



International Union of Operating Engineers Local 57

2018 ANNUITY PLAN

SUMMARY PLAN DESCRIPTION

OPERATING ENGINEERS LOCAL 57 ANNUITY FUND

857 Central Avenue
Johnston, Rhode Island 02919
Telephone: (401) 331-9191
Fax: (401) 764-0015
Website: iuoelocal57.org

BOARD OF TRUSTEES

Employer Trustees	Union Trustees
Mr. Michael A. Gammino III Secretary-Treasurer	Mr. James J. White Chairman
Mr. Antonio B. Cardi	Mr. Steven M. Rogers

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Shawn A. Houlihan

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Kiernan, Plunkett & Redihan

Consultants and Actuaries

Segal Consulting

Accountant

Ward, Fisher and Company, LLP
250C Centerville Road
Warwick, RI 02886-4353

DEAR PARTICIPANT:

We are pleased to issue this booklet about the International Union of Operating Engineers Local 57 Annuity Fund (I.U.O.E. Local 57 Annuity Fund or Fund). The Fund was established on May 1, 1989 for all Employees who work for Employers who contribute to the Annuity Fund under the terms of a Collective Bargaining Agreement with the International Union of Operating Engineers Local 57 Union (I.U.O.E. Local 57 Union or Union). This Annuity Plan is intended to supplement the monthly income payable from the International Union of Operating Engineers Local 57 Pension Plan (I.U.O.E. Local 57 Pension Plan or Pension Plan) and to provide benefits upon retirement, total and permanent disability, termination of service or death.

You will find a summary of the main features of the Annuity Plan in this booklet. We urge you to discuss your benefits with your family and keep this booklet in a convenient location for future reference. Your Annuity Fund may, in the future, provide substantial sums of money to you or your family.

Only the full Board of Trustees is authorized to interpret the plan of benefits described in this Summary Plan Description (SPD). No Employer or any Union, nor any representative of any Employer or Union, is authorized to interpret this Plan—nor can such person act as an agent of the Board of Trustees.

This SPD describes the benefits in effect as of January 1, 2018 for eligible Participants in the Plan. This document replaces and supersedes any previous SPD. We have made every effort to make this SPD as accurate as possible, but the SPD is not the plan document. Your rights to benefits under this Plan can only be determined by consulting the Annuity Plan document itself, which is available at the Fund Office. If any conflict should arise between this SPD and the actual plan document, the provisions of the plan document always govern.

This includes a recent Amendment adopted by the Board, effective January 1, 2018. If you leave work, have a balance less than \$5,000, and become inactive for five calendar years without taking a distribution of your Account, the Administrator will automatically distribute the Account balance and terminate your Account. If you cannot be located, the Account will be rolled over directly to an IRA (individual retirement account) through an institution selected by the Board.

The Trustees believe this Plan is a sound one, but must necessarily reserve the right to change its terms from time to time or terminate the Plan should conditions warrant such action and it is not prohibited by the terms of a Collective Bargaining Agreement in effect.

Please read this booklet carefully and keep it with your important papers for future reference. If you have any questions about your benefits, your Union Trustee, Fund Office or the Plan Administrator will be happy to answer them for you.

Sincerely,
BOARD OF TRUSTEES

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GENERAL INFORMATION

Plan Sponsor

Trustees of the I.U.O.E. Local 57 Annuity Plan
857 Central Avenue
Johnston, Rhode Island 02919
Telephone: (401) 331-9191

Plan Administrator

The Plan is administered and maintained by the joint Board of Trustees which consists of two Union and two Employer representatives. The joint Board of Trustees is governed by an Agreement and Declaration of Trust established and maintained in accordance with the Collective Bargaining Agreements.

Type of Administration of the Plan

Trust fund, self-administered

Employer Identification Number

The Employer Identification Number (EIN) issue to the Plan is: 05-0446832.

Plan Number

The Plan Number is: 001.

Fiscal Year End Date

December 31

Type of Plan

The I.U.O.E. Local 57 Annuity Plan is a defined contribution profit-sharing plan.

Agent for Service of Legal Process

Shawn Houlihan
I.U.O.E. Local 57 Annuity Fund
857 Central Avenue
Johnston, Rhode Island 02919
Telephone: (401) 331-9191

You may also serve legal process upon any of the Trustees.

Trustees

Employer Trustees	Union Trustees
Mr. Michael A. Gammino III MA Gammino Construction 615 Jefferson Boulevard Warwick, RI 02886	Mr. James J. White I.U.O.E. Local 57 857 Central Avenue Johnston, RI 02919
Mr. Antonio B. Cardi Cardi Corp. 400 Lincoln Avenue Warwick, RI 02888	Mr. Steven M. Rogers I.U.O.E. Local 57 857 Central Avenue Johnston, RI 02919

Union

I.U.O.E. Local 57
857 Central Avenue
Johnston, Rhode Island 02919
Telephone: (401) 331-9191

A list of labor organizations covered under the Plan is available from the Plan Administrator upon written request, as is a list of names and addresses of employers who participate in the Plan.

