

**Locals 302 & 612**  
**International Union of Operating Engineers**  
**Employers Construction Industry**

Administration Office

**WELFARE & PENSION**  
**ADMINISTRATION SERVICE, INC.**

**Physical Address:**  
7525 SE 24<sup>th</sup> St, Suite 200  
Mercer Island, WA 98040

**Mailing Address:**  
PO Box 34203  
Seattle, WA 98124-1203

**(206) 441-7314**  
**(877) 441-1212**  
*[www.engineerstrust.com](http://www.engineerstrust.com)*



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## **RETIREMENT PLAN**

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Summary Plan Description

**2017**

If you have any questions about your participation or eligibility for benefits, or about any matter of trust fund or pension plan administration, you should contact the Administration Office:

Welfare & Pension Administration Service, Inc.

Physical Address:

7525 SE 24<sup>th</sup> St, Suite 200

Mercer Island, WA 98040

Mailing Address:

PO Box 34203

Seattle, WA 98124-1203

Phone: (206) 441-7314

Toll Free: (877) 441-1212

*www.engineerstrust.com*

Only the Administration Office is authorized by the Board of Trustees to answer your questions. No participating employer, employer association, or labor organization or its employees has the authority to answer your questions.

### **IMPORTANT**

**This booklet is only a summary of the important provisions of the plan and is not intended to serve as a legal document. If there is any discrepancy between this summary and the plan document, the plan document will govern.**

## To All Participants and Spouses:

We are pleased to provide this revised booklet describing the benefits of your pension plan. It includes plan changes we adopted through April 1, 2017. If you retired before April 1, 2017, your benefits are computed under the applicable provisions of the plan and booklet which were in effect when you retired, so you should consult those documents.

This booklet summarizes the main provisions of the plan and includes information required by law. We have also included a chart (after the Table of Contents) which gives a capsule view of the plan's major provisions. In describing the plan in brief form, it is not always possible to explain each and every detail. If there is any discrepancy between this booklet and the plan document, the plan document will govern. If you want to read the plan document or obtain a copy, you should contact the Administration Office. A reasonable charge will be imposed to cover the cost of photocopying.

Please read this booklet carefully. Keep it with your other important papers so you can refer to it when you terminate employment, change jobs, or retire. If you lose your copy, you may obtain another from the Administration Office, the Local, or online at [www.engineerstrust.com](http://www.engineerstrust.com). The website provides you with immediate access to your plan information. The website also includes the following plan related information without the need for a PIN.

- Forms
- Plan booklet
- Links to local unions
- Administration Office address, phone numbers and email.

This website also provides a link to MyTrust Login, which is viewed through a secure location and requires entry of a personal identification number "PIN" and your social security number or WPAS identification number. A PIN will be

assigned and mailed to you upon receipt of your completed PIN request form. A PIN REQUEST FORM is available on the home page of the website. Please note that a PIN will be assigned. For security purposes, you may not choose your own PIN. MyTrust Login includes the following information:

- Personal Information – name, address, gender, birth date, phone, email, etc.
- Hours/Contributions – statements showing your employers’ reporting hours worked and contributions paid to the plan
- Retirement – years of service, total hours, normal benefit amount
- Beneficiary – who you have named as your beneficiary

**NOTE: After a divorce you should always update your PIN number and beneficiary form.**

You may also contact the Administration Office if you have any questions concerning your participation or eligibility for benefits, or about any matter of fund or plan administration. The staff will be happy to assist you. Note that only the Administration Office is authorized by the Board of Trustees to answer your questions. However, only the Board of Trustees can construe the plan provisions, and amend or change the terms of the plan, and the Trustees’ authority cannot be delegated to the Administration Office or any of its employees.

Sincerely,

Board of Trustees

**Union Trustees**

Daren Konopaski, Chairman  
Jason Alward  
Sean Jeffries  
Curt Koegen  
Todd Mickelson

**Employer Trustees**

Brett Ferullo, Secretary  
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## Your Pension Plan-at-a-Glance

You must work for an employer subject to a collective bargaining agreement with the International Union of Operating Engineers Local 302 or 612, or subject to a special agreement, which requires your employer to contribute to the plan on your behalf.

ELIGIBILITY	You must work for an employer subject to a collective bargaining agreement with the International Union of Operating Engineers Local 302 or 612, or subject to a special agreement, which requires your employer to contribute to the plan on your behalf.				
TYPE OF BENEFIT	AGE REQUIREMENT	SERVICE REQUIREMENT	BASIC BENEFIT	OPTIONS & REDUCTIONS	CONDITIONS WHICH MAY RESULT IN LOSS OF SOME OR ALL BENEFITS
<b>Normal Retirement</b>	<ul style="list-style-type: none"> <li>• Age 60 for benefits accrued before 1/1/13</li> <li>• Age 62 for benefits accrued on and after 1/1/13</li> </ul>	<ul style="list-style-type: none"> <li>• 5 years of service or 7,500 covered hours of employment if you qualify (see page 16)</li> <li>• 5th anniversary of participation (see page 16)</li> </ul>	Accrued benefit (see page 3) earned to your normal retirement	<ul style="list-style-type: none"> <li>• Modified Life Annuity — unreduced</li> <li>• 100% Spouse Option — reduced</li> <li>• 75% Spouse Option — reduced</li> <li>• 50% Spouse Option — reduced</li> <li>• Social Security Adjustment — must be under age 62 (see page 29)</li> <li>• Cost of Living Adjustment — reduced</li> </ul>	<ul style="list-style-type: none"> <li>• Return to work after retirement (see page 38)</li> <li>• Termination before vesting (see page 13)</li> </ul>
<b>Early Retirement</b>	<ul style="list-style-type: none"> <li>• Age 52–59 for benefits accrued before 1/1/13</li> <li>• Age 55–61 for benefits accrued on and after 1/1/13</li> </ul>	<ul style="list-style-type: none"> <li>• 10 years of credited service, or</li> <li>• 15,000 covered hours of employment</li> </ul>	Accrued benefit earned to your early retirement, reduced as shown in the tables on page 19	Same as normal retirement	Same as normal retirement



<b>Late Retirement</b>	Any age after 60 for benefits accrued before 1/1/13	Continue to work after meeting normal retirement service requirements above	Accrued benefit earned before 1/1/13 and before your normal retirement date, increased by 1/2 of 1% for each month that your late retirement follows your age 60, plus any future service benefit earned on or after the earlier of your normal retirement date and 1/1/13. There is no late retirement increase on benefits accrued on and after 1/1/13	Same as normal retirement	Same as normal retirement
<b>Disability Retirement</b>	Any age	<ul style="list-style-type: none"> <li>5 years of service or 7,500 covered hours of employment if you qualify (see page 23), or</li> </ul>	Accrued benefit earned to your disability retirement, reduced as shown in the table on page 24	Same as normal retirement, except Social Security Adjustment is not available	You are no longer considered totally and permanently disabled
<b>Death Benefit (A)</b>	Any age before retirement	<ul style="list-style-type: none"> <li>Must be vested</li> </ul>	Spousal continuance portion of 50% Spouse Form	50% Spouse Form	<ul style="list-style-type: none"> <li>Death before vesting</li> <li>No surviving spouse</li> </ul>
<b>Death Benefit (B)</b>	Any age before retirement	<ul style="list-style-type: none"> <li>Must be a vested active or inactive participant, or</li> <li>Must be a terminated vested participant with one year of service in five years before death</li> </ul>	60 monthly payments equal to your accrued benefit at the time of your death	Unreduced	<ul style="list-style-type: none"> <li>Death before vesting</li> <li>No surviving beneficiary (your spouse is your beneficiary if you are married; otherwise you may designate any beneficiary)</li> </ul>
<b>Death Benefit (C)</b>	Any age before retirement	<ul style="list-style-type: none"> <li>None for active participant</li> <li>Terminated participant must have met service requirement for vesting</li> <li>Not eligible for Death Benefit (A) or (B)</li> </ul>	The greater of: <ul style="list-style-type: none"> <li>Total contributions made to the plan on your behalf, or</li> <li>\$2,000</li> </ul>	Lump sum	No surviving beneficiary (your spouse is your beneficiary if you are married; otherwise you may designate any beneficiary)
<b>Vested Rights</b>	Any age	<ul style="list-style-type: none"> <li>5 years of service or 7,500 covered hours of employment if you qualify (see page 14), or</li> <li>Meet age and service requirements for normal retirement</li> </ul>	A nonforfeitable right to benefits earned to your termination date		Death or termination before you vest

## **Participation**

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You automatically participate in this plan if your employer is required to contribute on your behalf due to a collective bargaining agreement with the International Union of Operating Engineers Local 302 or 612.

You also participate if your employer is required to contribute on your behalf due to a special agreement with the Trustees. If you participate through a special agreement, your contributing employer must be actively engaged in the construction industry and report at least 1,040 covered hours per two-year period for its bargaining unit employees. If your employer fails to meet the minimum in any calendar year, your participation will terminate at the end of that year. This 1,040-hour rule does not apply if your employer is a Local, the International Union, or another labor organization.

Sole proprietors and partners are not eligible to participate in the plan.

You may inspect a list of contributing employers at the Administration Office or obtain a copy of the list by writing to the Administration Office. You may also find out if a particular employer contributes — and, if it does, receive its address — by writing to the Administration Office. The Trustees may make a reasonable charge for providing copies.

