International Union of Operating Engineers
Local 4

Benefits Summary: Pension Plan

Information Disclaimer

This Benefits Summary summarizes the provisions of the International Union of Operating Engineers Local 4 and Its Branches Pension Plan (the "Plan"), but it is not a substitute for the Plan Document and does not give you any right to benefits. The official Plan Document and Trust Agreement, together with any policies established by the Plan Administrator (collectively, the "Plan Documents"), legally govern the operation of the Plan. If there is a discrepancy between this Benefits Summary and the official Plan Documents, the Plan Documents will govern. Please also note that this Benefits Summary generally describes the Plan's rules in effect as of October 1, 2021, with limited discussion of historical Plan rules. If you last earned ¼ Year of Vesting Credit under the Plan prior to this date, different or additional rules may apply to you based on the terms of the Plan Document in effect as of the date you last earned ¼ Year of Vesting Credit.

Quick Reference

Here's a list of the questions most often asked about the Pension Plan with general answers and the page numbers where you can find more information:

Q1. What is vesting?

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A1. Vesting means you have a right to a pension benefit that cannot be taken away. Effective January 1, 1998, you have a vested right to a pension if you are a collectively-bargained participant, you have at least one hour of service after 1997, and you have five Years of Vesting Credit. If you retired before January 1, 1998, you had to have ten Years of Vesting Credit. Five-year vesting also applies to non-collectively-bargained participants who were credited with at least one hour of service on or after January 1, 1989.

Q2. If I am currently vested with ten or more Years of Vesting Credit, how does the five-year vesting rule affect me?

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A2. Since you are already vested, the rule does not affect your vested status; once you become vested, you cannot lose that status.

Q3. What is a One-Year Break in Service?

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A3. A One-Year Break in Service occurs in any calendar year after 1974 in which you fail to earn at least ¼ Pension Credit by working at least 250 hours in a calendar year. You can repair a Break in Service by again working 250 hours in a year, provided you have not been out of Covered Employment for so many years that you have incurred a Permanent Break in Service.

Quick Reference

Q4. How will the Plan's rules affect me if I am not vested and I previously had an unrepaired One-Year Break in Service?

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A4. If you are not vested and you had an unrepaired One-Year Break in Service, all of your Years of Vesting Credit and Pension Credits earned before that One-Year Break in Service would be canceled and you would no longer be a participant. This means that those Years of Vesting Credit cannot be counted in determining whether you are vested unless and until you repair the One-Year Break in Service.

Q5. What is a Permanent Break in Service and what happens if I have one?

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A5. After 1985, if you fail to earn at least ¼ Year of Vesting Credit (250 hours) during a series of consecutive One-Year Breaks in Service, equal to the greater of either five years or the number of your total Years of Vesting Credit, you have a Permanent Break in Service and your Years of Vesting Credit and Pension Credits before the Permanent Break in Service are permanently canceled. Therefore, they can never be counted in determining whether you are vested, or for any other purpose.

Q6. If I have four Pension Credits with IUOE Local 4 and transfer my membership to another International Union of Operating Engineers local, and earn at least one more Pension Credit, will I be eligible for a Partial Pension from IUOE Local 4 with the four Pension Credits I earned?

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A6. Yes, provided you do not later have a Permanent Break in Service that permanently cancels your four Pension Credits with IUOE Local 4 and/or your Pension Credits under the other plan.

Quick Reference

Q7. If I am vested with five Years of Vesting Credit and I pass away, would my spouse be eligible to collect the surviving spouse benefit, and when could he or she start collecting that benefit?

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A7. Yes. Your spouse would be eligible to collect the surviving spouse benefit the first of the month following your death, provided you were married for at least one year.

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Plan Overview

Introduction

The IUOE Local 4 Pension Plan was first established in October 1959. The purpose of the Pension Plan is to provide you with income during your retirement years. The Plan has been improved many times since it was established in 1959, and actuarial studies are conducted annually to make sure the Plan is operating soundly.

Covered Employment is work covered by an agreement between your employer and IUOE Local 4 that requires your employer to make contributions to the Pension Fund on your behalf at a fixed amount per hour.

An employer who has signed such an agreement is a contributing employer. Contributing employers pay the entire cost of the Plan. There are no contributions required from participants.

If you work in Covered Employment for a contributing employer, you will be eligible to participate in the Plan and earn a pension. In order to have a right to a pension, you must be vested. In general, if you are a participant in the Plan and are working in Covered Employment on or after January 1, 1998, you can become vested with five Years of Vesting Credit or five Pension Credits. If you were not a participant in the Plan on or after January 1, 1998, you will be required to have at least ten Years of Vesting Credit or ten Pension Credits to be vested.

This document uses the five-year vesting rule for illustrative purposes. You should review the vesting provisions for the rules that apply to you.

We have made every effort to make this Benefits Summary as accurate as possible, but the Benefits Summary is not the Plan Document. Your rights to benefits under this Plan can only be determined by consulting the Pension Plan itself, which is available for review at the Funds Office during regular business hours. If any conflict should arise between the Benefits Summary and the actual Plan Document, the provisions of the Plan Document always govern.

The Board of Trustees expects to continue this benefit plan indefinitely, but reserves the right to amend or terminate the Plan at any time. The Trustees authorize the Fund Administrator to notify all eligible participants of any such change. If the Plan is amended to change or reduce benefits or terminated, benefits accrued to the date of such amendment or termination will be nonforfeitable to the extent they are funded as of that date.

The Trustees shall administer and interpret the Plan, and they have been granted the sole and absolute discretionary power to make all factual determinations, take all actions, and make all decisions necessary or proper to carry out the terms of the Plan. The determination of the Trustees as to any question involving the administration and interpretation of the Plan and/or rights to benefits under the Plan shall be conclusive as to all parties to the Plan, and their determination shall not be overturned unless that determination is found to be arbitrary and capricious.

Only the Trustees have the authority to make decisions for the Fund. No local union officer, business agent, local union employee, employer or employer representative, Funds Office personnel, consultant, attorney, or other person is authorized to speak for or on behalf of the Trustees, or to commit the Trustees of this Fund on any matter relating to the Fund without the Trustees' express authorization.

Types of Pensions Offered by the Plan

- **Regular Pension:** If you have reached age 62 and have accumulated at least five Pension Credits, you may be eligible to retire on a Regular Pension (see page 25).
- **Early Retirement Pension:** If you have reached age 52 and have accumulated at least five Pension Credits, you may be eligible to retire on an Early Retirement Pension (see page 27).
- **Vested Pension:** If at any age you have accumulated at least five Years of Vesting Credit or five Pension Credits, you may be eligible to retire on a Vested Pension at any time after you reach age 52 (see page 29).
- **Disability Pension:** If you are an active employee and you become totally and permanently disabled before you reach age 62 and you have accumulated at least ten Pension Credits (including ¼ Pension Credit in the 30-month period immediately before your disability), you may be eligible for a Disability Pension (see page 30).
- **Partial Pension:** If your employment is divided among several locals of the International Union of Operating Engineers, you may be eligible to have the Pension Credits that you have accumulated in one pension fund combined with the Pension Credits accumulated in another fund, and thus be eligible for partial pensions from both funds (see page 32).
- **Surviving Spouse Benefit:** If you are vested and you die before you retire, your spouse may receive a monthly benefit for life (see page 43).

Normal Retirement Age is usually age 62. However, if you have not earned ¼ Pension Credit after 1999, or if you have earned less than five Years of Vesting Credit when you attain age 62, your Normal Retirement Age may be later. If this describes you, contact the Funds Office for a copy of the rules that apply in your situation.

Participation

Before you can begin to earn a pension, you must become a participant in the Plan. To become a participant, you must work at least one hour in Covered Employment.

You can lose your status as a participant if you do not continue working in Covered Employment. You will cease to be a participant as of the last day of a calendar year if you:

- Are not vested and
- Fail to earn at least ¼ Year of Vesting Credit in that calendar year.

If you lose your status as a participant, you can regain it by working at least one hour in Covered Employment during a subsequent calendar year.

Pension Credits and Years of Vesting Credit

Your period of service in the Plan, along with your age at retirement, determines your eligibility for retirement benefits. Periods of service are important for three reasons:

- The length of time you work controls how many Pension Credits and Years of Vesting Credit you earn. The Plan uses Pension Credits and Years of Vesting Credit to determine whether you are eligible for a pension.
- If you work in Covered Employment from year to year, you will keep your continuity of service. If you do not work steadily, you may be subject to a Break in Service or a Benefit Break (see pages 18-22).
- Once you become eligible for a pension, the amount of your pension will depend on how many Pension Credits you earned and when you earned them.

You earn both Pension Credits and Years of Vesting Credit during the contribution period.

The contribution period is the period of time during which your employer is required to make contributions to the Fund on your behalf.

In some circumstances, you may also receive Pension Credits and Years of Vesting Credit for work you did before the contribution period began.

During the Contribution Period

Collectively Bargained Employees

If you are a collectively bargained employee, you earn Pension Credits and Years of Vesting Credit on the basis of hours you work in Covered Employment during a plan year, as shown in the schedule below.

Hours Worked in Covered Employment During Plan Year	*Years of Vesting Credit and Number of Pension Credits Earned*
At least 250 but less than 500	1/4
At least 500 but less than 750	1/2
At least 750 but less than 1,000	3/4
1,000 or more	1

Non-Collectively Bargained Employees

If you are a non-collectively bargained employee, you will earn Pension Credits and Years of Vesting Credit on the basis of your hours of work in Covered Employment during a plan year, in accordance with the following schedules.

Pension Credit Schedule

Hours Worked in Covered Employment During Plan Year	*Number of Pension Credits Earned*
At least 250 but less than 500	1/4
At least 500 but less than 750	1/2
At least 750 but less than 1,000	3/4
At least 1,000 but less than 1,800	9/10
1,800 or more	1

Vesting Credit Schedule

Hours Worked in Covered Employment During Plan Year	*Years of Vesting Credit Earned*
At least 250 but less than 500	1/4
At least 500 but less than 750	1/2
At least 750 but less than 1,000	3/4
1,000 or more	1

The plan year is the calendar year, January 1 through December 31.

Regardless of the number of hours you work, you generally cannot earn more than one Pension Credit and one Year of Vesting Credit in any plan year.

Qualified Military Service

After December 31, 1994, you can earn credit for Qualified Military Service if you have not incurred a One-Year Break in Service and have worked a total of at least 2,000 hours in Covered Employment before entering Qualified Military Service, and you then return to Covered Employment on a timely basis thereafter.

If you perform Qualified Military Service and return to Covered Employment within the applicable time period thereafter, you will receive one Pension Credit and Year of Vesting Credit for each full year that you serve, to a maximum of five years or five Pension Credits/Years of Vesting Credit. A full year of Qualified Military Service translates to 1,000 hours of work. If you serve less than a full year, you will be credited with 85 hours for each month of Qualified Military Service and your Pension Credits and Years of Vesting Credit will be calculated in accordance with the schedule that applies to you as shown above in this section.

If you die or become disabled on or after January 1, 2007 while performing Qualified Military Service, you will receive Pension Credit and Vesting Service in accordance with the paragraph above as if you had returned to Covered Employment on the day before your death or disability.

For additional information, please contact the Plan Administrator.

Reciprocity

To ensure continuous credit under our Fund, we have reciprocal agreements with many other locals of the International Union of Operating Engineers. These agreements provide for transfer to this Fund of any contributions made on your behalf to another fund.

To receive credit for contributions made on your behalf to other funds, you must notify the Plan Administrator as soon as possible of the:

- Name of the employer;
- Local union in whose jurisdiction you are working; and
- Dates your employment begins and ends.

Portability

Portability provides continuity of Pension Credit upon your transfer from one local union to another. Since 1967, we have had agreements with other International Union of Operating Engineers pension funds in the Northeast, whereby each fund recognizes credit an employee earns in another fund for purposes of determining the employee's eligibility for benefits. These agreements now cover most local unions of the International Union of Operating Engineers.

