



INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL 825 PENSION PLAN



Summary Plan Description

Effective July 1, 2014

With Amendments Through October 3, 2016

A Message from the Board of Trustees of the International Union of Operating Engineers Local 825 Pension Plan

To All Participants:

We are happy to provide you with this updated Summary Plan Description (“SPD”) that summarizes, in non-technical terms, the material features and benefits available under the International Union of Operating Engineers Local 825 Pension Plan (“Plan” or “Fund”), in effect as of October 3, 2016. All material changes and amendments to the Plan since the last SPD was printed have been incorporated into this booklet. Therefore, we urge you (and your designated beneficiaries) to read this booklet carefully.

Although this SPD explains the Plan in a clear and understandable way, it is a complicated document, mostly because the Plan operates under a large number of precise and detailed rules. Some of these rules are mandated by the federal government and some represent plan design changes that have evolved since the Plan was established over 50 years ago.

With this in mind, it is important to note that no general explanation can adequately give you all the details of the Plan, and your full rights can be determined only by referring to the full text of the Plan document which legally governs its operation (as opposed to this SPD). As such, the SPD has no legal effect and, in the event that there is a conflict between this SPD and the official Plan document, the Plan document will govern. Accordingly, nothing in this SPD will modify or change the official Plan document, which is available for review at the Fund Office during regular business hours.

We also note that, generally speaking, the pension benefits to which you are entitled are determined under the terms of the Plan in effect when you retire (or otherwise terminate covered employment), unless otherwise required by applicable law.

Please bear in mind that only the Board of Trustees (“Trustees” or “Board”) (acting as a full Board or, in some cases, through its Committees) has the sole and complete authority to: (i) interpret the Plan, (ii) make final determinations concerning its provisions including, without limitation, eligibility for benefits, and (iii) modify or eliminate any benefits as well as the eligibility requirements set forth under the Plan or as described in this booklet. Accordingly, information you may receive from the Local 825 (“Union”) itself or individual employers, lawyers, business agents, or others, should not be viewed as official positions or statements made from or on behalf of the Plan. Any information or opinion concerning your rights under the Plan, to be official, must be communicated to you, in writing, and signed on behalf of the full Trustees (or the appropriate Committee).

Every effort has been made to provide you with a clear description of the Plan in plain everyday language and we hope that you will find this booklet helpful. However, certain words and phrases may seem technical to you. If you still have questions about the Plan after reading this booklet, please call or write to the Fund Office for assistance. In addition, please be sure that the Fund Office has your correct current mailing address and if you have not designated a Beneficiary, please do so now.

Sincerely,
Board of Trustees
International Union of Operating Engineers Local 825 Pension Fund

International Union of
Operating Engineers Local 825
Pension Fund

***Summary Plan Description
of
Local 825 Pension Plan***

Effective
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This Plan is a multiemployer defined benefit plan. It provides a Participant (as well as his or her eligible surviving Spouse) with a lifetime monthly benefit upon either retirement or disability, as summarized in Section VI.

When you first perform work as an Operating Engineer either under a collective bargaining agreement with the Union or a participation agreement requiring contributions to the Plan on your behalf, you become a “Participant” in the Plan.

As you continue working as an Operating Engineer under those circumstances, you accrue a monthly pension benefit, as is summarized in Section IV.

At a point in your career as an Operating Engineer your accrued benefit becomes “vested”, as summarized in Section V. This means that your accrued benefit no longer is forfeitable, even if you permanently cease working as an Operating Engineer. Unless you are vested, the credit that you have accumulated will be forfeited if you incur a Permanent Break in Service, as summarized in Section V.

Your benefits under the Plan are insured by the Pension Benefit Guaranty Corporation.

Other information about the Plan is described hereafter in this summary document. You always are free to contact the Fund Office for answers to any questions you have concerning the Plan and your benefits.

Getting to the Fund Office

The Fund Office is located at:

65 Springfield Avenue
2nd Floor
Springfield, NJ 07081

You can call the Fund Office at (973) 671-6800 between the hours of 8:30 a.m. and 4:00 p.m.

Directions to the Fund Office from various locations in the Metropolitan area are located in the back of this booklet.

“Beneficiary” shall mean a person designated by a Participant in a manner permitted under the Plan (or by operation of the Plan) who is or may become entitled to a benefit as a result of the death of the Participant. If no designated Beneficiary is living at the time of the Participant’s death, payments shall be made to the appointed administrator or executor of the Participant’s estate, or in the absence of such appointment, such payments shall be made as if such Participant died intestate and such Participant’s property were subject to the New Jersey laws applicable for intestate succession. If no entitled recipient can be found after three years, the benefits payable shall be returned to the general assets of the Plan, subject to any subsequent claim by a legally entitled recipient.

“Break in Service” shall mean any calendar year in which a Participant fails to accrue at least 500 Hours of Service.

“Credited Service” shall mean the quantity, in terms of years, of Hours of Service under the Plan. See Section IV of this SPD.

“Employee” shall mean all persons working as Operating Engineers and for whom an employer is required to make contributions to the Fund pursuant to a collective bargaining agreement with the Union, or non-bargaining unit employees for whom an employer is required to make contributions pursuant to a participation agreement with the Fund.

“Hours of Service” shall mean hours worked by a Participant for which he or she receives or is entitled to receive compensation under a collective bargaining agreement with Local 825 or a participation agreement with the Fund. See Section III of this SPD.

“Operating Engineer” shall mean any Employee who is performing work under the jurisdiction of the Union for an employer who is required by a collective bargaining agreement or a participation agreement to contribute to the Plan.

“Participant” shall mean all persons who satisfy the definition of Employee. See Section III of this SPD.

“Pensioner” shall mean any person, other than a Beneficiary or Alternate Payee (as defined under a Qualified Domestic Relations Order), who is receiving benefit payments under the Plan.

“Permanent Break in Service” shall mean either a series of Breaks in Service sufficient in number under the Plan to result in the complete forfeiture of a non-Vested Participant’s accrued benefit or failure to accrue sufficient Credited Service over a specified period of time which results in the complete forfeiture of a non-Vested Participant’s accrued benefit. See Section V of this SPD.

Section II

Definitions

“Plan Year” shall mean the period of twelve consecutive months between July 1 and June 30.

“Marital/Married” shall mean and refer to a legal relationship between two individuals of any gender who are lawfully married pursuant to an official marriage license or similar document issued by any state (without regard to the law of the state in which the individuals live), but not including civil unions, domestic partnerships, or any other status unless such status is fully equivalent to marriage under the laws of the issuing state.

“Spousal/Spouse” shall mean the individual to whom the Participant is Married, as defined herein.

“Union” shall mean the International Union of Operating Engineers Local 825, including all of its branches, or any successors thereto.

“Vested Participant” shall mean a Participant who has accrued sufficient Vesting Service to establish a non-forfeitable right to a retirement benefit. See Section V of this SPD.

“Vesting Service” shall mean the quantity, in terms of years, of Hours of Service which the Plan uses to determine whether a Participant is a Vested Participant. See Section V of this SPD.

Section III

Eligibility For Participation

A person is eligible to participate in the Plan upon becoming an Employee. Generally speaking, the Plan defines Employee to include all persons working as Operating Engineers and for whom an employer is required to make contributions to the Fund pursuant to a collective bargaining agreement with the Union. The definition of Employee also includes non-bargaining unit employees for whom an employer is required to make contributions pursuant to a participation agreement with the Fund. The Plan defines such eligible persons as Participants.

A Participant builds his or her pension by performing work for an employer that is legally obligated to contribute to the Fund for each of the Participant's Hours of Service within a given calendar year. As such, along with the Plan's investment earnings, the contributing employers pay the full cost of the Plan. Accordingly, Participants are not required (or permitted) to make contributions to the Plan.

***Unless otherwise required by law, pension benefits to which you are entitled are determined under the terms of the Plan in effect when you retire (or otherwise terminate covered employment).**

Your pension benefit may be limited by law. Please see section 5.5 of the Plan regarding maximum benefit limitations.

