LOCAL UNION 513 PENSION FUND

SUMMARY PLAN DESCRIPTION

2020

LOCAL UNION 513 PENSION FUND

Suite 150
3449 Hollenberg Drive
Bridgeton, Missouri 63044
Telephone: (314) 739-2973

LOCAL UNION 513 PENSION FUND

Dear Participant:

The Trustees of the Local Union 513 Pension Fund are pleased to present you with this revised Summary Plan Description booklet (“SPD”) describing the benefits provided under the Plan of the Local Union 513 Pension Fund Rules and Regulations (“Pension Plan” or “Plan”), which was restated as of January 1, 2015 and has been amended several times since then. This SPD describes the rules for the Plan in effect on December 31, 2020.

Because your Pension Plan is a significant part of your future retirement income, we believe it's important that you and your family understand the Pension Plan's benefits. For this reason, every effort has been made to explain the Pension Plan in a clear, straightforward manner.

This booklet provides an up-to-date explanation of the Pension Plan provisions as contained in the official text of the Pension Plan document. The Pension Plan document itself is a legal document which sets forth the precise eligibility requirements and types and amounts of pension benefits in technical language. The Pension Plan document is available for your review at the Fund Office any time during regular business hours and is also available on the Participant website at www.iuoe513fringe.org. If you have any questions about the Pension Plan document, please call or write the Fund Office.

We urge you to read this entire booklet and to share it with your family. Your pension is one of the most important parts of your lifetime of financial planning. It is important that you and your family be aware of your retirement pension and the survivor protection features.

The Trustees are proud of the success we have achieved in providing security to Employees who retire after devoting many years to the industry. We realize that a large part of this success is due to the hard work and cooperation of the Union, Employers and Employees, and we appreciate their efforts.

If you have any questions about your pension benefits or your rights under your Pension Plan, please call or write the Fund Office. The people there will be happy to assist you.

Sincerely,

BOARD OF TRUSTEES

TABLE OF CONTENTS

HIGHLIGHTS OF THE PENSION PLAN

Below are some highlights of the benefits available to you. Where we've used terms that have special definitions, they are capitalized. These terms are defined later in the booklet.

1. The Pension Plan is designed to pay you a monthly benefit when you retire at age 62 if you have enough Pension Credits and Contributions. The exact amount of your pension depends on how much your Employer has been contributing to the Plan and how many years you've worked. This booklet will help you estimate your benefit.

2. Your Spouse is entitled to a lifetime pension if you die before retiring and you've earned a vested (ownership) right to your pension. If you die before retiring and you have not earned a vested right to your pension, your Beneficiary could still receive a lump sum death benefit if you had at least 5 Pension Credits at the time of your death.

3. If you'd like to retire early, the Plan offers retirement as young as age 55 provided you have at least ten Pension Credits.

4. A disability pension is available if you become Totally Disabled after earning at least fifteen Pension Credits and you have worked a total of at least 500 hours in Covered Employment during the 36 months prior to the month during which your disability onset occurred.

5. If you quit working under this Plan after you've earned 5 or more Years of Vesting Service without a Break in Service, you're still eligible to receive a pension at Normal Retirement Age.

6. Once you retire, your benefits will be continued for life so long as you remain retired, unless your benefit is small enough to be paid in a lump sum. Upon your death, survivor benefits may be paid depending on which option you had selected just before retiring.

7. All retirement benefits from this Plan are in addition to any amounts that a Pensioner may receive from Social Security or another plan.

8. There is no compulsory retirement under this Plan; however, regardless of whether you decide to continue working, benefit payments must begin by no later than your Required Beginning Date.

IMPORTANT TO REMEMBER

- Save this booklet. Put it in a safe place.

- Tell your family, particularly your Spouse, about this booklet and where you keep it filed.

- If you have worked in employment covered by the Plan for five years or more without a Break in Service and you are leaving without definite plans to return in the near future, you may be entitled to a deferred pension, payable when you have reached Normal Retirement Age. Call or write the Fund Office and arrangements will be made to furnish you with a statement of your benefit rights. The Fund will also file notice with the government so that the Social Security Administration can remind you at a future time of your vested pension rights.

- Notify the Fund Office promptly if you change your address. If the Trustees are unable to reach you at your last address on record, any benefit payments will be held without interest.

Only the full Board of Trustees is authorized to interpret the Plan of benefits. Nothird-party administrator, employer or union nor any representative of any third-party administrator, employer or union, in such capacity, is authorized to interpret the Plan nor can any such person act as an agent of the Trustees. The Board of Trustees has the power and discretion to construe all terms, provisions, conditions and limitations of the Plan and to determine all questions arising out of or in connection with the provisions of the Plan or its administration in any and all cases. The complete Pension Plan document is available for your review at the Fund Office.

It is the exact text of the Pension Plan document, rather than the general description in this booklet, which governs your entitlement to benefits. In the event of discrepancies between the description of the Plan provided in this Summary Plan Description and the terms of the Plan itself, the text of the Plan shall govern.

DEFINITIONS

The following abbreviated definitions of terms used in the Pension Plan may be helpful in understanding the benefits which are presented and your rights under the Plan.

The Pension Plan document itself has been carefully drafted and in some cases legal language is used in order to make certain that the rights of qualified Employees are protected and to avoid, if possible, claims for benefits by persons who are not entitled to pensions. This booklet describes the benefits and the way you qualify for them in general terms for easier understanding.

Beneficiary

A Beneficiary is a person who is or may be eligible to receive benefits under the Plan upon your death.

Collective Bargaining Agreement

A Collective Bargaining Agreement is a written agreement between an Employer and the Union which requires Contributions to the Fund.

Contribution Period

A Contribution Period is the period during which an Employer is required, in accordance with a Collective Bargaining Agreement or other written agreement, to make Contributions to the Fund on your behalf for work in Covered Employment.

Contributions

Contributions are money payments to the Fund for work in Covered Employment.

Covered Employment

You are working in Covered Employment if your Employer is required to make Contributions to the Pension Fund on your behalf for your work in accordance with a Collective Bargaining Agreement with Local Union 513 or any other written agreement.

The Collective Bargaining Agreement between the Union and your Employer specifies the date when Contributions were first required. Work before that date may also be considered Covered Employment if it was a job for which Contributions would be paid to the Pension Fund if performed at the present time.

Employee

You are an Employee under the Plan if you work for an Employer who is required to pay Contributions to the Pension Fund on your behalf for your work in accordance with a Collective Bargaining Agreement or other written agreement providing for such Contributions.

Employer

If an employer has signed a Collective Bargaining Agreement requiring contributions to the Fund, or has signed another type of written agreement requiring contributions to the Fund, it is an

Employer under the Plan so long as the employer has been accepted as an Employer by the Trustees of the Fund.

Free Look Rule

Allows new Employers the ability to participate in the Fund without incurring withdrawal liability if certain requirements have been met.

Fund or Pension Fund

The Fund or Pension Fund means the Local Union 513 Pension Fund.

Fund Office

The office to which all communications about the Pension Plan should be addressed. It is also the office to which anything for the Board of Trustees should be addressed. Any inquiries about your rights and benefits and responsibilities and any notice you may be required to give the Pension Fund should be addressed to the Fund Office. The address for the Fund Office is:

Local Union 513 Pension Fund
3449 Hollenberg Drive, Suite 150
Bridgeton, MO 63044

Gender

The term "he"/"his" or "she"/"her" as used herein means he or she, his or hers, whichever is applicable.

International Union

The International Union is the International Union of Operating Engineers.

Normal Retirement Age

Age 62 or, if later, your age on the fifth anniversary of your participation.

Participant

You are a Participant in the Plan if you have met the participation requirements set out in the Plan, which are described on page 7 of this SPD.

Pension Credits

Pension Credits are the units used to measure your work in Covered Employment in order to qualify for pension benefits and to determine your benefit amount.

Pension Credits before the Contribution Period

Pension Credits before the Contribution Period (formerly called past service) are based on the number of continuous years of work in Covered Employment before the date Contributions were first required to be paid to the Fund on your behalf. A Participant will lose all Pension Credits before the Contribution Period attributable to an employer that withdraws from the Fund under the Fund's Free Look Rule.

Pension Credits during the Contribution Period

Pension Credits during the Contribution Period (formerly called future service) are earned by your hours of work for which Contributions are required to be paid to the Pension Fund on your behalf.

Pensioner

A Pensioner is a person who is being paid a pension under the Plan or who would be receiving a pension under the Plan had the administrative processing of his/her retirement application been completed by his/her Annuity Starting Date.

Plan Credit Year

The Plan Credit Year is the twelve-month period between May 1st and April 30th and is used to compute a Year of Vesting Service and Pension Credit. It is also the fiscal year of the Fund for accounting and government reporting.

Qualified Domestic Relations Order

A Qualified Domestic Relations Order is any court judgment, decree, or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments or marital property rights to a Spouse, former Spouse, child or other dependent of a Participant, and is made pursuant to a state domestic relations law, including a divorce or community property law, which has been determined pursuant to procedures established by the Trustees, to be a Qualified Domestic Relations Order as defined under federal law (Section 206(d) of the Employee Retiree Income Security Act).

Required Beginning Date

A Participant's Required Beginning Date is the April 1st following the calendar year in which the Participant turns age 70 ½ if the individual turned age 70 ½ prior to January 1, 2020, or the April 1st following the calendar year in which an individual attains age 72 if the individual turned age 70 ½ on or after January 1, 2020.

Retirement

The period after you qualify for a pension under the Plan and start to receive monthly pension payments is considered retirement. To continue to receive pension payments after retirement, there are certain types of employment which are prohibited. This is explained further on page 38.

Spouse

A Spouse is the person to whom a Participant or Pensioner is considered married under applicable state law, including an individual of the same sex if the laws of the state where the marriage took place authorize the marriage of two individuals of the same sex. The term "Spouse" does not include individuals who have entered into a registered domestic partnership, civil union, or other similar formal relationship recognized under state law that is not denominated as a marriage under the laws of that state. The term "Spouse" does include a Participant's former Spouse to the extent provided in a QDRO.

Trust Agreement

The Trust Agreement means the Trust Indenture of Local Union 513 Pension Fund dated effective as of October 27, 1963, restated effective as of December 31, 1975, and as thereafter amended. The Trust Agreement is the document that originally created the Pension Plan. It specifies, among other things, that the Board of Trustees is responsible for maintaining the Plan and the rules under which the Board operates.

Trustees

The Trustees are the individuals listed on page 44 of this SPD, and any individual who may be designated to replace one of the individuals listed on page 44 as provided for under the most recent version of the Trust Agreement.

Union

Whenever the word Union is used, it refers to Local Union 513, affiliated with the International Union of Operating Engineers, AFL-CIO.

Years of Vesting Service

Years of Vesting Service are earned by your hours of work in Covered Employment during the Contribution Period. Hours of work in non-covered employment with an Employer after January 1, 1976, will also be counted if that employment is continuous with Covered Employment with the same Employer. You earn a Year of Vesting Service if you complete 1,000 or more hours of work in a Plan Credit Year.

Other Terms

Additional terms are defined throughout this SPD as follows:

PARTICIPATION

You become a Participant under the Plan retroactive to the first day of the Plan Credit Year during which you complete at least 375 hours of work in Covered Employment.

The 375 hours of work in Covered Employment means hours for which you are paid or entitled to be paid by your Employer, directly or indirectly, and for which Contributions are required to be made to the Pension Plan. You will also be able to count your continuous work with the same Employer that immediately follows Covered Employment, even if that work is not in a job covered by a Collective Bargaining Agreement.