Before the Contribution Period

If you were employed in a position covered by a Collective Bargaining Agreement or a participation agreement on October 1, 1959, you were credited with Pension Credits and Years of Vesting Credit for any work you performed before October 1, 1959, which was covered by a Collective Bargaining Agreement or participation agreement between your employer and IUOE Local 4.

You may still be entitled to Pension Credits and Years of Vesting Credit if you were:

- Not covered by a Collective Bargaining Agreement on October 1, 1959, but you worked before that date in positions normally covered by Collective Bargaining Agreements with IUOE Local 4 and in IUOE Local 4's geographical jurisdiction; or
- Employed in a position covered by a Collective Bargaining Agreement on October 1, 1959, but before that date you were employed in the geographical jurisdiction of another local union of the International Union of Operating Engineers.

In these cases, you may be granted Pension Credits and Years of Vesting Credit for up to five years of such employment, but this service may not be used to increase your total Pension Credits above 25. You must submit proof of employment satisfactory to the Trustees to receive credit for these periods.

The Trustees realize that, in many cases, changing employment will make it difficult to produce evidence of work you performed in Covered Employment before October 1, 1959. Therefore, the Trustees will presume, if you were working in Covered Employment on October 1, 1959, that you were engaged in Covered Employment from your initiation into IUOE Local 4 up to October 1, 1959, subject to the Break in Service provisions for periods of withdrawal or suspension from IUOE Local 4 except for service withdrawals.

Pension Benefit Rates

Your Pension Benefit Rate for the Pension Credits you have earned working in Covered Employment will be determined in accordance with the Pension Benefit Rate table below, which shows the history of the Fund's Pension Benefit Rates:

Period in Which Last Pension Credit Was Earned	*Maximum Years of Pension Credit*	*Pension Benefit Rate**
¼ or more Pension Credit earned after December 31, 2020	None	$85.00/$170.00†[1]
¼ or more Pension Credit earned after December 31, 2015	None	$85.00/$150.00† [2]
¼ or more Pension Credit earned after December 31, 2014	None	$85.00/$140.00† [3]
¼ or more Pension Credit earned after December 31, 2012	None	$85.00/$125.00† [4]
¼ or more Pension Credit earned after December 31, 2009	None	$85.00/$115.00† [5]
¼ or more Pension Credit earned after January 1, 2003	None	$85.00/$110.00† [6]
¼ or more Pension Credit earned after January 1, 2001	None	$78.00/$100.00 [7]
¼ or more Pension Credit earned after January 1, 2000	None	$70.00/$90.00 [8]
¼ or more Pension Credit earned after January 1, 1999	None	$63.00/$77.00 [9]
¼ or more Pension Credit earned after January 1, 1998	None	$58.00/$77.00 [10]
¼ or more Pension Credit earned after January 1, 1997	None	$53.00 [11]
¼ or more Pension Credit earned after January 1, 1996	None	$48.00 [12]
¼ or more Pension Credit earned after January 1, 1995	None	$45.00 [13]
¼ or more Pension Credit earned after January 1, 1993	None	$42.00 [14]
¼ or more Pension Credit earned after January 1, 1991	None	$40.00 [15]
¼ or more Pension Credit earned after January 1, 1988	None	$34.00 [16]
¼ or more Pension Credit earned after January 1, 1987	None	$31.00 [17]

¼ or more Pension Credit earned after January 1, 1986	None	$25.00
¼ or more Pension Credit earned after January 1, 1985	None	$21.00
¼ or more Pension Credit earned after January 1, 1983	None	$20.00
¼ or more Pension Credit earned after January 1, 1981	None	$18.50
¼ or more Pension Credit earned after January 1, 1978	35 years	$15.00
¼ or more Pension Credit earned after January 1, 1975	35 years	$14.00
¼ or more Pension Credit earned after January 1, 1973 and before January 1, 1975	35 years	$13.65
¼ or more Pension Credit earned after October 1, 1970 and before January 1, 1973	35 years	$12.60
¼ or more Pension Credit earned after October 1, 1967 and before October 1, 1970	35 years	$7.72
¼ or more Pension Credit earned before October 1, 1967	25 years	$7.72

[1] Effective for Participants retiring on or after January 1, 2022.
[2] Effective for Participants retiring on or after January 1, 2017.
[3] Effective for Participants retiring on or after January 1, 2016.
[4] Effective for Participants retiring on or after January 1, 2014.
[5] Effective for Participants retiring on or after November 1, 2010.
[6] Effective for Participants retiring on or after January 1, 2004.
[7] Effective for Participants retiring on or after January 1, 2002.
[8] Effective for Participants retiring on or after January 1, 2001.
[9] Effective for Participants retiring on or after January 1, 2000.
[10] Effective for Participants retiring on or after January 1, 1999.
[11] Effective for Participants retiring on or after January 1, 1998.
[12] Effective for Participants retiring on or after January 1, 1997.
[13] Effective for Participants retiring on or after January 1, 1996.
[14] Effective for Participants retiring on or after June 1, 1994.
[15] Effective for Participants retiring on or after June 1, 1992.
[16] Effective for Participants retiring on or after January 1, 1989.
[17] Effective for Participants retiring on or after July 1, 1988.

* Effective for participants retiring on or after January 1, 1999, the accrual rate is based on a split rate. The higher rate shown is for Pension Credit earned after December 31, 1992. The lower rate applies to Pension Credit earned on or before December 31, 1992.

† Effective January 1, 2007, the accrual rate changes from a fixed accrual rate applicable to all participants to a base accrual rate that may be adjusted to reflect the contribution rate(s) paid by a participant's employer(s) during each year, as described further in this section. A participant's accrual rate for Pension Credits earned prior to January 1, 2007 will not be affected by this change.

Your Pension Benefit Rate for Pension Credits you earn on or after January 1, 2007, will be determined based on the relationship between your employer's contribution rate (that is, the amount your employer contributes to the Pension Plan for every hour you work) and the Plan's Target Contribution Rate, as set by the Trustees from time to time ($5.00 until December 31, 2012; $6.00 in 2013; $6.50 in 2014; and $7.00 in 2018).

- If you always work for an employer whose contribution rate is at or above the Plan's Target Contribution Rate, your Pension Benefit Rate for Pension Credit earned on or after January 1, 2007, will be determined in accordance with the table on pages 9-10, without any adjustment.

- If you work for an employer whose contribution rate is below the Plan's Target Contribution Rate, your Pension Benefit Rate will be determined as follows:

  1. If you work for one employer during a calendar year, the Plan will determine your Pension Benefit Rate for that year by first dividing your employer's contribution rate by the Plan's Target Contribution Rate, then multiplying the result times the current Pension Benefit Rate shown in the chart on pages 9-10. Consider the following examples:

     a. Your employer contributes to the Pension Plan at a rate of $3.00. To obtain your Pension Benefit Rate for the year, divide $3.00 by $7.00 (equals 0.43), and then multiply that number by the applicable Pension Benefit Rate in the chart on pages 9-10 ($170, if you've earned at least ¼ Pension Credit after December 31, 2020 and retired on or after January 1, 2022). If you multiply 0.43 by $170, you get $73.10. This is your Pension Benefit Rate for the year.

     b. Suppose instead that your employer had contributed to the Pension Plan at a rate of $4.50. You would divide $4.50 by $7.00 (equals 0.64), and then multiply that number by the applicable Pension Benefit Rate in the chart on pages 9-10 (still $170). You would then multiply 0.64 by $170 to arrive at your Pension Benefit Rate of $108.80 for that year.

  3. If you work for multiple employers during a calendar year, who contribute to the Plan at different rates, your Pension Benefit Rate will be determined using the highest contribution rate first, then the next highest on down, until 1,000 hours are counted.

a. For example, suppose that in 2022 you worked for four different employers with the following contribution rates:

Employer	*No. of Hours*	*Contribution Rate*	*Contributions*
A	250	$5.50	$1,375
B	250	$4.00	$1,000
C	400	$3.00	$1,200
D*	600	$2.50	$1,500

*Recall that only the first 1,000 hours will be used in the calculation.

b. Add up the total contributions made for the first 1,000 hours ($1,375 + $1,000 + $1,200 + $250 = $3,825), and divide that number by 1,000 to find the average contribution rate, which comes to $3.83.

c. Divide the average contribution rate of $3.83 by the 2022 Target Contribution Rate of $7.00 (equals 0.55), and then multiply the resulting number by the applicable Pension Benefit Rate from the chart on pages 9-10 (here, $170). Your Pension Benefit Rate for the 2022 plan year is $93.50 ($170 times 0.55).

Vesting

Vesting refers to the conditions you must meet before you become vested, i.e., entitled to a non-forfeitable benefit under the Plan.

Here is a history of the Plan's vesting provisions.

Period	*Vesting Provision*
January 1998 to present	Vesting upon attainment of five Years of Vesting Credit or five Pension Credits at any age, provided you are a participant in the Plan and worked in Covered Employment on or after January 1, 1998.
January 1975 to December 31, 1997	Vesting upon attainment of ten Years of Vesting Credit or ten Pension Credits at any age. (As required by federal law, participants covered by an agreement other than a Collective Bargaining Agreement with an hour of service after December 31, 1988, vest on attaining five Years of Vesting Credit at any age.)
March 1973 to December 1974	Vesting upon attainment of 15 years of service at any age.
April 1967 to March 1973	Vesting upon attainment of 15 years of service and age 45.
Inception to April 1967	No vesting provision.

You may become vested without attaining five Years of Vesting Credit if you reach Normal Retirement Age while covered by the Plan (in other words, your Plan participation has not ended due to an unrepaired Break in Service as described below under "Breaks in Service").

In general, your Years of Vesting Credit parallel the number of Pension Credits with which you are credited. However, you may have earned Years of Vesting Credit when no Pension Credits were earned. This may have happened if you worked for a contributing employer outside of Covered Employment immediately before or immediately after you worked for the same employer in Covered Employment.

Examples: How Five-Year Vesting Works

Example 1

Assume that because of the Covered Employment rule described above you:

- Have five Years of Vesting Credit; and
- Have three Pension Credits;

and you are eligible for the $170.00 Pension Benefit Rate.

When you reach Normal Retirement Age, you will be eligible for a Vested Pension because you have five Years of Vesting Credit. Remember, though, that the amount of your pension depends on your Pension Credits and the Pension Benefit Rate in effect when you last earned Pension Credit. Since you have three Pension Credits, the monthly amount of your pension benefit will be three times $170.00, or $510.00 under the terms of the Life Annuity Option. This amount will be paid to you each month for your lifetime.

Example 2

Assume that you:

- Had six Pension Credits or six Years of Vesting Credit on January 1, 1997; and
- Worked at least 250 hours in the plan year that ended December 31, 1997; and
- Were a participant on January 1, 1998.

As soon as you worked in Covered Employment on or after January 1, 1998 (without a Break in Service), you became vested under the five-year vesting rule.

Example 3

Now assume that you had earned six Pension Credits, but in the plan year ending on December 31, 1997, you had a One-Year Break in Service because you did not work at least 250 hours during that plan year. Due to the One-Year Break in Service, you were not a participant on January 1, 1998, and did not become vested by working in Covered Employment on or after January 1, 1998.

You would have to repair the One-Year Break in Service (before you had a Permanent Break in Service) in order to reinstate your participation and become vested. In this case, to repair the One-Year Break in Service and become eligible to vest under the five-year vesting rules, you would have to work in Covered Employment for at least 250 hours in a plan year beginning on or after January 1, 1998.

If your Report of Contributions does not show all the hours you worked, notify the Funds Office immediately. The Funds Office staff will pursue the matter with your employer. If the Funds Office is not successful in collecting the contributions due after exhausting all efforts, you will be given Pension Credit and Years of Vesting Credit as if the contributions had been made. The monies so credited are not written off, and they remain as receivables on the Fund's records, to be collected if the company or the owner reappears.

