



# Retirement: No Heavy Lifting Required

May 2006

To All Employers:

Recently, the Board of Trustees of the International Union of Operating Engineers Local 4 Annuity & Savings Plan have increased the 401(k) deferral amounts that employees may elect to deduct from their wages. Any employee, who is a participant in the International Union of Operating Engineers Local 4 Annuity Plan and for whom you are required to remit contributions, is eligible to make a voluntary contribution from his or her wages.

This deferral of wages is made possible by the Collective Bargaining Agreement and an Amendment to the existing Annuity Plan to allow a 401(k) feature, or Deferred Compensation Plan. The Annuity Plan continues to be a Qualified Plan subject to the Employee Retirement Income Security Act of 1974 (ERISA).

Under the 401(k) feature, employees may elect to make pre-tax contributions in lieu of receiving taxable income. Offering participation in a 401(k) is a low cost means of providing additional retirement benefits to employees, and is an opportunity for employees to participate in a Savings Plan on a *pre-tax* basis. The Annuity Plan's 401(k) feature may be used as a vehicle to attract employees, and as a supplement to the existing International Union of Operating Engineers Local 4 Pension and Annuity Plans.

***Effective June 1, 2006, all interested employees, whether they are a Local 4 or 4D member, may elect \$1, \$2, \$3, \$4 or \$5 to the 401(k) Plan.***

***Effective July 1, 2006, the Fringe Benefit Fund Office will be transferring contributions to MassMutual, our recordkeeper, on the 1st and the 15th of each month. Therefore, it is imperative for employers to remit contributions by the 19th of each month in accordance with the Collective Bargaining Agreement. This will ensure that all 401(k) contributions are posted timely to each employee's account.***

A supply of 401(k) Election Forms with the new hourly deferral amounts is enclosed. If you require more forms please contact the Fringe Benefit Fund Office at 508-533-1400, ext 110.

## Rules

- An employee's election will apply only to amounts earned after Election Form is signed, returned to employer, and will take effect as soon as reasonably possible after the date elected.
- An employee cannot elect to contribute a different amount other than the pre-determined contribution rates.
- Once an employee has elected to contribute, he or she must do so for at least 90 days, (unless the employee is no longer employed). If the employee wishes to increase/decrease the deferral amount, a new election form must be completed.

### Board of Trustees

Louis G. Rasetta, Chairman  
Kevin Bennett  
David F. Fantini  
Jack Harney  
Peter Martin  
John J. Shaughnessey, Jr.

### IUOE Local 4

Louis G. Rasetta,  
Business Manager

### Administrator

Gina M. Alongi

International Union of  
Operating Engineers Local 4  
Annuity and Savings Plan

- An employee may totally revoke his or her election by completing Part II of the Election Form. If a revocation is made, it will be effective on the first of the month after the revocation is executed by you and the employee.
- Once an employee has totally revoked his or her election, a new election to contribute cannot be effective before the first of the month following 3 months (90 days) of no contributions.

Procedures

- The employer is responsible for signing the Election Form and sending the required copy, together with the monthly remittance report, to I.U.O.E. Local 4 Fringe Benefit Funds. The election forms are only required to be sent in as employees elect deferrals or change their revocation.
- The employer is responsible for accurate and timely completion of the monthly remittance report, along with payment of the total amount due, payable to I.U.O.E. Local 4 Fringe Benefit Funds.

In the meantime, if you need assistance in setting up your payroll records, please feel free to contact the Fringe Benefit Fund Office at 1-508-533-1400.

Sincerely,



Gina M. Alongi  
Administrator

Encl.