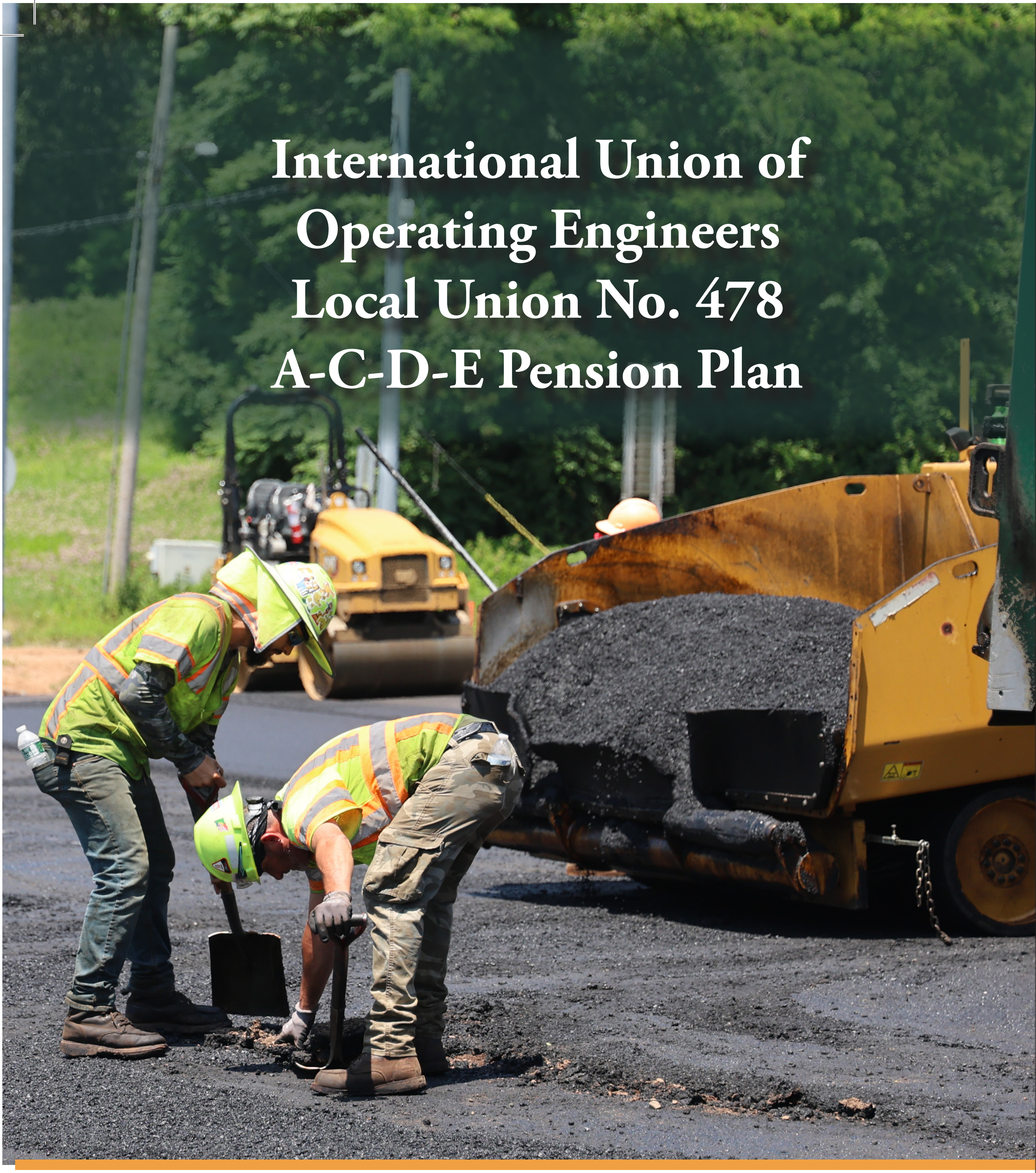
International Union of Operating Engineers Local Union No. 478 A-C-D-E Pension Plan