Example: If you start work in Covered Employment on March 1, 2010, and work 150 hours in Covered Employment during each of the next 5 months, you will become a Participant retroactive to May 1, 2010, because you worked 450 hours in the May 1, 2010 – April 30, 2011 Plan Credit Year (150 in May, June, and July) but only 300 during the prior Plan Credit Year (150 in March and April).

If you have a One-Year Break in Service as described on page 10, you are no longer a Participant under the Plan. However, you will regain participation if you once again meet the initial participation requirements.

PENSION CREDITS

Pension Credits are required in order to qualify for most types of pensions under the Plan. Pension Credits are earned by work in Covered Employment and they are measured in units of full Pension Credits and quarter Pension Credits. A Pension Credit is determined in THREE WAYS depending on whether it is BEFORE May 1, 1976, BETWEEN May 1, 1976, and April 30, 1997, or AFTER April 30, 1997.

Pension Credit before May 1, 1976

You will receive Pension Credit for your hours of work in Covered Employment before May 1, 1976, in accordance with the schedule shown below:

Hours of Work in Covered Employment during Plan Credit Year	Plan Credit
Less than 375 hours	No Pension Credit
375 to 749 hours	1/4 Pension Credit
750 to 1,124 hours	1/2 Pension Credit
1,125 to 1,499 hours	3/4 Pension Credit
1,500 or more hours	1 Pension Credit

For periods *before the Contribution Period* (in most cases before May 1, 1963), credit, up to a maximum of 15 Pension Credits, will be granted only for your continuous work in Covered Employment. Continuous work means work not interrupted for more than two years. In other words, if you left Covered Employment before the Contribution Period for more than two consecutive years, you do not get Pension Credit for your periods of employment before you left.

In addition, to be entitled to any credit for work before the Contribution Period, you must have accumulated at least four quarters of Pension Credit in the five-year period after May 1, 1963. If you do not accumulate at least four quarters of Pension Credit because you were disabled, you will be awarded Pension Credit if the total Contributions received on your behalf in the six years immediately following May 1, 1963, would entitle you to four quarters of Pension Credit.

It is recognized that it may be difficult or impossible to obtain reliable records on hours of employment. Therefore, the Trustees will decide the amount of Pension Credits for such years based on the best available evidence such as employer records, union records, social security records, or other evidence found acceptable by the Board of Trustees. The decisions of the Trustees on the amount of Pension Credits granted to any Employee before the Contribution Period is final and binding on all concerned.

Pension Credit after April 30, 1976 but before May 1, 1997

You will receive Pension Credit for your hours of work in Covered Employment for which Employer Contributions were payable to the Fund after April 30, 1976, but before May 1, 1997, based on the schedule shown below:

Hours of Work in Covered Employment during Plan Credit Year	Plan Credit
Less than 375 hours	No Pension Credit
375 to 500 hours	1/4 Pension Credit
501 to 1,000 hours	1/2 Pension Credit
1,001 to 1,499 hours	3/4 Pension Credit
1,500 or more hours	1 Pension Credit

However, after May 1, 1977, but before May 1, 1997, if you work in Covered Employment for at least 375 hours in a Plan Credit Year but have more hours than you need to earn the amount of Pension Credit in the above table, you may have these excess hours “banked” in your reserve bank of hours. The reserve bank of hours will be applied to any Plan Credit Year from 1977 to 1999 in which you earn less than one full Pension Credit. The number of hours that will be “banked” is limited to a maximum of 1,500 hours and will be applied only at the earlier of retirement or death. The “bank” hours will not be applied in any Plan Credit Year in which you worked fewer than 375 hours in Covered Employment.

Pension Credit after April 30, 1997

You will receive Pension Credit for your hours of work in Covered Employment for which Employer Contributions were payable to the Fund after April 30, 1997, based on the schedule shown below:

Hours of Work in Covered Employment during Plan Credit Year	Plan Credit
Less than 375 hours	No Pension Credit
375 to 500 hours	1/4 Pension Credit
501 to 1,000 hours	1/2 Pension Credit
1,001 to 1,399 hours	3/4 Pension Credit
1,400 or more hours	1 Pension Credit

After May 1, 1997, if you work in Covered Employment for at least 375 hours in a Plan Credit Year but have more hours than you need to earn the amount of Pension Credit in the above table, you may have these excess hours "banked" in your reserve bank of hours. No hours worked after April 30, 1999 will be "banked."

> For example if you worked 1,200 hours, only 1,001 hours are used to earn 3/4 Pension Credit. So 1,200 hours minus 1,001 hours or 199 hours can be "banked".

The reserve bank of hours will be applied to any future Plan Credit Year (during the May 1, 1977 - April 30, 1999 period) in which you earn less than one full Pension Credit. The number of hours that will be "banked" is limited to a maximum of 2,250 hours and will be applied only at the earlier of retirement or death. The "bank" hours will not be applied in any Plan Credit Year in which you worked fewer than 375 hours in Covered Employment.

Pension Credit for Non-Work Periods

You may receive a limited amount of additional Pension Credits when disabled and unable to work. To be entitled to these Pension Credits you must receive Workers' Compensation Benefits. You should notify the Fund Office if you receive Workers' Compensation Benefits. You will receive no more than a total of eight quarters of Pension Credit for disability grace periods for as long as you are covered by this Pension Plan.

You will also earn Pension Credits for time spent in the U.S. military in accordance with Federal law. When you earn Pension Credits for non-work periods after April 30, 1999 (when your benefits are computed based on Contributions rather than directly from Pension Credits) you will also accrue benefits based on these credits. This benefit will be based on the contribution rate of the Employer for whom you most recently worked in Covered Employment.

Differences between Pension Credit and Years of Vesting Service

Because Pension Credits and Years of Vesting Service are computed differently and used for different purposes, it is important to understand the differences between them.

Pension Credits (through April 30, 1999) are used to determine the amount of your monthly pension benefit at retirement. You earn Pension Credits in increments of ¼ Pension Credit for hours of work in Covered Employment. However, you may only earn one Pension Credit per year. The part of your monthly pension benefit at retirement that you earned through April 30, 1999 is determined by multiplying the number of Pension Credits that you earned through April 30, 1999 under the Plan by the appropriate accrual rate in effect at the time you retire.

Pension Credits are based on hours worked in Covered Employment. These are hours worked during the Contribution Period for which Contributions are payable to the Pension Fund.

Years of Vesting Service are used to determine when you can no longer lose your eligibility for a benefit. You earn one Year of Vesting Service for each Plan Credit Year during the Contribution Period in which you complete 1,000 hours of service in Covered Employment. Years of Vesting Service are earned in full years only. Once you are vested, you cannot lose your right to receive some type of benefit from the Plan. Beginning May 1, 1998, all Employees will become vested after they have earned five (5) Years of Vesting Service. Years of Vesting Service earned before a Permanent Break in Service do not count in determining whether an Employee has become vested.

Years of Vesting Service are based on hours of service which is different from hours of work in Covered Employment. You earn hours of service for each hour you are paid, or are entitled to payment, directly or indirectly, for the performance of duties. This may include disability payments. Years spent in military service also count for Years of Vesting Service. Effective May 1, 2005, hours of work in a bargaining unit represented by the Union which are not hours of Covered Employment shall be included in the hours used for determining Years of Vesting Service.

BREAKS IN SERVICE

The Pension Plan has been designed to provide retirement benefits to those who work regularly in the jurisdiction of Local Union 513. Therefore, the Plan provides that a Participant who is absent from Covered Employment for an extended period of time will have a **Break in Service**. Starting in 1976, this term refers to two related concepts – the One Year Break in Service and the Permanent Break in Service.

A Break in Service occurs if you do not earn any Pension Credit during certain specified time periods. In general, if you have a Break in Service, you are no longer a Participant under the Plan and your accumulated Pension Credits and Years of Vesting Service are canceled. Once you are vested, your benefits will not be cancelled regardless of any Break in Service.

Break in Service before May 1, 1976

Before the Contribution Period you would have had a Break in Service if there was any period of two or more consecutive calendar years during which you did not work in Covered Employment.

During the Contribution Period but before May 1, 1976, you had a Break in Service if you did not earn at least one quarter of a Pension Credit in three consecutive Plan Credit Years, unless you had 15 or more total Pension Credits. A Break in Service before May 1, 1976, results in permanent cancellation of all of your benefits and service to date.

Break in Service on and after May 1, 1976

On and after May 1, 1976, there are One-Year Breaks in Service and Permanent Breaks in Service. You have a **One-Year Break in Service** in any Plan Credit Year that you do not have at least 375 hours of service in Covered Employment **or** in which you do not earn at least one quarter of Pension Credit. (There are cases where if, after working in Covered Employment, you continued to work for the same Employer there would not be a Break in Service.) You can repair a One-Year Break in Service before having a Permanent Break in Service if you meet the participation requirements described beginning on page 6. Generally, this means returning to work in Covered Employment and earning at least 375 hours of service or one fourth (¼) of a Pension Credit. If you repair a One-Year Break in Service, before having a Permanent Break in Service, your Years of Vesting Service and Pension Credits will be restored.

You have a **Permanent Break in Service** on and after May 1, 1976, if your consecutive One-Year Breaks in Service equal or exceed the number of Years of Vesting Service or the Pension Credits you have earned during the Contribution Period, whichever is greater. However, you will not have a Permanent Break in Service after April 30, 1987, until your consecutive One-Year Breaks equal at least five. A Permanent Break in Service cannot be repaired; thus, Years of Vesting Service and Pension Credits earned before a Permanent Break in Service will not be restored, even if you later become a vested Participant.

EXAMPLE 1: Joe's work record on and after May 1, 1976, and before May 1, 1987, looks like this:

Hours of Work	Years of Vesting Service	Pension Credit during Contribution Period
Year 1 1,500	1	1
Year 2 400	0	¼
Year 3 450	0	¼
Year 4 600	0	½
Year 5 350 (one-year break)	0	0
Year 6 0 (one-year break)	0	0
Total 2 one-year breaks	1	2

Joe had 1 Year of Vesting Service and 2 Pension Credits earned during the Contribution Period. He also had two One-Year Breaks in Service. Because his consecutive One-Year Breaks in Service were at least equal to either his Years of Vesting Service or the number of his full Pension Credits earned during the Contribution Period, (whichever is greater; in this case Pension Credits) Joe has a Permanent Break in Service at the end of year six which cancels all Pension Credit and Years of Vesting Service that he earned.

EXAMPLE 2: Ed's work record on and after May 1, 1987, looks like this:

Hours of Work	Years of Vesting Service	Pension Credit during Contribution Period
Year 1 1,500	1	1
Year 2 900	0	½
Year 3 600	0	½
Year 4 800	0	½
Year 5 350 (one-year break)	0	0
Year 6 0 (one-year break)	0	0
Year 7 0 (one-year break)	0	0
Year 8 200 (one-year break)	0	0
Year 9 150 (one-year break)	0	0
Total 5 one-year breaks	1	2 ½

Ed had one Year of Vesting Service and 2½ Pension Credits earned during the Contribution Period. He also has 5 One-Year Breaks in Service. Because his consecutive One-Year Breaks in Service were equal to five, Ed has a Permanent Break in Service at the end of year 9 which cancels all Pension Credit and Years of Vesting Service that he earned.

Grace Periods

If you have an extended absence from Covered Employment, it may be excused and not counted as a Break in Service if your absence was due to the following:

1. Total disability for up to three years, provided you give timely written notice of the disability to the Board of Trustees.

2. Work for an Employer in a supervisory capacity in non-covered employment or full-time work with the Union or the International Union.

3. Work for an employer under a Collective Bargaining Agreement with the Union that does not require Contributions to the Pension Fund. You must have earned at least one Pension Credit during the Contribution Period and must return to Covered Employment within one year after leaving the other non-covered employment and subsequently earn at least five Pension Credits prior to your retirement.