Funding Medium

Benefits are provided from the Fund's assets which are accumulated under the provisions of the Collective Bargaining Agreements and the Trust Agreement and held in a separate Trust Fund for the purpose of providing benefits to covered participants and defraying reasonable administrative expenses. All assets and reserves are held in trust and invested by the Board of Trustees pursuant to fiduciary standards required by federal law.

The Board of Trustees has retained various professional investment advisors who oversee a well-diversified portfolio, including but not limited to stocks, bonds and real estate in accordance with guidelines of the Board of Trustees.

Source of Contributions

All contributions to the Plan are made by Employers in accordance with their Collective Bargaining Agreements with the Union. The Collective Bargaining Agreements require contributions to the Plan at fixed rates per payroll hour.

Availability of Certain Documents

As a Participant, a copy of the Collective Bargaining Agreement(s), plan documents, group annuity contract and documents filed with the Department of Labor are available for your inspection during business hours at the labor organization headquarters, 857 Central Avenue, Johnston, Rhode Island 02919. You may also make a written request to receive a copy of these documents from the Plan Administrator.

SUMMARY OF THE PLAN

- If you work 300 hours in Covered Employment in a Plan Year, you will immediately become a Participant.
- You will be entitled to receive a distribution of the full value of your account at the time of your retirement (see Definitions), when you become totally and permanently disabled, or at the end of six consecutive months during which you have not worked in Covered Employment.
- Under the terms of the Collective Bargaining Agreement, the Employers make contributions to the Annuity Fund on your behalf. You are not required or permitted to make contributions to the Plan.
- You are completely vested in your Individual Account balance once you become a Participant.
- Your benefit will be determined by the value of your Individual Account balance as of the last Valuation Date, plus Employer contributions since the last Valuation Date, plus interest earned on your account during the fiscal year of withdrawal.
- You will receive your entire Individual Account balance in a lump-sum payment. If you die before receiving your benefit, your spouse or beneficiary will automatically receive your benefits. Note: If you are entitled to receive a benefit because you have not worked in Covered Employment for six consecutive months, you can choose to receive 50% or 100% of your account balance.
- Lump-sum payments are subject to mandatory federal income tax withholding of 20%. You can avoid this tax by having the benefit rolled over to an IRA, Roth IRA or other eligible retirement plan.
- The Plan does not allow loans or hardship withdrawals to be taken.

DEFINITIONS

COVERED EMPLOYMENT is work covered by an agreement between your employer and the International Union of Operating Engineers Local 57 and its affiliated branches, which requires your employer to make contributions at a fixed amount per hour to the I.U.O.E. Local 57 Annuity Plan on your behalf. An employer who has signed such an agreement is a Contributing Employer. Covered Employment also means any service for which contributions are to be made by your Employer under an agreement with the Annuity Fund, such as full-time salaried instructors employed by the Local 57 Apprenticeship and Skill Improvement Fund, Office employees of the Health and Welfare Fund or Apprenticeship Fund, or management or office employees of the Union. Contributing Employers make all contributions to the Plan. There are no contributions required from Participants.

CONTRIBUTING EMPLOYER is an employer who is bound by a Collective Bargaining Agreement with the Union or any other agreement, which requires contributions to be made to the International Union of Operating Engineers Local 57 Annuity Plan.

EMPLOYEE is someone who is covered under a Collective Bargaining Agreement or other written participation agreement for whom contributions are required to be made to the Plan.

FUND is the International Union of Operating Engineers Local 57 Annuity Fund.

INDIVIDUAL ACCOUNT BALANCE means the total amount of contributions in your Individual Account at any point in time, adjusted for investment results and any administrative fees.

PARTICIPANT is an employee who has met the requirements for participation in the Plan.

PLAN is the International Union of Operating Engineers Local 57 Annuity Plan.

PLAN YEAR is January 1 through December 31.

RETIREMENT is defined as retirement from the I.U.O.E. pension plan that you are a participant in, or if you do not participate in any I.U.O.E. pension plan, your attainment of at least age 55 and retirement from your employer and the International Union of Operating Engineers.

SPOUSE is the person to whom you are married under the laws of the jurisdiction where the marriage was celebrated, and if applicable, a former Spouse, or a common-law spouse, when recognized by the State of Rhode Island only.

UNION is the International Union of Operating Engineers Local 57 (I.U.O.E. Local 57) and its affiliated branches and shall include its successors and assigns.

VALUATION DATE is the last day of each Plan Year.