Plan Highlights
Eligibility Requirements
Maintaining Your Participant Status
Earning Your Pension Benefit
Type Of Pensions
Calculating Your Pension Benefit
Pension Payment Options
Life Events
Death Benefits
Applying For a Pension
Appeal Process
Miscellaneous Items
Plan Facts
Your ERISA Rights
Definitions

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Summary Plan Description

Effective August 1, 2024

INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL UNION NO. 478
A-C-D-E PENSION FUND OFFICE

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https://isite.local478.org/
https://local478.org/

PENSION FUND BOARD OF TRUSTEES

The Board of Trustees is made up of an equal number of Employer and Union representatives who serve without fees or compensation. Each Application for Benefits is acted upon in accordance with the rules and regulations of the Plan. A complete list of the Employers sponsoring the Fund may be obtained upon written request to the Fund's Executive Director and is available for examination.

Note: This is simply a SPD for the Plan. The official Plan Document and Trust Agreement describe the provisions of the Plan in more detail and are the final written authority with respect to your eligibility to participate in the Plan and any benefits which you or any Beneficiary of yours may receive under the Plan.

To All Participants and Beneficiaries:

The Board of Trustees of the International Union of Operating Engineers Local Union No. 478 A-C-D-E Pension Fund (the "Fund") is pleased to provide you with this updated Summary Plan Description ("SPD") of the International Union of Operating Engineers Local Union No. 478 A-C-D-E Pension Plan (the "Plan"). This SPD explains the basic provisions of the Plan and presents information that must be made available to Plan Participants in order to comply with the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), including a statement of your rights and protections under the law.

To make this information as clear as possible, this SPD is written in simple, straight-forward language. However, please be aware that the Plan's full text governs the operation and administration of the Plan. If there are any differences or any conflicts between the information in this SPD and the Plan document, the terms and conditions of the Plan will govern. The Fund's Board of Trustees has the full discretion and authority to interpret the terms and conditions contained in the Plan. You should not rely on any individual or unofficial opinion about your eligibility for participation in the Plan or any Plan benefits that you may feel are due to you.

Benefit plans can change from time to time. The descriptions in this SPD generally apply from August 1, 2024, and later, and it replaces and supersedes any prior materials you have received that describe the Plan benefits. Different rules may apply before August 1, 2024. In the event the Plan is significantly amended or modified in the future, you will be provided with a written notice of any changes to the mailing address the Fund has on file. You should keep all of these written notices with this SPD, so you have the most current information available in one place. These periodic updates are known as a "Summary of Material Modifications" or "SMM," and any notice will be labeled as such.

Personal or family situations also change from time to time. **You should always notify the Fund Office of any change in your contact information (phone or email), your mailing address or your marital status.** Also, whenever your marital status changes for any reason, you should be sure to confirm that any Fund Beneficiary designation you currently have in place with the Fund accurately reflects your wishes. Be aware that the rule for the Fund is that it will honor the most recent, and properly completed, Beneficiary designation form it has on file prior to your death, except where that designation is overridden by the legal requirement to pay Fund death benefits to the Spouse to whom you were married at the time of your death in situations where the Fund has been made aware of such Spouse. If you would like a reminder as to your applicable Beneficiary or Beneficiaries according to Fund records, you may contact the Fund Office using the contact information below at any time.

Please review this SPD carefully and keep it with your other important records. If you have any questions or require any additional information regarding the Plan, call or write to the Fund Office. If you are married, please share this SPD with your Spouse and if you are unmarried, please share this SPD with your Beneficiary or Beneficiaries. If you have any questions or need additional information regarding the Plan or your rights and benefits, please write or call the Fund Office at 866-288-9261 (Toll Free) or 203-288-9261, extension 274 or 270. Our staff will be happy to assist you.