For purposes of determining whether a One-Year Break in Service has occurred if an Employee is absent because of:

1. her pregnancy,
2. birth of a child of the Employee,
3. placement of a child with the Employee in connection with his or her adoption of the child, or
4. care for such child for a period beginning immediately after such birth or placement.

Such an Employee will be credited with up to 501 hours of service for each such absence.

Any leave of absence granted by your Employer, up to 12 weeks, that qualifies under the Family and Medical Leave Act (FMLA) will not be counted as a Break in Service for purposes of determining eligibility and vesting.

There are conditions which govern your entitlement to each of these grace periods. These conditions are described in detail in the Pension Plan document, which is available at the Fund Office.

Grace periods do not count for Pension Credits or Years of Vesting Service, nor do they interrupt the continuity of an Employee's previous One-Year Breaks in Service. They are merely intended to act as periods which may be disregarded in determining whether a One-Year Break in Service or a Permanent Break in Service has occurred.

PENSION PLAN BENEFITS

Regular Pension

Eligibility Requirements

You will be eligible for a **Regular Pension** when you meet both of the requirements outlined below:

1. You have attained age 62; and

2. You have 10 or more Pension Credits.

Benefit Amount

The monthly amount of your Regular Pension is determined by adding two separate components, one representing work through April 30, 1999, and one representing work after April 30, 1999. The first component is obtained by multiplying the number of Pension Credits earned through April 30, 1999 (up to the maximum allowed), times the appropriate flat dollar accrual rate shown in the accrual rate charts on pages 16 and 18. The second component is obtained by multiplying the Contributions required to be made to the Plan for the hours you work in Covered Employment by the percentage accrual rate in effect for each year for which those Contributions are required to be made. Starting in 2007, some of these contributions are excluded for purposes of calculating benefits. Currently the percentage accrual rate depends on the Plan Credit Year in accordance with the following table:

Contribution Period	Accrual percentage rate
May 1, 1999 through April 30, 2000	1.20%
May 1, 2000 through April 30, 2003	1.40%
May 1, 2003 through April 30, 2010	2.40%
May 1, 2010 through April 30, 2013	1.40%
May 1, 2013 and after, for retirements on and after that date	1.00%

Effective May 1, 2007, the first $0.30 of each hourly contribution will not be included in the above calculation of benefit accruals.

Effective May 1, 2008, the first $0.50 of each hourly contribution will not be included in the above calculation of benefit accruals.

Effective May 1, 2009, the first $1.50 of each hourly contribution will not be included in the above calculation of benefit accruals.

Effective May 1, 2010, the first $2.00 of each hourly contribution will not be included in the above calculation of benefit accruals.

Effective May 1, 2011, the first $2.50 of each hourly contribution will not be included in the above calculation of benefit accruals.

Effective May 1, 2013, the first $2.75 of each hourly contribution will not be included in the above calculation of benefit accruals.

Effective May 1, 2014, the first $3.00 of each hourly contribution will not be included in the above calculation of benefit accruals.

Effective May 1, 2015, the first $3.25 of each hourly contribution will not be included in the above calculation of benefit accruals.

The resulting pension amount is rounded to the next highest dollar.

Example: You retire May 1, 2015, at age 62. You had a total of 34.25 Pension Credits (including 21 Pension Credits before May 1, 1999, with a construction employer of which at least one was earned at the $4.10 contribution rate) and your final hourly contribution rate as of April 30, 1999, was $4.40. In addition, your work history after April 30, 1999, is as shown in the table on the following page, which also illustrates the computation of your benefit.

The monthly benefit for each Pension Credit before May 1, 1999, in this case is $70.00 according to the table on page 16. Your Regular Pension amount would be the total of all the accruals in the last column of the table below, or $3,967.80 per month payable for life with 36 payments guaranteed. After rounding, the benefit will be $3,968.

Period			Pension Credits	Total -	Funding Only =	Benefits	X	Hours	=	Employer Contributions (for benefits)	X	Service Accrual Rate / Percentage Accrual Rate	=	Benefit Earned
5/1/1978	-	4/30/1999	21.00									$70.00		$1,470.00
				|--------------Hourly Rate---------------|										
5/1/1999	-	4/30/2000	1.00	$4.85		$4.85		1,500		$7,275		1.20%		$87.30
5/1/2000	-	4/30/2001	1.00	5.10		5.10		1,400		7,140		1.40%		99.96
5/1/2001	-	4/30/2002	0.75	5.60		5.60		1,200		6,720		1.40%		94.08
5/1/2002	-	4/30/2003	1.00	5.90		5.90		1,800		10,620		1.40%		148.68
5/1/2003	-	4/30/2004	1.00	6.10		6.10		1,600		9,760		2.40%		234.24
5/1/2004	-	4/30/2005	0.50	7.15		7.15		910		6,507		2.40%		156.16
5/1/2005	-	4/30/2006	1.00	7.40		7.40		1,540		11,396		2.40%		273.50
5/1/2006	-	4/30/2007	0.50	7.65		7.65		820		6,273		2.40%		150.55
5/1/2007	-	4/30/2008	1.00	7.90	0.30	7.60		1,620		12,312		2.40%		295.49
5/1/2008	-	4/30/2009	0.50	8.15	0.50	7.65		860		6,579		2.40%		157.90
5/1/2009	-	4/30/2010	1.00	8.40	1.50	6.90		1,490		10,281		2.40%		246.74
5/1/2010	-	4/30/2011	0.50	8.65	2.00	6.65		960		6,384		1.40%		89.38
5/1/2011	-	4/30/2012	0.75	8.90	2.50	6.40		1,390		8,896		1.40%		124.54
5/1/2012	-	4/30/2013	1.00	9.15	2.50	6.65		1,630		10,840		1.40%		151.75
5/1/2013	-	4/30/2014	0.50	9.40	2.75	6.65		740		4,921		1.00%		49.21
5/1/2014	-	4/30/2015	1.00	9.65	3.00	6.65		1,680		11,172		1.00%		111.72
5/1/2015	-	4/30/2016	0.25	9.90	3.25	6.65		400		2,660		1.00%		26.60
Grand Total			34.25							$139,735				$3,967.80

The following schedule applies to pensions first effective after March 1, 1987, for Participants who are Construction Employees and who earn at least one full Pension Credit after May 1, 1986.

CONSTRUCTION EMPLOYEES

Final Hourly Contribution Rate as of April 30, 1999	Accrual Rate Per Pension Credit through April 30, 1999
$1.00	$24.50
1.25	27.27
1.50	36.72
1.70	36.72
2.00	38.92 (1)
2.30 (2)	38.92
2.60	43.35
2.70	46.65 (3)
2.80	48.38 (4)
2.85*	50.00 (5)
3.00	50.50 (6)
3.10	53.00 (7)
3.35	60.90 (8)
3.65	63.00 (9)
4.10	68.60 (10)
4.40	70.00 (11)

(1) This rate applies if you earned at least one quarter (1/4) Pension Credit at an hourly contribution rate of $2.00.

(2) This rate became effective May 1, 1985.

(3) Effective May 1, 1988, for Participants who have at least one Pension Credit at the rate of $2.70 or higher.

(4) Effective May 1, 1990, for Participants who have at least one Pension Credit at the rate of $2.70 or higher with a maximum of 31 credits.

(5) Effective May 1, 1991, for Participants who have at least one hour at the rate of $2.85 or higher.

(6) Effective May 1, 1992, for Participants who have at least one hour at the rate of $3.00 or higher.

(7) Effective May 1, 1993, for Participants who have at least one Pension Credit at the rate of $2.85 or higher and at least one hour at the $3.10 rate.

(8) Effective May 1, 1994, for Participants who have at least one Pension Credit at the rate of $3.00 or higher and at least one hour at the $3.35 rate.

(9) Effective May 1, 1996, for Participants who have at least one Pension Credit at the rate of $3.35 or higher and at least one hour at the $3.65 rate.

(10) Effective May 1, 1997, for Participants who have at least one Pension Credit at the rate of $3.65 or higher after May 1, 1996, and at least one hour at the $4.10 rate.

(11) Effective May 1, 1998, for Participants who have at least one Pension Credit at the rate of $4.10 or higher after May 1, 1997, and at least one hour at the $4.40 rate.

* *If you have worked at least one hour in Covered Employment at an hourly contribution rate of $2.85 or more after May 1, 1991, your pension benefit will be based on Pension Credits earned up to a maximum of 32. Different maximums apply prior to May 1, 1991. Please contact the Fund Office.*

The labels of the first columns of the previous and following tables (Final Hourly Contribution Rate as of April 30, 1999) should technically refer to the "Effective Contribution Rate as of April 30, 1999". The definition of this term can be found in Section 1.9 of the Plan Document, and is too complicated to include in this Summary Plan Description. In the most common cases where a Participant works full time in Covered Service, the Effective Rate will be the same as the Final Rate.

If you were absent from Covered Employment before May 1, 1999, some or all of your Pension Credits during that period may be associated with lower accrual rates than those shown in the rate charts. The details are contained in the Plan Document. You may contact the Fund Office if you have any questions.

NON-CONSTRUCTION EMPLOYEES

As of May 1, 1996

Final Hourly Contribution Rate as of April 30, 1999	Accrual Rate Per Pension Credit through April 30, 1999
$1.00	$24.50
1.10	25.69
1.15	26.29
1.20	26.89
1.25	27.47
1.30	29.32
1.35	31.17
1.40	33.02
1.50	36.72
1.60	37.16
1.70	40.08
1.75	40.78
1.80	41.48
1.90	42.88
2.00	44.28
2.10	44.28
2.30	44.28
2.50	48.13 (1)
2.55	48.20 (1)
2.60	48.25 (1)
2.80	48.38 (1)
2.85	50.00 (2)
3.00	50.50 (2)
3.10	53.00 (2)
3.20	56.10 (2)
3.35	60.90 (2)
3.40	61.00 (2)
3.45	62.30 (3)
3.50	63.00 (3)
3.55	63.50 (3)
3.65	65.10 (3)
3.80	65.90 (3)
3.85	66.50 (3)
3.95	68.30 (3)
4.20	68.90 (4)
4.25	69.00 (4)

(1) This rate applies if a Participant earns one pension credit at the $2.00 rate or higher and works at the $2.30 contribution rate after May 1, 1993.

(2) Effective May 1, 1994, this accrual rate applies if a Participant works at least one hour of service at the applicable contribution rate and had earned at least one Pension Credit at the immediately preceding accrual rate.

(3) Effective May 1, 1996, this accrual rate applies if a Participant works at least one hour of service at the applicable contribution rate and had earned at least one Pension Credit at the immediately preceding accrual rate.

(4) Effective May 1, 1998, this accrual rate applies if a Participant works at least one hour of service at the applicable contribution rate and had earned at least one Pension Credit at the immediately preceding accrual rate

If you worked at least one hour after May 1, 1991, at an hourly contribution rate of $2.85, your maximum Pension Credits will be 32.

If you last earned at least one full Pension Credit before May 1, 1984, your pension amount will be based on a different schedule of accrual rates. For these rates, please contact the Fund Office.

Early Retirement Pension

Eligibility Requirements

You will be eligible for an **Early Retirement Pension** if you meet both of the following requirements:

1. You are at least 55 years old but not yet age 62; and

2. You have at least 10 Pension Credits and are vested.

Benefit Amount

The amount of the Early Retirement Pension is reduced to take into account your younger age at retirement. The monthly amount of the Early Retirement Pension can be determined as follows:

1. Calculate the amount of the Regular Pension you would be entitled to at age 62 based on your Pension Credits at the time of early retirement.