Calculating Your Pension

Subject to vesting and forfeiture provisions of the Plan discussed in Section V of this SPD, the Plan uses Hours of Service to calculate the value of a Participant's monthly pension benefit. For Hours of Service on or after January 1, 2004, a Participant shall receive a monthly pension for his or her lifetime based upon a percentage of dollars contributed on the Participant's behalf. A Participant's monthly pension benefit is calculated as the sum of the following:

1. *For work performed prior to January 1, 2004, the Plan converts the value of employer contributions (based upon the Participant's Hours of Service within a given calendar year) to Credited Service (see "Calculating Credited Service" subsection below) and then multiplies such Credited Service by the specific value per credit in effect under the Plan when the Participant last earned at least one quarter year of Credited Service (the value per credit in effect on and after July 1, 1999 is \$50.00; for the values per credit in effect prior to July 1, 1999, please contact the Fund Office); plus*
2. *For each calendar year beginning on or after January 1, 2004, and through December 31, 2007, the Plan multiplies the value of employer contributions (based upon the Participant's Hours of Service within a given calendar year) by 0.0135 (not to exceed \$66.00 per month for any given calendar year); plus*
3. *For each calendar year beginning on or after January 1, 2008, and through December 31, 2010, the Plan multiplies the value of employer contributions (based upon the Participant's Hours of Service within a given calendar year) by 0.0135 (not to exceed \$75.00 per month for any given calendar year); plus*

4. *For each calendar year beginning on or after January 1, 2011, the Plan multiplies the value of employer contributions (based upon the Participant's Hours of Service within a given calendar year) by 0.01 (not to exceed \$75.00 per month for any given calendar year); plus*
5. *\$50.00.*

EXAMPLE: From July 1, 1999 up to January 1, 2004, Participant A earned 5 years of Credited Service. From January 1, 2004 up to December 31, 2012, Participant A performed work and earned contributions in the amount of \$4,000.00 per calendar year for the period from January 1, 2004 to December 31, 2011 and \$4,500.00 for the period from January 1, 2012, to December 31, 2012. Participant A retired on January 1, 2013. Therefore, Participant A's monthly pension benefit equals \$777.00, which is the product of \$250.00 (5 years of Credited Service multiplied by \$50.00) plus \$432.00 (\$4,000.00 per year from 2004 to 2011 multiplied by 0.0135) plus \$45.00 (\$4500.00 for 2012 multiplied by 0.01) plus \$50.00.

You should feel free to contact the Fund Office for further guidance on calculating your monthly pension benefit. You may expect to receive a pension benefit statement approximately once every three years. It is important for you to review your pension benefit statement to ensure that it includes all your hours of service.

Calculating Credited Service

The Plan includes the following methods of converting Hours of Service or employer contributions (based upon Hours of Service) to Credited Service. These methods vary with respect to when a Participant earns the Credited Service.

Section IV

Building Your Pension

1. For Credited Service earned on or after January 1, 2004, a Participant receives Credited Service in accordance with the following table:

Hours of Service	Years of Credited Service
Less Than 100	0
100-199	0.10
200-299	0.20
300-399	0.30
400-499	0.40
500-599	0.50
600-699	0.60
700-799	0.70
800-899	0.80
900-999	0.90
1,000-1,199	1.00
1,200-1,399	1.10
1,400-1,499	1.20
1,500 Or More	1.25

2. For Credited Service earned on or after January 1, 2003 through December 31, 2003, a Participant receives Credited Service in accordance with the following table:

Amount of Contributions	Years of Credited Service
\$875-1,749	0.25
\$1,750-2,624	0.50
\$2,625-\$3,499	0.75
\$3,500-4,599	1.00
\$4,600 or above	1.25

3. For Credited Service earned on or after January 1, 2002 through December 31, 2002, a Participant receives Credited Service in accordance with the following table:

Amount of Contributions	Years of Credited Service
\$500-999	0.25
\$1,000-1,499	0.50
\$1,500-1,999	0.75
\$2,000-\$3,499	1.00
\$3,500 or above	1.25

Section IV

Building Your Pension

4. For Credited Service earned on or after January 1, 1999 through December 31, 2001, a Participant receives Credited Service in accordance with the following table:

Amount of Contributions	Years of Credited Service
\$300-599	0.25
\$600-899	0.50
\$900-1,199	0.75
\$1,200-1,999	1.00
\$2,000 and above	1.25

5. For Credited Service earned on or after January 1, 1973 through December 31, 1998, a Participant receives Credited Service in accordance with the following table:

Amount of Contributions	Years of Credited Service
\$200-399	0.25
\$400-599	0.50
\$600-749	0.75
\$750-1499	1.00
\$1,500 and above	1.25

6. For Credited Service earned on or after January 1, 1956 through December 31, 1972, a Participant receives Credited Service as follows:

- The Participant shall receive one year of Credited Service for each calendar year in which the Participant worked 1,000 hours or more for an employer required to contribute to the Fund under a collective bargaining agreement; or
- If the Participant worked less than 1,000 hours in a calendar year, the Participant shall receive one quarter year of Credited Service for each 250 hours worked in a given calendar year.

7. For Credited Service earned prior to January 1, 1956, a Participant shall receive one year of Credited Service for each year in which the Participant satisfies any of the following standards:

- The Participant was in good standing as a member of the Union;
- The Participant worked as an Operating Engineer for at least 500 hours (as determined by contributions received under the provisions of the Welfare Plan then in effect); or

- The Participant was on the Union’s hiring hall list and completed at least 500 hours in employment for an employer that signed a collective bargaining agreement with the Union.

The Plan provides for service credit and other benefits to persons returning to employment after a period of qualified military service to the extent required by the Uniformed Services Employment and Reemployment Rights Act of 1994 and the Heroes Earnings Assistance and Relief Tax Act of 2008. See Section 1.18 of the Plan for more details about these benefits.

Other Uses of Credited Service

As noted in the “Calculating Your Pension” subsection above, Credited Service is used to calculate the portion of a Participant’s pension benefit earned prior to January 1, 2004. The Plan also uses Credited Service as follows.

8. *For Credited Service earned prior to January 1, 2004, the Plan uses Credited Service to:*
 - determine the amount of Vesting Service to which a Participant is entitled as specified in Section V of this SPD; and
 - determine whether the monthly pension benefit of an early retiree shall be incrementally reduced as specified in Section VI of this SPD.
9. *For Credited Service earned on or after January 1, 2004, the Plan uses Credited Service to determine whether the monthly pension benefit of an early retiree shall be incrementally reduced as specified in Section VI of this SPD.*

The Plan does not use Credited Service earned on or after January 1, 2004 to calculate the value of a Participant’s monthly pension benefit.

A Participant becomes a Vested Participant under the Plan upon accruing sufficient Vesting Service. A Vested Participant has a non-forfeitable right to receive a pension benefit.

Vesting Service

The Plan includes the following methods for calculating Vesting Service which vary with respect to time.

1. *For service on or after January 1, 2004, A Participant shall accrue one year of Vesting Service in each calendar year which he or she has at least 1,000 hours worked under a collective bargaining agreement or a participation agreement.*
2. *For service on or after January 1, 1977 and on or before December 31, 2003, A Participant shall accrue one year of Vesting Service in each calendar year in which he or she satisfies either of the following requirements:*
 - The Participant has at least 1,000 hours worked under a collective bargaining agreement or a participation agreement; or
 - The Fund is due or receives on his or her behalf the minimum dollar amount of contributions for one year of Credited Service.
3. *For service on or after January 1, 1973 and on or before December 31, 1976, a Participant shall accrue one year of Vesting Service as follows:*
 - A Participant may accrue up to one year of Vesting Service (including partial years) equal to the Participant's Credited Service (including partial years) within a calendar year; or
 - If the Fund is due or receives on behalf of a Participant less than the minimum amount of contributions necessary for the Participant to accrue a full year of Credited Service, the Participant shall nevertheless accrue a year of Vesting Service if he has at least 1,000 hours worked within a calendar year under a collective bargaining agreement or a participation agreement.
4. *For service prior to January 1, 1973, a Participant shall accrue Vesting Service (including partial years) equal to the Participant's years of Credited Service (including partial years) accrued from January 1, 1956 through December 31, 1972.*

5. *In the case of a Participant who has incurred a permanent break in service as of July 1, 1976, Vesting Service subsequent to such break shall accrue in accordance with the terms of the Plan in effect at the time such break in service is incurred.*

Additional Vesting Rules:

- **Prior Employment with “New” Employer.** When the Union signs a collective bargaining agreement with a new Employer, a person employed as an Operating Engineer shall become a Participant in the Plan. If the Employer had a pension plan in which the Participant previously qualified, the Participant’s years of service in the pension plan shall be considered toward vesting, but not toward accrued benefits under this Plan. If the Employer did not have a pension plan in which the Participant previously qualified, the Participant’s continuous years of employment with the Employer immediately prior to the signing of the collective bargaining agreement shall be considered toward vesting, but not toward accrued benefits under this Plan.
- **Effect of Non-Covered Employment.** For pension applications made on or after June 10, 1993, if a member is dispatched from the Union to work for an employer within the industry but such employer does not have a collective bargaining agreement with the Union, the member will not earn accrued benefits for the period no contributions are made, but such period will not be counted towards a Break in Service.