Credit for Non-Work Periods

During the contribution period, if you are not working for one of the following reasons, you may be given Pension Credit and/or Years of Vesting Credit (as applicable) as if you were working in Covered Employment.

- If you are disabled and receive accident and sickness benefits from the IUOE Local 4 Health and Welfare Plan, you will be given Pension Credit and Years of Vesting Credit at the rate of six hours per day (up to 30 hours per week) for a maximum of 26 weeks during any one period of disability. If you submit proof of your continuing disability to the Trustees, you will be given credit for additional weeks while your disability continues, but never more than 52 weeks in any five consecutive years. *It is important that you notify the Funds Office within 24 months of the date of your disability to be eligible to receive Pension Credit and Years of Vesting Credit.*
- If you are receiving benefits pursuant to the Massachusetts Paid Family and Medical Leave Act (PFMLA), you will be given Pension Credit and Years of Vesting Credit at the rate of six hours per day (up to 30 hours per week) for as long as you receive PFMLA benefits. If you submit proof of your continuing disability to the Trustees, you will be given credit for additional weeks while your disability continues, but never more than 52 weeks in any five consecutive years. If you receive Worker's Compensation benefits for an injury suffered while you were working in Covered Employment, you will be given Pension Credit and Years of Vesting Credit, at the rate of six hours per day (subject to a maximum of 30 hours per week), not to exceed 52 weeks in any five consecutive calendar years during any one period of injury. It is important that you notify the Funds Office within 24 months of the date of your Worker's Compensation injury to be eligible to receive Pension Credit and Years of Vesting Credit, if applicable. If you perform Qualified Military Service in the Armed Forces of the United States of America, you will receive Pension Credit and Years of Vesting Credit as provided on page 7, provided you apply for reemployment with your employer within 90 days. You may contact the Plan Administrator for more information.
- If you die or become disabled on or after January 1, 2007, while performing Qualified Military Service, you will be given Pension Credit and Years of Vesting Credit for your period of Qualified Military Service as provided on page 7 as if you had first returned to Covered Employment and had then died or become disabled. You or your beneficiary may contact the Plan Administrator for more information.

- For the limited period from April 1, 2020 through December 31, 2020, you may have received Pension Credit and Years of Vesting Credit based on any hours that were credited toward your eligibility under the IUOE Local 4 Health & Welfare Fund due to unemployment resulting from a work stoppage required by the COVID-19 pandemic.

Breaks in Service

Until you become vested, it is possible for you to lose the Pension Credits and Years of Vesting Credit that you have accumulated. This will happen if you leave Covered Employment long enough to have a Break in Service.

The rules on Breaks in Service are as follows.

General

If you have a One-Year Break in Service before you become vested, your previously credited Years of Vesting Credit and Pension Credits are canceled, and you cease to be a participant. However, a Break in Service may be temporary, and may be repaired in that case by a sufficient amount of subsequent service. A longer Break in Service may have a permanent effect.

Temporary Break: One-Year Break in Service

You incur a One-Year Break in Service if, in any calendar year, you fail to earn at least ¼ Year of Vesting Credit. The effect of this Break in Service is eliminated if, before you incur a Permanent Break in Service, you subsequently earn at least ¼ Pension Credit. In that case, the credit canceled by the One-Year Break in Service will be restored to you.

Exceptions

You may avoid a One-Year Break in Service if your absence from Covered Employment occurs due to one of the following events:

- After December 31, 1985, if you are absent from work due to pregnancy, childbirth, adoption, or infant care, you may receive credit for up to 501 hours of service solely to prevent a Break in Service in the year your absence starts or in the next year.
- If you are absent from work on a leave granted under the federal Family and Medical Leave Act, you may receive credit for the hours of service you would otherwise have earned (to a maximum of 12 weeks) solely to prevent a Break in Service. Call your employer for more information about leaves under the federal Family and Medical Leave Act.

These hours of service will not be counted for purposes of determining your Pension Credits or Years of Vesting Credit.

Permanent Break in Service After December 31, 1985

If you did not incur a Permanent Break in Service before January 1, 1986, you will not incur a Permanent Break in Service unless you fail to earn ¼ Year of Vesting Credit during a period of consecutive years that equals or exceeds five years.

Example: How the Break in Service Rule Works

Assume that you:

- Stopped working in the industry in November 2007; and
- Had three Years of Vesting Credit at the time (meaning you were not yet vested).

In this case, you would incur a Permanent Break in Service and your Pension Credits and Years of Vesting Credit would be permanently canceled if you did not earn at least ¼ Pension Credit in any one of the next five consecutive calendar years, or by December 31, 2012. If you returned to work under this Plan after that date, you would begin to accumulate Pension Credit and Years of Vesting Credit all over again from the time you returned to work.

However, if you returned to work in Covered Employment before that date, you could retain the Years of Vesting Credit and Pension Credits you had previously earned by earning another ¼ Pension Credit.

Exceptions

After 1985, you do not incur a Permanent Break in Service during a period when you:

- Are performing Qualified Military Service;
- Are totally disabled for up to two years, and you notify the Funds Office of your disability status within 24 months of the onset of your disability; or

- Are serving (i) as an elected or appointed officer or employee of the International Union of Operating Engineers or of IUOE Local 4, or (ii) in employment with the AFL-CIO or any of its branches, or (iii) in a policy-making position in the state or federal service, or (iv) in employment under another collective bargaining agreement pursuant to which contributions are made to one or more benefit funds and then transferred to one or more of the IUOE Local 4 Funds under a reciprocal agreement, at the discretion of the Trustees. (However, you will only receive Pension Credit during such an absence if your employer contributes to the Fund on your behalf during your absence.)

Permanent Break in Service After December 31, 1974, and Before January 1, 1986

If you were not vested, and:

- You had three or less Years of Vesting Credit, you incurred a Permanent Break in Service if you had three consecutive One-Year Breaks in Service (at least one of which occurred after December 31, 1974).
- You had more than three Years of Vesting Credit, you incurred a Permanent Break in Service if you failed to earn at least ¼ Year of Vesting Credit in as many consecutive years as equaled or exceeded the number of Years of Vesting Credit with which you had been previously credited.

Permanent Break in Service Before January 1, 1975

In general, before January 1, 1975, you incurred a Permanent Break in Service if you failed to earn at least ½ year of creditable service in at least one of the three consecutive plan years in the period under consideration. For this purpose, your service is considered in successive and exclusive increments of three consecutive plan years. Beginning April 17, 1967, there were some variations on this rule, as shown here:

- Before April 17, 1967, if you failed to earn at least ½ year of Creditable Service in one of three consecutive years, you had a Permanent Break in Service, regardless of your age or years of service.
- From April 17, 1967, to March 1, 1973, a Permanent Break in Service did not occur and you were still entitled to a vested benefit if you had attained age 45 and accumulated at least 15 Pension Credits as of the date you would otherwise have suffered a Permanent Break in Service.

- From March 2, 1973, to December 31, 1974, a Permanent Break in Service did not occur and you were still entitled to a vested benefit if you had accumulated at least 15 Pension Credits on the date you would otherwise have suffered a Permanent Break in Service.

Exceptions

There were several exceptions to the Break in Service rules in effect before January 1, 1975. You were allowed a grace period of up to eight consecutive calendar quarters if your absence from Covered Employment was due to:

- Total disability for work as an engineer (total disability to be determined to the sole satisfaction of the Trustees on the basis of evidence you submitted);
- Involuntary unemployment (involuntary employment to be determined to the sole satisfaction of the Trustees on the basis of evidence you submitted); or
- Employment as an operating engineer under the terms of a contract of IUOE Local 4 or any of its affiliated locals that did not provide for contributions to the Fund.

A grace period was not granted for periods of total disability or involuntary unemployment if written notice was not given within one year of the total disability or involuntary unemployment, unless in the Trustees' judgment special circumstances justified a waiver.

Benefit Breaks

If you leave Covered Employment and later return before you receive any pension benefits, you may have what is called a Benefit Break.

This Benefits Summary describes the Plan rules that apply with respect to Benefit Breaks that begin on or after January 1, 1988. For the Benefit Break rules that apply with respect to any break in the continuity of your service that began before 1988, you will need to consult the Plan terms in effect at the time your break began. Earlier Plan Documents are available for review at the Funds Office. The Funds Office staff can also help you understand how the Plan's Benefit Break rules apply to you based on your service record.

A Benefit Break is a period of two or more plan years during which you do not earn any Pension Credit; it has the effect of freezing the Pension Benefit Rate for Pension Credits you earned before the Benefit Break. A Benefit Break is not the same as a Break in Service.

If you return to Covered Employment after a period of absence and before you incur a Benefit Break, the amount of your pension will be based on the Pension Benefit Rates in effect when you actually retire, provided you work continuously in Covered Employment until then. Otherwise, your Pension Benefit Rate(s) will depend on when you last worked in Covered Employment and whether you otherwise incurred any Benefit Breaks before retirement.

If you return to Covered Employment after you incur a Benefit Break, and you do not repair the Benefit Break as described below, your monthly pension will be the total of the:

- Pension Credits you earned before the Benefit Break times the Pension Benefit Rate(s) for which you qualified before the Benefit Break, *plus*
- Pension Credits you earned after the Benefit Break times the Pension Benefit Rate(s) in effect when you last worked in Covered Employment.

Example

Assume that you:

- Earned ten Pension Credits before you left Covered Employment at the end of 2013, and
- Returned to Covered Employment in 2016.

Because there were at least two consecutive years during which you did not earn any Pension Credit, you had a Benefit Break. Unless you then repaired the Benefit Break, the part of your pension for service before you returned to work in 2016 would be based on the Pension Benefit Rate in effect in 2013 ($125.00, assuming that at all times during 2013 you worked for an employer who contributed to the Plan at or above the Target Contribution Rate). In other words, the portion of your monthly pension related to your service through 2013 would amount to $1,250.00 under the terms of the Life Annuity Option (ten Pension Credits times $125.00). This amount would be paid to you each month for your lifetime.

The other piece of your pension would be based on the number of Pension Credits you earned after you returned to work in 2016 and the Pension Benefit Rate in effect when you later retired.

Repairing a Benefit Break

A Benefit Break that begins on or after January 1, 1988 can be repaired, and the amount of your pension will then be calculated as if you had never had that Benefit Break, provided you:

- Return to Covered Employment before ten plan years pass since you last earned ¼ Pension Credit or ¼ Year of Vesting Credit (and/or before you incur a Permanent Break in Service, if you are not yet vested); *and* you either
- Earn at least five additional Pension Credits after you return to Covered Employment and (with respect to Benefit Breaks that begin after 2001) before you incur another Benefit Break; *or*
- Earn at least five additional Pension Credits after you return to Covered Employment, including Pension Credits earned after you incurred a subsequent Benefit Break if the subsequent Benefit Break was due to involuntary unemployment and you submitted proof acceptable to the Trustees; *or*
- Die on or after January 1, 1996, having earned at least four additional Pension Credits after you returned to Covered Employment, and if, as of the date of your death, you had repaired any One-Year Break in Service you had incurred, by subsequently earning at least ¼ Pension Credit; or
- For Benefit Breaks on and after May 1, 2004, earn at least three additional Pension Credits after you return to Covered Employment and before another Benefit Break *if*:
    - You served in Qualified Military Service for at least two years and applied for reemployment with your employer within the time prescribed under the law. You must contact the Funds Office to claim your credit and submit appropriate documentation acceptable to the Trustees; *or*
    - You were totally disabled for at least two years and absent from Covered Employment, during which you were either receiving accident and sickness benefits from the IUOE Local 4 Health and Welfare Fund or Worker's Compensation Benefits as a result of an injury sustained while engaged in Covered

Employment. You must contact the Funds Office within 24 months to receive credit and submit documentation acceptable to the Trustees; or

- You served (i) as an elected or appointed officer or employee of the International Union of Operating Engineers or IUOE Local 4 and its Branches for at least two years, or (ii) in employment with the AFL-CIO or any of its Branches, or (iii) in a policy-making position in the State or Federal service for at least two-years, or (iv) in employment under another collective bargaining agreement pursuant to which contributions are made to one or more benefit funds and then transferred to one or more of the IUOE Local 4 Funds under a reciprocal agreement. The Board of Trustees shall have the sole discretion to determine whether your absence from Covered Employment during this period will be considered a Benefit Break. You will only earn additional Pension Credit during this period if your employer continues to make contributions to the Fund on your behalf.