2. Reduce this amount by the amount shown in the chart below for each month by which you are younger than 62 on the date your pension payments begin; provided you retire on or after May 1, 1985, with at least one Pension Credit earned after May 1, 1984, and at least ¼ Pension Credit earned at the $2.30 contribution rate. If you do not meet these requirements, your Regular Pension will be reduced by ½ of 1% for each month by which you are younger than age 62.

For Benefits Accrued Prior to May 1, 2016	**For Benefits Accrued on or After May 1, 2016**	
1/4% per month	You have 25 or More Pension Credits	1/4% per month
	You have at least 20 but less than 25 Pension Credits	1/3% per month
	You have at least 15 but less than 20 Pension Credits	5/12% per month
	You have less than 15 Pension Credits	1/2% per month

For purposes of determining both eligibility and the reduction factor, your Pension Credits shall be calculated by taking into account both hours worked in Covered Employment under this Plan and hours worked in covered employment under any other defined benefit pension plan during periods in which a reciprocity agreement is in effect between this Plan and such other plan. You must provide evidence of such hours of work in covered employment in another plan at the time your application is submitted.

Example: You retire May 1, 2020, at age 59. You had a total of 14.00 Pension Credits (including 2.00 Pension Credits before May 1, 1999, with a construction employer of which at least one was earned at the $4.10 contribution rate) and your final hourly contribution rate as of April 30, 1999, was $4.40. In addition, your work history after April 30, 1999, is as shown in the table on the following page, which also illustrates the computation of your benefit.

The monthly benefit for each Pension Credit before May 1, 1999, in this case is $70.00 according to the table on page 16. Your Regular Pension amount would be the total of all the accruals in the last column of the table below, or $2,504.94 per month payable for life with 36 payments guaranteed.

Period			Pension Credits					X				Service R
5/1/1997	-	4/30/1999	2.00									
				|-------------Hourly Rate--------------|								
				Total -	Funding Only =	Benefits	X	Hours	=	Employer Contributions (for benefits)	X	Perc Accru
5/1/1999	-	4/30/2000	0.50	$4.85		$4.85		800		$3,880		
5/1/2000	-	4/30/2001	0.75	5.10		5.10		1,100		5,610		
5/1/2001	-	4/30/2002	0.75	5.60		5.60		1,200		6,720		
5/1/2002	-	4/30/2003	0.50	5.90		5.90		700		4,130		
5/1/2003	-	4/30/2004	1.00	6.10		6.10		1,600		9,760		
5/1/2004	-	4/30/2005	0.50	7.15		7.15		910		6,507		
5/1/2005	-	4/30/2006	1.00	7.40		7.40		1,540		11,396		
5/1/2006	-	4/30/2007	0.50	7.65		7.65		820		6,273		
5/1/2007	-	4/30/2008	1.00	7.90	0.30	7.60		1,620		12,312		
5/1/2008	-	4/30/2009	0.50	8.15	0.50	7.65		860		6,579		
5/1/2009	-	4/30/2010	1.00	8.40	1.50	6.90		1,490		10,281		
5/1/2010	-	4/30/2011	0.50	8.65	2.00	6.65		960		6,384		
5/1/2011	-	4/30/2012	0.75	8.90	2.50	6.40		1,390		8,896		
5/1/2012	-	4/30/2013	1.00	9.15	2.50	6.65		1,630		10,840		
5/1/2013	-	4/30/2014	0.50	9.40	2.75	6.65		740		4,921		
5/1/2017	-	4/30/2018	1.00	10.60	3.25	7.35		1,680		12,348		
5/1/2019	-	4/30/2020	0.25	12.00	3.25	8.75		400		3,500		
Grand Total			14.00							$130,337		

Your Early Retirement Pension would be determined as follows:

1. Your Regular Pension would be $2,504.94 per month.

2. Because you are age 59, you are 36 months younger than age 62. Since you have a total of 14.00 Pension Credits, the Regular Pension benefit accrued prior to May 1, 2016 must be reduced by ¼ of 1% for each month, or 9%, and the Regular Pension benefit accrued after May 1, 2016 must be reduced by ½ of 1% for each month, or 18%.

<u>Accrued Prior to May 1, 2016</u>		
36 months x ¼ of 1%	=	9%
9% of $2,346.46	=	$211.18
<u>Accrued After May 1, 2016</u>		
36 months x ½ of 1%	=	18%
18% of $158.48	=	$28.53
$2,504.94 minus $211.18 minus $28.53	=	$2,265.23 rounded to $2,266.00

3. The resulting figure for the monthly Early Retirement Pension becomes $2,266.00. If you were age 61, the amount would be $2,426.00; if age 55, $1,946.00.

NOTE: If you are married, your pension benefit will be paid in the form of a Husband-and-Wife Pension unless both you and your Spouse reject this form of payment before your pension begins. The Husband-and-Wife Pension amounts are lower than the Early Retirement Pension amounts in the preceding examples. For more information on the Husband-and-Wife Pension, see page 28.

Disability Pension

<u>Eligibility Requirements</u>

You will become eligible for a **Disability Pension** only if you meet the following requirements:

1. You have received an award of disability benefits from the Social Security Administration; and

2. You have at least 15 Pension Credits; and

3. You worked a total of at least 500 hours in Covered Employment during the 36 months prior to the month in which your disability onset occurred, as determined by the Social Security Administration; and

4. You are not eligible for an Early Retirement Pension or a Regular or Deferred Pension.

<u>Benefit Amount</u>

The amount of the Disability Pension shall be the amount to which you would be entitled to receive as a Regular Pension if you had attained Normal Retirement Age at the time of disability onset and elected a single life annuity with a 36-month guarantee, reduced by a percentage dependent on your Pension Credits at such time, as follows:

Pension Credits	Reduction in Full Regular Pension
25 or more	21%
20 but less than 25	28%
15 but less than 20	35%

For purposes of determining both eligibility and the reduction factor, your Pension Credits shall be calculated by taking into account both hours worked in Covered Employment under this Plan and hours worked in covered employment under any other defined benefit pension plan during periods in which a reciprocity agreement is in effect between this Plan and such other plan. You must provide evidence of such hours of work in covered employment in another plan at the time your application is submitted.

If you earn additional Pension Credits while still remaining eligible for Social Security disability benefits, said Pension Credits shall not be used to increase your Disability Pension, but will be taken into account when you begin receiving your Early Retirement Pension or Regular Pension following termination of your Disability Pension, or upon your death if you die prior to receipt of your Early Retirement Pension or Regular Pension.

Earnings by a Disability Pensioner

If you have been awarded a Disability Pension and you receive notice from the Social Security Administration that you are no longer eligible for a Social Security disability benefit, you must report this to the Trustees, in writing, within 15 days after your receipt of the notice. In addition, you must notify the Trustees, in writing, within fifteen (15) days after the end of the month in which you had earnings which would make you ineligible for a Social Security Disability benefit. If you fail to make timely reports as required in this section, you will be disqualified from receiving any additional disability benefits from the Fund and you will be required to reimburse the Fund for all Disability Pension amounts paid to you after the date on which you ceased to be eligible to receive disability benefits from the Social Security Administration. This penalty shall not apply if the Trustees determine there were extenuating circumstances which prevented you from making such timely filings.

Disability Pension Payments

Provided that you apply for a Disability Pension within 6 months after the date your Social Security Disability award letter is issued, the commencement date of your Disability Pension shall be retroactive to the date of your disability onset as determined by Social Security (or, if such date is not the first day of a month, the first day of the following month). Otherwise, the commencement date of your Disability Pension shall be the first day of the month following the month in which you submitted your completed application, provided the application is approved by the Trustees.

Termination of Disability Pension

Your Disability Pension will terminate at the end of the month in which you turn age 55. Your Disability Pension can terminate before age 55 if you cease to be disabled under Social Security criteria. If you cease to be disabled under Social Security criteria, your Disability Pension ends at the end of the month in which you ceased to be disabled under Social Security criteria.

When your Disability Pension terminates at age 55, you shall have the option to:

(1) complete an application no later than 30 days after such termination, to begin an Early Retirement Pension effective the first day of the month following the date of termination of the Disability Pension. When choosing this option, the amount of the Early Retirement Pension shall be calculated on the same accrued benefit as was the prior Disability Pension, without reduction on account of disability benefits paid, but adding in any additional Pension Credits earned during the period of the Disability Pension. You shall be entitled to elect the form of the Early Retirement Pension in accordance with the Early Retirement Pension requirements set out above,

or

(2) you can defer commencement of an Early Retirement or Regular Pension until a later date.

If your Disability Pension terminates because you cease to be disabled before age 55, you may return to Covered Employment and resume the accrual of Pension Credits. Where your Disability Pension terminates prior to reaching age 55, your benefit when you subsequently retire will be calculated on your accrued benefit at that time, without reduction on account of disability benefits paid.

<u>Disability Benefits are Not Guaranteed</u>

Disability Pension benefits are not accrued benefits and the Trustees can reduce or terminate those benefits at any time or alter the requirements for receipt those benefits.

Special Benefit at or After Normal Retirement Age

If you are actively at work in Covered Employment when you reach **Normal Retirement Age** (the later of age 62 or your fifth anniversary of participation), you are eligible for a pension regardless of the number of Pension Credits or Years of Vesting Service you earned. The amount of the pension is determined in the same manner as a Regular Pension, based on the accrual rate and accrual percentage rate in effect when you last earned any Pension Credit.

To be considered actively at work and to be entitled to a benefit at Normal Retirement Age, any prior One-Year Breaks in Service must have been repaired. For more information on repairing Breaks in Service see page 10.

Small Benefit Cashouts

If the actuarial present value of your benefit is $1,000 or less as of the date your payment starts, your benefit will be paid in a single sum equal to that value. If the actuarial present value of your benefit is over $1,000 but not over $5,000, your benefit will be paid in a single sum provided you (and where applicable, your spouse) consent; otherwise, it will be paid as a monthly pension. These rules do not apply after your benefit payments have started unless you (and where applicable, your Spouse) or your Beneficiary consent in writing to a single-sum distribution.

Maximum Benefit

Federal law provides that your annual retirement benefit cannot exceed $210,000 for 2015 (indexed annually by the Internal Revenue Service and adjusted for your age at retirement and the form in which you receive your benefit).

Pro-Rata Pension

Pro-Rata Pensions are provided for Employees who would otherwise not be eligible for a pension, or would receive a lower pension amount, because years of employment were divided between different pension plans.

Eligibility

You will be eligible for a Pro-Rata Pension if:

1. you have retired and are not performing work for which contributions are being made to related plans which have signed the Pension Reciprocity Agreement for Operating Engineers Pension Funds and adopted Article 4 of the Reciprocity Agreement; and

2. you would be eligible for any type of pension under this Plan if your service credits with related plans were treated as Pension Credits earned under this Plan; and

3. you have earned at least one year of credited service based on Contributions under this Plan since February 22, 1973; and

4. you waive your right to any other pension you are entitled to from this Plan.

Benefit Amount

The Pro-Rata Pension benefit amount payable for life is calculated in the same manner as a Regular or Early Retirement Pension. It is based on your age, Pension Credits under this Plan only, and the benefits in effect when you last earned the Pension Credits.

NOTE: If you are married, your pension benefit will be paid in the form of a Husband-and-Wife Pension unless both you and your Spouse reject this form of payment before your pension begins. The Husband-and-Wife Pension amounts are lower than the Regular Pension amounts. For more information on the Husband-and-Wife Pension, see page 28

Level Income Option

To be eligible for the Level Income Option, you must retire on or after July 1, 1989, with an Early Retirement Pension before age 62 and before your Social Security benefits start.