Sincerely,

The Board of Trustees,
International Union of Operating Engineers Local Union No. 478 A-C-D-E Pension Fund

Table of Contents

Plan Highlights

- Your Pension Plan is designed to provide you with a set monthly income, payable when you retire from the Union. The amount of your pension is based on your years of service in the union operating engineer industry. You do not make contributions to the Pension Fund, instead benefits are completely funded by contributions through your Contributing Employer(s).
- Generally, you become a Participant on the next October 1st or April 1st following a period when you have worked at least 140 hours of service in Covered Employment during any 12 consecutive month period. See page 7 for more information on the eligibility requirements to participate in the Plan.
- In general, you become Vested in your Plan benefit when you have accumulated at least five (5) years of vesting service while a Participant. Please note that different vesting rules apply to earlier time frames (i.e., before October 1, 1998). Prior to that date, and the enactment of the Small Business Job Protection Act of 1996, Vested status under the Plan required the accumulation of at least ten (10) years of vesting service while a Participant. Becoming Vested means you have earned a non-forfeitable right to receive a pension from the Plan when you are eligible to retire. See page 20 for more information on becoming Vested.
- Once you become a Participant, your "pension credits" and "years of vesting service" will be based on your work in Covered Employment. Any pension benefits you are entitled to are calculated by looking at the number of "pension credits" and "years of vesting service" you have earned. See page 15 for more information on earning your pension benefit.
- The Plan offers regular pensions, early retirement pensions, Vested pensions, and disability pensions. It also offers partial or "pro rata" pensions for those who have performed union operating engineer work in multiple jurisdictions. See page 21 for more information on the types of pensions that the Plan offers.
- Assuming you are Vested, your pension benefit amount will depend on how many pension credits you accumulate over your working career and the benefit rate(s) applied to them. Additional adjustments to the pension benefit amounts are made for early retirement and any of the payment options that provide survivor benefits for a Spouse. See page 27 for more information on calculating your pension benefit.
- The form in which your pension is paid will affect your monthly benefit amount. Married Participants have a choice of payment options while an unmarried Participant will automatically receive a Five-Year Certain and Life Pension. See page 35 for more information on the forms of pension benefit payment options available from the Fund.
- As a general rule, once payment of your pension begins as to specific pension credits, you cannot change the form of pension you are receiving (e.g., regular or early pension) or your selected payment form (e.g., Five-Year Certain and Life Pension or 50% Joint and Survivor Pension or 66 2/3% Joint and Survivor Pension or 75% Joint and Survivor Pension).
- To receive benefits from this Plan, you must file an Application for Benefits with the Fund Office and it must be approved by the Board of Trustees. See the section beginning on page 57 for more information on applying for your pension benefit.
- If you die your surviving Spouse or Beneficiary may be eligible for death benefits. See page 51 for more information on pre-retirement and post-retirement death benefits.
- Capitalized terms used in this SPD are defined terms, and the Definitions section of this SPD starts on page 79.

LOCAL 478
Operating Engineers

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Eligibility Requirements

There are certain eligibility requirements you need to meet to participate in the Plan.

FAST FACTS

- To be eligible for participation, you must work in Covered Employment for a Contributing Employer and you cannot be a self-employed person, a partner, a sole proprietor, a person who is a member of a limited liability company with fewer than four members, or a person who owns more than 25% of the stock of a Contributing Employer (unless you qualify as an Alumni as described on page 11).
- A Contributing Employer is a person, firm, limited liability company, corporation, or other entity that is obligated to contribute to the Fund on behalf of its employees' work in Covered Employment by the terms of a Collective Bargaining Agreement or participation agreement.
- Covered Employment is work performed by an employee for a Contributing Employer in a category of work covered by a Collective Bargaining Agreement or participation agreement that obligates such Employer to make contributions to the Fund.
- In general, an employee working under a Collectively Bargaining Agreement will become a Participant on the next October 1st or April 1st following a period when he or she has worked at least 140 hours of service in Covered Employment during any 12 consecutive month period.
- An employee of the Union or a related IUOE 478 Benefit Fund (defined on page 9) will become a Participant on the next October 1st or April 1st following a period when he or she has worked at least 1,000 hours of service in Covered Employment during any 12 consecutive month period.

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Who can Participate

Employees of Contributing Employers in any of the following groups who meet the applicable hours requirement may participate:

- employees who perform work described in a Collective Bargaining Agreement or participation agreement; and
- persons employed by the Union; and
- persons employed by one of the related employee benefit funds in which the Union participates: currently the International Union of Operating Engineers (IUOE) Local No. 478 Health Benefits Fund, Pension Fund, Annuity Fund, or Apprenticeship Training and Skill Improvement Fund; and
- Alumni.