Vesting Schedule and Break In Service Rules

The Plan’s vesting schedule and Break in Service rules have changed over the years since the Plan was adopted in 1956. As a result, the Plan includes the following methods for determining the vested status of a Participant and for determining whether a Participant has experienced a Permanent Break in Service which vary with respect to time. If a Participant is not yet vested, the Participant forfeits any contributions and/or Credited Service earned prior to experiencing a Permanent Break in Service. This means that the Plan will not make monthly retirement payments based upon contributions and/or Credited Service earned prior to a Permanent Break in Service. Thus, a Participant who first experiences a Permanent Break in Service but who subsequently achieves vested status will be entitled to monthly retirement payments based upon only contributions and/or Credited Service earned after the Permanent Break in Service but not prior to the Permanent Break in Service.

Prior employment with an employer who subsequently signs a collective bargaining agreement with the Union may be counted for vesting purposes. See Section 4.4 of the Plan. Similarly, certain non-covered employment may be counted for vesting purposes. See Section 4.5 of the Plan.

1. *For Participants who accrue one Hour of Service on or after July 1, 1997, the following shall apply:*

- A Participant shall become a Vested Participant upon accruing five (5) years of Vesting Service.
 - A Participant who becomes a Vested Participant shall be entitled to receive a monthly pension benefit; and
 - A Participant who fails to accrue five (5) years of Vesting Service may nonetheless become entitled to receive a monthly pension benefit if he or she retires from active employment as an Operating Engineer after attaining the later of age sixty-five (65) or the fifth anniversary of the Participant's commencement of participation in the Plan. However, the value of a Participant's monthly pension benefit under the above rule will not include any amounts forfeited due to a Permanent Break in Service which the Participant incurred prior to the date of retirement from active employment as an Operating Engineer.
- A Permanent Break in Service shall occur when a non-Vested Participant incurs five (5) consecutive Breaks in Service.

2. *Beginning July 1, 1976, for Participants who do not accrue one Hour of Service on or after July 1, 1997, the following shall apply:*

- A Participant shall become a Vested Participant as follows:
 - A Participant shall become a Vested Participant upon accruing ten (10) years of Vesting Service;
 - As of July 1, 1990, a Participant who is not covered by a collective bargaining agreement shall become a Vested Participant upon accruing five (5) years of Vesting Service; and
- A Participant who becomes a Vested Participant shall be entitled to receive a monthly pension benefit;
- A Participant who fails to accrue the applicable amount of Vesting Service may nonetheless become entitled to receive a monthly pension benefit

if he or she retires from active employment as an Operating Engineer after attaining the later of age sixty-five (65) or the fifth anniversary of the Participant's commencement of participation in the Plan. However, the value of a Participant's monthly pension benefit under the above rule will not include any amounts forfeited due to a Permanent Break in Service which the Participant incurred prior to the date of retirement from active employment as an Operating Engineer.

- A Permanent Break in Service shall occur as follows:
 - After June 30, 1976 but prior to July 1, 1985, a Permanent Break in Service shall occur when a non-Vested Participant incurs consecutive Breaks in Service that equal or exceed in number the Participant's years of Vesting Service earned prior to the consecutive Breaks in Service.
 - After June 30, 1985, a Permanent Break in Service shall occur when a non-Vested Participant incurs the greater of:
 - Five consecutive Breaks in Service; or
 - Consecutive Breaks in Service that equal or exceed in number the Participant's years of Vesting Service earned prior to the consecutive Breaks in Service.
3. *From May 1, 1970 through June 30, 1976, the following shall apply:*
- A Participant shall fully vest upon accruing 20 years of Credited Service. A participant shall vest on the following graduated basis upon accruing at least 15 years of Credited Service but less than 20 years of Credited Service:

Years of Credited Service	Vested Benefit (Percentage of Credited Service)
Less than 15 years	0% (non-Vested Participant)
15 years but less than 16 years	50%
16 years but less than 17 years	60%
17 years but less than 18 years	70%
18 years but less than 19 years	80%
19 years but less than 20 years	90%
20 years or more	100%

Section V

Vesting and Forfeitures

- A Permanent Break in Service shall occur when a non-Vested Participant fails to accrue at least one half year of Credited Service within any period of three consecutive calendar years.
4. *Prior to May 1, 1970, the following shall apply:*
- No vesting of benefits exists.
 - A Permanent Break in Service shall occur when a Participant fails to accrue at least one half year of Credited Service within any period of three consecutive calendar years.

Section VI

Eligibility to Commence Payment of Benefits

Eligibility to Commence Payment of Benefits

A Vested Participant becomes eligible to commence payment of his or her retirement benefit upon satisfaction of any of the following eligibility options:

1. *Normal Retirement:*

- A Vested Participant is eligible to commence payment of his or her retirement benefit upon attaining the Normal Retirement Date.
- Normal Retirement Date means the first day of the month coincident with or following the date on which a Vested Participant attains age sixty-two (62), and submits a written application to the Fund Office for receipt of his or her retirement benefit. Normal Retirement Age is a Participant's age on his or her Normal Retirement Date.

2. *Early Retirement:*

- A Vested Participant is eligible to commence payment of a reduced retirement benefit upon attaining the Early Retirement Date.
- Early Retirement Date means the first day of the month coincident with or following the date on which a Participant with ten (10) years or more of Vesting Service attains age fifty-five (55), and submits a written application to the Fund Office for receipt of his or her retirement benefit.

- If a Participant elects Early Retirement his or her retirement benefit will be reduced by one half of one percent for each month by which the Early Retirement precedes the Participant's attaining age sixty-two (62), unless:
 - The Participant attains age fifty-five (55), accrues forty (40) years or more of Credited Service, and elects Early Retirement on or after March 1, 1990;
 - The Participant attains age sixty (60), accrues thirty (30) years or more of Credited Service, and elects Early Retirement on or after July 1, 1992; or
 - The Participant attains age sixty-one (61), accrues twenty-nine (29) years or more of Credited Service, and elects Early Retirement on or after July 1, 1992.

3. *Total Disability Pension:*

- A Participant who is less than sixty-two (62) years of age is eligible for payment of his or her retirement benefit under a Total Disability Pension upon incurring a Total Disability provided the Participant has accrued at least ten (10) years of Vesting Service and has submitted a written application to the Fund Office for receipt of his or her retirement benefit.
- Total Disability means a total and permanent inability to engage in employment as determined by the Social Security Administration and evidenced by the granting of a Social Security Disability Award.
- Total Disability does not include injury or illness which is caused by or arises from habitual drunkenness, illegal use of drugs, a crime of the third degree or greater, intentional self-infliction, or service in the armed forces of the United States for which a government disability pension is payable (except, in the case of a Participant who has accumulated twenty-five (25) years of Credited Service or more, Total Disability does include injury or illness which arises from service in the armed forces).
- If a Participant is entitled to a Total Disability Pension, the Plan shall calculate such a Participant's retirement benefit as if he or she has attained sixty-two (62) years of age.
- A Total Disability Pension shall terminate upon the date that a Participant no longer meets the minimum requirements for Total Disability.

