall provide the applicant, free of charge, with any new or additional evidence considered, relied upon, or generated by the Plan, insurer or other person making the benefit determination (or at the direction of any such person) in connection with the claim. In addition, before the Plan can issue an adverse benefit determination on appeal of a disability claim based on a new or additional rationale, the Administrator shall provide the applicant, free of charge, with the rationale. Such evidence or rationale must be provided as soon as possible and sufficiently in advance of the date on which the notice of adverse benefit determination on appeal is required to be provided under this Section to give the applicant a reasonable opportunity to respond prior to that date.

(4) Upon receipt of an appeal, the Trustees will review the application. The Trustees shall take into account all comments, documents, records and other information submitted by the applicant relating to the claim, without regard to whether such information was submitted or considered in the

initial benefit determination by the Administrator. The Trustees shall make a decision on such application within 45 days following receipt of the appeal, unless special circumstances (including the need to hold a hearing, if the Trustees elect in their sole discretion to hold an in-person hearing) require an extension of time for processing the appeal. No such extension shall exceed 45 days from the end of the initial 45 days' period. Notice of the need for the extension, if any, shall be given to the applicant within 45 days following receipt of the appeal, and shall identify the special circumstances requiring an extension of time and the date by which the Trustees expect to render their determination. The period of time in which a decision on an appeal is required to be made will begin at the time an appeal is filed with the Administrator, without regard to whether all the information necessary to make a benefit determination on appeal accompanies the filing. However, in the event that a period of time is extended as permitted above, due to the applicant's failure to submit the information necessary to decide the claim on appeal, the notice of extension shall also identify the additional information needed to decide the claim on appeal, and the period for the Trustees to make the benefit determination on appeal shall be tolled from the date on which the notification of the extension is sent to the applicant until the date on which the applicant responds to the request for additional information.

(5) The applicant or his or her representative shall be notified in writing of the decision of the Trustees on an appeal of a claim for disability benefits within the time period for their decision to be made. In the case of an adverse benefit determination on appeal, the notification shall set forth, in a manner calculated to be understood by the applicant: (i) the specific reason or reasons for the adverse determination; (ii) reference to the specific Plan provisions on which the benefit determination on appeal is based; (iii) a statement that the applicant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant (as described in Section (3) above) to the applicant's claim for benefits; (iv) a statement that the decision is final, the Plan maintains no further voluntary appeal procedures, and the Plan therefore maintains no information it may make available to the participant about such voluntary appeal procedures; (v) the applicant's right to bring a lawsuit for benefits under ERISA Section 502(a), and describing any applicable contractual limitations period, if any, that applies to the applicant's right to bring such an action, including the calendar date on which the contractual limitations period expires for the claim; (vi) a discussion of the decision, including an explanation of the basis for disagreeing with or not following the views presented by the applicant to the Plan of health care or vocation professionals who treated or evaluated the applicant, the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with an applicant's adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination, and any disability determination regarding the applicant presented by the applicant to the Plan made by the Social Security Administration; (vii) if the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request; and (viii) either the specific internal rules, guidelines, protocols, standards or other similar criteria of the Plan relied upon in making the adverse determination, or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Plan do not exist.

(6) All notices from the Plan relating to claims for disability benefits shall be written in a “culturally and linguistically appropriate manner” for any “applicable non-English language”. For this purpose, an “applicable non-English language” means, for an address in any United States county to which a notice is sent, a non-English language of which ten percent or more of the population residing in such county is literate only in the same non-English language, as determined in guidance published by the Secretary of Labor. For all applicable non-English languages, the Plan must: (i) provide oral language services (such as a telephone customer assistance hotline) that include answering questions in any applicable non-English language and providing assistance with filing claims and appeals in any applicable non-English language; (ii) provide, on request, a notice in any applicable non-English language; and (iii) include in the English versions of all notices, a statement prominently displayed in any applicable non-English language clearly indicating how to access the language services provided by the Plan.