## **Cost of the Plan**

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You are not required or permitted to contribute to the plan. The plan is funded by employer contributions. The rate of employer contribution is determined by the collective bargaining or special agreement which entitles you to participate.

You may inspect the collective bargaining agreement at the Administration Office or obtain a copy by writing to the Administration Office. The Trustees may make a reasonable charge for providing copies.

## **Measuring Your Service**

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Your accrued benefit, your vesting, and your eligibility for retirement and death benefits are based on your service. Each calendar year, your credited service, covered hours, and years of service are measured to determine if you have accrued additional benefit or earned additional service for vesting and eligibility.

### **Credited Service**

Your credited service is made up of credited past service, special credited service, and credited future service. Credited past service and credited future service determine the amount of your accrued benefit. Additional periods of service, including special credited service may be taken into account in determining your vested rights to your accrued benefit.

#### ***Credited Past Service***

You are eligible for credited past service if you completed 250 covered hours of employment in 1957, or a total of 750 covered hours of employment in 1957 and 1958. If you were working outside the continental United States in 1957, you could instead complete the 750 covered hours during the two calendar years following your return. Covered hours of employment are hours for which your employer is required to contribute to the plan on your behalf.

If you are eligible for credited past service, you may be credited with a maximum of 18 years. Credited past service is the number of consecutive whole calendar years before 1957 that you worked at least 500 hours in a job covered by a collective bargaining agreement with I.U.O.E. Local 302 or 612.

### ***Credited Future Service***

Credited future service is based on your covered hours of employment in each calendar year starting January 1, 1957. Covered hours of employment are defined below.

You earn a year of credited future service for each calendar year from 1957 through 1961 in which you completed 500 covered hours of employment, and for each calendar year after 1961 in which you complete 250 covered hours of employment. You cannot earn more than one year of credited service in any one calendar year. You are entitled to a benefit based on employer contributions required to be made on your behalf for each year in which you have a year of credited future service.

**Note:** You will also earn credited future service for periods of qualified military service, as described in Uniformed Service Under USERRA on page 51), and for periods of service for which contributions have been transferred by the Central Pension Fund to this Fund. Contact the Administration Office for details.

### ***Special Credited Service***

Special credited service counts for vesting under the plan, but does not count in calculating your accrued plan benefit. If your employer first begins contributing to the plan on or after October 1, 1998 — or July 1, 1995 if you did not become a terminated nonvested former participant between July 1, 1995 and December 31, 1998 — you may be eligible for special credited service. You must earn one year of credited future service with the employer in the calendar year the employer begins plan contributions or in the next year.

You can only be credited with a maximum of four years of special credited service. Special credited service is the number of consecutive whole calendar years before the employer begins contributing to the plan in which you worked at least

250 hours for that individual employer under a collective bargaining agreement with I.U.O.E. Local 302 or 612, or in work of the type covered under a collective bargaining agreement if the individual employer first begins contributing to the Plan on or after March 1, 2001. You cannot earn special credited service for any year you earn credited future service.

Effective April 1, 2002, when determining special credited service “employer” will include your current employer and any predecessor employer, if that predecessor employer was sold, acquired, or provided contract services in the years before it began contributing to the plan.

### **Covered Hours of Employment**

As noted above in “Credited Future Service,” your covered hours of employment are used in calculating your accrued benefit. Your covered hours may also be used to vest and to establish your eligibility for retirement or death benefits.

In general, covered hours of employment are hours for which your employer is required to contribute to the plan on your behalf. They also include hours of service that were earned under the Locals 302 and 612 of the International Union of Operating Engineers-Employers Construction Industry Defined Contribution Plan. (No hour of work will be counted twice.) However, your accrued benefit under this plan will be based only on the hours for which your employer is required to contribute to this plan, not on hours of service under the defined contribution plan.

In certain circumstances (for example, vacation or disability), you may be credited with covered hours during a period in which you perform no duties. The maximum amount of covered hours you can earn during each of these periods is 501 hours.

**Note:** Effective July 1, 2001, covered hours of employment will include hours of service earned under the Central Pension Fund for work covered under the National Pipeline Agreement prior to that date, provided contributions with respect to those hours are transferred by the Central Pension Fund to this Fund. Contact the Administration Office for details.

Effective January 1, 2012, covered hours of employment will also include hours for which contributions were transferred to this plan under a money-follows-the-man agreement with another fund.

## **Uncovered Hours of Employment**

Uncovered hours of employment may be taken into account in determining whether you are vested in your accrued benefit. There are two ways to earn uncovered hours of employment.

You are credited with uncovered hours after 1975 (or after your employer first contributes to the plan, if that date is later) if you work for the same contributing employer in a position that is not covered by your employer's collective bargaining agreement, provided that the uncovered hours of employment immediately precede or follow covered employment and no quit, discharge, or change of employer occurs between your period of covered employment and your employment in a position not covered by the collective bargaining agreement.

If you begin covered employment with your employer on or after October 1, 2001, you may also earn up to 4 years of service based on uncovered hours of employment if you meet all of the following requirements:

- Your uncovered hours of employment are earned at a time in which your employer is contributing to the plan,
- Your employment with your employer has been continuous. ("Continuous" employment means you have worked at least 250 hours with the same employer for a

consecutive period of years before you begin covered employment regardless of whether there was a quit, termination, or discharge, and

- You earn a year of credited future service while working for your employer, either in the plan year you begin covered employment or in the following year.

## **Years of Service**

Your years of service determine whether you are vested (see Vesting on page 14) and may also be used to establish your eligibility for early, disability, normal or late retirement, or for certain death benefits. (See the related sections for details on Death Benefits pages 42 – 46.)

Your years of credited past service, credited future service and special credited service are counted as years of service.

**Note:** You may not earn more than one year of service in each plan year.



## Calculating Your Accrued Benefit

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Your monthly accrued benefit is the sum of your past service benefit plus your future service benefit.

### Past Service Benefit

For each year of credited past service, you earn a monthly past service benefit of \$15.00.

### Future Service Benefit

If you retire on or after January 1, 2004, you earn a monthly future service benefit, for each year in which you earn a year of Future Service Credit, as follows:

- For calendar years 1957 through 2002, your future service benefit is 4.875% of the employer contributions.
- For calendar year 2003, your future service benefit is 2.5% of the employer contributions.
- For calendar years 2004 through 2009, your future service benefit is 1.5% of the employer contributions.
- For calendar years 2010 through 2012, your future service benefit is 1.5% of the employer contributions *allocated to benefit accrual*. For collective bargaining agreements in effect on January 1, 2010 (including compliance agreements and project agreements effective after January 1, 2010, but tied to a master labor agreement), the plan applies 12% of the contribution rate in effect on January 1, 2010 to funding, and the remaining 88% is allocated to benefit accrual. If a collective bargaining agreement (other than a compliance agreement or project agreement) first becomes effective after January 1, 2010, then 12% of the initial employer contribution rate is used for funding, and the balance is used for accrual. Contribution rate increases

from January 1, 2010 through 2012 also accrue a benefit.

- For calendar years 2013 through 2016, your future service benefit is 1.5% of employer contributions reduced by 12%.
- For calendar years 2017 and after, your future service benefit is 1.5% of employer contributions reduced by 25%. However, for covered hours of employment from January 1, 2017 through March 31, 2017, the reduction will not exceed \$1.00 of the hourly contribution plus 20% of the balance of the hourly contribution.

If you retired before January 1, 2004, different provisions applied to you. Refer to section 5.03 of the plan document or contact the Administration Office for details.

Your employer's contributions are calculated by multiplying your employer's hourly contribution rate (as specified in the collective bargaining or special agreement which entitles you to participate in the plan) by your covered hours of employment. The greater your covered hours, the greater your employer's contributions will be.

### **Example 1**

Mike Brown started working for a contributing employer in 1971. He earns 1,200 covered hours of employment per year from 1971 through 2005. His employers contribute \$85,398.00 during this period, as shown below.

Since Mike didn't start working until 1971, he is not eligible for credited past service or a past service benefit. His future service benefit is calculated as follows:

Years	Contributions	Benefit Percentage	Benefit Accrued
1971-2002	\$ 69,198.00	4.875%	\$3,373.40
2003	\$ 5,400.00	2.500%	\$ 135.00
2004-2005	\$ 10,800.00	1.500%	\$ 162.00
Total	\$ 85,398.00		\$3,670.40

So, his monthly accrued benefit payable at normal retirement age is \$3,670.40.

## Example 2

Henry Jones accrued a normal retirement benefit of \$2,000 per month through December 31, 2009.

Henry's employer contributed \$6.90 per hour on his behalf during 2010 and 2011 of which 12% or \$.828 was used for funding, and 88% or \$6.072 accrued a benefit. Henry earns 1,200 covered hours of employment during each of those years, and will accrue a normal retirement benefit of \$218.59 per month (1,200 hours x 2 years x \$6.072 x 1.5% = \$218.59).

During 2012, Henry's employer contributed \$7.65 per hour on his behalf, of which 12% of the January 1, 2010 rate or \$0.828 continued to be used for funding and \$6.822 accrued a benefit. Henry earned 1,200 covered hours of employment during 2012 and will accrue a normal retirement benefit of \$122.80 per month (1,200 hours x \$6.822 x 1.5% = \$122.80).

During 2013, Henry's employer contributed \$8.40 per hour on his behalf, of which 12% or \$1.008 was used for funding and 88% or \$7.392 accrued a benefit. Henry earned 1,200 covered hours of employment during 2013 and will accrue a normal retirement benefit of \$133.06 per month (1,200 hours x \$7.392 x

1.5% = \$133.06).