Benefit Year Versus Plan Year

Please be aware throughout this SPD of the difference in the term "Benefit Year" versus the "Plan Year." To be clear the term "Benefit Year" means the twelve (12) month period, commencing each October 1st and ending on the September 30th of the immediately following calendar year. For example, the Plan's 2024 Benefit Year runs from October 1, 2023 through September 30, 2024. The Benefit Year is utilized by the Plan to determine an employee's, or Participant's, eligibility, benefits, vesting, credited service and the like. Since this is the case, you should always keep this Benefit Year concept in mind as you review this SPD.

The term "Plan Year" is different, and it means the twelve (12) consecutive month period commencing each January 1st and ending on each December 31st. For example, the 2024 Plan Year runs from January 1, 2024 through December 31, 2024. The Plan Year is utilized by the Plan to meet financial reporting requirements and is primarily used for accounting purposes.

Beginning Your Participation

An individual working under a Collective Bargaining Agreement with a Contributing Employer will become a Participant on the next October 1st or April 1st following a period when he or she has worked at least 140 hours of service in Covered Employment during any 12 consecutive month period.

For example: You are newly initiated into the International Union of Operating Engineers Local No. 478 and you work under a Collective Bargaining Agreement for a Contributing Employer as follows: (1) 40 hours in May 2024, (2) 60 hours in June 2024, and (3) 40 hours in July 2024. Also assume you do not perform further work from August 1, 2024 through April 30, 2025. As your total number of hours during that 12-month period equaled at least 140 hours (40 + 60 + 40), you will become a Participant on October 1, 2025 (the next October 1st or April 1st after you worked at least 140 hours within a 12 consecutive month period, and in this example October is earlier).

An employee of the Union or a related IUOE 478 Benefit Fund will become a Participant on the next October 1st or April 1st following a period when he or she has worked at least 1,000 hours of service in Covered Employment during any 12 consecutive month period. If an individual does not complete 140 or 1,000 hours of service, as the case may be, in the foregoing period, then he or she shall become a Participant on the earliest October 1st or April 1st following completion of 140 or 1,000 hours of service, as the case may be, during any Benefit Year, starting with the first Benefit Year which includes the first anniversary of the individual's date of hire.

If you have other employment with a Contributing Employer that follows or precedes your Covered Employment without interruption, you may also use that service to meet the hours of service requirement. Hours of service are hours you are entitled to compensation for work for a Contributing Employer, as well as other paid hours when you are not performing duties (up to 501 hours per single continuous period), for example, vacation, holidays, or incapacity. Hours of qualifying Military Service also count.

Maintaining Your Participant Status

To remain a Plan Participant, you must currently complete at least 140 hours of service per Benefit Year until you become Vested (have acquired a future right to your benefits). A person shall cease to be a Participant as of the last day of the Benefit Year during which he incurs a temporary Break in Service (i.e., he or she has less than 140 hours of service), unless such Participant is a Pensioner or has achieved Vested Status. See "If You Have a Break in Service" on page 43 for information on what happens if your hours fall below that number. If you cease to remain a Plan Participant then you must re-establish participation with the hours of service requirements described above in "Beginning Your Participation."

The Plan's Alumni Program

The Board of Trustees have established an Alumni Program which allows individuals who meet the definition of Alumni to participate in the Plan. While the formal Plan document contains all the rules, an Alumni is generally a person who is an officer, supervisor, director, or stockholder of a Contributing Employer <u>and</u> who meets various criteria, such as working in Covered Employment for more than 50% of his or her total working hours, and a requirement that he or she is, or was, a member of a unit of employees covered by a Collective Bargaining Agreement.

Additional criteria apply to individuals employed by limited liability companies so that the Plan complies with complicated IRS rules. Assuming an individual meets all of the various requirements to become an Alumni, the current monthly contribution required for participation in the Alumni Program is equal to the standard Collective Bargaining Agreement rate multiplied by 150 hours. Contributions made under the Alumni Program must be made on a timely basis, and various other rules apply.