It is possible to have more than one Benefit Break during your career. If that happens, both the rules and the exceptions will apply separately to each Benefit Break. These rules shall not operate so as to reduce any benefit a participant had already accrued at the time he incurred a Benefit Break.

Eligibility Requirements and Pension Amounts

The benefit amounts set out here are subject to reduction on account of the Participant and Spouse Pension, which is the standard form of benefit for married participants, or for certain other forms of payment which you may elect.

Regular Pension

You are eligible to retire on a Regular Pension if you have:

- Attained age 62; and either
- Earned at least five Pension Credits, provided you have received credit for at least one hour of service on or after January 1, 1998;
- Earned at least ten Pension Credits, if you have not been credited with an hour of service since December 31, 1997; or.
- Regardless of Pension Credits earned, turn age 62 without incurring a Permanent Break in Service or a One Year Break in Service that has not been repaired.

The monthly amount of the Regular Pension for a participant who earns at least ¼ Pension Credit after December 31, 2020 and retires on or after January 1, 2022, is:

- $85.00 times Pension Credits earned before 1993; plus
- $170.00 times Pension Credits earned on or after January 1, 1993,

provided the participant works for an employer who contributes at or above the Plan's Target Contribution Rate and has had no Benefit Breaks. For more information on Pension Benefit Rates, see page 9; for more information on Benefit Breaks, see page 21.

A Life Annuity provides the highest monthly benefit you may elect to receive, and is shown in the following example for illustrative purposes. If you elect any other form of payment, your monthly benefit amount will be less than the amount payable under the Life Annuity Option. (If you are married, your benefit will be paid as a Participant and Spouse Pension unless your spouse consents to your election of an optional form.)

Example: How a Life Annuity Is Calculated

Assume that you started working on January 1, 1990, accumulated 32 Pension Credits, and retired on January 1, 2022. This means that your monthly pension amount would equal the sum of $225 ($85 times three, for Pension Credits earned before 1993) plus $4,930 ($170 times 29, for Pension Credits earned on and after January 1, 1993, provided that you worked at or above the Target Contribution Rate for all years and you did not incur a Benefit Break). In this case the combined Life Annuity Benefit is equal to $5,185 ($255 + $4,930).

Limitations

If you suffer a Benefit Break, your pension amount will be calculated using different Pension Benefit Rates. See page 21 for an explanation of a Benefit Break and of how to determine the Pension Benefit Rates that will apply to Pension Credits earned before and after the Benefit Break.

Early Retirement Pension

You are eligible to retire on an Early Retirement Pension if you have:

- Attained age 52, and either
- Earned at least five Pension Credits, provided you have received credit for at least one hour of service on or after January 1, 1998; or
- Earned at least ten Pension Credits, if you have not been credited with an hour of service since December 31, 1997; or
- Prior to January 1, 1975, earned at least 15 Pension Credits.

The monthly amount of the Early Retirement Pension is the amount of the Regular Pension to which you would be entitled if you were age 62 at retirement, reduced as follows:

- For each month from age 60 to age 62, it is reduced by one-eighth of one percent, and
- For each month you are under age 60, it is reduced by one-quarter of one percent.

Examples: How an Early Retirement Benefit Is Calculated

Example 1

Assume that:

- You decide to retire on January 1, 2016 at age 58 (four years before age 62);
- You have 28 Pension Credits; and
- Your Regular Pension is $3,810.00.

In this case, your Regular Pension is reduced by 9%, calculated as follows:

Number of months before age 60:

24 months x one-quarter of one percent/month = *0.06 (6%)*

+ Number of months between age 60 and 62:

24 months x one-eighth of one percent/month = *0.03 (3%)*

Total reduction: 0.09, or 9%

This means that the monthly benefit is calculated as follows:

$3,810.00 x 0.09 (9%) = $342.90

$3,810.00 – $342.90 = $3,467.10/month

Example 2

Assume that:

- You decide to retire on January 1, 2016 at age 61 (one year before age 62);
- You have 28 Pension Credits; and
- Your Regular Pension is $3,810.00/month.

In this case, your Regular Pension is reduced by 1.5%, as follows:

Number of months between age 60 and 62:

12 months x one-eighth of one percent = *0.015, or 1.5%*

This means that the monthly benefit is calculated as follows:

$3,810.00 x 0.015 (1.5%) = $57.15

$3,810.00 – $57.15 = $3,752.85/month

Vested Pension

If you accumulate at least five Years of Vesting Credit or at least five Pension Credits, you will be entitled to receive a Vested Pension, even if you stop working within the craft jurisdiction of the International Union of Operating Engineers before you reach age 52. *This five-year vesting rule applies to all participants who earned credit for at least one hour of service on or after January 1, 1998, and to non-collectively-bargained participants who earned credit for at least one hour of service on or after January 1, 1989. If you do not satisfy either of these work tests, then an earlier vesting rule still applies to you.*

- If you have five Pension Credits, you may elect to receive your Vested Pension on or after the date you reach age 52, and the monthly amount will be the same as an Early Retirement Pension. Electing to receive your Vested Pension when you are at least age 62 will provide you with the same monthly amount as a Regular Pension (unreduced).
- If you have five Years of Vesting Credit but fewer than five Pension Credits, you are not eligible to retire until you reach age 62.
- If you are a participant who is covered by an agreement other than a Collective Bargaining Agreement, you had at least one hour of service after December 31, 1988, and you have accumulated at least five Years of Vesting Credit, under federal law you will be entitled to receive a Vested Pension when you reach age 62, even if you leave employment covered by the Fund. The monthly amount is the same as that of a Regular Pension.
- If you are not eligible for a Vested Pension under the preceding rules but you have attained Normal Retirement Age and have not, at that date, incurred a One-Year Break in Service that has not been repaired, you are eligible for a Vested Pension in an amount equal to the Regular Pension amount.

Disability Pension

You may be eligible to retire on a Disability Pension if you:

- Are totally and permanently disabled before you reach age 62;
- Have at least ten Pension Credits; and
- Earned at least ¼ Pension Credit in the 30-month period immediately preceding your date of disability.

You will be considered to be totally and permanently disabled if you are receiving federal Social Security disability retirement benefits, but you may be required to submit to an examination and periodic re-examinations by a physician or physicians selected by the Trustees. Such examinations may not be required more often than semi-annually, and will be paid for by the Pension Fund.

The amount of the Disability Pension is the same as the Regular Pension to which you would be entitled if you were age 62 at retirement.

In most cases, if a disability pensioner engages in any employment whatsoever, other than as described on page 23 in relation to trial work periods, his or her Disability Pension will be terminated. Check with the Funds Office for more information.

If your Disability Pension terminates because your federal Social Security disability retirement benefits terminate, or if you have recovered sufficiently to return to gainful employment, or if you refuse to undergo a medical examination ordered by the Trustees, you may be entitled to Early Retirement or Regular Pension benefits from the Fund.

If you are entitled to an Early Retirement Pension, the amount of your benefit shall be based on your age and the service when you first went out on a Disability Pension.

For any period of disability during which you are receiving accident and sickness benefits under the IUOE Local 4 Health and Welfare Plan, you may receive Pension Credit and Years of Vesting Credit at a rate of six hours per day (to a maximum of 30 hours per week) for up to 26 weeks per year. If your disability continues for more than 26 weeks, you can receive additional Pension Credit and Years of Vesting Credit, to a maximum of 52 weeks in any consecutive five years, as long as you provide sufficient proof of continued disability that is acceptable to the Trustees.

The effective date of a Disability Pension (called the Annuity Starting Date in the Plan Document) is the later of the first day of the month:

- Which comes at least 30 days after you filed an application for a Disability Pension, or
- For which you first receive federal Social Security disability retirement benefits (your Social Security payment date).

However, if your Social Security payment date is before the effective date of your Disability Pension, you will receive a retroactive payment for each month (to a maximum of 12 months) between those two dates.

Trial-Work Periods

Effective July 1, 2009, if you are receiving a Disability Pension, you may return to Covered Employment for what is known as a "trial-work period" to help you determine whether you can return to work on a regular basis, provided you meet certain conditions:

1. You must submit, in advance, a written request to the Plan Administrator, and receive the Plan Administrator's written approval. (Notice to the Union will not be accepted as a request for approval to work in Covered Employment.)
2. Your monthly Disability Pension benefit will be suspended during the trial-work period.
3. The trial-work period begins with the month you first return to Covered Employment, and ends in twelve months.
4. You cannot work in excess of 679 hours during the twelve-month trial-work period.

At the end of the trial-work period, if you are unable to return to work on a regular basis, you must cease working altogether. Your monthly Disability Pension will be reinstated as of the first day of the month following the month you stop working in Covered Employment, at the same monthly benefit you were receiving prior to your return to work. However, if you earned additional Pension Credit during the trial-work period, the additional benefit will be added to the benefit you were previously receiving. You will not have to re-apply for the Disability Pension or satisfy a new waiting period.

If you return to Covered Employment and work 680 hours or more during the twelve-month trial work period, you will no longer be considered totally and permanently disabled. Your Disability Pension will be officially terminated as of the month you first returned to work in Covered Employment. You will continue to accrue Pension Credit and Years of Vesting Credit (including the hours you worked during the trial-work period), and you will be able to retire at a later date on a Regular, Early Retirement, Vested, or Partial Pension.

As a participant, you are allowed to take advantage of this trial-work period rule once during your lifetime.

Partial Pension

You may be eligible for a Partial Pension if your years of employment have been divided between work covered by this Pension Plan and work covered by other International Union of Operating Engineers' pension plans with which this Plan has a reciprocal agreement. A Partial Pension is provided for participants who would not otherwise qualify for a pension from the Fund or whose pensions would be less than the full amount because of their divided employment.

Generally, you are eligible for a Partial Pension if your combined Pension Credit under all reciprocal plans would qualify you for a pension under this Plan.

The amount of the Partial Pension you receive from this Plan depends on the Pension Benefit Rate in effect in the year in which you last earned ¼ Pension Credit, the number of Pension Credits you received for work under this Plan and your age at retirement. However, the total amount payable to you is the sum of your Partial Pension from this Plan, as well as the separate benefits payable from other plans. The amount of benefit payable from any other plan will depend on the years of service you earned under that plan and on its pension benefit rate(s) and other terms.

Benefits After Termination of Employment

If you are vested when you terminate your employment in the industry, you may apply for benefits when you are age 52 or older. To qualify for a pension benefit, you must meet all the requirements for the benefit for which you are applying. The amount of the pension will be calculated as described in "Vested Pension," on page 29.

Small Pension Benefit

If, when your benefit becomes payable, its *actuarial present value* is $5,000 or less, it will automatically be paid to you in a lump sum. This is the only situation in which you will receive your entire benefit in a lump sum.

"Actuarial present value" means the amount of money it would take today to provide a stream of payments for your lifetime. Because of the time value of money, this amount is not determined simply by multiplying your monthly pension by your life expectancy. Instead, interest rate and life expectancy factors are applied to your benefit to determine its actuarial present value.

Post-Retirement Benefit Supplement

From time to time, the Trustees may at their discretion set forth objective standards under which they will pay a one-time benefit supplement to pensioners, surviving spouses, Alternate Payees, and/or beneficiaries. The terms of any supplemental payment, including the eligibility standards, form, and amount, will be stated in a resolution. These discretionary, one-time benefit supplements are not a part of the Plan and are not to be relied upon.

Receiving Your Pension

Payment Forms Offered by the Plan

You may choose from among the following forms of payment offered by the Plan. In general, once you have begun to receive your pension benefits, you may not change your form of payment, regardless of any change to your marital status, your death, or the death of your beneficiary. Exceptions are noted in this section where applicable.