VESTING simply means the conditions which must be met before you become entitled to a non-forfeitable benefit. You are always 100% vested in your account balance in the International Union of Operating Engineers Local 57 Annuity Plan. You will not forfeit any of that account balance except to the extent it is reduced by administrative fees or performance losses. Additionally, a portion of your account could be assigned to another individual if required by a Qualified Domestic Relations Order (QDRO) or by an IRS tax lien. If you receive your entire account balance and later return to work for a Contributing Employer, you will have to meet the Participation rules (in the next Section).

HOW DO YOU BECOME A PARTICIPANT OF THE PLAN?

When Will I Be Eligible for Participation?

You will be eligible to be a Participant in this Plan if:

- You're working in a job covered by the Collective Bargaining Agreement between your Employer and the Union, which requires your Employer to make contributions to the Fund on your behalf;

OR

- You're an owner-operator, a full-time salaried instructor for the Local 57 Apprenticeship and Skill Improvement Fund, an office employee of the Health and Welfare or Apprenticeship Fund, or a management or office employee of the Union AND you are covered by an agreement with the Union requiring that contributions be made to the Fund on your behalf.
- You may also be eligible to participate if your Contributing Employer has signed a participation agreement requiring contributions to be made on your behalf to this Plan.

These kinds of work are called Covered Employment. When you have credit for 300 hours of Covered Employment in a Plan Year, you will immediately become a Participant.

When the balance of your Individual Account is zero, if you return to work for a Contributing Employer, you must earn 300 hours of Covered Employment in a Plan Year and become a Participant again.

When Will I Be Entitled to Receive the Full Value of My Individual Account Balance?

You are entitled to receive the full value of your Individual Account balance:

- At retirement; or
- When you become totally and permanently disabled for work in Covered Employment; or
- At the end of six consecutive months during which you have not worked in Covered Employment, you may receive, at your election, 50% of the full value of your Individual Account balance or 100% of your Individual Account balance; or
- In the event that you die before receiving benefits from the Fund, the full value of your Individual Account balance will be distributed to your beneficiary.

Effective Date of the Plan

The original effective date of the Annuity Plan is May 1, 1989. The Plan complies with the Employee Retirement Income Security Act of 1974 (ERISA).

HOW DOES THE PLAN WORK?

Who Makes Contributions?

Under the terms of the Collective Bargaining Agreement between the Union and the Employers, the Contributing Employers make contributions to the Annuity Fund on your behalf. In addition, non-collectively bargained employees of employers such as the Union and Health and Welfare Fund, who have an agreement to contribute to the Fund, may participate. The amount of the contribution is specified in the Collective Bargaining Agreement and may be changed from time to time. Contributions may also be made on your behalf in accordance with a reciprocal agreement with another Fund.

You are not required or permitted to make contributions to the Plan.

When Do You Become Vested?

You are completely vested in the full value of your Individual Account balance once you become a Participant.

How Is the Value of Each Individual Account Balance Determined?

When you become a Participant, an Individual Account is established for you. All Employer contributions made on your behalf are credited to your Individual Account balance. At the end of each Plan Year (December 31), your Individual Account balance is valued according to the following formula:

1. Your Individual Account balance at the beginning of the Plan Year (January 1), plus or minus
2. A proportionate share of the net investment earnings or losses accumulated by the Fund during the current Plan Year (this share is based on your beginning Individual Account balance), plus
3. The total amount of Employer contributions received by the Fund on your behalf for work performed and reported during the current Plan Year.

To illustrate the possible value of an Employee's Individual Account balance at retirement, let us assume that contributions of \$8,000 per year have been given on his behalf, and the Fund has earned a net rate of 5% interest each year on investments.

Age When Contributions Begin	Value of Contributions and Earnings at Age 62	Value of Contributions and Earnings at Age 65
25	\$813,025	\$966,398
35	\$437,353	\$531,511
45	\$206,723	\$264,528

In this table, you see that if you were age 25 when contributions were first made on your behalf, the total value of contributions and investment returns credited to your account by age 65, for purposes of this example, would be \$966,398. The total amount of contributions would be \$320,000 (\$8,000 times 40 years), and \$646,398 would be the total distribution of investment earnings.

Remember that the values in the table do not take into account changes in the purchasing power of the dollar over the projected period. The rate of inflation may substantially reduce that purchasing power. For example, assuming 2.5% annual inflation in 10 years, it would take \$1.28 to buy what \$1.00 buys today; in 20 years, it would take \$1.64; and in 30 years it would take \$2.10.

This demonstrates how important the rate of investment return is to the Annuity Fund. The Trustees will invest the assets of the Fund with the objective of obtaining the highest rate of return while at the same time safeguarding the value of the invested capital. Investment returns are not guaranteed under this Plan. The value of an Employee's Individual Account balance will reflect any changes (investment returns and losses) in the total value of all of the securities held by the Fund.