Newly hired Alumni, or individuals who transition to Alumni status (by moving from employment covered by the Collective Bargaining Agreement to an individual who qualifies as an Alumni) will be allowed to participate in the Plan under the Alumni Program <u>if the Alumni and his/her Employer file the required documents with the Fund Office within sixty (60) days of the date of the Alumni's date of hire or change in status.</u> If necessary documents are not received on a timely basis, those who would otherwise qualify as Alumni will <u>not</u> be covered under the Alumni Program. So please keep this important deadline in mind.

While the Plan may open a "window" for participation in the Alumni Program at various times in the future, the bottom line is that if you are interested in the Alumni Program and think you could qualify, please contact the Fund Office *immediately* for more information.

LOCAL 478
Operating Engineers
Building Connecticut

Earning Your Pension Benefit

Once you become a Participant, the Fund Office will determine your "pension credits" and "years of vesting service" based on your work in Covered Employment. Any pension benefits you are entitled to are calculated by looking at the number of "pension credits" and "years of vesting service" you have earned.

FAST FACTS

- Your years of vesting service will determine whether you have a right to a pension from the Fund. The pension credits you accumulate will be used as the basis for determining the amount of any pension you are entitled to from the Fund.
- You earn pension credits for the hours you work in Covered Employment. You can also earn pension credits for qualifying Military Service and certain periods of disability. The maximum pension credits you can earn in a single Benefit Year (again, October 1st through the following September 30th) is 1.2 pension credits.
- You will earn years of vesting service under one of two methods discussed starting on page 18. One method looks at the full or partial pension credits you have earned in each Benefit Year (up to a maximum of one (1) year of vesting service), while the other method awards you with one (1) year of vesting service for each Benefit Year you work at least a specific number of hours (currently 840 hours) for one or more Contributing Employers. Your years of vesting service will be awarded under the method which results in the higher number.
- It is possible to permanently lose accumulated pension credits and years of vesting service if you are not Vested, incur a Break in Service, and do not cure such Break in Service within the required time frame.
- Under no circumstances can your work in Covered Employment or service credit (whether years of vesting service or pension credits) be transferred from one Benefit Year to any other Benefit Year.

LOCAL 478
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Earning Pension Credits

You normally earn pension credits for the hours you work in Covered Employment in a Benefit Year (again, October 1st through the following September 30th), even if Employer contributions are not required by a Collective Bargaining Agreement with respect to such work. As a simple example, some Collective Bargaining Agreements (e.g., Plants, Permanent Shops, and Equipment Dealers) limit Employer contributions to 1,800 hours worked in Covered Employment in a *calendar year*. If you were covered by such an agreement, and you worked for 1,800 hours in the period January 1, 2025, through September 30, 2025, your Employer would not make any further contributions to the Plan on your behalf for the period October 1, 2025, through December 31, 2025. Despite that limitation, the Plan would *still* award pension credits based on the actual hours you work in Covered Employment during the October 1, 2025, through September 30, 2026 Benefit Year.

The number of hours you must work to earn a pension credit is specified in the Plan's rules and in the chart which follows. The pension credit earned for any particular Benefit Year is determined by the schedule in effect when you last worked in Covered Employment. In contrast, the benefit *rate* applied to those credits will depend on other timing factors, as explained in "Calculating Your Pension Benefit" on page 27. You may also earn pension credits during periods of disability or Military Service, as discussed beginning on page 17.