Following a 3 year absence, during 2017, Henry's employer contributed \$10.65 per hour on his behalf, of which 25% or \$2.6625 was used for funding and \$7.9875 accrued a benefit. Henry earned 1,200 covered hours of employment during 2017 and will accrue a normal retirement benefit of \$143.78 per month (1,200 hours x \$7.9875 x 1.5% = \$143.78). His future service benefit is:

Years	Benefit Accrued
Prior to 2010	\$2,000.00
2010-2011	\$ 218.59
2012	\$ 122.80
2013	\$ 133.06
2017	<u>\$ 143.78*</u>
Total	<u>\$2,618.23</u>

\*This is larger than the benefit Henry would have earned during the first 3 months of 2017 after applying the first \$1 per hour plus 25% of the amount over \$1 per hour as contributions that do not earn a benefit.

So, Henry's monthly accrued normal retirement benefit is \$2,618.23.

### **Annual Statement While Active**

Each year that you are an active plan participant, you will receive a statement showing your total covered hours of employment and employer contributions to date. The statement will also detail your covered hours and the employer contributions made on your behalf during the last calendar year.

You should review your statement carefully and keep it with your other important papers. If you discover any errors or

missing hours, contact the Administration Office immediately. You will be asked to provide paystubs or other proof before plan records are changed.

***To be certain you receive this important statement, it is imperative that you let the Administration Office know whenever your address changes.***

## **Vesting and Termination of Participation**

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If your plan participation terminates before you are vested (see Vesting on page 14), you will lose all credited service, years of service, and accrued benefits you earned before your termination. However, if you terminate after 1975, your service and accrued benefit will be reinstated if you meet the conditions explained in Reemployment After Termination. The plan does *not* provide for a lump sum return of employer contributions made on your behalf if you terminate participation.

### **Termination of Active Participation**

If you earn fewer than 250 hours of service in a calendar year, you will have a break in service for that year, and your plan participation will terminate. This means you will no longer be an active participant.

However, your participation will not terminate — and you will be considered an inactive participant — if your failure to earn the minimum number of hours of service was caused by your:

- Qualified Military Service for the United States as described under USERRA. (See Uniformed Service Under USERRA on page 51, or refer to section 14.09 of the plan document.
- 6-month (or longer) leave approved by the Trustees, or
- 6-month (or longer) disability (provided satisfactory proof of disability has been submitted to the Trustees).

These exceptions may be limited by the Trustees, but any limits will be uniformly applied to all plan participants.

In addition to these exceptions, if you are absent from work due to:

- Your pregnancy
- The birth of your child
- Placement of a child with you for adoption
- The care of your newborn or newly adopted child immediately following birth or adoption, or
- A leave under the Family and Medical Leave Act of 1993,

the hours you otherwise would have worked will be counted toward preventing a break in service, either in the calendar year the absence begins or in the next calendar year. If the hours you would have otherwise worked cannot be determined, you will be credited with eight hours per day.

## **Vesting**

You become fully vested when you meet one of the following requirements:

- Have 5 years of service
- Have 7,500 covered hours of employment (under this plan),  
or
- Satisfy eligibility rules for normal retirement. (See Normal Retirement on page 16.)

**Note:** To qualify for these vesting rules, you must earn at least one hour of service on or after January 1, 1997 (or you earned 250 or more hours of service during 1996). If you don't qualify, prior vesting rules apply. In most cases, this means you will need 10 years of service or 15,000 covered hours of employment (under this plan), or you will have to satisfy the eligibility rules for normal retirement. Refer to sections 4.01

and 9.04 of the plan document or contact the Administration Office for details.

## **Reemployment After Termination**

If you were vested when your participation terminated and you are reemployed by a contributing employer before retiring, all service and accrued benefit you earn after your return will be added to your previous service and accrued benefit.

If your plan participation terminated before you were vested, you may reinstate your service and accrued benefit if you are reemployed by a contributing employer and earn a year of service before your consecutive breaks in service equal the greater of five or your total years of service before your break. Note: If your termination was before 1987 different rules may apply. Refer to section 9.04 of the plan document or contact the Administration Office for details.



## Normal Retirement

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The normal retirement age is 60 for benefits accrued before January 1, 2013, and 62 for benefits accrued on and after January 1, 2013. To be eligible for normal retirement, you must attain normal retirement age and meet one of the following requirements:

- Have 5 years of service
- Have 7,500 covered hours of employment (under this plan),  
or
- Reach the 5th anniversary of your participation date while an active participant (see page 13) or while an inactive participant earning uncovered hours of employment.

**Note:** To qualify for these normal retirement eligibility rules, you must earn at least one hour of service on or after January 1, 1997. If you don't qualify, prior eligibility rules apply. In most cases, this means you will need 10 years of service or 15,000 covered hours of employment (under this plan), or you will have to satisfy the 5th anniversary rule outlined above. Refer to section 4.01 of the plan document or contact the Administration Office for details.

Your normal retirement date is the first day of the month coinciding with, or immediately after, the date you become eligible.

### Example

Ed Martin's 60th birthday is May 1. He has 10 years of service, all of which was earned prior to January 1, 2013. So, Ed's normal retirement date is May 1. (If his 60th birthday was on May 2, his normal retirement date would be June 1.)

If you retire on your normal retirement date, your monthly retirement income will be based on the accrued benefit you have earned as of your normal retirement date. This is called your normal retirement income. Your monthly normal retirement income may be reduced depending on the form of retirement payment you elect. (See Forms of Retirement Payment, pages 26 – 30.)

### **Example**

In Example 1 on page 9, all of Mike Brown’s benefits were accrued before January 1, 2013. Mike’s normal retirement date occurs on the first day of the month following his 60th birthday. If he takes normal retirement, his normal retirement income will be his accrued benefit, which we calculated as \$3,670.40.

This monthly normal retirement income may be reduced depending on the form of payment Mike elects.

If you accrue benefits both before and after January 1, 2013, your monthly retirement income will be calculated in two parts. For example, if you retire between ages 60 and 62, the benefits accrued before January 1, 2013 will be paid as a normal retirement. However, the benefits accrued on and after January 1, 2013 will be calculated under the early retirement eligibility rules, described below, because you have not yet attained your normal retirement age for that share of the benefits.

## Early Retirement

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If you satisfy the following eligibility rules, you may retire early:

- For benefits accrued before January 1, 2013, you are between your 52nd and 60th birthday, and for benefits accrued on and after January 1, 2013, you are between your 55th and 62nd birthday, and
- Have 10 years of credited service, or
- Have 15,000 covered hours of employment (under this plan).

Your early retirement date can be the first day of any month coinciding with or following the date you meet these requirements (but before your normal retirement age). If you retire before age 55, you will need to wait until age 55 to start any benefits accrued on or after January 1, 2013. A new retirement date and election will be provided for the benefits accrued on and after January 1, 2013 once you qualify for those benefits and apply.

**To be deemed retired, you must terminate any work with a contributing employer. If you work even one hour for a contributing employer during the month your early retirement is first effective, your early retirement date will be changed to the first month no hours are worked.**

If you retire early, your monthly retirement income will be based on the accrued benefit you have earned as of your early retirement date, reduced to reflect the fact that benefits will be paid for a longer period than if they began at your normal retirement date. The amount of reduction depends on your age when you retire and whether benefits were accrued before or after January 1, 2013. Your monthly retirement income will be

based on your accrued benefit, multiplied by the factor for your age shown in the following table:

If you retire at age:	The factor applied to your normal retirement (age 60) benefit earned before January 1, 2013 will be:		The factor applied to your normal retirement (age 62) benefit earned on and after January 1, 2013 will be:
	Pre-2010	2010-2012	Post-2012
62	112.0%	112.0%	100.0%
61	106.0%	106.0%	93.5%
60	100.0%	100.0%	87.0%
59	98.0%	93.5%	80.5%
58	96.0%	87.0%	74.0%
57	93.0%	80.5%	67.5%
56	90.0%	74.0%	61.0%
55	86.0%	67.5%	54.5%
54	82.0%	61.0%	n/a
53	79.0%	54.5%	n/a
52	76.0%	48.0%	n/a

These percentages are based on whole ages. The actual percentage applied to your benefit will be based on your age in years and months at retirement.

The calculated amount is called your early retirement income. This amount may be further reduced depending on the form of retirement payment you elect. (See Forms of Retirement Payment, pages 26 – 30.)

### Example

John Smith retires at age 58. Prior to 2010, he accrued a monthly normal retirement benefit of \$2,000. During 2010, 2011 and 2012, he accrued a monthly normal retirement benefit of \$400. After 2012, he accrued a monthly normal retirement benefit of \$600. John’s monthly early retirement benefit at age 58 is \$2,712 calculated as follows:

Pre-2010 benefit:	$\$2,000 \times 96\% = \$1,920$
2010-2012 benefit:	$\$400 \times 87\% = \$ 348$
Post-2012 benefit:	$\underline{\$600 \times 74\% = \$ 444}$
Monthly benefit at age 58:	$\$2,712$

This monthly early retirement income may be reduced depending on the form of payment John elects.

## Late Retirement

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If you retire after your normal retirement date, you are eligible for late retirement. Your late retirement date will be the first day of the month after your application for late retirement is submitted to the Administration Office, or April 1 of the calendar year following the year you attain age 70½, whichever occurs first.