Are There Annual Maintenance Fees?

An annual maintenance fee is charged to each Participant's Individual Account balance. The fee is a proportionate share of the Fund's administrative and investment expenses, based on the beginning Individual Account balance.

If I Am in the Military, Does My Military Service Count Under the Plan?

If you leave Covered Employment to go on active military duty, you are entitled to certain rights in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended (USERRA).

To protect your full rights, if you left Covered Employment to enter such military service, you must report for work with your Contributing Employer, apply for reemployment with your Covered Employer or otherwise make yourself available for work as required by the terms of your Collective Bargaining Agreement within the time required by law.

- If your military service was 30 days or less, you must return to Covered Employment no later than the beginning of the next work period following the end of military service plus eight hours (or as soon as possible if earlier reporting is impossible through no fault of your own);
- If your military service was 31 – 180 days, you must return to Covered Employment within 14 days following the end of military service (or as soon as possible if earlier reporting is impossible through no fault of your own);
- If your military service was 181 days or more, you must return to Covered Employment within 90 days following the end of military service (or as soon as possible if earlier reporting is impossible through no fault of your own);
- If you are hospitalized or recovering from service-connected injuries, you must return to Covered Employment within 2 years following the end of military service or upon your recovery, whichever is shorter; or
- In such other timeframe as permitted by federal law and applicable regulations.

Also, you must notify your Contributing Employer and the Trustees both in advance and upon your return of your claim for credit for military service and supply any necessary documentation.

Military service will be counted for purposes of crediting your Individual Account balance with Employer contributions provided the following conditions are satisfied.

- First, you must have reemployment rights under USERRA upon your return to Covered Employment from such military service. You will be deemed to have returned to Covered Employment if you provide the Trustees with reasonable documentation establishing that your return to Covered Employment was timely under USERRA as described above, if your total military service, including both the period immediately preceding your return and all previous periods, does not exceed the maximum period applicable under federal law and if your discharge was other than dishonorable.
- Second, you must have worked at least 1,000 hours during the Plan Year immediately preceding the Plan Year in which you entered military service. For this purpose, the hours must have been worked in a position for which your Employer was obligated to contribute to the Plan on your behalf. The 1,000 hours may also include hours of Covered Employment under the International Union of Operating Engineers Local 57 Pension Fund, provided said hours were not the same hours for which contributions were owed to the Annuity Plan.
- Third, you must return in a timely manner, as described above, and work at least 300 hours in Covered Employment in the 12 months following your return to Covered Employment.

A full year of military service will equal 1,000 hours of work in Covered Employment with a Contributing Employer. If you do not serve a full year, your military service will be pro-rated on the basis of weeks for the purpose of determining the amount of Employer contributions due on your behalf. One week of military service will equal 20 hours of Employer contributions, not to exceed a maximum of 1,000 hours in a Plan Year. Additionally, the basis for determining the amount of Employer contributions to be credited to your Individual Account balance will be based on the average rate of contributions for all Participants during the year in which the military service was performed.

If you die or become disabled on or after January 1, 2007 while performing military service as provided above, the period of such military service will be counted and Employer contributions will be credited to your Individual Account balance as provided above as if you had resumed Covered Employment on the day preceding death or on the day preceding the day on which you became disabled, respectively, and then terminated Covered Employment on the date of death or the day you became disabled, respectively.

Since you may be entitled to have make-up contributions made on your behalf for the time you were engaged in active military service, it is important to notify the Fund Office when you return to work, so that the process of transferring the make-up contributions can be made on a timely basis. There is no interest applied before the make-up contributions are added to your Individual Account balance.

WHAT HAPPENS WHEN YOU'RE ELIGIBLE FOR BENEFITS?

When Are You Eligible for Benefits?

You're eligible to begin receiving benefits from this Fund:

- At your Retirement, or
- At the end of a period of six (6) consecutive months during which you have not worked in Covered Employment, or
- When you become totally and permanently disabled for work in Covered Employment; or
- Upon your death.

You will be deemed totally and permanently disabled if, on the basis of medical evidence satisfactory to the Trustees, you are found to be totally and permanently unable to engage in further Covered Employment.

You may be required to submit to an examination by a physician or physicians selected by the Trustees and to re-examination following disability retirement. You may also be requested to submit written proof of your disability.

Your benefits are payable to your beneficiary should you die before beginning to receive benefits from this Fund. If you have no surviving Spouse, they will automatically be paid to your designated beneficiary.

How Much Will Your Benefit Be?