Recent Pension Credit Schedules (from October 1, 1976, forward)

<table>
<tr><th colspan="3">PENSION CREDITS</th></tr>
<tr><th>Time Period</th><th>Hours Worked in Covered Employment (in a Benefit Year)</th><th>Pension Credits Earned</th></tr>
<tr><td rowspan="13">Currently (Benefit Years on and after October 1, 2001)</td><td>1,680 or more</td><td>1.2</td></tr>
<tr><td>1,540 or more, but less than 1,680</td><td>1.1</td></tr>
<tr><td>1,400 or more, but less than 1,540</td><td>1.0</td></tr>
<tr><td>1,260 or more, but less than 1,400</td><td>0.9</td></tr>
<tr><td>1,120 or more, but less than 1,260</td><td>0.8</td></tr>
<tr><td>980 or more, but less than 1,120</td><td>0.7</td></tr>
<tr><td>840 or more, but less than 980</td><td>0.6</td></tr>
<tr><td>700 or more, but less than 840</td><td>0.5</td></tr>
<tr><td>560 or more, but less than 700</td><td>0.4</td></tr>
<tr><td>420 or more, but less than 560</td><td>0.3</td></tr>
<tr><td>280 or more, but less than 420</td><td>0.2</td></tr>
<tr><td>140 or more, but less than 280</td><td>0.1</td></tr>
<tr><td>Less than 140</td><td>0</td></tr>
</table>

Time Period	Hours Worked in Covered Employment (in a Benefit Year)	Pension Credits Earned
Benefit Years on and after October 1, 1976, but prior to October 1, 2001	1,400 or more	1.0
	1,200 or more, but less than 1,400	0.8
	900 or more, but less than 1,200	0.6
	600 or more, but less than 900	0.4
	300 or more, but less than 600	0.2
	Less than 300	0
NOTES: A special rule may apply if you worked less than 900 hours in Covered Employment but, based on other service (which is credited pursuant to applicable U.S. Department of Labor regulations), had at least 1,000 hours of service during a Benefit Year. If you believe you qualify for this special rule or are interested in the Plan's Pension Credit Schedule for Benefit Years prior to October 1, 1976, please contact the Fund Office.		

Again, you may not carry over or transfer hours (or pension credit or years of vesting service) from one Benefit Year to any other Benefit Year, and you cannot earn more pension credits per Benefit Year than the maximum shown in the chart above for the applicable time period.

For example: If your work history in Covered Employment for the Benefit Years 2013 through 2026 was as follows, you would be credited with 9.8 pension credits.

Benefit Year Beginning October 1 . . .	Hours Worked in Covered Employment	Pension Credit
2013	1,500	1.0
2014	750	0.5
2015	900	0.6
2016	1,200	0.8
2017	1,300	0.9
2018	200	0.1
2019	250	0.1
2020	850	0.6
2021	700	0.5
2022	1,600	1.1
2023	1,700	1.2
2024	1,300	0.9
2025	500	0.3
2026	1,900	1.2
	TOTAL	**9.8**

Pension Credit During a Disability or Workers' Compensation

If you are performing work under a Collective Bargaining Agreement and become disabled, you may receive pension credit equal to the number of hours in a normal straight-time work week (according to the terms of the Collective Bargaining Agreement in effect when the absence occurred) provided you are prevented from working in Covered Employment. You will qualify if you are a Plan Participant, you have at least 1.0 pension credit in force (based on all your work in Covered Employment) as of the end of the Benefit Year immediately before the period of disability, and you meet one of the following two requirements:

1. you are receiving weekly disability benefits under the IUOE Local No. 478 Health Benefits Fund (the maximum period for awarding pension credit for any specific disability under this rule is 26 weeks); OR

2. you are receiving compensation benefits under a workers' compensation law for any injury arising from Covered Employment that prevents you from engaging in any gainful employment (the maximum period for awarding pension credit for any specific disability under this rule is 52 weeks). Note: No credits are awarded if workers' compensation benefits are not granted.

Credit will be granted for each separate period of absence, and currently the maximum credit that can be granted for disability in a Benefit Year is up to 1.2 pension credit and 1.0 year of vesting service. For purposes of determining if you have a new disability or a continuing disability under these rules, a period of absence will be considered "separate" (meaning you can qualify for further disability credit) only if you have actually worked in Covered Employment for at least 160 hours of service since your last period of absence. Assuming you are eligible, it is extremely important that you keep the Fund Office updated on the beginning and ending date of your weekly disability benefits or workers' compensation benefits to ensure that you are provided with accurate credit.