- See Section 7.6 of the Plan for special rules regarding re-employment and calculation of retirement benefits upon re-application for such benefits.

4. *Partial Disability Pension:*

- A Participant who is less than sixty-two (62) years of age is eligible for payment of his or her retirement benefit under a Partial Disability Pension upon incurring a Partial Disability provided the Participant has accrued at least ten (10) years of Vesting Service and has submitted a written application to the Fund Office for receipt of his or her retirement benefit.
- Partial Disability is available in the absence of a ruling by the Social Security Administration on a claim for a Social Security Disability Award. Partial Disability means a determination by a physician (selected by the Trustees) that a Participant is unable to work as an Operating Engineer due to demonstrable injury or disease.
- Partial Disability does not include injury or illness which is caused by or arises from habitual drunkenness, illegal use of drugs, a crime of the third degree or greater, intentional self-infliction, or service in the armed forces of the United States for which a government disability pension is payable (except, in the case of a Participant who has accumulated twenty-five (25) years of Credited Service or more, Partial Disability does include injury or illness which arises from service in the armed forces).
- If a Participant is entitled a Partial Disability Pension, the Plan shall calculate such a Participant's retirement benefit as if he or she has attained sixty-two (62) years of age subject to a reduction of one quarter of one percent for each month by which the Participant falls short of attaining age sixty-two (62).
 - In no case shall such a reduction exceed twenty-one (21) percent.
- A Partial Disability Pension shall terminate upon the date that a Participant no longer meets the minimum requirements for Partial Disability.

- The Trustees may require a Participant who has applied for a Partial Disability Pension to submit to a medical examination by a physician or physicians selected by the Trustees to confirm the disability, and to submit to periodic re-examinations as a condition for receiving or continuing to receive the Partial Disability Pension.
- See Section 7.6 of the Plan for special rules regarding re-employment and calculation of retirement benefits upon re-application for such benefits.

5. *Reciprocity:*

The Plan is signatory to the International Union of Operating Engineers National Reciprocity Agreement. That Agreement provides for two types of reciprocity, Pro-Rata Reciprocity and Money Follows the Man Reciprocity. Pro-Rata Reciprocity is mandatory. The Plan has adopted both types of reciprocity.

- Pro-Rata Reciprocity. Pro-Rata Reciprocity provides a means of combining service earned under the IUOE 825 Pension Fund with service earned in other IUOE Local Union plans (“Related Pension Plans”) that have signed the pro-rata portion of the International Union of Operating Engineers National Reciprocity Agreement, so that you will have a right to a monthly benefit. All other IUOE Local Union Plans in the United States and four in Canada are signatory to Pro-Rata Reciprocity. You could benefit from this provision if your years of Vesting Service have been divided between the IUOE 825 Pension Fund and one or more Related Pension Plans. To have a right to a pro-rata monthly benefit you must:
 - Be retired and not performing work for which hours and monies are being reported;
 - Have service with the IUOE 825 Pension Fund and the Related Pension Plans that can be combined so that you would have a right to a benefit (that is, you have a vested interest in each plan); and
 - Have at least one year of service in each plan based on actual participation.

The amount of a pro rata pension shall be calculated in accordance with the Plan’s rules for Normal Retirement, Early Retirement, Total Disability, and Partial Disability as dictated by the facts and circumstances surrounding the request for a pro rata pension.

- Money Follows the Man (MFM) Reciprocity. Money Follows the Man (“MFM”) Reciprocity permits Plan participants to request that contributions which may be made on their behalf to other MFM signatory IUOE Local Union plans be transferred to the Plan. Likewise, MFM Reciprocity permits participants from MFM signatory Local Union plans to request that contributions made to the Plan be transferred from the Plan back to their home Local Union plan. Each IUOE Local Union plan has made its own decision about whether to adopt MFM Reciprocity. Adopting IUOE Local Union plans have their own policies and procedures for MFM Reciprocity, which may limit the time within which MFM transfer requests must be made. Accordingly, participants interested in such transfers should contact those plans to determine such policies and procedures.

Suspension

The Plan may suspend benefits for any month in which a Participant or Pensioner engages in disqualifying employment. When benefits are suspended the right to receive affected payments is forfeited.

1. *For purposes of benefits accrued prior to January 1, 2007:*

- a Participant engages in disqualifying employment by working forty (40) or more hours per month within a classification described in the Union’s collective bargaining agreement within the geographic jurisdiction of the Union (regardless of whether such employment is as a bargaining unit or non-bargaining unit Employee).

2. *For purposes of benefits accrued on or after January 1, 2007:*

- a Participant who has not yet attained age sixty-two (62) engages in disqualifying employment by working one (1) or more hours per month performing work covered by a classification described in the Union’s collective bargaining agreement (regardless of whether such employment is as a bargaining unit or non-bargaining unit Employee) within any state of the United States of America or any province of Canada.
- a Participant who has attained age sixty-two (62) engages in disqualifying employment by working forty (40) or more hours per month performing work covered by any classification described in the Union’s collective bargaining agreement (regardless of whether such employment is as a bargaining unit or non-bargaining unit Employee) within the states of New Jersey or New York, or within any Standard Metropolitan Statistical

Area, as defined from time to time by the United States Department of Labor, which is situated in whole or in part in New Jersey or New York.

3. *Right to Offset*

- If the Plan makes a monthly payment(s) of benefits to a Participant when such payment(s) was subject to suspension, then the Plan may offset such payment(s) against any future payments to the which the Participant is otherwise entitled (not to exceed 25% of any such payment other than the first payment upon resumption following a suspension).
 - See Section 6.6 of the Plan for other special rules relating to calculation of benefits upon re-retirement.

4. *Presumption and Notice*

A Pensioner shall notify the Plan in writing within twenty-one (21) days after starting any work of any type that is or may be disqualifying employment without regard to the number of hours of such work. If the Plan is aware that a Pensioner is employed in any month and the Pensioner has failed to give timely notice to the Plan of such employment, the Plan shall presume that the Pensioner worked in disqualifying employment in such month and any subsequent month until the Pensioner gives notice that he or she has ceased disqualifying employment. The Pensioner shall have the right to overcome such presumption by establishing that his or her work was not in fact on an inappropriate basis, under the Plan, for suspension of his or her benefits.

A Pensioner whose pension has been suspended shall notify the Plan when disqualifying employment has ended. The Trustees shall have the right to hold back benefit payments until such notice is filed with the Plan.

The Plan shall inform a Participant or Pensioner of any suspension of his or her benefits by notice given by personal delivery or first class mail during the first calendar month in which his or her benefits are withheld. Such notice shall include a description of the specific reasons for the suspension, a copy of the relevant provisions of the Plan, reference to the applicable regulation of the U.S. Department of Labor, and a statement of the procedure for securing a review of the suspension. In addition, the notice shall describe the procedure for the Participant or Pensioner to notify the Plan when his disqualifying employment ends. If the Plan intends to recover prior overpayments by offset, the suspension notice shall explain the offset procedure and identify the amount expected to be recovered and the periods of employment to which they relate.

Section VI

Eligibility For Payment of Benefits

5. Request for Determination

A Participant or Pensioner may request in writing a determination from the Plan whether a particular employment will be disqualifying. The Plan shall provide the Participant or Pensioner with its determination and all such determinations shall be governed by the Plan's Claims and Appeal Procedure Rules.

Section VII

Forms of Benefits

The Plan offers various forms of pension benefits to eligible Vested Participants. The form of benefit determines the timing, allocation, and duration of payment of a Participant's pension benefit. Certain forms also permit a Participant to select a Beneficiary(ies) to receive a portion of his or her retirement benefit. An eligible Vested Participant retiring under this Plan may choose any of the following forms of benefits (subject to certain legal rights granted to his or her Spouse and discussed in Section VIII of this SPD):

Full (Single Life Pension) (Option 1): The Participant will receive a full monthly pension calculated in accordance with Section IV of this SPD. The monthly benefit payment will continue for the retired lifetime of the Participant. No pension benefits are payable after death.