If you retire before age 62, the Level Income Option makes it possible for you to receive approximately the same monthly income throughout retirement, both before and after your Social Security benefit payments begin. Under the Level Income Option, the Fund pays a higher monthly amount before you reach age 62 and a reduced amount thereafter. The Level Income Option is available for either a Husband-and-Wife Pension or a single life pension.

Actuarial factors are used to adjust your monthly benefit for your age and life expectancy at the time your Level Income Option benefit begins.

If you want your pension paid as a Level Income Option, you should contact the nearest office of the Social Security Administration to get an estimate of your Social Security benefits at age 62. The Social Security Administration will need to know your Social Security number and your current earnings.

It will take several weeks for the Social Security Administration to calculate the estimated Social Security benefits. This information is needed by the Fund Office before your Level Income Option benefit can be calculated.

Also, if the amount of the Level Income Option pension payable after your Social Security payments start would be less than $25 per month or if you are age 62 or older on the effective date of your pension, you may not choose this form of payment.

Example: John is retiring at age 60 and is entitled to a pension of $1,600 a month for the remainder of his life from the Fund. At age 62 John will be entitled to a Social Security benefit of $800 per month.

Under the Level Income Option, John will be paid a benefit of $2,267 per month from the Fund up to age 62 and then $1,467 a month for life after age 62, instead of the $1,600 per month that he would have received as a single life benefit. When the lower pension amount becomes effective at age 62, John will still receive $2,267 a month ($1,467 from the Fund and $800 from Social Security).

The Level Income Option is calculated as follows:

(a)	Social Security Benefit at age 62	=	$800.00
(b)	Level Income Option factor (Appendix A in Plan Document)	=	.833
(c)	Multiply (b) by (a)	=	$666.40
(d)	John's pension from the Fund at age 60	=	$1,600.00
(e)	Add (c) and (d) for benefit payable from the Fund at age 60 as a Level Income Option	=	$2,266.40, rounded to $2,267.00
(f)	Subtract (a) from (e) for benefit payable at age 62 from the Fund	=	$1,466.40 rounded to $1,467.00

Since this benefit is based on an estimate of your Social Security benefit, your total monthly benefit amount both before and after Social Security payments begin may not be exactly the same. Once payments under the Level Income Option begin, they will not be changed, even if the amount actually received from Social Security is different from the estimated amount used in calculating your benefit under the Level Income Option.

If you are interested in having your benefit payable as a Level Income Option or need additional information, you should contact the Fund Office.

DEATH BENEFITS

Death Benefit After Retirement – Husband-and-Wife Pension

If you die after retiring with a Husband-and-Wife Pension, your surviving Spouse will receive a monthly pension for the remainder of his/her life in the amount elected at your retirement (50%, 75% or 100% of the amount you were receiving).

Guaranteed Pension Payments – Single Life Pension

If you are retired and have rejected the Husband-and-Wife Pension your single life pension includes a guarantee period of 36 months. Alternatively, you may elect to have your guarantee period increased to 60 or 120 months in exchange for a small reduction in your benefit amount. If you die before the end of your guarantee period, payments will be continued to your Beneficiary until an amount equal to monthly payments for the full guarantee period have been paid to you and your Beneficiary combined.

Remember, the payments for the guarantee period of 36, 60, or 120 months will not be paid if the Husband-and-Wife Pension is in effect at the time of your death.

Death Benefit before Retirement

If you should die after you have become fully vested and before beginning to receive pension benefits, your Beneficiary will receive 36 monthly payments. If you are receiving Disability Pension benefits at the time of your death and you applied for a Disability Pension on or after October 24, 2018, you will be treated as having died before beginning to receive pension benefits and the terms of this section will apply to your Beneficiary. The amount of this benefit depends on whether the requirements for a pension have been met at the time of death. If a Participant, on the day preceding his/her death has met all the requirements for a Deferred, Regular or Early Retirement Pension (except for filing the application), the amount of the payments to the Beneficiary shall be the amount the Participant would have received if he/she had retired on the day preceding his/her death. Otherwise, the amount of payments to the Beneficiary shall be the amount of Early Retirement Pension the Participant would have received if there had been no minimum number of Pension Credits required for an Early Retirement Pension, and if the Participant on the day before his/her death had attained the greater of 55 years or his/her actual age and retired that same day. This benefit will be payable only if you have no Spouse eligible for the Pre-Retirement Surviving Spouse Pension.

If you are not vested, die before you begin receiving any pension benefits, have at least five Pension Credits earned during the Contribution Period which resulted solely from Contributions made on your behalf by Employers, and have no Spouse eligible for the Pre-Retirement Surviving Spouse Pension, a lump sum death benefit will be payable to your Beneficiary in an amount equal to 50% of the Contributions which were paid to the Pension Fund on your behalf by your Employers, up to a maximum shown on the following schedule:

Pension Credits Earned during the Contribution Period	Maximum Death Benefit
5 but less than 7 Pension Credits	$6,000
7 but less than 9 Pension Credits	8,000
9 but less than 10 Pension Credits	10,000

To receive the death benefit, your Beneficiary must make written application to the Pension Fund Office within 24 months of your death. This death benefit will be paid in a lump sum.

Beneficiary

Your Beneficiary is the person that is designated by you to receive benefits in the event of your death. You should have a beneficiary card on file at the Fund Office. If you die and you do not have a beneficiary card on file at the Fund Office or if your named Beneficiary does not survive you, any survivor benefit payments will be paid in the following succession: (1) to the beneficiary (if any) designated by you and in effect for the Welfare Fund of Engineers Local 513, (2) to your widow or widower, if living; (3) to your children, if living; (4) to your parents, if living; or (5) to your estate. If, within two years of your date of death, the Trustees are unable to make payments to your Beneficiary(ies) because they cannot be located, the payments will be forfeited. All death benefits under the Plan will be paid within the timelines set out in the Treasury Regulations.

Death Benefits Under USERRA

If you die on or after January 1, 2007, while in qualified military service, you will be treated as if you had returned to active employment on the day before your death; thus, the Plan will provide any death-related benefits to your Beneficiary that would have been payable if you had been actively employed at the time of your death.

HUSBAND-AND-WIFE PENSION

If you are married when you retire, your pension benefit is automatically payable in the form of a 50% Husband-and-Wife Pension unless both you and your Spouse reject this form of payment before your pension begins. A 100% or 75% Husband-and-Wife Pension is available if you reject the 50% Husband-and-Wife Pension or you may reject any of those forms of payment in favor of the single life form, with any of the available guarantee periods. A **Husband-and-Wife Pension** provides a lifetime benefit for you and your Spouse. Under this arrangement, the amount of the monthly benefit payable to you is reduced during the remainder of your lifetime from what it would be if the pension were taken in the single life form with a 36-month guarantee. In exchange, upon your death, 50%, 75% or 100% of the benefit amount you were receiving will be paid to your surviving Spouse for the remainder of your Spouse's life.

When you apply for your pension, the Fund Office will calculate the amount of your pension as a reduced benefit under a 50%, 75% or 100% Husband-and-Wife Pension and also as an unreduced single life benefit under the type of pension for which you are eligible. This will give you a comparison of the benefits available to you so that you can make an informed decision.

A waiver of the 50% Husband-and-Wife Pension is valid only if a written explanation of the effect of the Husband-and-Wife Pension has been provided to you no earlier than 180 days before your pension begins and no later than 30 days before your pension begins. You may file a new waiver or revoke a previous waiver at any time during the 180-day period before your pension begins.

A Spouse's consent to a waiver of the Husband-and-Wife Pension shall be effective only with respect to that Spouse, and shall be irrevocable unless the Participant revokes the waiver to which it relates.

The 50%, 75% and 100% Husband-and-Wife reduction factors are as follows:

50% Husband-and-Wife: 89% plus 0.4% for each year that the Spouse's age is greater than the Participant's age on the pension effective date, or minus 0.4% for each year that the Spouse's age is less than the Participant's age on the effective date.

75% Husband-and-Wife: 84.5% plus 0.5% for each year that the Spouse’s age is greater than the Participant’s age on the pension effective date, or minus 0.5% for each year that the Spouse’s age is less than the Participant’s age on the effective date.

100% Husband-and-Wife: 80% plus 0.6% for each year that the Spouse's age is greater than the Participant's age on the pension effective date, or minus 0.6% for each year that the Spouse's age is less than the Participant's age on the effective date.

Example: John retires at age 62 and is eligible for a Regular Pension of $1,600.00 per month and his wife is age 59. John's monthly benefit under the Husband-and-Wife Pension is determined by reducing the Regular Pension by a factor based on the difference between his age and the age of his Spouse.

Under a 50% Husband-and-Wife Pension, the factor in John's case would be 87.8% (89% - (3 x .4%)). Therefore, John's 50% Husband-and-Wife Pension would be 87.8% of $1,600.00, or $1,404.80, rounded to $1,405.00 per month. This amount is payable to John for his lifetime. If his Spouse is living at the time of his death, she will receive a monthly benefit of $703.00. If John chose instead a 100% Husband-and-Wife Pension, he would receive $1,252.00 per month for life (78.2% of $1,600.00 = $1,251.20, rounded to $1,252.00) and, after his death, a monthly benefit of $1,252.00 would be continued to his wife.

When you apply for your pension, you will be given an explanation of your options and an opportunity to choose or reject the 50%, 75% or 100% Husband-and-Wife Pension.

Rules for the Payment of the Husband-and-Wife Pension

Your Spouse must have been legally married to you on the effective date of the pension for at least a one-year period any time before your death. If you were not married when you retired but get married afterward, you may have an opportunity to make a one-time election to convert your single life pension to a Husband-and-Wife Pension. Please consult the Fund Office for details.

Once payments in the Husband-and-Wife form have begun, the amount of your monthly benefit will not increase because of a divorce, or because of the death of your Spouse before May 1, 2001. In the case of a Spouse’s death occurring on or after May 1, 2001, but before August 5, 2008, then effective with the first payment due after the Spouse’s death, your Pension amount will revert to the amount that you would have received if you had waived Husband-and-Wife

Pension at the time of retirement (adjusted for any subsequent adjustments in benefits payable to retirees). In the case of a Spouse's death occurring on or after August 5, 2008, then effective with the first payment due after the Fund Office receives a copy of the Spouse's death certificate, your pension amount will revert to the amount that you would have received if you had waived the Husband-and-Wife Pension and selected the 36-month option (adjusted for any subsequent adjustment for benefits payable to retirees), but in this situation, the 36-month guaranteed period will not apply and all benefits will end on your death.

Payments made to your surviving Spouse in the Husband-and-Wife form are for the remainder of his/her lifetime. They do not stop even if your surviving Spouse remarries.

The Plan is required by law to recognize a Qualified Domestic Relations Order. Therefore, if a Qualified Domestic Relations Order requires payment of your benefit, or a part of that benefit, to a former Spouse or other dependent, the Trustees must comply with that order and reduce your payment accordingly.

PRE-RETIREMENT SURVIVING SPOUSE PENSION

Your surviving Spouse will receive a Pre-retirement Surviving Spouse Pension if

- you die before beginning to receive pension benefits;
- at the time of your death, you were vested or you had enough Pension Credits to retire on any type of pension from the Plan;
- you had completed at least one Hour of Service after January 1, 1976; and
- you and your Spouse had been married throughout the one-year period ending on the date of your death.

The benefit will be the life annuity that your Spouse would have received after your death under a 50% Husband-and-Wife Pension.

If you die after age 55, the amount of the benefit is calculated as if you had retired with a Husband-and-Wife Pension the day before your death. The amount of your Regular Pension earned for Covered Employment up to your death is first reduced for early retirement and further reduced by the Husband-and-Wife factor.