Pension Credit During Military Service

A Participant will receive pension credit for Military Service in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended (USERRA). Credit will be granted as if you were working 160 hours in Covered Employment for each full calendar month that you are in Military Service. You will need to provide the Fund Office with your DD214 form to receive pension credit and meet the applicable rules as outlined below. Subject to certain limited exceptions outlined in USERRA, you may earn no more than 1.2 pension credit and 1.0 year of vesting credit per Benefit Year and no more than 6.0 pension credits and 5.0 years of vesting credit per lifetime for Military Service. Also, if you have actual Covered Employment during a Benefit Year, for example, if you are a reservist who gets called up and then returns to Covered Employment the same year, the Fund will look at both your work in Covered Employment and Military Service to determine your pension credit for that Benefit Year.

In general, to be eligible for credit for Military Service, you must:

- be a Plan Participant working in Covered Employment (in other than a temporary position) who leaves such Covered Employment solely because of Military Service;

- give advance written or verbal notice to your Contributing Employer and the Union Referral Office (unless this is not reasonably possible); and

- return to Covered Employment or register with the Union Referral Office as available for work after your honorable discharge from Military Service within the time frame allowed by law, as outlined in the following chart:

TIME FRAME FOR RETURNING TO WORK IN COVERED EMPLOYMENT OR REGISTERING WITH THE UNION REFERRAL OFFICE AFTER MILITARY SERVICE	
Length of Military Service	**Re-employment Deadline**
Less than 31 days	Within one day after discharge (allowing travel time plus eight hours)
31 through 180 days	Within 14 days after discharge
More than 180 days	Within 90 days after discharge or as otherwise required by law

To be considered working in Covered Employment you must demonstrate that you were continuously available for work in Covered Employment up to the time of entering Military Service. You cannot have a temporary Break in Service in effect, nor can you be a student or employed in Covered Employment only for summer work prior to entering Military Service. The Trustees may review the case of a Participant who was working in a temporary position before Military Service, if the Participant can demonstrate that at the time of his or her entry into Military Service he or she could have reasonably expected that he or she would work in Covered Employment for a significant or indefinite period but for his or her Military Service. In such a circumstance, the Participant may be credited with his or her Military Service.

If you are hospitalized or recovering from an illness or injury that you incurred during your Military Service, USERRA requires that you return to work in Covered Employment or register for re-employment with Union Referral Office as soon as you have recovered. Except as otherwise allowed by USERRA, this recovery period cannot exceed two years. If you have any questions regarding Military Service credit, or your return to work after Military Service, contact the Fund Office.

Vesting Service

While you are a Participant, you may earn up to one year of "vesting service" per Benefit Year. The Fund Office uses two methods to calculate years of vesting service for a Benefit Year and, when determining how much vesting service a Participant has over his or her entire working career, it uses whichever of the two methods results in more vesting service for you:

- METHOD 1: The Fund Office will look at your entire working career, and for each Benefit Year it will match the vesting service for such Benefit Year to the pension credit earned in the same Benefit Year, up to the vesting service maximum. Under that maximum rule, if you earn 1.0 pension credit (or 1.1 or 1.2 pension credit) for a Benefit Year, you will earn a <u>maximum of one (1) year of vesting service for that Benefit Year</u>. Note that if you earn a portion of a pension credit for a Benefit Year, you will earn the same portion of a year of vesting service for that Benefit Year.

  OR

- METHOD 2: The Fund Office will look at your entire working career, and for each Benefit Year it will determine whether a year of vesting service was earned based on the hours you worked for Contributing Employer(s) during such Benefit Year. Under this method, your final number of years of vesting service will be equal to the number of Benefit Years you worked at least 840 hours for Contributing Employer(s) (or at least 900 hours for Benefit Years starting before October 1, 2001). For this method, the Fund Office will count both hours you work in Covered Employment and hours you work for the same employer in a job that is not Covered Employment, provided it immediately precedes or follows the Covered Employment.