Joint and 100% Survivor (Option 2) – Married Participants Only: The Participant receives a reduced monthly pension benefit during the Participant's retired lifetime. Upon the death of the Participant, if the Spouse survives, the same pension benefit will continue to be paid to the Spouse until the Spouse's death. If the Participant's Spouse predeceases the Participant, the Participant's benefit will be increased to a full pension beginning with the first month following the Spouse's death.

Joint and 100% Survivor with Guaranteed Benefit (Option 2A) – Married Participants Only/Spousal Consent Required: The Participant receives a reduced monthly pension benefit during the Participant's retired lifetime. Upon the Participant's death and assuming the Participant predeceases his or her Spouse, the Participant's surviving Spouse receives the same monthly benefit for his or her lifetime. Also, under this option, if the Participant's Spouse predeceases the Participant, the Participant's benefit will be increased to a Guaranteed Benefit without Joint and Survivor (see below). In the event that the Participant and the Spouse die prior to the expiration of the guaranteed payment period selected by the Participant (5, 10, 15 or 20 years) then the following rules apply:

- If the Participant has designated a Beneficiary and the Beneficiary survives the Participant and his or her Spouse, then the Beneficiary (or the Beneficiary's estate if the Beneficiary dies after becoming entitled to receive the benefit) shall receive the balance of the guaranteed payments on a monthly basis (or a lump sum in the case of the estate).
- If the Participant and the Spouse die before receiving pension payments for the guaranteed number of years and no Beneficiary survives the last to die, the discounted value of remaining payments shall be paid to the Participant's estate.

Joint and 75% Survivor (Option 3) – Married Participants Only: The Participant receives a reduced monthly pension benefit during the Participant's retired lifetime. Upon the death of the Participant, if the Spouse survives, seventy-five (75) percent of the Participant's benefit will continue to be paid to the Spouse until death. If the Participant's Spouse predeceases the Participant, the Participant's benefit will be increased to a full pension.

Joint and 75% Survivor with Guaranteed Benefit (Option 3A) – Married Participants Only/Spousal Consent Required: The Participant receives a reduced monthly pension benefit during the Participant's retired lifetime. Upon the death of the Participant, if the Spouse survives, seventy-five (75) percent of the Participant's benefit will continue to be paid to the Spouse until death. Also, under this option if the Participant's Spouse predeceases the Participant, the Participant's benefit will be increased to a Guaranteed Benefit without Joint and Survivor (see below). In the event that the Participant and the Spouse die prior to the expiration of the guaranteed payment period selected by the Participant (5, 10, 15 or 20 years) then the following rules apply:

- If the Participant has designated a Beneficiary and the Beneficiary survives the Participant and his or her Spouse, then the Beneficiary (or the Beneficiary's estate if the Beneficiary dies after becoming entitled to receive the benefit) shall receive the balance of the guaranteed payments on a monthly basis (or a lump sum in the case of the estate).
- If the Participant and the Spouse die before receiving pension payments for the guaranteed number of years and no Beneficiary survives the last to die, the discounted value of remaining payments shall be paid to the Participant's estate.

Joint and 50% Survivor (Option 4) – Married Participants Only: The Participant receives a reduced monthly pension benefit during the Participant's retired lifetime. Upon the death of the Participant, if the Spouse survives, fifty (50)

percent of the Participant's benefit will continue to be paid to the Spouse until death. If the Participant's Spouse predeceases the Participant, the Participant's benefit will be increased to a full pension.

Joint and 50% Survivor with Guaranteed Benefit (Option 4A) – Married Participants Only/Spousal Consent Required: The Participant receives a reduced monthly pension benefit during the Participant's retired lifetime. Upon the death of the Participant, if the Spouse survives, fifty (50) percent of the Participant's benefit will continue to be paid to the Spouse until death. Also, under this option, if the Participant's Spouse predeceases the Participant, the Participant's benefit will be increased to a Guaranteed Benefit without Joint and Survivor (see below). In the event that the Participant and the Spouse die prior to the expiration of the guaranteed payment period selected by the Participant (5, 10, 15 or 20 years) then the following rules apply:

- If the Participant has designated a Beneficiary and the Beneficiary survives the Participant and his or her Spouse, then the Beneficiary (or the Beneficiary's estate if the Beneficiary dies after becoming entitled to receive the benefit) shall receive the balance of the guaranteed payments on a monthly basis (or a lump sum in the case of the estate).
- If the Participant and the Spouse die before receiving pension payments for the guaranteed number of years and no Beneficiary survives the last to die, the discounted value of remaining payments shall be paid to the Participant's estate.

Guaranteed Benefit without Joint and Survivor (Option 5) – Married Participants Only/Spousal Consent Required: The Participant receives a reduced monthly pension benefit during the Participant's retired lifetime. In the event that the Participant dies prior to the expiration of the guaranteed payment period selected by the Participant (5, 10, 15 or 20 years) then following rules apply:

- If the Participant has designated a Beneficiary and the Beneficiary survives the Participant, then the Beneficiary (or the Beneficiary's estate if the Beneficiary dies after becoming entitled to receive the benefit) shall receive the balance of the guaranteed payments on a monthly basis (or a lump sum in the case of the estate).
- If the Participant dies before receiving pension payments for the guaranteed number of years and no Beneficiary survives the Participant, the discounted value of remaining payments shall be paid to the Participant's estate.

Guaranteed Benefit When No Spouse Exists (Option 6): If the Participant is not Married, the Participant may choose to receive the same monthly benefit as provided in Option 5 of this section and may select a Beneficiary to receive the remainder of the monthly pension payments in the event that the Participant dies before the guaranteed period has come to an end.

Lump Sum: The Plan does not offer a lump sum distribution unless the value of the Participant's total pension benefit does not exceed \$5,000 (or, as noted above, where payment is made to the Participant's or a Beneficiary's estate). A Participant qualifying for this voluntary lump sum payment will be sent a notice of his or her right to receive a distribution of the present value of his or her entire vested accrued benefit. If the Participant fails to elect the voluntary lump sum distribution in the manner and within the time period specified in the notice, then his or her benefits will be paid in one of the optional forms of distribution specified above.

Once your application for benefits has been approved by the Trustees, benefit payments will begin no later than 60 days after the close of the Plan Year in which the latest of (a),(b), or (c) below occurs:

- (a) You reach your Normal Retirement Date;
- (b) You reach your tenth anniversary of participation in the Plan; or
- (c) You cease to be an Employee.

Effective January 1, 1997, if you reach age 70 ½ (and you are not a five percent owner), you must begin to receive a monthly pension benefit no later than the April 1 of the calendar year following the calendar year in which you turned 70 ½, or in which you retire, whichever is later. See Section 6.4 of the Plan for more information.

Section VIII Your Spouse's Legal Rights

The Employee Retirement Income Security Act ("ERISA") grants a Participant's Spouse rights in the Participant's pension benefit. Specifically, a Participant's Spouse is legally entitled to receive (or waive) a special form of survivor benefit from the Plan which specifies that the Spouse will continue to receive a pension benefit for his or her lifetime after the Participant dies. This special payment form is often called a "qualified joint and survivor annuity" or "QJSA" payment form. Under the Plan, the following forms of benefits satisfy this requirement:

- Joint and 100% Survivor
- Joint and 75% Survivor
- Joint and 50% Survivor

If a Participant wishes to select a form of benefit other than one listed above (i.e., Full Single Life Pension, Joint and 100% Survivor with Guaranteed Benefit, Joint and 75% Survivor with Guaranteed Benefit, Joint and 50% Survivor with Guaranteed Benefit, Guaranteed Benefit without Joint and Survivor, or Lump Sum) and/or name a Beneficiary(ies) other than his or her Spouse, such a Participant will need to obtain the consent of his or her Spouse and execute a waiver of the right to a QJSA. Please contact the Fund Office to obtain more information with respect to the QJSA form of benefit or waiving this form of benefit.