Your monthly retirement income will be based on:

- The accrued benefit you earned to the earlier of your normal retirement date and December 31, 2012, increased by ½ of 1% for each month that your late retirement date follows your normal retirement date (to a maximum increase of 30%), plus
- The future service benefit you earn on or after the earlier of your normal retirement date and January 1, 2013.

This is called your late retirement income. There is no late retirement increase on covered hours of employment worked on or after January 1, 2013. Instead, benefits for hours worked on or after January 1, 2013 will be paid as early retirement income if you retire before age 62, or normal retirement income if you retire on or after age 62.

Your monthly late retirement income may be reduced depending on the form of retirement payment you elect. (See Forms of Retirement Payment, pages 26 - 30.)

## Example

Joe Jones accrued a monthly benefit of \$2,000 prior to January 1, 2013. Joe accrued an additional monthly benefit of \$200 in each of 2013 and 2014. He reaches his normal retirement age 60 on January 1, 2015 on the benefits he earned prior to 2013, but continues to work 12 more months earning an additional monthly benefit of \$200. Joe elects retirement on January 1, 2016 at age 61. His retirement income is calculated in two pieces, and the two pieces are added.

- A late retirement increase applies to the benefit earned before January 1, 2013 and before his normal retirement date. The increase is 6% or \$120 ( $\$2,000 \times .005$  per month  $\times$  12 months), for a total benefit earned before January 1, 2013 of \$2,120.

$$\begin{array}{r} \$2,000.00 \\ + 120.00 \\ \hline \$2,120.00 \end{array}$$

- The normal retirement age for accruals on and after January 1, 2013 is age 62. Since Joe is under age 62 when he retires, the benefit earned on and after January 1, 2013 is calculated as early retirement income and a reduction factor of 93.5% is applied. The monthly benefit earned from January 1, 2013 to December 31, 2015 is \$561.

$$\begin{array}{r} \$200.00 \\ \times \quad 3 \text{ years} \\ \hline \$600.00 \\ \times \quad 93.5\% \\ \hline \$561.00 \end{array}$$

Joe's late retirement income is \$2,681.00 ( $\$2,120.00 + \$561.00$ ). This monthly late retirement income may be reduced depending on the form of payment he elects.

# **Disability Retirement**

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## **Determination of Disability**

Total and permanent disability means disability due to bodily injury or disease which permanently prevents you from working at any regular occupation that you would be expected to be able to do based on your training, experience, and age. Total and permanent disability does not include disabilities resulting from military service, criminal action, or any effort to cause injury or illness to yourself or someone else.

You must submit satisfactory proof of total and permanent disability. The Trustees may require that you be examined by a physician of their choice before they rule on your disability.

A disability will not be considered established until it has continued for six months. The Trustees may require proof of continued disability from time to time, but not more often than once every 12 months.

## **Eligibility for Disability Retirement**

There are two different ways to be eligible for a disability benefit. They are described below.

If you become totally and permanently disabled on or after January 1, 1997, you may be eligible for disability retirement. To be eligible, you must be an active participant (see page 13) when your total and permanent disability occurs and you must meet the following additional requirements:

- 5 years of service, or
- 7,500 covered hours of employment (under this plan).

Note: To qualify for these disability retirement eligibility rules, you must earn at least one hour of service on or after



January 1, 1997 (or 250 hours of service during 1996). If you don't qualify, prior eligibility rules apply. In most cases, this means you will need 10 years of service or 15,000 covered hours of employment (under this plan). Refer to section 4.04 of the plan document or contact the Administration Office for details.

### Amount of Disability Retirement Income

Your monthly disability retirement income will be based on your accrued benefit, reduced by a factor which depends upon your age at your disability retirement date. The following factors are effective if you apply for disability retirement on or after January 1, 2010:

Age at Retirement Date	Disability Retirement Reduction Factors	Age at Retirement Date	Disability Retirement Reduction Factors
20	2.76%	41	16.57%
21	3.00%	42	18.15%
22	3.26%	43	19.89%
23	3.54%	44	21.82%
24	3.85%	45	23.97%
25	4.18%	46	26.36%
26	4.55%	47	29.02%
27	4.94%	48	32.00%
28	5.38%	49	35.34%
29	5.85%	50	39.08%
30	6.37%	51	43.28%
31	6.93%	52	48.00%
32	7.54%	53	54.50%
33	8.22%	54	61.00%
34	8.95%	55	67.50%
35	9.76%	56	74.00%
36	10.65%	57	80.50%
37	11.62%	58	87.00%
38	12.68%	59	93.50%
39	13.86%	60	100.00%
40	15.15%	61	100.00%
		62	100.00%

These percentages are based on whole ages. The actual percentage applied to your benefit will be based on your age in years and months at retirement.

This is called your disability retirement income. Your monthly disability retirement income may be reduced depending on the form of retirement payment you elect. (See Forms of Retirement Payment, pages 26 – 30.)

Your disability retirement payments will end if you cease to be considered totally and permanently disabled.

**Example**

Ed Johnson becomes disabled and takes disability retirement at age 49. His accrued benefit is \$2,500. His disability retirement income is \$883.50 calculated as follows:

$$\begin{array}{r} \$2,500.00 \\ \times \quad .3534 \\ \hline \$ 883.50 \end{array}$$

This monthly disability retirement income may be reduced depending on the form of payment Ed elects. In addition, please note that the Social Security Adjustment form of payment (as described on page 29) is not available for disability retirement.

## **Forms of Retirement Payment**

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The plan provides several different forms of retirement payment to assist you in fulfilling your particular economic and family needs.

If the expected total value of your benefit is \$5,000 or less, the Administration Office will pay your retirement benefit in a lump sum, instead of setting up monthly payments. No other form of payment will be available, and no further benefit will be payable from the plan. You may ask the Administration Office to pay all or part of a lump sum cash-out directly to your individual retirement account, annuity plan, or other qualified employer plan. This is called a direct rollover. You may also request a direct rollover to a Roth IRA, but the payment is included in your gross income as if the distribution was not a rollover.

Unless a direct rollover is made, the Administration Office must withhold 20% of the lump sum for federal income taxes. The direct rollover and 20% withholding rules do not apply to payments which are required by federal law when you reach age 70½. These rules will not apply to lump sums of less than \$200.

If the expected total value of your benefit is greater than \$5,000, you may choose from several forms of retirement payment. The monthly amount of income differs under each form, but the expected value is the same for all forms. For normal, early, or late retirement, you may choose any of the forms of payment summarized below. For disability retirement, you may choose any form except the Social Security Adjustment Option.

## **Modified Life Annuity**

This form of retirement payment gives you a lifetime monthly benefit equal to your normal, early, late, or disability retirement income. The payments begin on your retirement date and end the month you die.

If you die before receiving 60 payments, your designated beneficiary will continue to receive the same amount until a total of 60 monthly payments has been made to you and your designated beneficiary. Important: This feature does *not* limit you to 60 payments — your benefits will continue for as long as you live but 60 is the *minimum* number of payments that will be paid under this form of benefit.

If you were single at retirement — or if you were married at retirement but your spouse dies, or you are divorced or legally separated and your spouse relinquishes all rights to a plan benefit under a qualified domestic relations order — and you later marry, you may change to a Spouse Option. If you wish to make this change, you must make an election during the 90-day period which starts on your first wedding anniversary (or during the 90-day period which starts on your termination if you are working in “post-retirement service” on your anniversary). If you fail to give the Administration Office timely notice of your marriage and fail to make the timely election, you may not make the change to the Spouse Option. The Spouse Option form will be reflected in your pension checks beginning the month after the end of the 90-day period. The amount you receive will be based on the 50%, 75% or 100% Spouse Option you select beginning on the effective date of your election.

## **50%, 75% and 100% Spouse Options**

These forms of retirement payment give you and your spouse a lifetime monthly benefit based on your normal, early, late, or disability retirement income. If you die before your spouse,

your spouse will receive a monthly benefit for life. Under the 50% Spouse Option, the amount of your spouse's benefit will be one half of the monthly amount you received. Under the 75% Spouse Option, the amount of your spouse's benefit will be three-fourths the monthly amount you received. Under the 100% Spouse Option, the amount of your spouse's benefit will be the same as the monthly amount you received. The spouse benefit will only be paid if you are survived by the spouse you were married to on the date benefit payments began, except as described above.

Because the Spouse Options guarantee a pension to two people, the amount you receive each month is less than your normal, early, late, or disability retirement income. The reduction depends on your age, your spouse's age, and the percentage of benefit that will continue to your spouse.

If your spouse dies before you — or if you are divorced or legally separated and your spouse relinquishes all rights to a benefit under a qualified domestic relations order — your future monthly payments will be increased to the amount that originally would have been paid under the Modified Life Annuity form. However, the 60-payment guarantee of benefits will not apply. In the case of the death of a spouse, the increase is effective the first of the month following the spouse's date of death. In the case of a divorce or legal separation, the increase is effective the month following entry of the qualified domestic relations order and receipt of a conformed copy by the Plan.

If you are married at retirement, benefits are paid as a 50% Spouse Option unless you select a different form of payment with the consent of your spouse. (Spousal consent is not required if you select the 50%, 75% or 100% Spouse Option).

## **Social Security Adjustment**

This form of retirement payment gives you a lifetime monthly benefit. Monthly payments before age 62 (the earliest age a person could receive Social Security retirement benefits) are greater than your normal, early, or late retirement income; monthly payments after age 62 are less. The objective is to provide you with an approximately level amount of income during your retirement years, taking into account your pension and Social Security benefits. The payments begin on your retirement date and stop at your death. The Social Security Adjustment Option is not available for disability retirements or for participants who retire at age 62 or older.