When you become eligible for your benefit, the amount you will receive is equal to:

The value of your Individual Account Balance as of the last Valuation Date

PLUS

Employer contributions since the last Valuation Date

PLUS

Interest gains or losses on your account as of the closing date of the previous calendar quarter.

The sum of these three items is known as your Individual Account balance.

When you become eligible for your benefit due to termination from Covered Employment for six months, the amount you will receive, at your election, will be either 50% or 100% of the value of your Individual Account Balance (as determined above).

How Will Your Individual Account Balance Be Paid?

When you retire or become totally and permanently disabled, you will receive a lump-sum payment of your entire Individual Account balance. When you become eligible to receive your benefits upon termination of service, you will receive a lump-sum payment of, at your election, either 50% or 100% of your Individual Account balance.

If you die before receiving benefits under this Plan, your Individual Account balance will be paid as follows:

- If you are married when you die, your spouse will automatically receive your benefits, unless your Spouse consents in writing to payment of your benefits to an alternative beneficiary.
- If you are not married when you die, your beneficiary will automatically receive your benefits.

Your spouse or beneficiary will receive your benefits in the form of a lump-sum payment of your entire Individual Account balance.

If contributions are received by the Plan for work you performed before a distribution of your Account, the additional contributions will be distributed to you in a lump sum as soon as practicable after they are received by the Plan. If you had previously elected a rollover of your distribution, you will need to elect either a lump sum of the residual contributions or a new rollover.

Inactive Account

If you have not had contributions made to the Plan on your behalf for five calendar years, the Fund will automatically distribute your Individual Account balance. If you cannot be located or you do not elect to receive the distribution, then the Plan Administrator will pay the distribution in a direct rollover to an IRA designated by the Plan Administrator. It is important to keep the Fund Office informed of any address change.

Age 70½ Requirement

You must begin to receive benefits no later than the April 1 following the calendar year in which you attain age 70½, even if you are still working.

HOW DO YOU APPLY FOR BENEFITS?

Application

In order to begin collecting benefits under this Plan, you have to submit a written application to the Board of Trustees.

When you are ready to apply, contact the Fund Office for the necessary forms or download them at www.iuoelocal57.org. The forms will include your right to defer any distribution from the Plan and the consequences of deferring distribution of benefits.

Claims Denial Review Procedures

Claim

Claims must be submitted to the Fund Office in writing, using the appropriate application form. A claim form may be obtained by contacting the Fund Office.

You will be notified by the Fund Office of the approval or denial of your claim within 90 days of receipt. If necessary, this period may be extended by 90 days. In the event that an extension is necessary, the Fund Office will notify you of the extension, the circumstances requiring an extension and the date by which the Fund Office expects to render a decision.

If your claim is denied, the Fund Office will provide you with a written notice. The notice of the denial of your claim will include:

- The specific reason(s) for the decision;
- Reference to the specific Plan provision(s) on which the decision is based;
- A description of any additional information or materials necessary for the Fund Office to decide your claim and why they are necessary;
- A description of the appeal procedures (including voluntary appeals, if any) and applicable time limits; and
- A statement of your right to bring a civil action under ERISA Section 502(a) following an appeal of the decision.

If your claim is denied in whole or in part, or if you disagree with the decision made on a claim, you may appeal the decision. You are entitled to:

- Within 60 days of your receipt of the denial of your claim, request, in writing, a review of your claim by the Board of Trustees;
- Review all documents relating to the denial; and
- Respond to the denial of your claim and submit any issues and comments, including additional documentation, in writing.

If you do not receive a decision within 90 days of the Fund Office's receipt of your claim (or 180 if extended by the Fund Office), you may request a review as if your claim has been denied. Your request for review of the decision on your claim must include:

- Your name and address;

- The claimant's name and address, if different;
- The date of the decision denying your claim; and
- The basis of the appeal, i.e., the reason(s) why the claim should not be denied.

You have the opportunity to submit written comments, documents and other information for consideration during the appeal, whether or not such information was submitted or considered as part of the initial benefit determination. You will be provided, upon request and free of charge, reasonable access to and copies of all relevant documents pertaining to your claim.

A different person will review the decision than the person who originally made the initial decision on your claim. The reviewer will not give deference to the initial decision and will not be subordinate to the person who originally made the initial decision. The decision will be made on the basis of the record, including such additional documents and comments that you may submit.

The Board of Trustees shall make a final written decision on review of the denial of your claim within 60 days from its receipt of your appeal. If necessary, this period may be extended by 60 days. In the event that an extension is necessary, the Board of Trustees will notify you of the extension, the circumstances requiring an extension and the date by which the Board of Trustees expects to render a decision.