Automatic Forms of Payment

The following forms of payment will automatically apply to your benefit if you are married or single, respectively, as of the date your benefit payments begin. If you prefer, you may elect to receive your benefit in one of the "Optional Forms of Payment" described in this section, instead of in the automatic form of payment that applies to you.

If You Are Married:

Participant and Spouse Pension

If you are married when you retire on a pension from the Fund, your pension benefit is automatically payable in the form of the Participant and Spouse Pension, unless the actuarial present value of your benefit is $5,000 or less, or you and your spouse reject this form of payment and elect another form of payment in writing before your pension begins.

Effective June 26, 2015, the term "spouse" means a person to whom a participant is legally married under the laws of the state in which the marriage took place. "Spouse" may also mean a former spouse, as provided by a qualified domestic relations order (QDRO).

- If the actuarial present value of your benefit is $5,000 or less, you will receive your entire benefit in a single lump sum payment, as described at page 33 under "Small Pension Benefit."
- If you waive the Participant and Spouse Pension to elect another form of payment, and, if applicable, name an alternative beneficiary, your spouse must expressly consent in writing to your waiver and payment election, and your alternative beneficiary if applicable, unless you waive the Participant and Spouse Pension in favor of an option that provides a greater benefit to your Qualified Spouse. Your spouse will also need to consent to your election of a Lump Sum Option, an option which is described below. A notary public or a representative of this Plan must witness these written elections and consents.

In order for your spouse to receive monthly payments after your death under the Participant and Spouse Pension, the 75% Qualified Optional Survivor Annuity (discussed at page 41) or the Surviving Spouse Benefit (discussed at page 43), he or she must be a "qualified spouse."

- For purposes of the Participant and Spouse Pension, your spouse is a qualified spouse if:
  - the two of you have been married for at least one year at the time your pension payments begin; or

  - the two of you have been married for less than a year at the time your pension payments begin, but you have been married for at least a year as of the date of your death.

- If you remarry a former spouse, the lengths of your marriages to that spouse may be added together to determine whether he or she is a qualified spouse.
- If you have been married for less than one year at the time you begin receiving benefits, you may still elect to receive your benefits in the form of a Participant and Spouse Pension.
  - If you die after your payments begin but before you have been married for at least one year, your spouse will receive the difference between the reduced payments you actually received and the unreduced payments you would have received if you had not elected the Participant and Spouse Pension, but he or she will not receive the survivor portion of the Participant and Spouse Pension.
  - If your spouse dies or you divorce after your payments begin but before you have been married for at least one year, your future payments will no longer be reduced for the Participant and Spouse Pension.

The Participant and Spouse Pension benefit provides a reduced monthly benefit for you in return for a guarantee that in the event of your death your spouse will receive 80% (or 66 2/3%, if applicable) of the benefit you were receiving, beginning on the first day of the month after your death.

- If your Annuity Starting Date is on or after January 1, 2000, and you worked at least 250 hours in 1999 or in any later year, your automatic form of benefit is the 80% Participant and Spouse Pension.
- If you do not satisfy the eligibility requirements for the 80% Participant and Spouse Pension to be your automatic form of benefit, but your Annuity Starting Date is after December 31, 1984 and you have earned at least one Hour of Service under the Plan after August 22, 1984, then your automatic form of payment is the 66 2/3% Participant and Spouse Pension.

How the Participant and Spouse Pension Is Calculated

Under the Participant and Spouse Pension, the pension benefit you are entitled to receive from the Fund is reduced so that a lifetime benefit can be provided to your eligible spouse if you die after retirement.

Guaranteeing retirement benefits to two people — for two lifetimes, yours and your spouse's — means that more monthly benefit checks may be paid out than would be the case if only one lifetime were covered.

Spreading the available money over more monthly benefit payments reduces the amount that can be paid each month. The amount of the reduction depends on the difference between your age and your spouse's age, and your benefit can be further reduced if you are retiring on an Early Retirement or Disability Pension.

The spouse's benefit under the Participant and Spouse Pension is 80% (or, if you have not worked at least 250 hours beginning in 1999, 66 2⁄3%) of the amount of the reduced pension you received during your lifetime.

Example: How the Participant and Spouse Pension Benefit Is Calculated

Assume that:

- You retire at age 62 on a Regular Pension of $2,975.00/month, and
- Your spouse is also age 62.

In this case, the Participant and Spouse Pension reduction factor applied to your benefit is 85%, as shown here:

$2,975.00 x 0.85 = $2,528.75/month

This $2,528.75 is payable to you monthly for your lifetime. If your spouse is alive when you die, your spouse will receive a monthly benefit of 80% of this amount for the rest of his or her life, as shown here:

$2,528.75 x 0.80 = $2,023.00/month

When you apply for your pension, the Funds Office will calculate the amount of your pension as a reduced benefit under the Participant and Spouse Pension using the method shown here, and also as a reduced or unreduced benefit under the other types of pension for which you are eligible. This will allow you to compare the benefits available to you.

Limitations on the Participant and Spouse Pension

If you divorce *after* your pension begins, you cannot change your election of a Participant and Spouse Pension; your ex-spouse will receive the spouse's benefit when you die.

If you divorce *before* your pension begins:

- The Plan may be required to pay benefits to your ex-spouse or other dependents (called Alternate Payees) if a qualified domestic relations order (QDRO) gives any such Alternate Payee a right to all or a portion of your pension. A QDRO may also require you to elect a certain form of payment.
- And if you remarry before you retire, the portion of your benefit that was not awarded to any Alternate Payee will be paid to you in accordance with the rules for a Participant and Spouse Pension.

If your spouse dies *before* your pension begins, the Participant and Spouse Pension is not effective.

Pop-up Benefit

A participant who retires on a Participant and Spouse Pension and whose spouse thereafter dies may become eligible for an increased monthly pension payment. This increased amount, called a "pop-up benefit," is equal to the amount payable under the Plan's Life Annuity Option.

The pop-up benefit restores your full benefit if your spouse predeceases you, regardless of how long you have been retired. To be eligible for the pop-up benefit, your spouse must have died on or after August 1, 1996, you must have worked at least 250 hours in 1999 or in a later year, and you must have retired after 1999. If you retired before January 1, 2000, you are eligible for the pop-up benefit if your spouse died on or after August 1, 1996 and within 36 months of your Annuity Starting Date.

If you do not meet these conditions and your spouse predeceases you, contact the Funds Office to determine the earlier Plan provision that will apply. In order to be eligible for this benefit, you must notify the Funds Office of your spouse's death and supply a certified copy of your spouse's death certificate.

The increased monthly pension amount will be payable retroactive to the first month immediately following the date of your spouse's death and will continue for the rest of your life.

If You Are Single:

Life Annuity Option

If you are unmarried, and the total value of your benefit is more than $5,000, your benefit will be paid as a Life Annuity unless you reject this form of payment in writing.

- If the actuarial present value of your benefit is $5,000 or less, you will receive your entire benefit in a single lump sum payment, as described at page 33 under “Small Pension Benefit.”
- A Life Annuity provides a monthly pension payable for your lifetime. Payments stop at your death. A Life Annuity is payable in lieu of any other benefit provided by the Plan unless you have elected the Lump Sum Option, as described in this section.
- If you are single, you may reject the Life Annuity Option and elect to have a beneficiary and to choose one of the optional forms of payment listed below, which will result in a lower lifetime payment for you, to ensure that payments remain for your beneficiary.
- If you are married, a Life Annuity is an optional form of payment (see “Optional Forms of Payment”).

Optional Forms of Payment

If you do not want to receive your pension benefit in the applicable automatic form of payment described above in this section, you may choose to receive your benefit in one of the optional forms of payment that follows.

Life Annuity Option

If you are married, a Life Annuity is an optional form of payment. When you retire on a pension from the Fund, you can receive a monthly pension payable for your lifetime. Payments will stop at your death. A Life Annuity is payable in lieu of any other benefit provided by the Plan unless you have elected the Lump Sum Option, as described in this section.

Joint and Survivor Option

When you retire on a pension from the Fund, you can provide a monthly pension to be payable after your death to any beneficiary you name for that beneficiary's lifetime. You can choose to have 50%, 66 2⁄3%, or 100% of your reduced pension amount paid to your beneficiary in the event of your death. You may make changes to your beneficiary designation *before, but not after,* you retire. If, after payments have begun, your beneficiary dies before you, there is no pop-up and no payments will be made to any other beneficiary.

This form of payment, unlike the Participant and Spouse Pension, is not automatic. You must elect this form of payment in writing at retirement.

The Joint and Survivor Option is calculated in the same way as the Participant and Spouse Pension described previously, but using reduction factors specific to this form of payment. It is payable in lieu of any other benefit provided by the Plan unless you have elected the Lump Sum Option, as described in this section. You may be precluded from electing certain Joint and Survivor options based on the age of your intended beneficiary. Please contact the Funds Office for more information.

75% Qualified Optional Survivor Annuity

If you are a married participant and you retire on a pension from the Fund after December 31, 2007, without having earned at least ¼ Pension Credit in 1999 or any later year (such that your automatic form of benefit is the 66 2/3% Participant and Spouse Pension), you may elect in writing to receive your pension benefit in the form of a 75% Qualified Optional Survivor Annuity. This form of payment provides a reduced monthly benefit to you for your lifetime, and a monthly benefit equal to 75% of the amount you were receiving to be paid to your spouse for the remainder of his or her life after your death.

In order for your spouse to receive monthly payments after your death under the 75% Qualified Optional Survivor Annuity, the Participant and Spouse Pension (discussed at page 35) or the Surviving Spouse Benefit (discussed at page 43), he or she must be a "qualified spouse," (as described in this section with respect to the Participant and Spouse Pension).

The 75% Qualified Optional Survivor Annuity is calculated in the same way as the Participant and Spouse Pension described in this section (but using reduction factors specific to this form of payment), and is payable in lieu of any other benefit provided under the Plan unless you have elected the Lump Sum Option, as described in this section.

Limitations on the 75% Qualified Optional Survivor Annuity

If you divorce *after* your pension begins under the 75% Qualified Optional Survivor Annuity, you cannot elect another form of payment; your ex-spouse will receive the spouse's benefit payable under the 75% Qualified Optional Survivor Annuity when you die.

Ten-Year Certain Option

When you retire on a pension from the Fund, you may elect to receive an actuarially reduced amount of monthly pension for your lifetime, with the provision that if you die before receiving 120 monthly payments, the balance of the guaranteed 120 monthly payments will be continued to your beneficiary (or beneficiaries). Your beneficiary may instead choose to receive the commuted value of the remaining payments in a single lump-sum payment.

The Ten-Year Certain Option is payable in lieu of any other benefit provided under the Plan unless you have elected the Lump Sum Option, as described in this section. Under this option, you are permitted to make changes to your beneficiary designation before or after you retire. If you die before 120 payments have been paid, and a beneficiary does not survive you, then the balance of the guaranteed payments shall be paid to your estate. If a beneficiary survives you but dies before 120 payments have been made, the balance of the payments shall be paid to the estate of the last surviving designated beneficiary.

Lump-Sum Option

If you retire on a pension from the Fund and you have earned at least ¼ Pension Credit in the five-year period immediately preceding your retirement, you may elect to receive a lump-sum payment at retirement equal to 5%, 10%, 15%, or 20% of the value of your pension, to a maximum of $25,000 for retirements occurring on or after January 1, 2018. (Different maximum dollar amounts applied to this option for retirements prior to 2018.)

The reduced monthly pension which results from the election of this option will be reduced further if your monthly pension is paid in any form other than the Life Annuity Option.