## **Cost-of-Living Adjustment**

This form of retirement payment allows you to elect a Modified Life Annuity or a Spouse Option with an annual cost-of-living increase each March. The maximum annual increase is 3%, but will be less if the amount under federal tax law is less than 3%. If the amount under federal tax law exceeds 3% in one year, the excess may be added in whole or in part to bring the adjustment in a subsequent year up to 3%. If in any year the amount under federal tax law is less than 3%, the 3% maximum will be increased in later years to make up for the difference, to the extent it does not exceed the cumulative adjustment under the federal tax law. The monthly amounts payable under the Cost-of-Living Adjustment are less than under an ordinary Modified Life Annuity or Spouse Option.

## **Example**

Mike Brown takes normal retirement at age 60 for benefits earned prior to January 1, 2013. His normal retirement income is \$3,670.40. Mike has earned a Social Security benefit at age 62 of \$1,070.00. If Mike is married and his wife is five years younger, the monthly payments to him and his wife under the alternative forms of payment would be:

<b>Form of Payment</b>	<b>Monthly Payment to Mike</b>	<b>Monthly Payment to Mike's Wife After His Death</b>
Modified Life Annuity	\$3,670.40	*
50% Spouse Option	3,277.67	\$1,638.84
75% Spouse Option	3,108.83	2,331.62
100% Spouse Option	2,958.34	2,958.34
Social Security Adjustment**		
To Age 62	4,604.16	-0-
After Age 62	3,534.16	-0-
Modified Life Annuity w/COL	2,807.86	***
50% Spouse Option w/COL	2,422.20	1,211.10****
75% Spouse Option w/COL	2,266.34	1,699.75****
100% Spouse Option w/COL	2,132.96	2,132.96****
<p>* If Mike dies before the 60th payment, his wife will receive \$3,670.40 each month until a total of 60 payments has been made (to Mike and his wife), and nothing thereafter. If Mike dies after the 60th payment, no benefits will be payable to his wife when he dies.</p> <p>*** The amount to age 62 depends upon the year it is effective. The numbers shown here are for commencement during 2013.</p> <p>**** If Mike dies before the 60th payment, his wife will receive his regular monthly benefit each month until a total of 60 payments has been made (to Mike and his wife), and nothing thereafter. If Mike dies after the 60th payment, no benefits will be payable to his wife when he dies. Benefits payable to Mike's wife after his death will continue to reflect the cost-of-living increases paid under this option.</p> <p>***** Benefits payable to Mike's wife after his death will continue to reflect the cost-of-living increases paid under this option.</p>		

## Applying for Retirement

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You must complete an application form in order to receive a retirement benefit. Application forms are available from the Administration Office and your Local 302 or 612 union office. You may also print an application and/or disability questionnaire from the website at [www.engineerstrust.com](http://www.engineerstrust.com). You must follow all instructions on the application and submit it to the Administration Office, along with the following:

- Retirement application
- Birth certificate for you, and your spouse (if married)
- Marriage certificate (if married)
- Divorce/legal separation decree (if applicable)
- For disability retirements, the Administration Office will also give you a Disability Questionnaire which must be completed by both you and your physician
- For election of the Social Security Adjustment Option, you will also need to submit a Social Security benefit estimate.

If you are eligible to retire, you will be sent a written explanation of the forms of retirement payment available to you, and the monthly amount payable under each form. This notice must be provided no sooner than 90 days before your first benefit payment is to be made. If you receive this written explanation after the date you are eligible to begin receiving payments, you may be eligible to receive retroactive retirement payments, as described on page 35.

If the written explanation is provided less than 30 days before you are eligible to begin receiving payments, you and your spouse have at least 30 days after receiving the written explanation to elect a form of payment. You may make an election in less than 30 days, but your benefit still cannot begin



until at least 7 days after the written explanation of the forms of payment is sent to you. It is very important to keep in mind that normal processing time applies.

Once you begin receiving payments, you may not change your type of retirement. For example, you cannot take early retirement and later switch to disability retirement. Similarly, you may not change your form of retirement payment, except as provided on page 27.

If you are married, you must select a Spouse Option unless your spouse consents in writing to a different form of payment. Your spouse's written consent must be on the official plan form, witnessed by a plan representative or a notary public, and signed during the 90 days before the first payment is to be made.

If you elect a Spouse Option, the Trustees will require proof of your spouse's age, proof of your marriage, and documentation of any name changes.

If you are married and do not select a form of payment, your retirement income will automatically be paid as a 50% Spouse Option. If you are single and do not make a selection, your retirement income will automatically be paid as a Modified Life Annuity.

### **Applying for Retirement If Benefits Are Earned Both Before and After January 1, 2013**

The earliest eligible retirement age was increased from age 52 to age 55 for benefits accrued on and after January 1, 2013. If you will be under age 55 on your retirement date, you may commence the benefits accrued prior to January 1, 2013. However, you will need to wait until at least age 55 to commence the portion of your benefits that accrued for hours worked in 2013 and later. Once you attain age 55, you will be required to submit a new application form to commence the

remaining benefits. If you apply and you are eligible, you will be sent another written explanation and you may select a new form of payment for the remaining benefits. Benefits are generally payable the first of the month following submission of your application.

If you start the benefits that accrued before January 1, 2013, and then you die without starting the benefits earned on and after January 1, 2013, the benefits earned on and after January 1, 2013 are paid as a death benefit as described on pages 42 – 46 .

If you elect to start benefits, and you are eligible for both the benefits earned before January 1, 2013, and the benefits earned on and after January 1, 2013, then you must start all benefits earned as of your retirement date. Since the normal retirement age was increased from age 60 to age 62 for benefits accrued on and after January 1, 2013, this means that in certain situations the benefits accrued before January 1, 2013 may be paid as a normal retirement and the benefits accrued on and after January 1, 2013 may be paid as an early retirement.

## **Deferral of Benefits**

You may defer the starting date of your monthly retirement income payments until April 1, of the year following the calendar year in which you reach age 70½. In deciding whether to defer your starting date, you should consider the following:

- **The date you start your retirement income payments impacts the amount of your monthly amount.** For example, if you retire on an early retirement, the amount of the monthly payment is generally reduced the earlier you retire, since more payments will be made. Similarly, the amount of the monthly payment is generally increased if you retire later, since fewer payments will be made.

- **Your death benefits may be affected if you die before retirement.** If you die before applying for benefits, your benefits are paid as death benefits to your eligible beneficiary, assuming the requirements have been satisfied. If you are married, your surviving spouse is your beneficiary. If you are not married, you may designate any beneficiary for your death benefits.
- **Once you begin payments, your benefits may be suspended during periods of reemployment.**
- **Your retirement date may affect your eligibility for retiree medical benefits from the Locals 302 and 612 of the International Union of Operating Engineers Construction Industry Health and Security Trust (“Health Trust”).** In addition, you are required to pay for retiree medical benefits and the rate may depend on your age and the hours worked. Please refer to the Health Trust booklet for details.

## **Starting Date for Retirement Payments**

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If you are eligible to retire, your monthly retirement income payments will begin on the later of:

- The first day of the month following the date the Trustees receive your Application for Retirement Income, or
- The first day of any month you request your payments to begin.

However, you may not commence monthly retirement income payments prior to the date that the plan provides the written explanation of the forms of payment, unless you elect a retroactive retirement date (see below).

Whether or not you stop working, your monthly retirement payments must begin by April 1 of the year following the calendar year in which you reach 70½.

### **Retroactive Retirement Payments**

You may not commence monthly retirement income payments prior to the date that the plan provides you with a written explanation of the forms of payment available, unless you elect a retroactive retirement date. If you elect a retroactive retirement date, you may receive retroactive payments reflecting the monthly amounts missed between your retroactive retirement date and the date payments actually begin. Once these missed amounts (plus interest) have been paid, your remaining payments will be in the amount you would have received had you actually begun receiving payments on your retroactive retirement date.

**Note:** If you are married, you may generally only select a retroactive retirement date with the consent of your spouse.

### ***Retroactive Retirement Dates for Early Retirement***

When you apply for an early retirement, you may only elect a retroactive retirement date that is after:

- The date that you submitted a written application for benefits to the Administration Office; and
- The date that you were first eligible for such benefits.

If you do not elect a retroactive retirement date, your early retirement date will be changed to the first day of the month following:

- the date that you are provided with the written explanation; and
- the date that you are first eligible to retire under the plan.

If you do not elect a retroactive retirement date, then no retroactive payments will be made. Instead, your monthly benefit payment will be increased based on your later retirement date.

### ***Retroactive Retirement Dates for Normal or Late Retirement***

If you apply for retirement benefits after your normal retirement date, you may elect a retroactive retirement date that is the first day of the month after the latest of:

- Your normal retirement date
- The month after the month in which you last worked 51 hours or more of post-retirement service (see page 38), or
- January 1, 1976.

If you do not elect a retroactive retirement date, then no retroactive payments will be made. Instead, your benefits will begin on the first of the month after you receive the written

explanation of benefits. Your monthly benefit payment will be increased based on your later retirement date.

Retroactive payments are not made, nor is any increase provided, for any months in which you worked in what would have been considered “post-retirement service” if you were retired.

***Retroactive Retirement Dates for Disability Retirement***

If you are eligible for disability retirement, you may elect to commence benefits retroactive to the disability retirement date, which in most cases is the first day of the month coinciding with or immediately following the date total and permanent disability is established.