The Board of Trustees' final written decision on review of the denial of your claim will include:

- The specific reason(s) for the decision;
- Reference to the specific Plan provision(s) on which the decision is based;
- A statement that any relevant documents will be provided, upon request and free of charge;
- A description of the appeal procedures (including voluntary appeals, if any) and applicable time limits; and
- A statement of the claimant's right to bring a civil action under ERISA Section 502(a) following the appeal of an adverse benefit determination.

Disability Claim Procedures

Disability claims must be submitted to the Fund Office in writing, using the appropriate application form. An application form may be obtained by contacting the Fund Office.

You will be notified by the Fund Office of the approval or denial of your disability claim within 45 days of receipt. If the Fund Office requires an extension of time due to matters beyond its control, it will notify you of the reason for the delay before the expiration of the 45-day period and indicate when the decision will be made. This notification will explain the standards for the decision, what issues are unresolved and whether any additional information is needed to make the decision. The Fund Office may extend this period no more than twice for 30 days each (60 days total).

If the Fund Office needs additional information to make its decision, you will have 45 days to provide the additional information. If the information is not provided within that time, your disability claim will be denied. During the 45-day period in which you may supply additional information, the normal deadline for making a decision on your disability claim will be suspended. The deadline is suspended from the date of the extension notice until either 45 days from the date you are notified additional information is needed or until the date you respond to the request (whichever is earlier). Once you respond to the request for information, the period of time for the Fund Office to respond to your disability claim will resume.

If your disability claim is denied, the Fund Office's notice will include:

- The specific reason(s) for the decision;
- The specific Plan provision(s) on which the decision is based;
- A description of any additional information or materials necessary for the Fund Office to decide your claim and why they are necessary;
- Any disagreement with your treating physician, any medical expert consulted or any Social Security Administration disability determination;
- Any internal rule, guideline, protocol or other similar criterion relied upon in making the determination or a statement that such rule does not exist;
- An explanation of any scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, or a statement that such explanation will be provided free of charge;
- A description of the appeal procedures (including voluntary appeals, if any) and applicable time limits; and
- A statement of the claimant's right to bring a civil action under ERISA Section 502(a) following the appeal of an Adverse Benefit Determination.

For claims filed on and after April 1, 2018, the written notification of the benefit denial of a disability benefit will provide the following:

1. A discussion of the decision, including an explanation of the basis for disagreeing with or not following:
 - a. Issues you presented to the Plan of health care professionals treating you and vocational professionals who evaluated you;
 - b. The views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with your adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and
 - c. If applicable, a disability determination regarding presented to the Plan made by the Social Security Administration.
2. If the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, you will receive either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, or a statement that you may request such explanation, free of charge;

3. Either the specific internal rules, guidelines, protocols, standards or other similar criteria of the Plan relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Plan do not exist;
4. A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your claim for benefits; and
5. The notification will be provided in a culturally and linguistically appropriate manner.

Before any adverse benefit determination is issued, the Plan will provide any new or additional evidence that is considered or relied upon or generated by the Board or other person making the benefit determination.

Appeal

If your disability claim is denied in whole or in part, or if you disagree with the decision made on a claim, you may appeal the decision. You are entitled to:

- Within 180 days of your receipt of the denial of your disability claim, request, in writing, a review of your claim by the Board of Trustees;
- Review all documents relating to the denial free of charge; and
- Respond to the denial of your disability claim and submit any issues and comments, including additional documentation, in writing.

Your request for review of the denial of your disability claim must include:

- Your name and address;
- The claimant's name and address, if different;
- The date of the original claim denial; and
- The basis of the appeal, i.e., the reason(s) why the claim should not be denied.

You have the opportunity to submit written comments, documents and other information for consideration during the appeal, even if such information was submitted or considered as part of the initial benefit determination. You will be provided, upon request and free of charge, reasonable access to and copies of all relevant documents pertaining to your disability claim.

A different person will review the appeal than the person who originally made the initial decision on your disability claim. The reviewer will not give deference to the initial decision and will not be subordinate to the person who originally made the initial decision. The decision will be made on the basis of the record, including such additional documents and comments that you may submit.

If your disability claim was denied on the basis of a medical judgment, a health care professional who has appropriate training and experience in a relevant field of medicine will be consulted. You will be provided with the identification of medical or vocational experts, if any, that gave advice to the Board of Trustees, without regard to whether the Board of Trustees relied on the advice was relied. The Board of Trustees will share any new evidence or rationale with you and provide you with an opportunity to respond to any new evidence or rationale.

Ordinarily, decisions on appeals involving disability claims will be made at the next regularly scheduled meeting of the Board of Trustees following receipt of the request for appeal. However, if the request is received within 30 days of the next regularly scheduled meeting, it will be considered at the second regularly scheduled meeting following receipt of the request for appeal. In special circumstances, a delay until the third regularly scheduled meeting following receipt of the appeal may be necessary. You will be advised in writing in advance if this extension will be necessary, the reason for the extension and when the Board of Trustees expects to make its decision. Once a decision on the appeal has been reached, notice of the appeal determination will be sent to you as soon as possible, but no later than five days after the decision has been reached.