If a Vested Participant dies before payment of his or her retirement benefit, ERISA grants his or her surviving Spouse the right to receive a special death benefit from the Plan. This special death benefit is often called a "qualified pre-retirement survivor annuity" or a "QPSA".

For any Participant who first performed an Hour of Service prior to July 1, 2012, the Participant's Spouse may waive the spousal-portion of the special death benefit from the Plan and the Participant may designate a non-Spouse Beneficiary to receive that portion of the benefit. The value of the spousal portion of the benefit is equivalent to fifty (50) percent of the value of a Vested Participant's pension benefit.

For any Participant who first performs an Hour of Service on or after July 1, 2012, the Participant's Spouse may not waive the spousal-portion of the special death benefit from the Plan and the Participant may not name a Beneficiary to receive that portion of the benefit.

Any Participant may name a Beneficiary(ies) to receive the non-spousal portion of the QPSA benefit. The value of the non-spousal portion of the benefit is equivalent to fifty (50) percent of the value of a Vested Participant's pension benefit.

For more information on the QJSA and/or the QPSA, Participants may consult the Plan or contact the Fund Office. Also, please inform the Fund Office if your Marital status changes.

Section IX

Qualified Domestic Relations Orders

No Participant or Beneficiary has the right to assign, alienate, transfer, encumber, pledge, mortgage, hypothecate, anticipate, or impair his or her legal or beneficial interest in the benefits available under the Plan. However, the Trustees will comply with a “qualified domestic relations order” (“QDRO”), which is a court order requiring deduction from the benefits payable to a Participant for alimony or support payments pursuant to a qualified domestic relations order.

A QDRO is a judgment, decree, or order granting a specific percentage or amount of a Participant’s pension benefits to a Spouse, former Spouse, child, or other dependent as child support, alimony, or Marital property rights. Upon request of a Participant, the Plan Administrator will provide at no cost to the Participant a copy of the Plan’s procedures governing QDRO determinations. All QDROs must be approved by the Plan Administrator regardless of whether they have been entered by a court.

Section X

Applications and Claims For Benefits

The Plan provides specific procedures by which Participants or Beneficiaries (collectively referred to as “claimants” in this section) may apply for pension benefits, appeal denials of claims for pension benefits, or otherwise resolve disputes related to the payment of pension benefits. The Trustees have full discretion for the interpretation and administration of the Plan, Plan design, and benefit coverage. All determinations of eligibility for benefits made by the Trustees or their designee shall be final and binding upon any individual claiming benefits under the Plan and shall be given full force and applicability in courts of law and may not be overturned or set aside by any court of law unless found to be arbitrary and capricious or made in bad faith.

1. Application:

- **Filing an Application:** A claimant must submit a written application to the Fund Office in order to be eligible for consideration of a pension benefit and in order to commence payment of his or her pension benefit. The Fund Office accepts written applications no more than 180 days prior to the first day of the first month for which benefits are payable and they may require a claimant to submit any information or proof needed to determine eligibility for payment of benefits. The requirement for submission of a written application cannot be waived. The Trustees may deny, suspend, or discontinue

the benefits of any claimant who furnishes false information in or pursuant to a written application for benefits.

- **Initial Benefit Determination:** If the Plan approves a claimant's application for benefits, payments shall commence as soon as administratively feasible with the first day of the first month following the determinate date in which the claimant is deemed eligible for benefits by the Plan. If the Plan denies a claimant's or a Beneficiary's application for benefits ("adverse benefit determination"), including any dispute concerning the calculation of the pension benefit, the claimant shall receive written notice of the adverse benefit determination within ninety (90) days after the Trustees' receipt of the written application. The notice of adverse benefit determination will provide the specific reason(s) for the denial, identify the specific provisions of the Plan on which the determination is based, describe any additional material or information needed to perfect the application and explain why such information is necessary, and explain the Plan's claim review procedures and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under section 502(a) of ERISA following an adverse benefit determination on review.
 - **Extension of Review Period:** If the Plan Administrator determines that special circumstances require an extension of time for processing, written notice of this extension of time shall be sent to the claimant within the initial ninety (90) day period specified above and in no event shall the extension exceed a period of ninety (90) days from the end of the initial period.

*** If you have not received a written decision within 90 days (or notice of an extension) of filing the application or claim for benefits, such application/claim is deemed denied.**

2. Appeals:

- **Filing an Appeal:** A claimant may appeal by filing a written request for review within sixty (60) days after receiving notice of the adverse benefit determination (or by claimant's failure to receive a response from the Plan Administrator within 90 days). Such written request should be submitted to the Plan Administrator at the Fund Office. The claimant or his or her authorized representative shall be provided, upon request and free of charge, reasonable access to and copies of, all documents, records, or other information relevant to the claimant's claim for benefits. The claimant or his or her authorized representative may

submit written comments, documents, records and any other additional information relating to the claim for benefits. The Trustees' review shall take into account all comments, documents, records and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

- If you choose to designate someone else to act on your behalf, you must inform the Plan in writing. If you revoke the designation or designate someone else to act on your behalf, it must be in writing to the Plan. Once you designate an authorized representative, all plan communications will be sent to such person.
- Failure to timely file an appeal within the applicable period shall constitute a waiver of the claimant's right to reconsideration of the decision on the basis of the information and evidence previously submitted to the Plan Administrator.
- Appeal Determination: The Trustees (or its designated committee) will consider the claimant's appeal no later than the date of the regularly scheduled meeting of the Trustees that immediately follows the Fund's receipt of the request for review, unless the request for review is received less than thirty (30) days prior to the date of such meeting. In such case, the benefit determination may be made by no later than the second meeting following the Fund's receipt of the request for review. The Plan Administrator will notify the claimant of the benefit determination as soon as possible, but not later than five (5) days after the benefit determination is made. In the event the Trustees deny the appeal ("adverse benefit determination on review"), the notice of such adverse benefit determination on review will state the specific reason(s) and identify the pertinent provision(s) of the Plan on which its decision is based. Additionally, the notice will state that the claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of, all documents, records, and other information relevant to the claimant's claim for benefits. The notice shall also describe the claimant's right to bring an action under section 502(a) of ERISA.
 - Extension of Review Period: If the Plan Administrator determines that special circumstances require an extension of time for processing of an appeal, written notice of this extension shall be sent to the claimant no later than five (5) days after the date of the quarterly meeting at which the appeal would have otherwise been determined.

The extension notice will indicate the special circumstances requiring the extension of time and the date by which the plan expects to render the determination on review.

3. *Special Rules for Partial Disability Pension: Notwithstanding the foregoing, special rules apply to adverse benefit determinations for claims for a Partial Disability Pension.*

- **Initial Benefit Determination:** The Plan Administrator shall notify the claimant of the Plan's determination within forty-five (45) days after receipt of the application. In addition to the information required by paragraph 1 of this section, the notice of an adverse benefit determination as to eligibility for a Partial Disability Pension shall include any internal rule, guideline, protocol, or other similar criterion that was relied upon in making the determination, or a statement that such a rule, guideline, protocol or other similar criterion was relied upon in making the adverse benefit determination and that a copy thereof will be provided free of charge to the claimant upon request.
 - **Extension of Review Period:** The initial forty-five (45) day review period may be extended by the Plan for up to 30 days, provided that the Plan Administrator both determines that such an extension is necessary due to matters beyond the control of the Plan and notifies the claimant, prior to the expiration of the initial 45-day period, of the circumstances requiring the extension of time and the date by which the Plan expects to render a decision. If, prior to the end of the first 30-day extension period, the administrator determines that, due to matters beyond the control of the Plan, a decision cannot be rendered within that extension period, the period for making the determination may be extended for up to an additional 30 days, provided that the Plan Administrator notifies the claimant, prior to the expiration of the first 30-day extension period, of the circumstances requiring the extension and the date as of which the plan expects to render a decision. In the case of any extension under this paragraph, the notice of extension shall specifically explain the standards on which entitlement to a benefit is based, the unresolved issues that prevent a decision on the claim, and the additional information needed to resolve those issues, and the claimant shall be afforded at least 45 days within which to provide the specified information.
- **Filing an Appeal:** In the case of a claim as to eligibility for a Partial Disability Pension, the claimant has 180 days following receipt of the

notification of an adverse benefit determination within which to appeal the determination. Such a claimant shall be afforded all of the rights described in paragraph 2 of this section to the extent such rights are consistent with this paragraph. In addition, however, the review of an adverse benefit determination on a claim as to eligibility for a Partial Disability Pension shall not afford any deference to the initial adverse benefit determination. Moreover, the claimant shall be advised of the identity of any medical or vocational experts whose advice was obtained on behalf of the Plan in connection with the claimant's adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination.