If you do not elect a retroactive disability retirement date, then no retroactive payments will be made. Instead your monthly benefit payment will be increased based on your later retirement date.

## **Working After Retirement**

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If you retire and later go back to work, your pension benefit could be affected. This will occur if your work meets all three of these conditions:

- within the geographic area covered by the Plan which for purposes of this Section shall consist of all of the State of Alaska and the State of Washington;
- in a job classification in which the Participant was employed while in Covered Employment, whether or not such employment is under the terms of a Collective Bargaining Agreement or written Contribution Agreement or in a supervisory capacity over such job classification; and
- in the industry in which the Individual Employers participate (any business activity of the type engaged in by the Individual Employers maintaining the Plan).

Work that meets all three of these conditions is called “post-retirement service.” If you begin this type of work, you must notify the Administration Office immediately. You will not be entitled to a retirement benefit for any month in which you work 51 or more hours of post-retirement service.

If you return to work without notifying the Administration Office, they will presume you are working 51 or more hours of post-retirement service as soon as they learn of your reemployment. They will also presume you have been working at your job site for as long as your employer has been working at that site. Both these presumptions will be subject to change if you can prove they are incorrect.

When you again retire, you should notify the Administration Office so they can start paying your retirement income again. If you received retirement benefits for any month you worked

51 or more hours of post-retirement service, the Administration Office will recover those payments from your future benefit checks as follows: Your monthly checks will be withheld for up to three months after you stop working. If, after three months of withholding, additional overpayments still need to be recovered, you will receive only 75% of your retirement income, starting with the fourth month after you stop working, until the full amount has been recovered.

Your original retirement income will be in the same form and amount as before. However, if you originally retired early, there will be an adjustment to your original early retirement reduction. This will only happen the first time you return to work after retirement.

If you have retired but return to work, you can accrue additional benefits based on your post-retirement service. You must complete 250 covered hours of employment in one calendar year before you accrue additional benefits. Once you meet this requirement you will receive additional benefit accruals for all of your post-retirement covered hours of employment for that calendar year. If you originally took normal or late retirement, any additional post-normal retirement age benefit accruals will be payable in the same form of payment as before you returned to work. Your additional benefit will be included in your pension check for the first month after you stop working. If you originally took normal or late retirement, but the additional benefits are considered early retirement accruals (because you worked on or after January 1, 2013 and retired before age 62) you will receive a new election period and retirement date for the additional accruals.

If you originally took early retirement, your original benefit will continue in the same form as before. However, you will have a new election period and retirement date for any additional future service benefit. A new election period and



retirement date will only be provided once each plan year and only applies to the additional benefit accrued during prior plan years. If you elect the same form of payment and you are under normal retirement age, you may elect to have the additional benefit included in your pension check on the later of January 1 following the year you started working, or the month after you stop working, but only for the additional benefits accrued in prior plan years. If you elect a different form of payment, all additional benefits will be paid in one form of payment beginning on your normal retirement date or the first of the month after you stop working if that date is later.

Once you reach normal retirement age and elect a form of payment, all additional benefits are paid in the same form of payment as those first elected after reaching normal retirement age.

If you die before you begin receiving the additional benefits, then the additional benefits will be paid as a death benefit as described on page 42.

The rules governing suspension of retirement benefits upon reemployment of a retiree can be found in 29 CFR 2530.203-3 of the Department of Labor Regulations. Under these rules, the Administration Office will count your work hours on the basis of your employer's four- or five-week pay period ending in a calendar month. If your employer does not keep hourly work records, the Administration Office will withhold your benefit for any month in which you work eight or more days, or eight or more separate shifts.

As a condition to receiving future retirement benefits, the Administration Office may reasonably request that you either certify you are unemployed or provide factual information sufficient to establish that any employment is not of the type which would require suspension of your retirement income.

**If you are considering employment and wonder if it would be counted toward the suspension of your retirement income, you should consult the Administration Office. In most cases, the Administration Office will ask you to submit a detailed job description, which will be reviewed to determine whether your employment would cause your retirement income to be suspended.**

# Death Benefits

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## Before Retirement

### ***Death Benefit (A)***

If you die before you retire, your surviving spouse receives a death benefit, provided you are vested. Under Death Benefit (A), your surviving spouse receives a monthly benefit for life. If you die after attaining your earliest retirement age, the monthly amount will be the amount your spouse would receive if you had retired with a 50% Spouse Option the day before your death. If you die before attaining your earliest retirement age, your spouse's monthly payments will be the same amount your spouse would receive if you had stopped working on your date of death, survived to your earliest retirement age, immediately elected the 50% Spouse Option, and died the next day. Payments begin on the first day of the month after the later of your date of death or the date you would have attained your earliest retirement age.

The "earliest retirement age" is age 52 for benefits accrued before January 1, 2013, and age 55 for benefits accrued on and after January 1, 2013.

You may not designate a nonspouse beneficiary for this benefit and you may not waive it. However, your spouse may instead elect Death Benefit (B) below.

### ***Death Benefit (B)***

Death Benefit (B) may apply if you have not retired and you are unmarried when you die, provided you are vested. It also applies if a spouse entitled to Death Benefit (A) chooses Death Benefit (B). If your plan participation has terminated, you must also have one year of service in the year you die or in one of the five prior calendar years.

The death benefit will be 60 monthly payments of the accrued benefit earned to the date of your death. This benefit is payable to your designated beneficiary (or surviving spouse).

### ***Death Benefit (C)***

If you do not meet the requirements for Death Benefit (A) or (B) above, Death Benefit (C) will apply provided:

- You earned covered hours of employment in the calendar year of your death or had 250 covered hours of employment in the previous year, or
- You terminated after becoming vested.

The death benefit will be paid to your designated beneficiary as a lump sum. The amount of the death benefit is the greater of the total of your employer's contributions made to the plan for you, or \$2,000.

### **Mandatory Small Benefit Cash-Out**

If the actuarial value of Death Benefit (A) or (B) is \$5,000 or less, the Administration Office will pay the benefit in a lump sum to your spouse (subject to your spouse's consent when applicable) or beneficiary, instead of setting up monthly payments.

### **Direct Rollover by Spouse**

If your spouse receives Death Benefit (B) or (C), or receives a small benefit cash-out, he or she may ask the Administration Office to make payments directly to an individual retirement account or another employer's eligible retirement plan. This is called a direct rollover. Unless a direct rollover is made, the Administration Office must withhold 20% of each payment for federal income taxes. The direct rollover and 20% withholding rules do not apply to distributions which are expected to be less than \$200 per calendar year. Your spouse may also request a direct rollover to a Roth IRA, but it is taxable and must be included in gross income.

## **Direct Rollover by Non-Spouse Beneficiary**

If a non-spouse beneficiary receives Death Benefit (B) or (C) or receives a small balance cash-out, he or she may ask the Administration Office to make payments directly to an inherited individual retirement account (IRA).

## **Beneficiary Designation for Death Benefits**

To designate a beneficiary for your death benefits, you must complete a Locals 302 and 612 I.U.O.E. Employer Trusts enrollment form. The form is available from your local union, from the Administration Office or you may print a copy from the website at [www.engineerstrust.com](http://www.engineerstrust.com). You may designate any person as your beneficiary.

If you do not submit a completed enrollment form before your death, or if you do not properly designate a beneficiary, or if your designated beneficiary does not survive you, then your death benefits will be paid in the following order of priority:

1. The following person(s) in the order stated: the surviving spouse, surviving children share and share alike, mother and father or survivor of them and no others.
2. The beneficiaries named in your will, if the will is admitted to probate within 90 days after your death,
3. The persons designated by you to receive your death benefits under the Union's Hoist and Shovel death benefit card.
4. The person or persons designated for life insurance under the International Union of Operating Engineers Construction Industry Health and Security Fund.

No death benefit will be payable from the trust fund if no one designated or listed above survives you.

**Note:** If you are married and die *before* retiring, your surviving spouse will automatically be your beneficiary, regardless of who you designate. If you designate a person who is, or who becomes your spouse, the designation is revoked if your marriage is later dissolved or invalidated, unless a qualified domestic relations order requires otherwise. You will need to designate a new beneficiary following dissolution of, or invalidation of marriage (or *redesignate* your former spouse, if you wish).

Your beneficiary must complete an application form in order to receive a death benefit. Application forms are available from the Administration Office, your Local 302 or 612 union office, or from the website at [www.engineerstrust.com](http://www.engineerstrust.com). Beneficiaries must follow all instructions on the application and submit it to the Administration Office.

If your beneficiary is your spouse, the following must be submitted with the application:

- Application for spouse benefits
- Death certificate
- If you were not receiving any retirement benefits:
  - Birth certificate for you and your spouse
  - Marriage certificate
  - Proof of any name changes
  - Proof of any previous divorce of member

If the applicant is a nonspouse beneficiary, the following must be submitted with the application:

- Application for death benefits (nonspouse beneficiary)
- Death certificate
- If the beneficiary is named in your will:

- A copy of the will and evidence that it has been admitted to probate
- If the beneficiary is your child:
  - Birth certificate for your child
- If the beneficiary is your parent:
  - Birth certificate for you.

### **Birth Certificate For You After Retirement**

If you die after you retire, the form of payment you elected when you retired will govern the death benefit which is payable (see Forms of Retirement Payment, pages 26 – 30). If you are not married at the time you retire (or if your spouse consents to your beneficiary designation), you may designate any person as your beneficiary.