(7) The claim for disability benefit, including rescission of such benefits, is subject to the additional provisions below in the section entitled Procedures Common to Both Types of Claims.

Procedures Common to Both Types of Claims. For all claims, applications, appeals and other matters within the scope of this Plan and Trust, the Trustees have full, absolute and unlimited power and authority to administer the Plan and Trust, to construe and interpret the Plan and Trust, and to determine all factual or legal questions related to any claims, applications, appeals or other matters. The decisions of the Trustees shall be final and binding upon everyone involved in accordance with Article VIII, Section 1 of the Trust Agreement, and shall be subject to judicial review only for abuse of discretion. Legal action cannot be taken against the Trust, Plan or the Trustees more than the earlier of two years after the date the Trustees make a decision on an application for benefits, or (if the claim does not involve an application for benefits) two years from the date the cause of action accrues. If any lawsuit, including a claim for benefits under ERISA Section 502(a), is not filed within two years from the earlier of such dates, recovery under such lawsuit will be forever barred by this contractual statute of limitations.

## **RECIPROCITY**

The Cascade Pension Trust has entered into agreements with other I.B.E.W. Local pension trusts through the Electrical Industry Pension Reciprocal Agreement. This national agreement provides that if a member of a Local Union who has an account in the Cascade Pension Trust Regular Plan, works in the jurisdiction of another I.B.E.W. Local which has a pension trust that has entered into the national agreement, employer (but not employee) contributions to the other trust may be sent to the Cascade Pension Trust and credited to the participant's account. If that is done, no pension benefits will accrue in the other pension trust and all contributions will be accumulated in the Cascade Pension Trust Regular Plan account. Contributions to a 401(k) Plan established by another Trust may not be sent back to the Cascade 401(k) plan without prior approval of both Trusts.

For contributions to be transferred, the following two requirements must be met:

1. There must be a reciprocity agreement between the Cascade Pension Trust and the pension trust where the participant is working (or they must both be parties to the national agreement); and

2. The participant must elect to have pension contributions sent to the Cascade Pension Trust via the Electrical Reciprocal Transfer System (ERTS). Contact your Local Union or the Administrator for information on how to make the election using ERTS.

Participants in other I.B.E.W. Local pension trusts which are signatory to the Electrical Industry Pension Reciprocal Agreement who work for employers required to contribute to the Cascade Pension Trust may also elect to have their employer contributions sent to their home trust. The election is made in the manner described above. Contributions to the 401(k) Plan may not be sent to another trust without prior approval by both Trusts.

The Cascade Pension Trust also has a reciprocity agreement with the Plumber's Local 290 Pension Fund which allows transfer of funds in the same way as they are transferred under the national agreement. The Cascade Pension Trust may from time to time enter into agreements with certain other I.B.E.W. pension trusts which may not provide for a transfer of contributions, but which could allow recognition of prior hours worked in the jurisdiction of the Cascade Pension Trust for determining vesting credits in the other trust. Contact the Administrator to find out which I.B.E.W. Local pension plans have reciprocity agreements with the Cascade Pension Trust.

## **REPORTS**

The Trust will provide you with a variety of reports. Some are sent on a regular basis and others only as needed. A contribution report is sent to each participant every calendar quarter. This report is prepared to confirm all employer contributions made to each participant's account during each calendar quarter. Separate reports will be provided for the Regular Plan account and the 401(k) Plan account. Please review each report carefully. If you have questions or believe any report is inaccurate, contact the Administrator immediately.

## **INCOME TAXES**

Benefit distributions are income to the recipient and subject to both federal and state income tax. Federal and state income tax may be withheld from benefit payments under some circumstances. See the section of this handbook entitled **SPECIAL TAX NOTICE** for a more detailed explanation.

Whenever benefits are selected or commenced, a participant or death beneficiary should consult with a professional tax advisor concerning the tax consequences of the distribution.