The Board of Trustees' decision on appeal will be provided to you in writing. If your appeal is denied, the notice will include:

- The specific reason(s) for the determination;
- Reference to the specific Plan provision(s) on which the determination is based;
- A statement any relevant documents will be provided, upon request and free of charge;
- Any internal rule, guideline or protocol that was relied upon or a statement that such rule does not exist;
- An explanation of any disagreement with your treating physician, any medical expert consulted or any Social Security Disability determination;
- An explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, or a statement that such explanation will be provided free of charge;
- A statement of your right to bring a civil action under ERISA Section 502(a); and
- The following statement: "You and your Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U. S. Department of Labor Office and your State insurance regulatory agency."

If the Plan fails to strictly adhere to all the requirements of this Section with respect to disability benefit claims, you are deemed to have exhausted the administrative remedies available under the Plan (unless the violations are "de minimis.") You are then entitled to pursue any available remedies under ERISA §502(a). If you choose to pursue remedies under ERISA §502, in these circumstances the claim or appeal is deemed denied on review without the exercise of discretion by an appropriate fiduciary.

Determination

If the Board of Trustees rules in favor of you on the appeal, this ruling will be binding and conclusive. If the Board of Trustees rules against you on your appeal, the ruling also will be binding and conclusive unless you start legal proceedings challenging the Board of Trustees' ruling.

Right to Authorized Representative

You can appoint an authorized representative to act on your behalf in filing a claim and seeking a review of a denied claim. However, you must notify the Board of Trustees in advance in writing of the name, address and phone number of the authorized representative.

What Happens if I Don't Apply for My Benefits?

Your Individual Account Balance will continue to accrue investment earnings. On the April 1 following the calendar year in which you attain age 70 ½ you will be required to begin withdrawing a minimum required amount, even if you are still working, in accordance with IRS rules. Contact the Fund Office for details.

If you, or after your death, your beneficiary, apply for your benefit after your account was forfeited, then an amount equal to your Individual Account Balance as of the date on which your account was forfeited shall be paid to you or your beneficiary. In no event will interest or other amounts be restored to your Individual Account balance.

How Do You Designate a Beneficiary?

To designate a beneficiary, use the beneficiary form available at the Fund Office or download a copy at www.iuoelocal57.org. If you are not married, you may make anyone your beneficiary. If you are married, your spouse is your beneficiary, unless he or she consents in notarized writing to your designating an alternative beneficiary. The completed form must be received by the Fund Office in order to be accepted.

You may change your beneficiary at any time before you receive benefits.

If you have not designated a beneficiary, or your beneficiary dies before you, your Individual Account Balance will be distributed to your spouse, or if you have no spouse, to your child(ren). If you had neither a spouse nor a child, it will be distributed to your estate.

Taxation of Benefits

Although taxation rules are complex and subject to change at any time, current law requires that lump-sum payments are subject to mandatory federal income tax withholding of 20%. You can avoid this mandatory withholding by having the benefit rolled over directly to an IRA, Roth IRA or another eligible retirement plan. Other taxes may also be deferred or reduced. Therefore, you should review your personal situation with a tax advisor before beginning to receive benefits.

You are responsible for the tax liability of benefits received and may be subject to estimated tax payments and penalties if you do not have sufficient taxes withheld. You may also be responsible for state income tax liability, if any.

Can You Work After Your Retirement Benefits Are Paid?

After your retirement, this Plan imposes no limits on the type or extent of work that you may perform after you have received payment of benefits under this Plan.

WHAT ELSE DO YOU NEED TO KNOW ABOUT YOUR FUND?

You do not make and may not make any contributions toward this Fund. Contributions are made by your Employer in accordance with a Collective Bargaining Agreement between your Employer and the Union. These contributions are held by the Trustees for the exclusive benefit of the Fund Participants.

This Fund is administered by a Board of Trustees, consisting of an equal number of Union and Contributing Employer Trustees. The Trustees are responsible for carrying out the provisions of the Plan in a fair and equitable way.

Loans

The Annuity Plan does not permit loans for any reason.

Hardship Withdrawals

The Annuity Plan does not provide hardship distributions. Distributions are available only as described in the section *How Will Your Individual Account Balance Be Paid?*.

Benefits Are Inalienable

This Plan was established for the benefit of you and your beneficiaries. In general, you may not pledge, sell or assign your interest in the Plan and your creditors may not attach or garnish these benefits.