- Failure to timely file an appeal within the applicable period shall constitute a waiver of the claimant's right to reconsideration of the decision on the basis of the information and evidence previously submitted to the Plan Administrator.
- **Appeal Determination:** The Trustees shall make an appeal determination no later than the date of the regularly scheduled meeting of the Trustees that immediately follows the receipt of a request for review, unless the request for review is filed within 30 days preceding the date of such meeting. In such case, the benefit determination may be made by no later than the date of the second meeting following receipt of the request for review. The Plan Administrator shall notify the claimant of the benefit determination as soon as possible, but not later than 5 days after the benefit determination is made. In the case of an adverse benefit determination on appeal, in addition to the information required in paragraph 2 of this section, the notice of such determination will include any internal rule, guideline, protocol, or other similar criterion that was relied upon in making the determination, or a statement that such a rule, guideline, protocol or other similar criterion was relied upon in making the adverse benefit determination and that a copy thereof will be provided free of charge to the claimant upon request. The notice will also contain the following statement: "You and your Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your state insurance regulatory agency."
- Please note that you must file an appeal with the Plan and exhaust its claim and appeal procedures prior to filing an action in court with respect to a claim for benefits.

The Trustees retain the right to amend the Plan at any time consistent with the provisions of the Trust Agreement. The procedure for amendment requires formal action by the Trustees in accordance with the Trust Agreement. The Trustees also retain the right to discontinue or terminate this Plan in whole or in part. The rights of all affected Participants to benefits accrued prior to the date of termination, partial termination, or discontinuance shall be non-forfeitable (to the extent they are funded as of such date).

In the event of termination, the assets remaining in the Plan after providing for any administrative expenses shall be allocated among the Participants and beneficiaries in the following order:

1. *First to benefits payable as a pension:*

- In the case of the pension of a Participant or Beneficiary which was in pay status as of the beginning of the 3-year period ending on the termination date of the Plan, the assets shall be allocated to each such pension in accordance with the provision of the Plan under which such pension would be the least in amount.
- In the case of a pension of a Participant or Beneficiary which would have been in pay status as of the beginning of such 3-year period if the Participant had retired prior to the beginning of the 3-year period and if his or her pension had commenced (in the standard form) as of the beginning of such period, the assets shall be allocated to each such pension in accordance with the provision of the Plan under which such pension would be the least in amount.

2. *Second to benefits guaranteed by Section 4022A of ERISA:*

- Assets shall be allocated to all other Beneficiaries (if any) of the individuals under the Plan guaranteed under Section 4022A of ERISA.

3. *Third to other vested benefits:*

- Assets shall be allocated to all other vested benefits under this Plan.

4. *Fourth to other benefits:*

- Assets shall be allocated to all other benefits under this Plan.

The assets remaining in the Plan shall be allocated with respect to the above order in the following manner:

1. *Paragraphs 1 and 2: If the assets available for allocation under the above paragraphs 1 (i.e., First to benefits payable as a pension) and 2 (i.e. Second to benefits guaranteed by 4022A of ERISA) are insufficient to satisfy in full the benefits of all individuals which are described in those paragraphs, the assets shall be allocated pro rata among such individuals on the basis of the present value (as of the termination date) of their respective benefits described in those paragraphs.*
2. *Paragraph 3:*
 - If the assets available for allocation under the above paragraph 3 (i.e. Third to other vested benefits) are insufficient to satisfy in full the benefits of all individuals which are described in that paragraph, then the assets shall be allocated to the benefits of individuals described in that paragraph on the basis of the benefits then in effect at the beginning of the 5-year period ending on the date of Plan termination.
 - If the assets available for allocation are sufficient to satisfy in full the benefits as described in paragraph 3 (i.e. Third to other vested benefits), then benefits of individuals described in paragraph 3 shall be determined on the basis of the Plan as amended by the most recent Plan amendment effective during such 5-year period under which the assets available for allocation are sufficient to satisfy in full the benefits of individuals described above and any assets remaining shall be allocated on the basis of the Plan as amended by the next succeeding Plan amendment effective during such period.

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

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

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

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

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

As a Participant in this Plan you are entitled to certain rights and protections under ERISA. ERISA provides that all Participants shall be entitled to:

1. Receive information about the Plan and his or her benefits as follows:

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated SPD. The administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.
- Receive a Summary of the Fund's Annual Funding Notice.
- If the Plan is considered to be in endangered, seriously endangered or critical status (as defined under the Pension Protection Act), the Plan Administrator will notify you as required by law.
- Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age and if so, what your benefits would be at Normal Retirement Age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

2. Prudent actions by Plan fiduciaries:

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

3. *Enforce a Participant's Rights:*

- If a Participant's claim for a pension benefit is denied or ignored, in whole or in part, he or she has 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 a Participant can take to enforce the above rights. For instance, if he or she requests a copy of Plan documents or the latest annual report from the Plan and does not receive them within 30 days, he or she may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay such a Participant up to \$110 a day until the Participant receives the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If a Participant has a claim for benefits which is denied or ignored, in whole or in part, that Participant may file suit in a state or Federal court. In addition, if the Participant disagrees with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, that Participant may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if a Participant is discriminated against for asserting his or her rights, that Participant may seek assistance from the U.S. Department of Labor or may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If the Participant is successful the court may order the person the Participant has sued to pay these costs and fees. If the Participant loses, the court may order the Participant to pay these costs and fees, for example, if it finds the Participant's claim is frivolous.

4. *Assistance with Your Questions:*

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

1. *Name and Type of Plan:*

The name of the plan is the International Union of Operating Engineers Local 825 Pension Plan (“Plan”). It is a defined benefit plan.

2. *Plan Sponsor:*

The Plan Sponsor is the International Union of Operating Engineers Local 825 Pension Plan Board of Trustees (“Board of Trustees”, “Board”, or “Trustees”). The participating employers and the International Union of Operating Engineers Local 825 (“Union”) appoint an equal number of Trustees to serve on the Board. The Board is charged with the duty of carrying out the provisions of the Plan. In the discharge of its duties the Board is aided and advised by legal counsel, actuaries, accountants, investment consultants and managers, and administrative personnel. The following persons serve on the Board of Trustees:

Employer Trustees	Union Trustees
<p>Ross J. Pepe, Co-Chairman Construction Industry Council of Westchester & Hudson Valley, Inc. 629 Old White Plains Road, Tarrytown, NY 10591</p>	<p>Gregory Lalevee, Co-Chairman 65 Springfield Avenue, Second Floor Springfield, NJ 07081</p>
<p>Jack Kocsis, Jr. ACCNJ Raritan Center Plaza II, Suite A-19 91 Fieldcrest Ave., Edison, NJ 08837</p>	<p>Matty White 65 Springfield Avenue, Second Floor Springfield, NJ 07081</p>
<p>John Daly 65 Springfield Avenue, Second Floor Springfield, NJ 07081</p>	<p>John Wood 65 Springfield Avenue, Second Floor Springfield, NJ 07081</p>
<p>Arthur B. Corwin Moretrench American Corporation 100 Stickle Avenue, Rockaway, NJ 07866</p>	<p>James McGowan 65 Springfield Avenue, Second Floor Springfield, NJ 07081</p>

3. *Plan Administrator:*

The Plan Administrator is the Board of Trustees. The Board has appointed Christine Medich to discharge the daily administrative duties of the Plan.

4. *Fund Office:*

The Board of Trustees and Christine Medich conduct the daily business of the Plan at the Fund Office. The Fund Office is located at the following address:

65 Springfield Avenue, Second Floor
Springfield, NJ 07081
(973) 671-6800

5. *Service of Legal Process:*

Service of legal process may be made upon any member of the Board of Trustees or Christine Medich.