Limitations on the Lump-Sum Option

- You may not receive the full value of your pension in a lump-sum payment.
- You may never receive more than $25,000 as a lump-sum payment.
- If you retire more than once, the total of all lump-sum payments you receive may not exceed the percentage and dollar maximums.
- If you return to Covered Employment the total amount of your lump-sum payment, plus interest, must be repaid to the Fund. If you do not repay this amount, your benefit shall be reduced when you retire again.
- If your benefit is subject to a QDRO, the total of all lump-sum payments paid to you and all Alternate Payees may not exceed the percentage and dollar maximums. The Alternate Payee may elect to receive his or her portion of the Lump Sum Option, in accordance with the terms of the QDRO.
- If you are married to a Qualified Spouse at the time of your retirement, your spouse will need to consent to your election of a Lump Sum Option because it will result in lower payments for his/her lifetime if you should die first.

Pre-Retirement Death Benefits

Surviving Spouse Benefit

If you die before distribution of your benefit has begun, your spouse will receive the reduced pension you would have been entitled to receive if you had retired on an 80% Participant and Spouse Pension on the day before your death, as long as you:

- Are vested;
- Earned at least ¼ Pension Credit after 1998; and
- Were married to your spouse for at least one year at the time of your death (or a QDRO requires that your former spouse be treated as your surviving spouse).

In order for your spouse to receive payments after your death under either the Surviving Spouse Benefit or the Participant and Spouse Pension (discussed at page 35), he or she must be a "qualified spouse." For purposes of the Surviving Spouse Benefit, your spouse is a qualified spouse if the two of you are married on the date of your death and have been married for at least one year as of the date of your death. (If you remarry a former spouse, the lengths of your marriages to that spouse may be added together to determine whether he or she is a qualified spouse.)

If you are vested at the time of your death and have worked at least one hour after August 22, 1984, but have not earned at least ¼ Pension Credit after 1998, your qualified spouse is entitled to the reduced pension you would have received if you retired on a 66 2/3% Participant and Spouse Pension on the day before your death.

Your spouse may elect to receive the pre-retirement Surviving Spouse Benefit immediately upon your death, or to wait. Your spouse cannot defer benefit payments beyond April 1 of the year after you would have reached age 72 (or age 70½ for participants born before July 1, 1949), had you lived.

The date on which your spouse elects to start her/his benefit will partially determine the amount of the benefit. For example, if you die before reaching age 52, and your spouse elects to start payments immediately, the amount payable to your spouse will be calculated as if you were age 52 on the date of your death, and reduced for early retirement.

If you died at age 56 before starting your benefit and your spouse chose to collect immediately, then her benefit would be reduced for early retirement between ages 56 and 62. If you died at age 56, but your spouse decided to wait until you would have reached age 62 (had you lived) to begin receiving her/his benefit, then there would be no reduction in the benefit for early retirement.

If the actuarial present value of the benefit payable to your surviving spouse is $5,000 or less, your surviving spouse will receive that benefit as a single sum instead of a monthly annuity. In very limited circumstances, a surviving spouse who demonstrates extreme financial need may receive a single-sum distribution of a Surviving Spouse Benefit valued above $5,000.

Death Benefit for Active Employees

If you die on or after January 1, 2018 while you are actively employed, and at the time of your death you are not married or your spouse is not entitled to the Surviving Spouse Benefit, your designated beneficiary will receive a lump-sum benefit equal to $10,000 times the number of Pension Credits you earned during the contribution period, provided your benefit is not subject to a QDRO. If your benefit is subject to a QDRO, then the benefit paid will be $10,000 times the total of (a) the number of Pension Credits earned that were not divided under a QDRO, plus (b) the number of Pension Credits representing your pro rata share of any Pension Credits earned that were divided under a QDRO.

For purposes of this death benefit, you will be considered to be actively employed if you earned at least ¼ Pension Credit in the 36 months immediately preceding your death.

If you do not name a beneficiary to receive this benefit, the benefit shall be paid in the following order:

- The beneficiary named under the IUOE Local 4 Health and Welfare Fund; or, if none
- The beneficiary named under the IUOE Local 4 Annuity and Savings Plan; or, if none
- Any beneficiary named under any IUOE Local 4 Policy that provides a death benefit.

If no beneficiaries are so named, the benefit shall be paid to your estate. Please note that if you had designated a spouse as your beneficiary and were subsequently divorced from that spouse, it will be presumed your designation of that now-former spouse as your beneficiary terminated as of the date your divorce became final, unless you notify the Fund in writing that you want the designation of your former spouse to remain in effect.

Any such benefit that is unclaimed for three years after the date of death shall be forfeited.

Death Benefit for Inactive Participants

A lump-sum benefit shall be payable to your spouse or, if you do not have a spouse, to your beneficiary, if neither a Surviving Spouse Benefit nor a Death Benefit for Active Employees would be payable and you:

- Have earned a vested right to a pension;
- Have reached Normal Retirement Age; and
- Die on or after January 1, 1998, but before your pension benefits have begun or are required to begin.

The amount of this benefit will be equal to the unreduced monthly benefit to which you would have been entitled had you retired at Normal Retirement Age, multiplied by the number of completed calendar months between your Normal Retirement Age and your date of death, excluding any months for which such benefit would have been suspended in accordance with the Plan's suspension of benefit rules. For deaths occurring on or after January 1, 2011, the number of months taken into account when calculating this benefit will be at least twelve (even if you die fewer than twelve months after you reach Normal Retirement Age). Any such benefit that is unclaimed for three years after the date of death shall be forfeited.

A different lump-sum benefit shall be payable to your spouse or, if you do not have a spouse, to your beneficiary, if neither a Surviving Spouse Benefit nor a Death Benefit for Active Employees would be payable and you:

- Have earned a vested right to a pension;
- Have not yet reached Normal Retirement Age; and
- Die on or after January 1, 2011, and before your pension benefits have begun.

The amount of this benefit will be equal to twelve times the unreduced monthly benefit to which you would have been entitled had you retired at Normal Retirement Age. Any such benefit that is unclaimed for three years after the date of death shall be forfeited.

If a benefit described above is payable on your behalf, it will be paid to (in order of preference):

- Your spouse; or, if none,
- The beneficiary you designate to receive this benefit; or, if none,
- The beneficiary named under the IUOE Local 4 Health and Welfare Fund; or, if none
- The beneficiary named under the IUOE Local 4 Annuity and Savings Plan; or, if none
- Any beneficiary named under any IUOE Local 4 Policy that provides a death benefit; or, if none,
- Your estate.

Please note that if you had designated as your beneficiary a spouse whom you later divorced, the Fund will presume your designation of that former spouse as your beneficiary terminated as of the date your divorce became final, unless you have provided written notice that you want the designation of your former spouse to remain in effect.

Any such benefit that is unclaimed for three years after the date of death shall be forfeited.

If You Die While Performing Qualified Military Service

If you die on or after January 1, 2007, while performing Qualified Military Service and before you have begun receiving your pension, your surviving spouse or other designated beneficiary will be entitled to receive the death benefit (if any) that person would have been entitled to receive if you had returned to work before your death. In addition, the period of your Qualified Military Service will be treated as service counted toward your Pension Credits and Years of Vesting Credit to the extent provided on page 7.

If you are leaving Covered Employment to perform military service, please contact the Funds Office to learn more about the possible impact on your Plan benefits.

Suspension of Benefits

Suspension of Benefits Before Retirement

If you continue in disqualifying work after reaching Normal Retirement Age and before you retire, your pension will not start until you stop working. Technically this is called a "suspension of benefits." "Disqualifying work" is defined as work you engage in after you reach Normal Retirement Age in which you work 40 or more hours in a month (including self-employment or supervisory work) in an industry covered by the Plan or in any type of work you performed under the Plan. You will be able to begin your pension at any time after you reach age 52 by ceasing disqualifying work (which is defined differently whether you are before or after your Normal Retirement Age) and filing a pension application with the Trustees. Despite continued work in disqualifying work, your benefit will cease to be suspended and payment of your pension will begin at your Required Beginning Date (see discussion at page 53 below).

For continued work after Normal Retirement Age, when your pension does start, it will not include payments for any month in which you continued in Covered Employment or other disqualifying work. If you continue working in Covered Employment after you reach Normal Retirement Age and before retiring, you will continue to earn Pension Credit toward your retirement benefit. If you are working in disqualifying work that is not Covered Employment, you will not earn additional Pension Credit and your benefits will be suspended. In either case, with one limited exception detailed below, there will be no make-up payments or actuarial increase to reflect the fact that you did not receive pension benefits during the period of your disqualifying work after reaching Normal Retirement Age, when you could have instead retired and begun receiving benefits.

Effective January 1, 2020, if you were born on or after July 1, 1949 and you continue to work in disqualifying employment beyond April 1 following the year you reach age 70½, then for the period of work from that April 1 until your Required Beginning Date (or, if earlier, the date your pension otherwise begins), you will receive the greater of either any additional benefit you accrued through Covered Employment or an actuarial adjustment for that period of disqualifying work. Otherwise, once you stop working in disqualifying employment, you will only be eligible for an actuarial increase to your benefit to reflect the number of months between when you stopped working and the date your pension starts (if any).

Suspension of Benefits After Retirement

There are certain limits on the work that you may perform after retirement and still receive a pension from the Plan. Exactly what work is disqualifying (that is, will cause a suspension of pension benefit payments) depends on whether you have reached Normal Retirement Age.

At the time of your retirement, the Funds Office will furnish you with rules governing the suspension of benefits. You must notify the Funds Office in writing within 21 days after starting any work that will or may cause a suspension of your benefits. You should ask the Funds Office whether a particular type of work will be disqualifying.

Before Normal Retirement Age

Your monthly benefit will be suspended for any month in which you work for any period of time in any job or self-employment that involves work within the craft jurisdiction of any local of the International Union of Operating Engineers. This is disqualifying work for the period before you reach Normal Retirement Age.

Additional Suspensions

There are two additional periods of suspension:

- When you return to disqualifying work, your monthly benefit will be suspended for six consecutive months after any consecutive period of six or more months at disqualifying work.

- If you fail to notify the Funds Office of re-employment that may cause a suspension of benefits or if you misrepresent the type of work you undertake, your monthly benefits will be suspended for an additional 12-month period.

These additional suspensions will not apply to any month after you reach Normal Retirement Age. Except for these limitations, you are free to work at anything else without effect on your pension.

If you retire on an Early Retirement Pension, return to Covered Employment, have your pension benefit suspended, and earn any additional Pension Credit, upon your second retirement you will receive a second pension based on the additional Pension Credits earned and the effective accrual rate. Your original pension amount will be no less than what it had been before it was suspended. However, you cannot make any change to the form of your original Early Retirement Pension.

After Normal Retirement Age

You will lose your pension for any month in which you work 40 or more hours (including self-employment and supervisory work) in an industry covered by the Plan at the time your pension began or in any type of work you performed under the Plan at any time. Paid time off for vacation, holidays, or a leave of absence will be counted in determining whether you have met or exceeded the 40-hour threshold.

The geographic area in which this work rule applies is Eastern Massachusetts, certain counties of New Hampshire and Maine, and any other area covered by the Plan.

Despite continued work in disqualifying employment, your benefit will cease to be suspended and payment of your pension will resume at your Required Beginning Date (see discussion at page 53 below).

The Plan's rules on suspension of benefits do not affect your Social Security benefits.

If you retire, return to Covered Employment, have your pension benefit suspended, and earn any additional Pension Credit, then upon your second retirement your pension will be recalculated. However, your Pension Credits earned before your initial retirement will not be recalculated or adjusted for any Pension Benefit Rate increases or Plan improvements.

Limited Exceptions to Suspension Rules

If you return to work as an Instructor of the Training Program after you retire, you may work up to 480 hours in a calendar year before your monthly payment is suspended. This means that you are allowed to work up to 480 hours in one calendar year and still draw your monthly benefit. Once you have worked 480 hours in one calendar year, your monthly pension benefit will be suspended for each month during the remainder of the calendar year in which you work 40 or more hours. You must notify the Funds Office in advance of working as an Instructor for this exception to apply.