## **ROLLOVERS**

Each participant who receives a lump sum distribution from another qualified pension plan may request that the distribution be added to the participant's Cascade account. Any employee of a contributing employer who is not a participant working under a collective bargaining agreement between NECA and a Local Union, and who receives a lump sum distribution from another qualified pension Plan, may request that the distribution be used to establish an account in Cascade. The Trustees reserve the right to reject any rollover requests. If you want to roll funds over to the

Cascade Pension Trust, contact the Administrator. Funds rolled into Cascade will be managed the same way as all other accounts, and subject to the same distribution requirements as your Cascade accounts.

Some distributions **from** this Trust may also be rolled over in a way which will defer income taxes. See the section of this handbook entitled **SPECIAL TAX NOTICE** for a more detailed explanation.

You will be given a copy of the **SPECIAL TAX NOTICE** when you notify the Administrator of your intent to take a distribution from the Trust. You are entitled to wait 30 days from the date on which you receive the notice to decide whether to direct a rollover to another qualified pension trust or individual retirement account. You may waive the 30 day period by making a distribution election prior to the end of the 30 day period.

## **AMENDMENT OR TERMINATION**

Although they intend to continue the Trust indefinitely, NECA and the Local Unions reserve the right to amend the Trust and Plans from time to time, or even to terminate them. However, no amendment may deprive you of a prior vested benefit. If the Trust should ever be terminated, you will always be fully vested in your account balances and benefits in existence at the time of termination, and the assets of the Plans will only be used to pay benefits and administration expenses of the Plans.

## **STATEMENT OF ERISA RIGHTS**

As a participant in the Cascade Pension Trust you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

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

Examine, without charge, at the Administrator's office and at other specified locations, such as Local Union halls, all documents governing the Plans, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plans with U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the 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 Summary Plan Description. The Administrator may make a reasonable charge for the copies.

Receive a summary of the Plans' annual financial reports. The Administrator is required by law to furnish each participant with a copy of this summary annual report.

Obtain a statement estimating what your benefits would be at normal retirement age (55) if you stop working under the Plans now. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

## **2. 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 Plans. The people who operate your Plans, called "fiduciaries" of the Plans, 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.

## **3. Enforce Your Rights.**

If your claim for a pension 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 Administrator 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 Administrator. 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. In addition, if you disagree with the Plans' 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 the Plan's fiduciaries misuse the Plans' 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.

## **4. Assistance with Your Questions.**

If you have any questions about your Plans, you should contact the 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, 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 via its website, [www.dol.gov](http://www.dol.gov).

## SOURCE OF MORE INFORMATION

Plan participants and beneficiaries may receive from the Administrator, upon written request, information concerning whether a particular employer or employee organization is a Plan sponsor and if so, its address. Copies of the collective bargaining agreements may be obtained from each Local Union business office. The Administrator can advise participants what other pension plans have reciprocity agreements with Cascade. Forms and other information can be obtained from the Administrator or over the Internet at [www.cascadepension.aibpa.com](http://www.cascadepension.aibpa.com).

Additional information is also available over the Internet at [www.retirement.standard.com](http://www.retirement.standard.com). A personal identification number (PIN) is required. Participants may request one by calling The Standard Insurance at (971) 321-7526 or (800) 858-5420.

Once a PIN is established, participants can view their account balances, examine the history of their accounts, and use the Retirement Planning Center to access educational materials and interactive calculators and worksheets for planning your retirement strategy. Participants with loans can view the terms and outstanding balances of their loans. Participants can also model and request new loans.

Participants with self-directed 401(k) Plan investments can transfer existing balances between investments, obtain details of available investment options and change investments for future contributions. The website also permits a participant's use of the Automatic Rebalancer to maintain a specific asset allocation and view historical performance of each investment option.