## **Pro Rata Pension for Service with Related Plans**

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If you have service with a related plan, your related service may be used to determine your eligibility for a benefit under this plan.

A related plan is another plan in the construction industry which is signatory to the Pension Reciprocity Agreement for Operating Engineer Pension Funds. Currently, many plans are signatory to the Reciprocity Agreement. Contact the Administration Office to find out if a plan is a related plan.

Provided you have at least one year of credited service for which contributions have been made to this plan, your related plan service will be counted by this plan as years of service for vesting and the break in service rule. Your related plan service also counts as credited service in determining your eligibility for Death Benefit (A), or for normal, early, late, or disability retirement. The maximum amount of service you may earn in one calendar year is one credit from either the related plan or this plan (but not both). Your accrued benefit under this plan will be based only on employer contributions to this plan.



## **Money-Follows-the-Man Reciprocity**

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### **Individual Agreements**

The plan does not currently participate in the IUOE money-follows-the-man reciprocity agreement. However, the plan does maintain a limited number of money-follows-the-man reciprocity agreements directly with other pension plans. These individual money-follows-the-man agreements allow for transfer of contributions and hours from the visiting fund to the home fund pursuant to the terms of the agreement. The transfer of contributions is not automatic. You must submit a timely written request to transfer contributions, which must be received by this plan within 60 days of working the hours to be transferred. Following transfer of contributions, your eligibility to participate and for benefits will be determined under the plan of the home fund. The visiting fund will have no liability for benefits for the transferred contributions. Please contact the Administration Office to inquire whether there is a money-follows-the-man agreement with another plan, or to request a transfer of contributions.

### **Transfers from Central Pension Fund**

This plan also accepts a transfer of contributions from the Central Pension Fund for work covered under the National Pipeline Agreement if: the contributions are timely transferred; you earned at least one year of service in this plan prior to working the hours under the Central Pension Fund; and you had not permanently forfeited your service or retired from this plan at the time the hours are worked under the Central Pension Fund.

## **Domestic Relations Orders**

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A domestic relations order may direct that all or part of your benefit be paid to another person, called an “alternate payee.” A domestic relations order can be a judgment, a decree, or an order (including approval of a property settlement agreement) and may be issued in a divorce. The alternate payee can be your spouse, former spouse, child, or other dependent. The plan will follow the order only if the Trustees find it to be a qualified domestic relations order, according to the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code. Note that a domestic relations order which would require payment of benefits which were previously paid will not be qualified.

A domestic relations order must be sent to the Administrative Office. Upon receipt of an order (or proposed order) affecting your interest in the plan, the Administrative Office will notify you and the alternate payee. Within a reasonable time, the plan will determine whether the order is qualified and notify you and the alternate payee. If the order is not qualified, the notice will explain how the order could be changed to make it a qualified domestic relations order.

While it is being determined whether a domestic relations order (or proposed order) is qualified, the Administrative Office will separately account for the amounts which would be payable (under the order or proposed order) to the alternate payee. These amounts are called “segregated amounts.” If the order is qualified within 18 months after the first payment would be required under the order, the segregated amounts will be paid according to the order.

If the order is not qualified within 18 months after the first payment would be required under the order, the segregated amounts will be paid to whoever would be entitled to them if

there was no order. If an order is later determined to be qualified, it will apply prospectively only.

We suggest you contact the Administration Office for further details before preparing a domestic relations order. A sample qualified domestic relations order will be provided upon request. Several sample QDROs are also available on the website at *www.engineerstrust.com*.

## **Uniformed Service Under USERRA**

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If you leave covered employment to perform certain United States military service (including active duty for training), the period of military service may prevent a break in service, and you may receive benefit accrual and vesting for the time you are away. Under the Uniformed Services Employment and Reemployment Rights Act (USERRA), you must notify your employer before taking leave (unless precluded by military necessity or other reasonable cause). You should also tell your employer how long you expect to be gone. Your period of uniformed service cannot exceed five years.

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

- Less than 31 days of military service — apply immediately, taking into account safe transportation plus an 8-hour rest period
- 31-180 days of military service — apply within 14 days
- More than 180 days of military service — apply within 90 days.

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

If you die while performing military service, your beneficiary is entitled to death benefits (other than benefit accruals relating to the period of military service) as if you had resumed and then terminated employment on account of death.

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

The plan will fund any accrued benefit you earn during uniformed service. Contributions will be based on your average hours of service during the 12-month period immediately before uniformed service.

To ensure proper crediting of service under USERRA, you should also notify the Administration Office when you take military leave. You should also tell the Administration Office how long you expect to be gone and notify the Administration Office when you apply for reemployment after your leave.

USERRA only applies if you seek reemployment after December 11, 1994. For information on military service provisions before that date, and for details on service under USERRA, please contact the Administration Office.

## **Special Disclosure Information**

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### **Name of Plan**

This plan is known as the Locals 302 & 612 of the International Union of Operating Engineers (I.U.O.E.) – Employers Construction Industry Retirement Plan.

### **Board of Trustees–Plan Administrator**

This plan is maintained and administered by a joint labor-management board of trustees, the name, address, and telephone number of which are:

Board of Trustees  
Locals 302 & 612 of the I.U.O.E.–Employers  
Construction Industry Retirement Plan  
PO Box 34203  
Seattle, WA 98124-1203

Telephone: (206) 441-7314  
Toll Free: (877) 441-1212

Upon written request to the Administration Office, a participant or beneficiary may request information as to whether a particular employer or employee organization is a plan sponsor, and if so, the sponsor’s address.

### **Members of the Board of Trustees**

The names and addresses of the Trustees are:

#### **Union Trustees**

Daren Konopaski, Chairman  
I.U.O.E. Local 302  
18701 120<sup>th</sup> Ave NE  
Bothell, WA 98011-9501

#### **Employer Trustees**

Brett Ferullo, Secretary  
Northwest Construction, Inc.  
2353 130<sup>th</sup> Ave NE, Suite 100  
Bellevue, WA 98005-1759

Jason Alward  
I.U.O.E. Local 302  
4001 Denali St, Suite A  
Anchorage, AK 99503-6006

Mike Lee  
Lakeside Industries  
PO Box 7016  
Issaquah, WA 98027-7016

Sean Jeffries  
I.U.O.E. Local 302  
403 S Water St  
Ellensburg, WA 98926-3620

Mike Miller  
9411 Kylie Circle  
Anchorage, AK 99502

Curt Koegen  
I.U.O.E. Local 302  
510 South Elm  
Spokane, WA 99220-3386

Doug Peterson  
Seattle Chapter A.G.C.  
1200 Westlake Ave N, Suite 301  
Seattle, WA 98109-3528

Todd Mickelson  
I.U.O.E. Local 612  
1555 South Fawcett Ave  
Tacoma, WA 98402-1803

Mike Tucci  
Tucci and Sons, Inc.  
4224 Waller Rd E  
Tacoma, WA 98443-1623

## **Legal Process**

The agent for service of legal process is:

Administrative Manager  
Welfare & Pension Administration Service, Inc.  
7525 SE 24<sup>th</sup> Street, Suite 200  
Mercer Island, WA 98040

Legal process may also be served on any Trustee at the addresses above.

## **Identification Numbers**

The employer identification number (EIN) assigned to the plan by the Internal Revenue Service is 91-6028571. The plan number is 001.

## **Type of Plan**

This plan is a defined benefit pension plan.

## **Type of Administration**

This plan is administered by the Trustees. They are assisted by Welfare & Pension Administration Service, Inc., a contract administration organization.

## **Collective Bargaining Agreements**

This plan is maintained under several collective bargaining agreements between contributing employers and I.U.O.E. Locals 302 and 612. Participants and beneficiaries can examine these collective bargaining agreements at the Administration office or obtain a copy of any collective bargaining agreement by writing to the Administration Office. The plan may impose a reasonable charge for providing photocopies.

## **Termination Insurance**

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>.

## **Funding Medium**

The plan is funded by employer contributions, the amounts of which are specified in the underlying collective bargaining agreements or contribution agreements. The contributions paid into the plan are held in trust by the Board of Trustees. The custodian of the funds is U.S. Bank.

## **Plan Year**

The plan year starts January 1 and ends December 31.

## **Loss or Denial of Benefits**

This section lists circumstances which could cause your application (or your beneficiary's application) for benefits to be denied or partially denied.

- You do not meet general participation requirements (see Participation on page 1)
- You are not vested when you leave the plan (see Vesting on page 14)
- You have a break in service or return to work after a break, but do not meet the requirements for reinstatement of service and accrued benefits (see Reemployment After Termination on page 15)
- You return to work after retirement (see Working After Retirement on page 38)
- The plan's assets are inadequate to fund benefits
- The limitation and taxes on benefits imposed by the Internal Revenue Code apply to your benefits
- Your benefits are subject to a qualified domestic relations order (see Assignment of Benefits on page 66)
- The plan is terminated and the PBGC recaptures benefits
- You die before retiring and have no surviving beneficiary (see Death Benefits on page 42)
- Your application for benefits is not timely (see Starting Date for Retirement Payments on page 35).