In addition, you are allowed to work as a volunteer at the Training Program and continue to draw your monthly pension benefit. You cannot volunteer to work in Covered Employment, however, or your monthly pension benefit will be suspended in accordance with the Plan’s suspension of benefit rules.

Waiver of Suspension Rules

The Trustees may temporarily modify the standards for suspending benefits in response to employment conditions, provided that the change does not result in a retroactive reduction of a vested benefit. You will be notified of the terms of any such change.

You Must Provide Notice to the Funds Office

You must notify the Funds Office within 21 days of any work you undertake that may be disqualifying (regardless of how many hours you plan to work). If you do not provide this notice, and the Trustees learn you have returned to disqualifying work, the Trustees will assume that you worked at least eight days (or separate shifts) in that month. In addition, if you have performed disqualifying work at a construction or building site, it will be assumed that you have worked for as long as the contractor has been and remains actively engaged at the site where you were employed, unless you provide evidence showing that this is not the case.

You must also notify the Funds Office when your disqualifying work ends. Your pension benefit will then be resumed for the months after the last month for which benefits were suspended. Payment will begin no later than the third month after the last calendar month for which your benefit was suspended.

You may appeal a suspension of benefits by filing a written request for review with the Trustees within 180 days of the notice that your benefits have been suspended.

It is important to note that for any month that you worked in disqualifying employment, and received your pension benefit when it should have been suspended, the Trustees will withhold a portion of your future pension benefit payments once they resume, until the overpayments made to you have been repaid to the Plan. Once your pension payments resume, the Plan may withhold up to 100% of the initial check you receive (which may include up to three pension payments), and up to 25% of each check you receive after that, until the entire overpayment has been recovered. If you die before the overpayment has been recovered in full, the Plan may recover the remaining overpayment from any payments made to your spouse or beneficiary, subject to the same 25% limit.

Applying for Your Pension

You must apply for a pension in writing and file the application with the Trustees before the effective date of your pension. However, because of certain government requirements, you should not file more than 90 days before your intended retirement date.

When you apply for retirement benefits, the Funds Office will provide you with a notice that is designed to help you make an informed decision about when to begin receiving your pension and what form of payment you may wish to elect. In addition to an explanation regarding the forms of payment the Plan offers, you will receive information that compares the value of each form of payment, as well as information about the effect on your benefit if you were to defer payment of your retirement benefits until you were older.

Benefit payments generally commence with the first day of the month that is at least 30 days after the date on which a completed application has been filed with the Trustees and all conditions for entitlement to a benefit have been met.

You should call the Funds Office to make an appointment to discuss your retirement and pension application. You will be asked to submit proof of your age. If you are married, a copy of your marriage certificate and proof of your spouse's age is also required. The Funds Office will let you know what sort of proof is acceptable.

See the Claims and Appeals section on page 65 for more information about applying for your pension benefit and how to appeal a denial of your claim for benefits.

Electronic Wires

Your benefit amount will be deposited into your bank electronically each month. The Funds Office will tell you what information is needed to make these deposits.

Required Beginning Date

You must begin receiving pension payments no later than your Required Beginning Date, even if you are still working. You are not required to stop working and the suspension of benefits rules will not apply in this case. Effective January 1, 2020, if you were born prior to July 1, 1949, your Required Beginning Date is April 1 of the calendar year following the year in which you reach age 70½; if you were born on or after July 1, 1949, your Required Beginning Date is April 1 of the calendar year following the year in which you reach age 72.

Applying for Death Benefits

In the event of your death, your spouse and/or beneficiary should get in touch with the Funds Office at (508) 533-1400 or (888) 486-3524 as soon as practicable, in order to learn if there are any benefits to which he or she may be entitled.

Qualified Domestic Relations Orders (QDROs)

ERISA (the Employee Retirement Income Security Act) requires that the Funds Office recognize qualified domestic relations orders (or "QDROs"). A domestic relations order is any:

- 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 Plan and which is made pursuant to a state domestic relations law (including a community property law).

To be "qualified," a domestic relations order must clearly specify:

- Your name and last known mailing address (if any) and the name and mailing address of each Alternate Payee covered by the order;
- The amount or percentage of your benefits to be paid by the Plan to each Alternate Payee, or the manner in which that amount or percentage is to be determined;
- The number of payments or period to which the order applies; and
- The name of each 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;
- Plan to provide increased benefits (determined on the basis of actuarial value); 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, but after you have attained (or would have attained) earliest retirement age as defined in Section 414(p) of the Internal Revenue Code;
- As if you had retired on the date those payments begin, but taking into account only the present value of benefits actually accrued, not the present value of any retirement subsidy; 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.

Once the Funds Office receives a domestic relations order, the Funds Office will:

- Promptly notify you and each Alternate Payee in writing of the receipt of the order. The notice will include a copy of the order and the Plan's procedures for determining whether the order qualifies as a QDRO; and
- Determine, within a reasonable time period after receiving the order, whether it is a QDRO and notify the appropriate individuals of the determination.

If you have any general questions about QDROs, or if you want a copy of the Plan's QDRO Procedures, contact the Funds Office at (508) 533-1400 or (888) 486-3524.

Non-Assignment of Individual Benefit and Payments Under QDROs and Liens

Pensions generally cannot be sold, assigned, or pledged as security for a loan. Furthermore, pensions are not subject to attachment or execution under any judgment or decree of a court or otherwise. However, there are two exceptions to this rule:

- A qualified domestic relations order (QDRO) may give your spouse, ex-spouse, or child some rights to your pension as set forth in the QDRO. The Fund may also comply with a federal tax lien and/or state child support levy against your benefits.

Taxation of Benefits and Rollovers

Generally speaking, benefit payments from this Plan are taxable as ordinary income. Depending on the form of payment you elect, the Plan may be required to retain a portion of your benefit payment for mandatory income tax withholding. The federal government requires the Plan to withhold 20% from certain payments called "eligible rollover distributions," as defined below. Some states also require the Plan to withhold a further amount for state income tax. In addition, if you withdraw money from your account early (generally before you reach age 59½, though there are some exceptions), and the withdrawal is not due to your retirement or disability, you may be subject to a 10% early withdrawal penalty. Note: this 10% early withdrawal penalty does not apply to surviving spouses, beneficiaries, or Alternate Payees.

The term "eligible rollover distribution" refers to a distribution that you receive from the Plan, but it does not include any payment in a series of regular, substantially-equal payments spread over a long period (such as your life or life expectancy, the joint lives or joint life expectancy of you and your beneficiary, or ten or more years). It also does not include any "required minimum payment" that you must receive, by law, after you reach your Required Beginning Date, as defined above on page 53.

If the form of payment you elect counts as an eligible rollover distribution, you may avoid the mandatory income tax withholding (and the 10% early withdrawal penalty, if applicable) by having the Plan roll your payment into an IRA or another qualified plan in what is known as a direct rollover. In most cases, this will also allow you to delay paying income tax on the payment until you later withdraw it from the IRA or other qualified plan to which you roll it over.

Before you (or your surviving spouse, beneficiary, or Alternate Payee) receive any payment from the Plan, you will receive a Special Tax Notice that contains important information you will need before you decide how to receive your Plan benefit. The notice explains in greater detail the general tax consequences of receiving a benefit distribution, how the form of payment you elect affects those tax consequences, your income tax withholding options for payments that are not eligible for rollover, and how you could delay paying income tax (and even avoid certain other tax consequences) through a direct rollover of any payment that is eligible. When you receive this Special Tax Notice, you should review it carefully and discuss it with your tax advisor, who can help you make the best choice based on your personal situation.

Plan Administrative Information

Plan Sponsor's Employer Identification Number: 04-6013863

Plan Number: 001

Plan Type: The Pension Plan of the International Union of Operating Engineers, Local 4 is a defined benefit pension plan. This Plan has been qualified by the Internal Revenue Service.

Plan Year: The Plan is administered on a calendar-year basis from January 1 to December 31.

Type of Administration: The Plan is self-administered.

Funding Medium: The Pension Fund is a separate trust fund established for the purpose of paying the benefits provided under the Plan.

Benefits are provided from the Fund's assets, which are accumulated under the provisions of the Collective Bargaining Agreements, participation agreements, and the Trust Agreement and held in a trust fund for the purpose of providing benefits to covered participants and defraying reasonable administrative expenses.

The Fund's assets and reserves are held in custody by the State Street Bank & Trust Company, Boston, Massachusetts, and are invested by the investment firms retained by the Trustees.

Source of Contributions: All contributions to the Plan are made by contributing employers in accordance with their Collective Bargaining Agreements with the International Union of Operating Engineers, Local 4 or participation agreements with the Fund.

The Funds Office will provide you, upon written request, with information as to whether a particular employer is contributing to this Plan on behalf of employees working under the Collective Bargaining Agreements, and if so, that employer's address. In addition to information provided in response to your request, an annual Report of Contributions is sent to each participant.

It is your obligation to notify the Funds Office of any company or companies who have failed to pay for you, or who have paid incorrectly. Please contact the Funds Office immediately when you realize there is or may be an issue.

Obtaining Plan Forms: Plan forms can be obtained by writing or calling the Funds Office at:

IUOE Local 4 Pension Fund
16 Trotter Drive, P.O. Box 680, Medway, MA 02053
(508) 533-1400 | (888) 486-3524 | www.local4funds.org

Plan Administrator

The Pension Plan is administered by a Board of Trustees, which consists of three union and three employer representatives. The Board of Trustees acts in accordance with the provisions of the Collective Bargaining Agreements and the Trust Agreement that established the Plan. The Board of Trustees maintains an administrative staff to help administer the Plan.

Plan Sponsor

The Pension Plan Board of Trustees is the legal sponsor of the Plan. You may contact the Plan Sponsor at the following address or telephone numbers:

IUOE Local 4 Pension Fund
16 Trotter Drive, P.O. Box 680, Medway, MA 02053
(508) 533-1400 | (888) 486-3524 | www.local4funds.org

Agent for Service of Legal Process

If for any reason you wish to seek legal action, you may serve legal process upon:

Board of Trustees
IUOE Local 4 Pension Fund
16 Trotter Drive, P.O. Box 680, Medway, MA 02053

You may also serve legal process upon any of the individual Plan Trustees listed in the next section.

Plan Trustees

The Plan is funded through a separate trust established to make benefit payments according to the terms of the Plan.

Union Trustees

William D. McLaughlin

International Union of Operating Engineers, Local 4
16 Trotter Drive
Medway, MA 02053-2299

Michael J. Bowes

International Union of Operating Engineers, Local 4
16 Trotter Drive
Medway, MA 02053-2299

Christopher T. Fogarty

International Union of Operating Engineers, Local 4
16 Trotter Drive
Medway, MA 02053-2299

Employer Trustees

Michael M. Foley

Barletta Engineering
40 Shawmut Road #200
Canton, MA 02021-1409

The Trustees have authority to control and manage the administration of this Plan, and to delegate such authority as permitted by the terms of the Trust, the Plan and ERISA. The Trustees are the named fiduciary of the Plan, and possess the specific powers, duties, and responsibilities set forth under the Trust, the Plan and ERISA.

Rights and Duties

The Trustees shall administer and interpret the Plan and have been granted the sole and absolute discretionary power to make all factual determinations, take all action and to make all decisions necessary or proper to carry out the terms of the Plan. The determination of the Trustees as to any questions involving the administration and interpretation of the Plan and rights to benefits and eligibility under the Plan shall be conclusive as to all parties to the Plan and their determination shall not be overturned unless said determination is arbitrary and capricious.

Only the Trustees have the authority to make decisions for the Fund. No local union officer, business agent, local union employee, employer or employer representative, Funds Office personnel, consultant, attorney, or other person is authorized to speak for or on behalf of the Trustees, or to commit the Trustees of this Fund on any matter relating to the Fund without the Trustees' express authorization.

Top-Heavy Plan

In the extremely unlikely event that this Plan should become top-heavy, requirements of federal law that a top-heavy plan must provide minimum pension benefits and favorable vesting rules 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.