However, there are two exceptions:

- Based on the provisions of a divorce decree, your former spouse or other alternate payee could receive a share of your Individual Account. The benefit available to you would be reduced to reflect any amount your former spouse or other alternate payee becomes entitled to receive in accordance with a Qualified Domestic Relations Order.
- The Plan must also honor a federal tax lien against your benefits.

Payment to your former spouse or other alternate payee cannot be made until you are eligible to receive payment (see page 5). A Qualified Domestic Relations Order may provide for the payment of benefits to an alternate payee to be made at any time after the Domestic Relations Order is determined to be “Qualified” by the Plan, regardless of the fact that you have not retired.

You, your spouse or your ex-spouse may contact the Fund Office for a free copy of the Plan’s procedures for determining if a Domestic Relations Order is Qualified.

Qualified Domestic Relations Orders (QDROs)

ERISA requires that the Fund recognize QDROs. A QDRO is any Domestic Relations Order that is a Judgment, Decree or Order, including the approval of a property settlement agreement, that creates, assigns or recognizes the right of an alternate payee—such as a spouse, former spouse or dependent child—to receive all or a portion of your benefits under the Annuity Plan which is made pursuant to State domestic relations law (including community property laws) and complies with relevant federal law.

To qualify, a QDRO must clearly specify:

- Your name and last known mailing address and the name of and address of each alternate payee covered by the order;
- The amount or percentage of your account to be paid by the Plan to each alternate payee; and
- The name of the plan to which the order applies.

A QDRO must not require the:

- Plan to provide any type or form of benefit, or any option, not otherwise provided under the Plan; or
- Payment of benefits to one alternate payee when an earlier QDRO requires payment of those benefits to a different alternate payee.

A QDRO may require that payments be made to an alternate payee:

- Before you have separated from service, and it may provide for the payment of benefits at any time after the order is deemed qualified by the Plan;
- As if you had retired on the date those payments begin; and/or
- In any form available under the Plan except for a joint and survivor annuity for the alternate payee and his or her new spouse for child or spousal support.

Once the Fund Office receives a Domestic Relations Order the Fund Office will:

- Promptly notify you and each alternate payee in writing of the Fund's receipt of the order. The notice will include a copy of the order; and
- Determine, within a reasonable time period after receiving the order, whether it is a QDRO and notify the appropriate individuals of its determination.

It is important to note that once the Plan receives notification of a Domestic Relations Order, no distributions will be permitted until the Plan determines whether the Order is Qualified. If you have any questions about QDROs, contact the Fund Office.

There May Be a Limit on the Maximum Contributions Which Can Be Made

Federal law imposes maximum limits on the amount that can be contributed to your Individual Account balance in any year. If you are affected by these restrictions, you will be notified.

Top-Heavy Plan

In the extremely unlikely event that this Plan should become top heavy, the requirements of federal law that a top-heavy plan must provide minimum benefits will be met. A plan is top heavy if key employees (officers and certain other highly paid participants) receive more than a limited percentage of plan benefits.

Plan Continuation

The Trustees, Contributing Employers and the Union hope and expect to continue the Plan indefinitely. However, the right is necessarily reserved by the Trustees to amend and modify the Plan at any time. The Trustees, Contributing Employers and Union also reserve the right to terminate the Plan. Such action can only be taken jointly by all three bodies.

In the event the Plan is terminated, your interest or your beneficiary's interest in the Plan will be non-forfeitable (100% vested) after payment of Plan expenses.

Plan Is Not Covered by the Pension Benefit Guaranty Corporation

Because this is a defined contribution plan, benefits are not insured by the Pension Benefit Guaranty Corporation in the event of plan termination.

YOUR ERISA RIGHTS

As a Participant in the I.U.O.E. Local 57 Annuity Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, all documents governing the Plan, including insurance contracts and Collective Bargaining Agreements, and a copy of the latest annual report (Form 5500 series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefit Security Administration.
- Obtain, upon written request to the Fund Office, copies of documents governing the operation of the Plan including insurance contracts and Collective Bargaining Agreements, and a copy of the latest annual report (Form 5500 series) and updated Summary Plan Description. The Plan Administrator may charge a reasonable amount for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a distribution of your Account Balance at Normal Retirement Age (age 65) and if so, what your benefits would be at Normal Retirement Age if you stop working under the Plan now. If you do not have a right to an annuity benefit, the statement will tell you how many more years you have to work to get a right to one. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

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

Enforce Your Rights

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

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a Domestic Relations Order you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, the Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

IMPORTANT

To make sure you get the full benefits to which you are entitled under the Plan, and to assist the Annuity Fund Office in keeping correct records as to your participation in the Plan, please notify the Annuity Fund Office promptly if you think there are mistakes in the record of your hours worked in Covered Employment as reported to you annually by the Annuity Fund Office.

If you do not understand English and have questions about the benefits or the rules of the Plan, contact the Fund Office for help.