## **Your Rights Under ERISA**

As a participant in the Locals 302 & 612 of the International Union of Operating Engineers (I.U.O.E.)–Employers

Construction Industry Retirement Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act (ERISA) of 1974, as amended. ERISA provides that you and all other plan participants will be entitled to:

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

- You may examine, without charge, at the plan administrator's office and at other specified locations, such as work sites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, if any, and a copy of the latest annual report (Form 5500) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- You may obtain, upon written request to the plan administrator, copies of documents governing operation of the plan, including insurance contracts and collective bargaining agreements, if any, copies of the latest annual report (Form 5500), and an updated summary plan description. The plan administrator may make a reasonable charge for the copies.
- You may receive a summary of the plan's financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.
- You may obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 60 for benefits accrued prior to January 1, 2013 and age 62 for benefits accrued on and after January 1, 2013), 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 the right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The plan must provide this 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 benefit or exercising your rights under ERISA.

### ***Enforce Your Rights***

If you believe your ERISA rights have been violated, you may file suit for:

- **Improper denial of benefits:** If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge and to appeal any denial, all within certain time schedules. If your claim is denied, you will receive a written explanation of the reasons for the denial. After you exhaust the plan’s claim appeal procedure, you may file suit in state or federal court within 180 days of the Trustees’ final decision. 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.
- **Failure to provide materials:** If you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator.

- **Misuse of Plan funds:** If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in federal court.

The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

### **Assistance With Your Questions**

If you have any questions about the plan, contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, contact the nearest office of the Employee Benefits Security Administration, 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 NW, Washington, DC 20210. You also may obtain certain publications about your rights and responsibilities under ERISA by calling the publication hotline of the Employee Benefits Security Administration at (866) 444-3272 or [www.dol.gov/ebsa](http://www.dol.gov/ebsa).

## **Submitting Benefit Claims**

A claim for benefits is initiated by submitting a properly completed claim form to the Administration Office. Benefit claims will generally be approved or denied within 90 days of being received. If special circumstances arise, a 90-day extension period may be required. If an extension is needed, you will receive a notice describing the extension period and the reason that it is needed. This extension notice will be provided within the initial 90-day review period.

## **Special Timelines for Disability Retirement Benefits**

Disability retirement claims are processed more quickly. Such claims will generally be approved or denied within 45 days. If special circumstances arise, a 30-day extension period may be required. If an extension is needed, you will receive a notice describing the extension period and the reason that it is needed. This extension notice will be provided within the initial 45-day review period. The extension notice will also describe when a decision on the disability retirement claim is expected.

In some cases, a second extension period may be required. The second extension will also be for an additional 30 days. In these circumstances, a second extension notice will be provided. This second notice will describe why the second extension is needed. Such notice will be provided before the initial 30-day extension period ends. The second extension notice will provide an updated estimate of when a decision is expected.

In some cases, a claim cannot be reviewed because the participant must provide additional information. In such a case, a written notice describing the additional information needed will be provided. Such notice will include:

- An explanation of the applicable standards that relate to a particular disability retirement claim;

- The unresolved issues that prevent a decision from being made; and
- The additional information needed to resolve the issues.

Once this notice is provided, you will have at least 45 days to gather the additional information requested. Time spent gathering additional information does not count toward the various time periods described in this section.

### **Notification of Benefit Denial**

If your claim is denied, in whole or in part, you will be notified in writing and given an opportunity for review. The written denial will include:

- The specific reason(s) for the denial;
- Specific references to the pertinent plan provisions on which the denial is based;
- 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; and
- An explanation of the plan's claims review procedures, including a statement describing the claimants right to bring a civil action under ERISA §502(a).

In the case of a denied claim for a disability retirement, if an internal rule, guideline, or other protocol was relied upon in making the adverse determination, the written denial will either describe the specific rule, guideline, protocol, or other similar criterion relied upon or will include a statement indicating that such rule, guideline, protocol, or other similar criterion was relied upon and that a copy of the same will be provided free of charge upon request.

## **Notice of Appeal to Trustees**

If you or your beneficiary (hereafter “claimant”) applies for benefits and is ruled ineligible by the Trustees (or the Administration Office acting for the Trustees), or one of you believes that you did not receive the full amount of benefits you were entitled to, or if you are otherwise adversely affected by any action of the Trustees or the administrative office, you will have the right to appeal the matter to the Board of Trustees, who shall conduct a hearing on the matter, provided that you submit a written notice of appeal within 60 days after being notified of the action (for a Disability Retirement claim, such a request must be made within 180 days). Failure to file a written notice of appeal within the time period prescribed will operate as a complete waiver of and bar to the right to appeal, and the decision or other action of the Trustees or administrative office will become final and binding.

The appeal shall be conducted by the Board of Trustees, or the by Appeals Committee that has been allocated the authority for making a final decision in connection with the appeal. The Trustees have final authority to interpret the plan and decide benefit claims.

## **Scheduling of Appeal**

The Trustees shall review a properly filed appeal at the next regularly scheduled quarterly meeting of the Appeals Committee, unless the request for review is received by the Trustees within thirty (30) days preceding the date of such meeting. In such case, the appeal will be reviewed no later than the date of the second quarterly meeting following the Trustee’s receipt of the notice of appeal, unless there are special circumstances requiring an extension.



## **Appeal Procedures**

The claimant is entitled to submit, in writing, issues, comments, documents, records, or other information relating to a claim. The claimant is also entitled to appear in person at a hearing and to be represented by legal counsel at his own expense in the presentation of the appeal. Claimants shall be provided, upon request and free of charge, reasonable access to and copies of, all documents, records, and other information relevant to the claim for benefits.

The claimant must introduce sufficient credible evidence on appeal to establish, prima facie, entitlement to relief from the decision or other action from which the appeal is taken. The claimant has the burden of proving his right to relief from the decision or action appealed, by a preponderance of the evidence. The Trustees will review all comments, documents, records, and other information submitted by the claimant relating to the claim, regardless of whether such information was submitted or considered in the initial benefit determination. The Trustees will not afford deference to the initial adverse benefit determination.

When deciding an appeal, which is based on a claim for disability retirement and involves a medical judgment, the Trustees will consult with a health care professional who has appropriate training and experience in the field of medicine involved. Any medical or vocational expert whose advice was obtained on behalf of the plan in connection with an adverse benefit determination will be identified to the claimant.

## **Decision of the Trustees**

The Trustees will issue a written decision on review within five days after the determination is made.

## **Review of Trustees' Determination**

Following issuance of the written decision of the Trustees on appeal, there is no further right of appeal to the Trustees. After exhausting administrative appeal rights, a claimant may bring a civil action under ERISA § 502(a). Any action must be brought no later than 180 days after the date on which the Trustees' decision was issued. Failure to file a civil action within that 180-day period will operate as a waiver of and bar to the right of review, and the decision of the Trustees will be final and binding. The question for consideration on review of the Trustees' decision is whether the Trustees' abused their discretion in the particular instance.

## **Sole and Exclusive Procedures**

The procedure described in this section is the sole and exclusive procedure available to a participant or beneficiary who is dissatisfied with an eligibility determination, a benefit award, or who is adversely affected by any action of the Trustees.

A participant or beneficiary must exhaust his or her administrative appeals before commencing a lawsuit.

## **Administration of Plan**

The Trustees administer the Plan and serve as named fiduciaries pursuant to ERISA. The Trustees have the exclusive right and discretion to construe the provisions of the plan and to determine any and all questions arising thereunder or in connection with the administration thereof, including the right to remedy possible ambiguities, inconsistencies, or omissions and any such construction or determination by the Trustees made in good faith shall be conclusive on all persons affected thereby provided that in any such construction or determination, the Trustees shall not discriminate in favor of an class of participants.

## **Availability of Information**

Plan documents and all other pertinent documents required to be made available under ERISA may be inspected at the Administration Office during regular business hours. Upon written request, copies of these documents will be provided. However, the Trustees may make a reasonable charge for the copies; the plan administrator will state the charge for specific documents on request so you will know the cost before ordering.

## **Assignment of Benefits**

Federal law protects your pension benefits from assignment or transfer to others. This protection does not apply to qualified domestic relations orders. If the Administration Office receives a court order of this type, you will be advised in writing.

## **Termination of Trust**

The Trustees have authority to terminate the plan. The plan will also terminate upon the expiration of all collective bargaining agreements and special agreements requiring contributions to the plan's trust fund. In certain circumstances, the Pension Benefit Guaranty Corporation (PBGC) may also terminate the plan.

If the plan terminates, your accrued benefit becomes fully vested to the extent there are sufficient funds in the trust fund to pay benefits. However, no new benefits will be earned. The Trustees will notify the PBGC of a proposed termination and will wait for any required approval before the plan is terminated.

The Trustees expect the assets in the trust fund to be sufficient to fund retirement benefits. If there are excess assets, they will be allocated to participants and will not be returned to employers. If there are insufficient assets, they will first be used to pay benefits guaranteed by the PBGC (see Termination

Insurance on page 55). Any remaining assets will be used to pay unpaid benefits in the following order: retired participants and those eligible to retire, surviving spouses and beneficiaries and terminated participants.

## **Plan Documents and Amendments**

This booklet is only a summary of the important provisions of the plan and is not intended to serve as a legal document. If there is any discrepancy between this summary and the plan document, the plan document will govern. This plan is intended to be permanent. However, the Trustees have the authority to amend the plan at any time.

## **Administration Office**

**WELFARE & PENSION ADMINISTRATION  
SERVICE, INC.**

**Physical Address:  
7525 SE 24<sup>th</sup> St, Suite 200  
Mercer Island, WA 98040**

**Mailing Address:  
PO Box 34203  
Seattle, WA 98124-1203**

**(206) 441-7314  
(877) 441-1212  
*www.engineerstrust.com***