## IMPORTANT FACTS

1. The name of the Trust is **The Cascade Pension Trust**.
2. This Trust has been established under a trust agreement negotiated and entered into by:

Oregon Pacific-Cascade Chapter, NECA  
1040 Gateway Loop, Suite A  
Springfield, OR 97477-1113

I.B.E.W. Local #659  
4480 Rogue Valley Hwy, Suite 3  
Central Point, OR 97502

I.B.E.W. Local #280  
P. O. Box 404  
Tangent, OR 97302

I.B.E.W. Local #932  
3247 Ash Street  
North Bend, OR 97459

3. The Trust employer identification number is: 93-6105946. The Plan number for the Regular Plan is 001. The 401(k) Plan number is 002.

4. The Plans are administered by a contract with the Administrator.

BeneSys, Inc.  
5331 S. Macadam Ave., Suite 220  
Portland, OR 97239  
Telephone: (503) 224-0048 or  
(800) 547-4457 ext. 1682  
Fax: (503) 228-0149

Mailing Address of:  
PMB #116  
5331 S. Macadam Ave., Suite 258  
Portland, OR 97239

5. The following person is designated by the Trust as the agent for the service of legal process. In addition, legal process may be served on a Trustee or the Administrator.

Lance A. LeFever, Attorney at Law  
Thorp, Purdy, Jewett, Urness & Wilkinson, P.C.  
1011 Harlow Road, Suite 300, Springfield, OR 97477

6. The Plan Trustees are:

**Employee Trustees**

**Employer Trustees**

Mark Nelson  
I.B.E.W. Local No. 659  
4480 Rogue Valley Hwy., Suite 3  
Central Point, OR 97502

Jon Flegel  
I.B.E.W. Local No. 659  
4480 Rogue Valley Hwy., Suite 3  
Central Point, OR 97502

Mark Crenshaw  
I.B.E.W. Local No. 280  
1280 Oak St.  
Junction City, OR 97448

Andrew Lindsey  
I.B.E.W. Local No. 280  
P.O. Box 404  
32969 Hwy. 99E  
Tangent, OR 97389

Tim Miller  
38794 Sodaville Waterloo Drive  
Lebanon, OR 97355

Robert Westerman  
I.B.E.W. Local No. 932  
3427 Ash Street  
North Bend, OR 97459

Eric Sherman  
I.B.E.W. Local No. 932  
3427 Ash Street  
North Bend, OR 97459

Andy McCaffree  
I.B.E.W. Local No. 932  
3427 Ash Street  
North Bend, OR 97459

Nathan Philips  
Integrated Electronic Systems  
541 Willamette Street, Suite 109  
Eugene, OR 97401

Monique de Boer  
NECA  
1040 Gateway Loop, Ste A  
Springfield, OR 97477-1196

Joe Myers  
Pacific Electrical  
920 Grape Street  
Medford, OR 97501-3631

Thomas Kyle  
Kyle Electric  
PO Box 410  
400 Virginia Ave.  
North Bend, OR 97459

Mike Weaver  
M&W Electric, Inc.  
29889 Highway 34, S.W.  
Albany, OR 97321

7. The Regular Plan is a money purchase pension plan and 401(k) Plan is a cash or deferred arrangement established under section 401(k) of the Internal Revenue Code of 1986. Both the Regular and 401(k) Plans are defined contribution plans. Pension Benefit Guaranty Insurance is not available for defined contribution plans. As a result, none of the benefits of either Plan are insured or guaranteed by the Pension Benefit Guaranty Corporation under Title IV of the Employee Retirement Income Security Act of 1974 (PL 93-406) or by any other governmental agency.

8. Quest Investment Management, Inc. of Portland, Oregon is the investment manager

of the fund. U.S. Bank National Association is the custodian for the Trust assets. Standard Insurance Company is the master record keeper for the Trust. Nibley & Herrle Agencies is the Trust consultant and the accounting firm of Bjorklund & Montplaisir is the Trust auditor. Thorp, Purdy, Jewett, Urness & Wilkinson, P.C. is the Trust legal counsel.

9. Plan assets are in a variety of different investments, such as: insurance contracts, stock, mutual funds, real estate, bonds, and government agency securities.

10. The Trust fiscal records are maintained on a calendar year ending on December 31<sup>st</sup>.