If you die before age 55, the benefit is calculated as if you had left Covered Employment on the earlier of the date you last worked in Covered Employment or the date of your death, retired at age 55 with a 50% Husband and Wife Pension, and died on the last day of the month in which age 55 was reached.

Whether you die before or after age 55, your Spouse's benefit will begin in the month following the month of your death.

Your surviving Spouse may elect in writing, filed with the Trustees, on whatever form the Trustees may prescribe, to delay commencement of the surviving Spouse pension until a specified future date that is no later than the first of the month following the date you would have reached Normal Retirement Age. The benefit amount will be determined as if you had survived to the date your Spouse elected to begin receiving that benefit and retired at that age with an immediate 50% Husband-and-Wife Pension and died the next day. No benefit will be paid if your Spouse dies before his/her deferred commencement date.

The Plan is required by law to begin payment of a Pre-retirement Surviving Spouse Pension no later than December 31 of the calendar year in which you would have attained age 72 or, if later, December 31 of the calendar year following the year of your death.

If the actuarial present value of the Pre-retirement Surviving Spouse Pension is $5,000 or less, the pension may be paid in a lump sum with the consent of the surviving Spouse, and if the actuarial present value of the Pre-retirement Surviving Spouse Pension is $1,000 or less, the pension may be paid in a lump sum without the consent of the surviving Spouse.

Example: Assume you are 58 years old at the time of your death, that you would have been eligible for a Regular Pension of $1,600.00 per month if you had retired the day before your death, and your surviving Spouse is 56 years old. Then the 50% Husband-and-Wife factor is 88.2% (89% - (2 x .4%)) and the early retirement reduction factor is 88% (100% - ((62 - 58) x 3%). The reduced early retirement benefit that would have been payable to you is $1,408.00 ($1,600.00 x 88%). This early retirement amount is then adjusted for the 50% Husband-and-Wife form: $1,408.00 x 88.2% = $1,241.86, rounded to $1,242.00. Therefore, your Spouse would receive for life a monthly benefit of 50% of $1,242.00 or $621.00.

IF YOU ARE RECEIVING DISABILITY PENSION BENEFITS AT THE TIME OF YOUR DEATH AND YOU APPLIED FOR A DISABILITY PENSION ON OR AFTER OCTOBER 24, 2018, YOU WILL BE TREATED AS HAVING DIED BEFORE BEGINNING TO RECEIVE PENSION BENEFITS AND THE TERMS OF THIS SECTION WILL APPLY TO YOUR SURVIVING SPOUSE.

RECIPROCITY

Reciprocity (sometimes referred to as “money follows the man reciprocity”) is another way, besides the Pro-Rata Pension, of overcoming the potential loss of benefits that can otherwise occur when a Participant works in the jurisdiction of more than one local. Under Reciprocity, if you are a member of Local 513 and you work in an area under the jurisdiction of another local that has also adopted Reciprocity, the contributions made on your behalf to the pension fund under whose jurisdiction you are currently working are transferred to this Fund on a regular basis. Likewise, when members of other locals work in the jurisdiction of Local 513, this Fund transfers their contributions to their home funds.

Contributions transferred from another fund to this Fund on your behalf are treated in the same way as ordinary employer contributions when the amount of your benefit is being calculated. In addition, the number of hours on which the transferred contributions were based are included when calculating the amount of Pension Credits and Vesting Credits you receive in any year. In order for the contribution transfer to go into effect, you must file a form with the fund where you are currently working to request that it transfer all your contributions to Local 513. For more information on how reciprocity works, and to obtain a copy of the form used to request that contributions be transferred, please contact the Fund Office.

The detailed rules for Pro-Rata pensions and Reciprocity are set down in Articles 4 (Pro-Rata) and 4A (Reciprocity) of the pension plan. They originally come from Appendices A and B of the Pension Reciprocity Agreement for Operating Engineers Pension Funds (referred to as the “Reciprocity Agreement”). All operating engineers pension funds that adopt Appendix A of the Reciprocity Agreement participate in Pro-Rata pensions, and those that also adopt Appendix B participate in money follows the man reciprocity. The Local 513 Fund has also entered into separate reciprocity agreements with other funds, in addition to those that have adopted the "Reciprocity Agreement" discussed above.

APPLYING FOR A PENSION

You can get a pension application by writing, calling or visiting the Fund Office. If you need any help in filling out your pension application, the staff at the Fund Office will assist you.

You should file your application with the Trustees at the address of the Fund Office in advance of the first month you expect your pension benefit to begin. While the rules require pension applications to be filed one month in advance, you are urged to file as soon as you decide on your intended retirement date. Early filing will avoid delay in the processing of your application and payment of benefits.

When applying for a pension, you will be required to submit proof of your age. Instructions describing the types of acceptable proof of age will be given to you with your application. If you want your pension paid as a Husband-and-Wife Pension, you will be asked to submit proof of your Spouse's age and proof of your marriage. The Trustees may require you to submit such additional information or proof the Trustees feel is needed to determine your benefit rights.

The Trustees, or their designated representative, who are bound by the rules of the Pension Plan, will decide if you meet the eligibility requirements for a pension. The Trustees or their designated representative are the sole judges in reviewing the documents you submit with your application. The Trustees are solely responsible for interpreting the Plan rules.

WHEN BENEFIT PAYMENTS BEGIN

Your benefit payments will begin on the effective date of your pension. This is sometimes referred to as your **Annuity Starting Date**.

The effective date of your pension is the first day of the month after the later of:

1. the first day of the month following submission of your application for benefits; or

2. 30 days after the Plan advises you of your available benefit payment options.

Whether or not you apply for a pension, the Plan requires that your pension payments begin by your Required Beginning Date even if you are still working.

If your Annuity Starting Date is after your Normal Retirement Age, your monthly benefit will be your accrued benefit at Normal Retirement Age, actuarially increased for each complete calendar month between your Normal Retirement Age and your Annuity Starting Date and then converted as of the Annuity Starting Date to the applicable benefit form you elect.

Your pension payments will be last payable for the month in which your death occurs, except as provided in accordance with any survivor benefit payable under the Plan.

BENEFIT DETERMINATION AND APPEAL PROCEDURES

You do not have any right or claim to benefits under the Plan or from the Board of Trustees, except as specified in the Plan. Any dispute as to eligibility, type, amount or duration of benefits under the Plan, or any amendment or modification thereof shall be resolved under the following Benefit Determination and Appeal Procedures. All benefit claim determinations will be made in accordance with governing Plan documents and, where appropriate, the Plan provisions will be applied consistently with respect to similarly situated claimants. No action may be brought for benefits provided under the Plan or any amendment or modification thereof, or to enforce any right thereunder, until after the claim has been submitted to and determined under the following Benefit Determination and Appeal Procedures, unless otherwise permitted by law.

A benefit claim is a “Disability Claim” under these Benefit Determination and Appeal Procedures, subject to the special rules for Disability Claims set out herein, if the Fund conditions the benefit’s availability upon a finding of disability and the Fund or its designee is responsible for making that finding of disability. Where the finding of disability is made by a party other than the Fund or its designee, for purposes other than making a benefit determination under the Plan, such as the Social Security Administration, and the Fund relies on said third party’s finding of disability, then the special rules for Disability Claims set out in these Benefit Determination and Appeal Procedures do not apply.

All Disability Claims under the Plan will be 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 individuals (such as a claims adjudicator or medical or vocational expert) will not be made based upon the likelihood that the individual will support the denial of benefits.

Any claimant pursuing a claim for benefits or an appeal of an adverse benefit determination under these Benefit Determination and Appeal Procedures, shall be entitled to be represented by a duly authorized representative without expense to the Fund. Claimants must submit their authorized representative designation in writing to the Fund Office.

When the Fund is required to provide notifications in a culturally and linguistically appropriate manner under these Benefit Determination and Appeal Procedures, the Fund will: (1) provide oral language services (such as a telephone customer assistance hotline) that includes answering questions in any applicable non-English language and providing assistance with filing claims and appeals (including external review) in any applicable non-English Language; (2) provide, upon request, a notice in any applicable non-English language; and (3) 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 Fund. With respect to an address in any Untied States county to which a notice is sent, a non-English language is an “applicable non-English language” if ten percent or more of the population residing in the county is literate only in the same non-English language, as determined in guidance published by the Secretary of the Department of Labor.

a. <u>Timing and Notification of Benefit Determination</u>

If a claimant's application for benefits (other than a Disability Claim) under this Plan has been denied, in whole or in part, the claimant will be notified of the denial within a reasonable period of time, but not later than 90 days after receipt of the claim by the Fund Office, unless it is determined by the Board of Trustees’ designee that special circumstances require an extension of time for processing the claim. If the Board of Trustees' designee determines that an extension of time for processing is required, written notice of the extension shall be furnished to the claimant prior to the termination of the initial 90-day period. In no event shall such extension exceed a period of 90 days from the end of such initial period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the Board of Trustees' designee expects to render the benefit determination.

If a claimant's Disability Claim under this Plan has been denied, in whole or in part, the claimant will be notified of the denial within a reasonable period of time, but not later than 45 days after receipt of the claim by the Fund Office. This period may be extended by the Board of Trustees' designee for up to 30 days, provided that the Board of Trustees' designee both determines that such an extension is necessary due to matters beyond the control of the Fund and notifies the claimant, prior to the expiration of the initial 45-day period, of the circumstances requiring the extension of time and the date by which the Board of Trustees' designee expects to render a decision. If, prior to the end of the first 30-day extension period, the Board of Trustees' designee determines that, due to matters beyond the control of the Fund, a decision cannot be rendered within that extension period, the period for making the determination may be extended for up to an additional 30 days, provided that the Board of Trustees' designee notifies the claimant, prior to the expiration of the first 30-day extension period, of the circumstances requiring the extension and the date as of which the Board of Trustees' designee expects to render a decision. Any notice of extension under this paragraph shall specifically explain the standards on which entitlement to a disability benefit is based, the unresolved issues that prevent a decision on the claim for disability benefits and the additional information needed to resolve those issues, and the claimant shall be afforded at least 45 days within which to provide the specified information.

The period of time within which a claimant's entitlement to benefits under the Plan shall be determined, shall begin at the time the claimant's application is filed with the Fund Office, without regard to whether all the information necessary to make a benefit determination accompanies the application. In the event that a period of time is extended for making the benefit determination as provided for in the paragraphs above due to the claimant's failure to submit information necessary to decide the claimant's entitlement to a benefit, the period for making the benefit determination shall be tolled from the date on which the notification of the extension is sent to the claimant until the date on which the claimant responds to the request for additional information.

The Board of Trustees' designee shall provide a claimant with written or electronic notification of any adverse benefit determination. Any electronic notification shall comply with the standards imposed by 29 C.F.R. 2520.104b-1(c)(1)(i), (iii) and (iv). The notification shall set forth, in a manner calculated to be understood by the claimant the following:

1. The specific reason(s) for the adverse benefit determination;
2. Reference to the specific Plan provisions on which the determination is based;
3. A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary;
4. A description of the Fund's appeal procedures and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under Section 502(a) of the Act following an adverse benefit determination on appeal;
5. In the case of an adverse benefit determination with respect to a Disability Claim:

    a. A discussion of the decision, including an explanation of the basis for disagreeing with or not following (i) the views presented by the claimant to the Fund of health care professionals treating the claimant and vocational professionals who evaluated the claimant; (ii) the views of medical or vocational experts whose advice was obtained on behalf of the Fund in connection with a claimant's adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and (iii) a disability determination regarding the claimant presented by the claimant to the Fund made by the Social Security Administration;

b. Either the specific internal rules, guidelines, protocols, standards or other similar criteria of the Fund relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Fund do not exist; and

c. A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claimant's claim for benefits. A document, record, or other information shall be considered "relevant" to the claimant's claim if such document, record or other information: (i) was relied upon in making the benefit determination; (ii) was submitted, considered, or generated in the course of making the benefit determination, without regard to whether such document, record, or other information as relied upon in making the benefit determination; (iii) demonstrates compliance with the administrative process and safeguards required by 29 C.F.R. 2560.503-1 in making the benefit determination; or (iv) constitutes a statement of policy or guidance with respect to the Fund concerning the denied treatment option or benefit for the claimant's diagnosis without regard to whether such advice or statement was relied upon in making the benefit determination.