6. *Plan Identification Numbers:*

EIN # 22-6033380
Plan # 001

7. *Collective Bargaining Agreement:*

The Plan is maintained pursuant to a collective bargaining agreement between the Union and participating employers. Participants and Beneficiaries may obtain a copy of the collective bargaining agreement by submitting a written request to Christine Medich at the Fund Office. The Plan may make a reasonable charge for such copies. Participants and Beneficiaries may also request that the collective bargaining agreement be made available for inspection during regular business hours at the Fund Office by submitting a written request to Christine Medich.

Upon written request, the Plan Administrator will provide information as to whether a particular employer or employee organization participates in this Plan, and, if so, the Plan Administrator will provide the employer's or employee organization's address.

8. *Contributions and Funding:*

The Plan is funded through contributions as determined by the collective bargaining agreement between the Union and participating employers as well as by investment earnings. The source of contributions to the Plan is participating employers. The amount of these contributions is actuarially determined. The contributions are made to and held by the Fund. Employees are not permitted to contribute to the Plan.

9. *Effective Date:*

The Plan became effective on January 10, 1956.

1. *Incompetence or Incapacity:*

If the Trustees determine that a Participant or a Beneficiary is not able to care for his or her affairs because of legal incapacity, or mental or physical illness, accident or incapacity, then the Trustees, in their sole discretion, may pay the benefits due such Pensioner or Beneficiary to his or her legal guardian, committee or legal representative; or in the absence of any of them, to any blood relative or connection by Marriage who is deemed by the Trustees to be a responsible representative. Payment by the Trustees to such legal representative or relative shall be made only after receipt of a valid court order or affidavit to that effect. Payment by the Trustees to such legal representative or relative of the Pensioner or Beneficiary shall operate to discharge the Trustees from any liability to such Pensioner or Beneficiary or to anyone representing his or her interest.

2. *Forwarding Address*

Participants and Beneficiaries who are to receive benefits should keep the Plan informed of their current addresses to help ensure proper and uninterrupted payment of benefits.

3. *Information and Proof*

Each Participant and Pensioner shall furnish the Plan with any information or proof requested by it and reasonably required to administer it. If for any reason benefit payments are made to any person from the Fund in excess of the amount which is due and payable under the Plan for any reason (including, without limitation, mistake of fact or law, reliance on any false or fraudulent statements, information or proof submitted by a claimant, or the continuation of payments after the death of a Participant or Beneficiary entitled to the them), the Trustees (or the Plan Administrator or any other designee duly authorized by the Trustees) shall have full authority, in their sole and absolute discretion, to recover the amount of any overpayment (plus interest and costs). That authority shall include, but shall not be limited to, (i) the right to reduce benefits payable in the future to the person who received the overpayment, (ii) the right to reduce benefits payable to a surviving Spouse or other Beneficiary who is, or may become, entitled to receive payments under the Plan following the death of that person, and/or (iii) the right to initiate a lawsuit or to take such other legal action as may be necessary to recover any overpayment (plus interest and costs) against the person who received the overpayment, or such person's estate.

4. *Severability*

If any provision of this SPD is held invalid, unenforceable or inconsistent with any law, regulation or requirement, its invalidity, unenforceability or inconsistency will not affect any other provision of the SPD, and the SPD shall be construed and enforced as if such provision were not a part of the SPD.

5. *Construction of Terms*

Words of gender shall include persons and entities of any gender, the plural shall include the singular and the singular shall include the plural. Section headings exist for reference purposes only and shall not be construed as part of the SPD.

6. *Settlement of Controversies*

All questions or controversies, of whatever character, arising in connection with this Plan or its operation, whether as to any claim for any benefits by any Participant or Beneficiary or whether as to the construction of the language or meaning of this Plan or of any by-laws, rules and regulations adopted by the Trustees, shall be submitted to the Trustees (or their designated committee), and their decision shall be binding upon all persons dealing with the Plan or claiming benefits thereunder. Any judicial review for this purpose shall be in accordance with the “arbitrary and capricious” standard permitted under *Firestone Tire & Rubber Co. v. Bruch*, 489 U.S. 101 (1989).

7. *Applicable Law*

The Plan is governed by the Code, ERISA and all applicable federal law including regulations and rulings issued by the Internal Revenue Service or the Department of Labor. The Plan will always be construed to comply with these regulations, rulings and laws. Generally, federal law takes precedence over state law. All questions related to the construction of the Plan and its trust and the accounts and transactions of the parties will be determined, construed and enforced pursuant to New Jersey law to the extent not pre-empted or superseded by federal law.

8. Non-Duplication with Disability and Unemployment Benefits

No pension benefits shall be payable for any month during which a Participant receives wage indemnification for disability from the International Union of Operating Engineers Local 825 Welfare Fund or for unemployment from the International Union of Operating Engineers Local 825 Supplemental Unemployment Benefit Fund.

9. No Vested Interest

Except for the right to receive any benefit payable under the Plan in accordance with the Plan's rules, no person shall have any right, title, or interest in or to the assets of the Plan's trust or of any contributing employer.

10. No Right to Employment

Nothing in this Plan shall be interpreted as giving any Employee or Participant the right to be retained as an Employee by an Employer, or as limiting or affecting the rights of an Employer to control its Employees or to terminate the employment of any Employee at any time and for any reason, subject to any collective bargaining agreement.

11. Unauthorized Representations

The Plan shall not be bound by the representations of any person, other than the Trustees or those specifically designated by them, regarding participation in and eligibility for benefits under this Plan, status of Employer and Employees or any other matter relating to the Plan.

A Final Word

This SPD summarizes the key features of the Plan. The formal terms of the Plan are set forth in the official Plan documents and are not changed or otherwise interpreted by this SPD. To the extent that any of the information contained in this SPD is inconsistent with the official Plan documents, the provisions of the official documents will govern in all cases. The official Plan documents are available upon reasonable notice for your inspection at the Fund Office. Please call the Fund Office at (973) 671-6800 any time you have questions regarding your Plan benefits.

Directions to Fund Office

65 Springfield Avenue, Second Floor,
Springfield, New Jersey 07081 (973)671-6800

From the NORTH:

Take the Garden State Parkway South to Exit 142 (Route 78). Take 78 West to Exit 50B (Millburn/Maplewood). At traffic light make a right onto Vauxhall Road. Follow Vauxhall Road to the 2nd traffic light (landmarks: Exxon gas station is on the left, Amoco gas station is on the right). Make a left onto Springfield Avenue. Continue on Springfield Avenue, pass the Home Depot and make sure you stay to your left (Follow signs for Route 124). Cross over Route 78, and continue approximately ¼ mile to building on right.

From the SOUTH:

Take the Garden State Parkway North to Exit 139B (Union/Route 82). Follow Chestnut Street towards Union. Continue for about 1/8 of a mile, and make a left turn at monument (Cannon, Union Center Welcome Sign) onto Elmwood Avenue. Continue on Elmwood Avenue for approximately 2 miles onto Morris Avenue. Take Morris Avenue for approximately 1 mile and make a right onto Maple Avenue. Stay to your left (you will see Antonio's Italian Market on your left) and make 2nd U-turn (if you pass Maplewood Nurseries you went too far) onto Springfield Avenue. Building will be on your right.

From the EAST:

Take Route 280 West to Garden State Parkway. Follow directions labeled "From the North".

From the WEST:

Take Route 78 East (stay on local lanes on Route 78). Take Exit 49A (First exit) onto Springfield Avenue. Go approximately 1 block, building will be on your right.

From the NORTHWEST:

From Rt. 80 to 287 South to Route 24 East to Route 78 East (stay on local lanes on Route 78). Take Exit 49A (first exit) onto Springfield Avenue. Go approximately 1 block, building will be on your right.

From the SOUTHWEST:

From 287 North to Route 78 East (stay on local lanes on Route 78). Take Exit 49A (First exit) onto Springfield Avenue. Go approximately 1 block, building will be on your right.