Future of the Plan and Plan Amendment or Termination

The Board of Trustees believes that contributions will be sufficient under normal circumstances to provide the benefits described in this Benefits Summary. However, the future of the Plan will be determined by the terms of the Collective Bargaining Agreements and by conditions relating to the income and liabilities of the Plan. Since it is not possible to predict future conditions, the Board of Trustees reserves the right at any time to amend or terminate the Plan, or eliminate benefits that have not yet accrued, at the Trustees' discretion.

Although the Trustees may amend the Plan retroactively, except as otherwise provided by law no amendment may take away a participant's accrued benefits.

If the Plan were to terminate, or if there were a complete discontinuance of contributions, you would have a nonforfeitable right to your accrued pension benefits, to the extent that there were sufficient assets in the Fund after providing for all of the expenses of the Plan, including termination expenses. Article VIII of the Plan Document provides the rules, as prescribed by law, for the allocation of assets on termination, including those cases where the assets of the Fund are insufficient to pay all of the benefits.

PBGC 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 plan 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 plan 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:

- Normal and early retirement benefits;
- Disability benefits if you become disabled before the plan becomes insolvent; and
- Certain benefits for your survivors.

The PBGC guarantee generally does not cover:

- Benefits greater than the maximum guaranteed amount set by law;
- Benefit increases and new benefits based on plan provisions that have been in place for less than five years at the earlier of the date the plan terminates or the time the plan becomes insolvent;
- Benefits that are not vested because you have not worked long enough;
- Benefits for which you have not met all of the requirements at the time the plan becomes insolvent; or

- 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 the Funds Office or contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, DC 20005-4026.

You may also call the PBGC toll-free at (800) 400-7242. TTY/TDD users may call the Federal relay service toll-free at (800) 877-8339 and ask to be connected to the appropriate number. Additional information about the PBGC's pension insurance program is available at the website www.pbgc.gov.

Collective Bargaining Agreements and Participating Employers

A complete list of all of the employers, employer organizations, and employee organizations who participate in this Plan may be obtained by a participant or beneficiary by making a written request for a copy from the Plan Administrator, and is available for examination by participants or beneficiaries at the Funds Office. Participants and beneficiaries may also receive, upon written request, information as to whether a particular employer or employee organization participates in the Plan. The Plan is administered in accordance with various Collective Bargaining Agreements. Copies of these Agreements may be obtained upon written request to the Funds Office and are also available for examination by participants and beneficiaries.

Other Limitations

You are not entitled to benefits under the Plan unless you meet all of the detailed requirements spelled out in the Plan. The most important of these requirements have been briefly and generally described in this Benefits Summary. For example, if you terminate employment before age 62 and have less than five Years of Vesting Credit, no benefits will be paid on your behalf under the Plan. In addition, benefits cannot be paid to you if you cannot be located. Be sure to keep the Plan Administrator informed of any changes in your address. Also, you must apply for benefits as described under "Claims and Appeals Procedures" in order to receive any payments from the Plan.

Military Service

If you leave Covered Employment to perform uniformed service for a period generally not to exceed five years, some special provisions of the Uniformed Services Employment and Re-employment Rights Act of 1994 (USERRA) may apply to you if you return to Covered Employment. You may be entitled to Pension Credit and Years of Vesting Credit for the period of your service. You must give advance notice to your employer of your military leave and satisfy certain other requirements, including timely return to Covered Employment when your military leave ends. There are additional service rules that you must meet. See page 9 for more information. If you die or become disabled on or after January 1, 2007, while performing Qualified Military Service, you will receive Pension Credit and Years of Vesting Credit for the period of your qualified military service, to the extent provided at page 7, as if you had first returned to Covered Employment on the day prior to your death or disability and had then died or become disabled. If you are called to military duty please call the Funds Office so that we may assist you in coordinating and protecting all of your benefits under the Health & Welfare, Pension, and Annuity & Savings Plans.

Claims and Appeals Procedures

Filing a Claim

You, your beneficiaries, or your authorized representative may claim plan benefits by filing a written request with the Plan Administrator. Forms for this purpose may be obtained from the Fund Administrator, who decides whether you or your beneficiaries are entitled to benefits and, if so, the amount to which you are entitled. To evaluate your claim, the Administrator may request additional information from you.

Decision on Claim

If the Administrator determines that your claim is valid, you will receive a statement specifying the amount of your benefit, the methods of payment, and when benefits will commence, and providing other information related to the payment of your benefits.

If your claim for benefits is denied in full or in part, the Administrator will notify you in writing within 90 days after you file your claim. However, if your claim is for disability benefits, you will be notified in writing within 45 days if your claim is denied.

In special cases, the deadline may be extended for another 90 days (or 30 days, if your claim is for disability benefits), but you will be notified before the end of the initial 90- or 45-day review period of the reasons for the delay and the date by which you may expect a decision.

If your claim is for disability benefits and, for reasons beyond the control of the Plan, the Administrator determines that a decision cannot be made within the first 30-day extension period, the deadline for a decision may be extended for an additional 30 days, provided that you are notified before the end of the initial 30-day extension of the reasons for the additional 30-day extension and the date by which a decision is expected to be made. For any disability benefit extension where additional information is needed, you will have 45 days from when you received the extension notice to provide the requested additional information to the Administrator.

You also will be notified of the standards used in determining your eligibility for benefits, the unresolved issues that prevent a decision on your claim, and the additional information needed to resolve those issues. You will have at least 45 days to respond to the Administrator's request for additional information.

If your claim is denied, the notice of denial will state the reasons for the denial and the plan provisions on which the denial is based. It also will inform you of any additional information or material required to perfect your claim, why the information or material is necessary, and the procedure you must follow to have the Trustees review the denial of your claim.

If your claim for disability benefits is denied, in addition to the preceding information, your notice of denial, provided in a culturally and linguistically appropriate manner, will include (1) a discussion of the denial, including an explanation of the Administrator's reasoning for disagreeing with or not following (i) the views you provided to the Plan of health care professionals who have treated or vocational professionals who have evaluated you, (ii) the views of medical or vocational experts whose advice was obtained by the Plan in connection with the decision, without regard to whether the Administrator relied on such advice, and/or (iii) a disability determination you provided to the Plan made by the Social Security Administration; (2) any specific internal rule, guideline, protocol, or similar criterion the Administrator relied upon in denying your claim for disability benefits, or a statement that no such internal rule, guideline, protocol, or similar criterion exists; and (3) a statement that you are entitled to receive, upon request and at no charge, reasonable access to and copies of all documents, records, and other information relevant to your claim for disability benefits.

If you do not receive a notice of delay or a notice of denial within the applicable deadline, you can assume that your claim was denied. You then can proceed to the appeal stage.

Please refer to the tables at the end of this discussion for a concise list of the claim and appeal deadlines.

Appeal Procedure

If your claim is denied (or considered denied because you did not receive a written response from the Plan Administrator), you or your beneficiaries may write to the Board of Trustees to appeal the denial. You generally must appeal a denial within 60 days; however, if your claim is for disability benefits, you have 180 days after your claim is denied to request an appeal.

Your appeal will be given a full and fair review either by members of the Board of Trustees or by other plan fiduciaries who are neither the same individuals who originally denied your claim, nor subordinates of those individuals.

You and your beneficiaries will be allowed to see all documents, guidelines, and other materials that relate to your claim, submit any issues and comments in writing to the Board of Trustees and, if you wish, have someone act as your representative in the review procedure.

The Trustees will make a decision regarding your appeal at their next scheduled meeting that is at least 30 days after they receive your request for review, unless special circumstances require an extension of time to process your appeal, in which case you will be notified in advance of the need for an extension. The Trustees shall render a decision as soon as possible, but no later than their third meeting following receipt of your request for review.

If your appeal is denied, the Board of Trustees must provide you with written notice of this denial as soon as possible, but no later than five days after the decision has been made. The Board of Trustees' final decision on your appeal will include references to the specific plan provisions on which the decision was based. If an internal rule, guideline, protocol, or similar criterion was relied on in denying your appeal, you will be informed of this and, if you request it, you will be provided with a description of such rule, guideline, protocol, or similar criterion.

If your appeal for disability benefits is denied, in addition to the preceding information, your notice of denial, provided in a culturally and linguistically appropriate manner, will include (1) a discussion of the denial, including an explanation of the Board of Trustees' reasoning for disagreeing with or not following (i) the views you provided to the Plan of health care professionals who have treated or vocational professionals who have evaluated you, (ii) the views of medical or vocational experts whose advice was obtained by the

Plan in connection with the decision, without regard to whether the Board of Trustees relied on such advice, and/or (iii) a disability determination you provided to the Plan made by the Social Security Administration; (2) any specific internal rule, guideline, protocol, or similar criterion the Administrator relied upon in denying your claim for disability benefits, or a statement that no such internal rule, guideline, protocol, or similar criterion exists; and (3) if the denial is based on a medical necessity, an explanation of the scientific and clinical judgment for the decision, applying the terms of the Plan to your medical circumstances, or a statement that such explanation will be provided to you free of charge upon request.

If the Board of Trustees' decision on your appeal is not submitted to you by the deadlines described in this section (and summarized in the table at the end of this section), you should consider your appeal to have been denied.

If you fail to appeal in the manner and by the deadlines specified in this section, you waive your right to request a review and you are barred from again asserting the claim.

Claims and Appeals Procedures

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Legal Process

Table of Claim Evaluation Deadlines

Table of Claim Appeal Deadlines

Legal Process

If you have a claim for benefits that is denied or ignored, in whole or in part, and you followed the Plan's claims and appeals procedures (described in this section), you may sue in a state or federal court. You must notify the Funds Office of your intent to file suit within 90 days after the Trustees deny your appeal, and you must actually file suit within 180 days after your appeal is denied. 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.

Table of Claim Evaluation Deadlines

You or your beneficiaries must be notified of a complete or partial denial of your claim for benefits as soon as possible, but not later than the following deadlines.

Deadline

All Claims (Except Disability)	*Disability Claims*
Deadline for initial benefit determination	
90 days from filing of claim	45 days from filing of claim
Deadline for first extension	
90 days from end of initial benefit determination period	30 days from end of initial benefit determination period
Deadline for second extension	
None	30 days from end of first extension
Deadline for claimant to provide additional information	
None	45 days from receipt of request for additional information

Table of Claim Appeal Deadlines

By the deadlines specified below, you or your beneficiaries are entitled to have your adverse benefit determination reviewed by the Board of Trustees, who did not review your initial claim, or by another plan fiduciary.

Deadline

All Claims (Except Disability)	***Disability Claims***
Deadline for claimant to file appeal	
60 days from receipt of notice of denial	180 days from receipt of notice of denial
Deadline for decision on appeal	
First regularly-scheduled Trustees' meeting that is held at least 30 days after the Trustees receive your request for review (for all appeals)	
Deadline for extensions	
Next regularly-scheduled Trustees' meeting thereafter (for all appeals)	

Your Rights Under the Plan

The Employee Retirement Income Security Act (ERISA) of 1974, as amended, spells out certain rights and responsibilities relating to your benefit program. The Plan is designed to meet the legal requirements for plans established under ERISA. The Plan will be amended to comply with any changes in the law or government regulations.

As a participant in the International Union of Operating Engineers Local 4 Pension Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

You have the right to examine, without charge, at the Plan Administrator’s office, all documents governing the Plan, including insurance contracts and Collective Bargaining Agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

You have the right to obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and Collective Bargaining Agreements, copies of the latest annual report (Form 5500 Series), and an updated Summary Plan Description. The administrator may make a reasonable charge for the copies.

You have the right to 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.

You have the right to obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 62) 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 earn a 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 the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties on the people who are responsible for the administration of the employee benefit plan. The people who administer 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 retirement benefit or exercising your rights under ERISA.

Enforce Your Rights

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.

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 it within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits that 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 or a medical child support 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:

Division of Technical Assistance and Inquiries
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue N.W.
Washington, D.C. 20210

You also may obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at (866) 444-3272, or online at www.dol.gov/ebsa.