In the case of an adverse benefit determination with respect to a Disability Claim, the notification shall be provided in a culturally and linguistically appropriate manner.

b. <u>Appeal Procedures</u>

Any claimant whose claim for benefits has been denied in whole or in part may appeal the adverse benefit determination by filing a written request for a full and fair review by the Board of Trustees with the Fund Office not more than 180 days after receipt by the claimant of written notification of the adverse benefit determination. Claimants shall have the right to submit written comments, documents, records and other information relating to the claim for benefits.

Claimants shall have the right to receive, upon written request to the Fund Office reasonable access to, and copies of, all documents, records, and other information relevant to the claimant's claim for benefits. These documents, records and other information shall be provided by the Fund free of charge. A document, record, or other information shall be considered "relevant" to the claimant's claim if such document, record or other information: (i) was relied upon in making the benefit determination; (ii) was submitted, considered, or generated in the course of making the benefit determination, without regard to whether such document, record, or other information was relied upon in making the benefit determination; (iii) demonstrates compliance with the administrative process and safeguards required by 29 C.F.R. 2560.503-1 in making the benefit determination; or (iv) constitutes a statement of policy or guidance with respect to the Fund concerning the denied treatment option or benefit for the claimant's diagnosis without regard to whether such advice or statement was relied upon in making the benefit determination.

No claimant shall be entitled, as a matter of right, to appear personally before the Board of Trustees and no hearing shall be required to be held in connection with any appeal.

The appeal will be decided by the Board of Trustees and the Board of Trustees shall take into account all comments, documents, records and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

With respect to an appeal of an adverse benefit determination related to a Disability Claim, the Board of Trustees shall, prior to issuing an adverse benefit determination on appeal: (i) ensure that the claimant is provided, free of charge, with any new or additional evidence considered, relied upon, or generated by the Fund or Board of Trustees (or at the direction of the Fund or Board of Trustees) in connection with the Disability Claim; and (ii) ensure that the claimant is provided, free of charge, with any new or additional rationale upon which the adverse benefit determination on review will be based. The new or additional evidence and/or rationale must be provided as soon as possible and sufficiently in advance of the date on which notice of adverse benefit determination on appeal is required to be provided to the claimant, so that the claimant has a reasonable opportunity to respond prior to that date.

The decision on appeal shall be made by the Board of Trustees no later than the date of the meeting of the Board of Trustees that immediately follows the Fund Office's receipt of the appeal, unless the request for appeal is filed within 30 days preceding the date of such meeting. In such case, a benefit determination will be made by no later than the date of the second Board of Trustees' meeting following the Fund Office's receipt of the request for appeal. If special circumstances require a further extension of time for processing, a benefit determination shall be rendered no later than the third Board of Trustees' meeting following the Fund Office's receipt of the request for appeal. If such an extension of time is required because of special circumstances, the Fund Office shall provide the claimant with written notice of the extension, describing the special circumstances and the date as of which the benefit determination will be made, prior to the commencement of the extension.

The period of time within which a benefit determination on appeal is required to be made shall begin at the time an appeal is filed in writing with the Fund Office, without regard to whether all the information necessary to make a benefit determination on review accompanies the filing. In the event the time to make a determination on appeal is extended as permitted above due to a claimant's failure to submit information necessary to decide the claim, the period for making the benefit determination on appeal shall be tolled from the date on which the notification of extension is sent to the claimant until the date on which the claimant responds to the request for additional information.

The Fund Office shall provide the claimant with written or electronic notification of the Board of Trustees' benefit determination as soon as possible, but not later than five days after the benefit determination is made on appeal. Any electronic notification shall comply with the standards imposed by 29 CFR 2520.104b-1(c)(1)(i), (iii), and (iv). In the case of an adverse benefit determination on appeal, the notification shall set forth, in a manner calculated to be understood by the claimant the following:

1. The specific reason(s) for the adverse benefit determination on appeal;
2. Reference to the specific Plan provisions on which the benefit determination is based;
3. A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claimant's claim for benefits. A document, record, or other information shall be

considered “relevant” to the claimant’s claim if such document, record or other information: (i) was relied upon in making the benefit determination; (ii) was submitted, considered, or generated in the course of making the benefit determination, without regard to whether such document, record, or other information as relied upon in making the benefit determination; (iii) demonstrates compliance with the administrative process and safeguards required by 29 C.F.R. 2560.503-1 in making the benefit determination; or (iv) constitutes a statement of policy or guidance with respect to the Fund concerning the denied treatment option or benefit for the claimant’s diagnosis without regard to whether such advice or statement was relied upon in making the benefit determination.

4. A statement of the claimant’s right to bring an action under section 502(a) of the Act and any applicable contractual limitations period that applies to the claimant’s right to bring such an action, including the calendar date on which the contractual limitations period expires for the claim;
5. In the case of an adverse benefit determination on appeal with respect to a Disability Claim:

    a. A discussion of the decision, including an explanation of the basis for disagreeing with or not following: (i) the views presented by the claimant to the Fund of health care professionals treating the claimant and vocational professionals who evaluated the claimant; (ii) the views of medical or vocational experts whose advice was obtained on behalf of the Fund in connection with a claimant’s adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and (iii) a disability determination regarding the claimant presented by the claimant to the Fund made by the Social Security Administration;
    b. Either the specific internal rules, guidelines, protocols, standards or other similar criteria of the Fund relied upon in making the adverse benefit determination on appeal or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Fund do not exist;

    In the case of an adverse benefit determination on appeal with respect to a Disability Claim, the notification shall be provided in a culturally and linguistically appropriate manner.

While claimants have the right to bring timely legal action for benefits under ERISA, no action at law or in equity may be brought by any Participant, Pensioner, Beneficiary or other third party after the expiration of three (3) years from the date the Board of Trustees provides written notice of a decision on an appeal of an adverse benefit determination, or, in the case where a decision on an initial benefit determination or on appeal is not furnished within the time limits set forth herein, the date on which such decision was due. Failure to bring an action within this three (3) year period shall forever bar such action. Any action at law or in equity, brought by a Participant, Pensioner, Beneficiary or other third party, must be brought in the United States District Court for the Eastern District of Missouri.

c. Extensions Due to Covid-19

The deadlines for filing an appeal have been extended due to COVID-19. The applicable deadlines occurring during the Outbreak Period have been extended until the earlier of: (1) one year from the date the individual was first eligible for relief, or (2) the end of the Outbreak Period. The Outbreak Period is defined as the period from March 1, 2020, until 60 days after the Federal government announces the end of the National Emergency for COVID-19.

For example: On April 15, 2020, you received an adverse benefit determination from the Fund, which stated you have 180 days to file an appeal. Your right to appeal arose during the Outbreak

Period, so you would have until October 12, 2021 (180 days after April 15, 2021), to file your appeal or the end of the Outbreak Period if the Outbreak Period ends before October 12, 2021.

RETIREMENT AND SUSPENSION OF BENEFITS

To receive a pension from the Pension Plan, you must be in retirement. Retirement means that you have left Covered Employment and are not working in "Disqualifying Employment," as described below. If you work in Disqualifying Employment, your pension will be suspended for each month you are so employed and you will not be entitled to benefits for these months.

Disqualifying Employment

Work that is considered Disqualifying Employment and will disqualify a retiree from receiving his/her monthly benefit differs for those under Normal Retirement Age and those who are Normal Retirement Age and older.

Before Normal Retirement Age, Disqualifying Employment is employment or self-employment (1) in any position for which the Employer is required to make contributions to the Fund under any written agreement with the Union or the Fund; and (2) employment or self-employment with any company, in any location, in a position that would be work covered by any of the Union's collective bargaining agreements when performed for a signatory employer in an area covered by such agreements.

After Normal Retirement Age, Disqualifying Employment means employment or self-employment: (1) in the construction industry, and (2) in the operating engineers trade, for work of the kind covered by an existing collective bargaining agreement of the Union when performed by an employee of a signatory employer; and (3) in a geographical area that was covered by a Collective Bargaining Agreement requiring contributions to this Fund at the time the Participant's pension benefits commenced (or would have commenced if the Participant had not remained in or returned to such work). However, a Pensioner is allowed to work 40 hours or less per month (with certain paid non-work time counted as part of the 40 hours) without having his/her benefit suspended.

As of your Required Beginning Date, no employment will be considered Disqualifying Employment.

Suspension of Benefits

If you return to Disqualifying Employment after you have begun to receive your pension, your benefit will be suspended (i.e. you will not be entitled to a benefit) for each month that you are so employed.

Notice of Return to Work

You *must* notify the Fund Office within 30 days of the date you begin work that may be Disqualifying Employment, regardless of the number of hours you intend to work in a month. Failure to give this notice may result in additional suspension of benefits if you are below Normal Retirement Age.

If it is determined that you are working in Disqualifying Employment and failed to notify the Fund Office, the Fund will attempt to determine when your employment began and your entitlement to benefits ended. It may be assumed that you had been working enough hours to disqualify you from receiving your benefit. You will be allowed to present evidence refuting this assumption.

If your benefits are suspended, the Fund Office will provide you with a notice describing the reasons for the suspension plus other information about the suspension of benefits.

You can request a review of a decision to suspend benefits by making a written request for review with the Fund Office within 180 days after the date of the notice of suspension. The request for review will be processed in the same way as an appeal of a pension denial.

If you intend to return to work you should obtain in advance a determination from the Fund Office as to whether that work will be considered Disqualifying Employment. If you disagree with the determination, you have the right to request a review within 180 days.

Benefit Payments Following Suspension

When you work in Disqualifying Employment and want to again receive your pension benefit, you must notify the Fund Office in writing that your Disqualifying Employment has ceased. The notice to the Fund Office to reinstate the pension must include your name, Social Security number, and the date that you stopped working in Disqualifying Employment. Payments will begin the first of the third month (fourth month if you resume before your Normal Retirement Age) following the latest of:

1. the date you stopped working in Disqualifying Employment;

2. the date the notice to resume payments is filed with the Fund Office.

The first payment will include the payment for the month in which it was made and any earlier months after you stopped work in Disqualifying Employment. However, this payment will be reduced by any amounts you owe under the repayment provisions described below.

Monthly retirement payments after suspension will be recalculated under the following circumstances:

1. If you returned to Covered Employment and earned any additional benefits, the amount will be adjusted to reflect those additional accruals.

2. If your retirement was before Normal Retirement Age, your pension will be actuarially adjusted to take into account benefit payments received before your return to Disqualifying Employment.

3. In addition, if you return to Covered Employment and earn additional quarters of Pension Credit, you are entitled to a new election of your 50% Husband-and-Wife Pension or any other optional form of benefit. The election will apply only to your additional accrual, and the first election on or after your Normal Retirement Age will apply to all subsequent accruals.

4. Your new monthly benefit will never be less than the prior monthly amount. A 50%, 75% or 100% Husband-and-Wife Pension in effect immediately prior to a suspension of benefits, and any other benefit following your death will remain effective if your death occurs while your benefits are in suspension.

Effective May 1, 1989, any additional benefits earned by you in Covered Employment after the effective date of your pension will be determined at the end of each Plan Credit Year and will be payable as of May 1 following the end of the Plan Credit Year in which it accrued.

Repayment Provisions

If you receive pension payments while your benefits should be suspended, you are obligated to repay the pension amounts received during the months of Disqualifying Employment. The Fund has the right to recover pension payments which were improperly received before and after Normal Retirement Age, during a period of Disqualifying Employment, including the right to use offsets against future payment benefits. A Pensioner who receives overpayments before Normal Retirement Age will have 100% of his/her pension payment withheld until the amount of the overpayments are recovered. After Normal Retirement Age, 100% of the first pension payment and 25% of all additional payments will be withheld until the entire amount of overpayments have been recovered. If you die before the entire amount owed is recovered, benefits payable to your surviving Spouse will be reduced by 25% until the overpayment is repaid.

Disability Benefits

The rules about work restrictions are different for individuals receiving disability benefits under the Plan. Please refer to page 23 of this SPD for a summary of these rules. If you have any questions, you may contact the Fund Office for information about working and reporting earnings while you are receiving disability benefits.

Notice of Continued Existence

You may be required from time to time at the request of the Trustees to provide a statement of your existence, including a statement that you are not engaged in Disqualifying Employment and are retired. If you are receiving disability benefits, you may also be required to submit satisfactory evidence that you are still disabled. If you do not submit the requested statement and/or evidence within 60 days after the request is mailed to you, your future pension benefits will be suspended until such statement is submitted and approved by the Trustees.

Exception to Suspension Rules

Benefits will not be suspended in the case of a retiree who works in Disqualifying Employment for any number of hours during a period in which no active Employee on the out of work list is available who possesses the specialized skills necessary to perform the work, as described by the Chairman and Secretary of the Board of Trustees, and the retiree does possess such skills.

QUESTIONS AND ANSWERS

What is the Pension Fund?

The Pension Fund is a legal trust fund set up for the purpose of providing retirement benefits. The Trust Indenture of Local Union 513 Pension Fund dated effective as of October 27, 1963, restated effective as of December 31, 1975, and as thereafter amended ("Trust Document"), establishes the Pension Fund.

What is the Pension Plan?

The Pension Plan is described in a document titled Plan of the Local Union 513 Pension Fund Rules and Regulations, Amended and Restated as of January 1, 2015, which sets forth the various types of pensions provided by the Fund, the benefit amounts for each type of pension and also the eligibility requirements. The Pension Plan document is available for review upon request at the Fund Office and is also available on the Participant website at www.iuoe513fringe.org.

Who Administers the Fund?

A Board of Trustees, which serves without compensation, acts on behalf of you and your fellow Employees in managing all aspects of the Pension Fund's operations. The Board of Trustees may amend the Plan at any time consistent with law. The Board of Trustees is made up of Union and Employer representatives whose power and duties are set forth in the Trust Document.

Who Pays the Cost of the Pension Plan?

The entire cost of the Plan is paid by the contributing Employers who contribute to the Pension Fund in accordance with their Collective Bargaining Agreements with the Union. No Employee Contributions are required or accepted.

Suppose I Leave Covered Employment after Many Years of Work. Do I Lose My Pension Rights?

If you leave Covered Employment after meeting the vesting requirements under the Plan, you will have a right to a pension benefit which may be payable as early as age 55. This means that you can leave the jurisdiction of the Plan without suffering a Permanent Break in Service and without losing your pension rights.

If I Owe Money, Can I Sign Over My Rights to My Pension?

No. The Pension Plan contains a provision forbidding any assignment, pledging or otherwise disposing of your pension payments, except to comply with a Qualified Domestic Relations Order. Participants and Beneficiaries can obtain a copy of the Plan's Qualified Domestic Relations Order procedures from the Plan Administrator without charge.

What is a Qualified Domestic Relations Order?

A Qualified Domestic Relations Order (QDRO) is a state domestic relations order such as a divorce decree that creates or recognizes an alternate payee's right, or assigns to an alternate payee the right to receive all or a portion of the benefits payable to a Participant under the Plan.

Any lawful judgment, decree, order, or property settlement agreement that has been entered into may be a Qualified Domestic Relations Order if it relates to the provision of child support, alimony payments, or marital property of a Spouse, former Spouse, child or other dependent of a Plan Participant and is made pursuant to state domestic relations law.

The Trustees cannot recognize or honor a domestic relations order, such as a divorce decree that attempts to divide a pension, unless it meets the qualification standards described in federal law. If you are contemplating a divorce or are party to any other domestic relations action that may involve the Fund, you should contact the Fund Office for additional information **before** any such domestic relations order or decree is signed by the judge.

If I Leave Covered Employment Can I Receive a Refund of the Money Paid to the Pension Fund by My Employers based on my Covered Service?

No, you can't. The Pension Plan is designed to pay the highest possible benefits to those persons who have spent long years of service working in the trade under Collective Bargaining Agreements. This can be done only if the Pension Fund is devoted to paying pension benefits to those who remain working in our trade for many years. Money paid out to Participants who are going to work elsewhere after spending only a few months or a few years in Covered Employment would mean that Pensioners would receive lower benefits.

Can I Roll My Distribution Over Tax-Free to an IRA or Another Qualified Plan?

Generally, all distributions, including death benefits paid to your Spouse or Beneficiary, are eligible for tax-free rollover **except for** distributions that are:

1. substantially equal periodic payments over:

   (i) your life (or life expectancy), or joint lives of you and your Beneficiary; or

   (ii) a scheduled period of at least 10 years; or

2. mandatory minimum distributions after your Required Beginning Date.

Most distributions from the Fund will not be eligible for rollover.

A payment that is eligible for rollover can be taken in two ways. You can have all or any portion of your payment either (1) paid in a direct rollover or (2) paid to you. This choice will affect the tax you owe.

If you choose a direct rollover:

1. your payment will not be taxed in the current year and no income tax will be withheld,

2. your payment will be made directly to your IRA or, if you choose, to another qualified retirement plan that accepts your rollover, and

3. your payment will be taxed later when you take it out of the IRA or the qualified retirement plan.

If you choose to have your benefit paid to you:

1. you will receive only 80% of the payment, because federal law requires that the Fund withhold 20% of the payment and send it to the Internal Revenue Service as income tax withholding to be credited against your taxes,

2. your payment will be taxed in the current year unless you roll it over (you may be able to use special tax rules that could reduce the tax you owe; however, if you receive the payment before age 59½ you also may have to pay an additional 10% tax),

3. you can roll over the payment by paying it to your IRA or to another qualified retirement plan that accepts your rollover within 60 days of receiving the payment, and the amount will not be taxed until you take it out of the IRA or other qualified retirement plan, and

4. if you want to roll over 100% of the payment to an IRA or another qualified retirement plan that accepts your rollover, **you must find other money to replace the 20% that was withheld** (if you roll over only the 80% that you received, you will be taxed on the 20% that was withheld and that is not rolled over).

Special rules apply for rollovers by non-spouse Beneficiaries. Please contact the Fund for more information. Federal law requires that Fund Office provide you with a timely "Special Tax Notice Regarding Plan Payments" which describes your rights and obligations regarding rollovers and withholding requirements.

IMPORTANT FACTS ABOUT THE PLAN

The following information provides important facts about the Plan which you should know.

1. **Name of Plan.** This Plan is known as the Local Union 513 Pension Fund.

2. **Board of Trustees.** A Board of Trustees is responsible for the operation of this Plan. The Board of Trustees consists of an equal number of Employer and Union representatives selected by the Employers and the Union which have entered into Collective Bargaining Agreements which relate to this Plan. If you wish to contact the Board of Trustees, you may use the address and telephone number below:

BOARD OF TRUSTEES

Local Union 513 Pension Fund
Suite 150
3449 Hollenberg Drive
Bridgeton, Missouri 63044
Telephone: (314) 739-2973

As of December 31, 2020, the Trustees of this Plan are as follows:

3. **Plan Sponsor and Administrator.** The Board of Trustees is both the Plan Sponsor and Plan Administrator.

4. **Identification Numbers.** The number assigned to this Plan by the Board of Trustees pursuant to instructions of the Internal Revenue Service is 001. The number assigned to the Board of Trustees by the Internal Revenue Service is 43-0827344.

5. **Agent for Service of Legal Process.** BeneSys, Inc., the independent contractor engaged by the Trustees to perform the routine administration of the Trust, or any Trustee are the Plan's agents for service of legal process. Accordingly, if legal disputes involving the Plan arise, any legal documents should be served upon BeneSys at the Fund Office, or upon any individual Trustee.

6. **Collective Bargaining Agreements.** This Plan is maintained pursuant to Collective Bargaining Agreements between the Employers and the Union. The Fund Office will provide you, upon written request, information as to whether a particular employer is contributing to the Plan on behalf of Participants working under the Collective Bargaining Agreements. A copy of any such Collective Bargaining Agreement may be obtained by Participants and Beneficiaries upon written request to the Plan Administrator, and is available for examination by Participants and Beneficiaries at the Fund Office.

7. **Source of Contributions.** The benefits described in this booklet are provided through Employer Contributions. The amount of Employer Contributions and the Employees on whose behalf Contributions are made are determined by the provisions of the Collective Bargaining Agreements.

8. **Pension Trust's Assets and Reserves.** All assets are held in trust by the Board of Trustees for the purpose of providing benefits to eligible Participants and defraying reasonable administrative expenses. The Pension Trust's assets and reserves are presently invested through contracts with investment managers.

9. **Plan Credit Year and Fiscal Year.** The records of the Plan are kept separately for each Plan Credit Year. The Plan Credit Year and the Fiscal Year both begin on May 1 and end on April 30.

10. **Type of Plan.** This is a defined benefit plan maintained for the purpose of providing retirement benefits to eligible Participants.

11. **Eligibility and Benefits.** The Plan's Normal Retirement Age is described on page 4 of this booklet; the eligibility requirements for benefits in general are described beginning on page 13; Qualified Domestic Relations Orders are discussed on page 41; circumstances that may result in disqualification, ineligibility, or denial or loss of any benefits are described on page 10; the rules governing Joint and Survivor benefits are described on page 28. The rules for accruing Pension Credits are discussed on page 7.

12. **Applying for Benefits and Appealing Adverse Decisions.** The procedure for applying for benefits is outlined on page 32. The procedure for appealing decisions with which you disagree is outlined on page **Error! Bookmark not defined.**.

13. Your pension benefits under this multiemployer plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. A multiemployer plan is a collectively bargained pension arrangement involving two or more unrelated employers, usually in a common industry.

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

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

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

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

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

STATEMENT OF RIGHTS UNDER EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

As a Participant in the Pension Plan, 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:

Receive Information About Your Plan and Benefits

Examine, without charge, at the Fund Office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts and Collective Bargaining Agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and Collective Bargaining Agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.

Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of this summary annual report.

Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age and if so, what your benefits would be at Normal Retirement Age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and Beneficiaries. No one, including your Employer, your Union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a 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 Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. 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 Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, 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.

Nothing in this statement is meant to interpret or change in any way the provisions expressed in the Pension Plan document. The Trustees reserve the right to amend, modify or discontinue all or part of this Pension Plan whenever, in their judgment, conditions so warrant.

Your pension rights are governed by the rules of the Pension Plan. Because of the brief nature of the explanatory material which is necessary in the interest of clarity, you must refer to the full text of the Pension Plan document itself to answer any specific questions. Any questions regarding the Plan should be directed to the Fund Office, and you may also review the complete text of the Pension Plan document by contacting the Fund Office.