EXAMPLE: Let's assume Lisa has the following history of work in Covered Employment and associated pension credits:

Benefit Year Ending September 30 . . .	Hours Worked in Covered Employment	Pension Credit	Vesting Service (Method 1)	Vesting Service (Method 2)
2017	1,550	1.1	1.0	1.0
2018	1,300	0.9	0.9	1.0
2019	800	0.6	0.6	0
2020	750	0.5	0.5	0
2021	900	0.6	0.6	1.0
2022	1,200	0.8	0.8	1.0
2023	1,300	0.9	0.9	1.0
	TOTAL	5.4	5.3	5.0

The last two columns of the chart above show how the Fund determines Lisa's years of vesting service. Under Method 1, Lisa has 5.3 years of vesting service, as the Fund equates years of vesting service with pension credits, but a 1.0 cap is put in place for any Benefit Year where more than 1.0 pension credit is earned (so for 2017 Lisa gets 1.0 year of vesting service for her 1.1 pension credit earned in that Benefit Year). Under Method 2, the Fund considers only the Benefit Years Lisa has worked for at least 840 hours, and that gives her 5.0 years of vesting service (for 2017, 2018, 2021, 2022 and 2023). Since Method 1 provides a greater number than Method 2 (5.3 versus 5.0), Lisa's total number of years of vesting service under the Plan are 5.3.

There are a couple of other important rules regarding years of vesting service:

- If you have Military Service or a period of disability for which you are granted pension credit you will also be granted years of vesting service for that Military Service or disability period.
- Also, an employee of an entity that: (1) becomes a Contributing Employer to the Plan for the first time on or after October 1, 1999, or (2) becomes a business unit, division, or other classification of an existing Contributing Employer (or such Employer's affiliated group) pursuant to such Employer's business acquisition on or after June 1, 2008, may be credited with year(s) of vesting service only for their prior continuous service with that Employer, provided that the Employer makes timely payment of all contributions to the Pension Fund and the employee later meets the Plan's participation requirements. To be clear, only years of vesting service are granted under this special rule, and no other type of credit (e.g., pension credit or hours to determine eligibility as a Participant) is awarded.
- Once you are Vested in your benefit, you will have a right to a pension even if you leave Covered Employment before retirement. Until you are Vested, you may permanently lose the pension credits and years of vesting service you have earned if you have a Break in Service and do not return to Covered Employment before the Break in Service becomes permanent. See "If You Have a Break in Service" on page 43 for more information.

Becoming Vested in Your Benefit

The Plan's current rule is that you will be Vested in your benefit if you accumulate at least five (5) years of vesting service while a Participant in the Pension Plan. A different vesting requirement may apply to you if you last worked in Covered Employment prior to October 1, 1998, or you were not Vested and you incurred a Break in Service prior to, on, or after that date. Contact the Fund Office for more information on the Plan's old vesting rules.

You can become Vested, regardless of your years of vesting service if you reach Normal Retirement Age while you are an "active" Participant in the Plan. This situation usually occurs for those who start working in Covered Employment later in life.

EXAMPLE: Assume Chris started working in Covered Employment in August of 2019 when he was age 61, and he became a Participant under Plan rules with 0.2 of a pension credit as of October 1, 2020. Here, Chris' Normal Retirement Age under the Plan is not age 62, based on the Plan's definition of Normal Retirement Age on page 81. However, based on that same definition, Chris may become Vested in any pension credits he earns under Plan rules as of: (1) the 5th anniversary of his participation date, which is October 1, 2025, assuming he is still a Participant on that date, OR (2) the date Chris, while a Participant in the Plan, completes at least five (5) years of vesting service. So, under the rule in (1), if Chris worked consistently and earned 0.4 of a pension credit in each of the Benefit Years ending on September 30th of 2021, 2022, 2023, 2024 and 2025, he would be Vested in his 2.2 Pension Credits (0.4 x 5, plus the 0.2 as of September 30, 2020) on October 1, 2025, as this is his 5th anniversary of participation and he would have status as a Plan Participant. You may always contact the Fund Office if you have questions about your Vested status.

If Your Work Is Divided Among Different Plans (Related Plans)

The Pension Fund is signatory to a number of reciprocal agreements with other operating engineer pension plans in other jurisdictions (known as "related plans"). If your years of employment in the IUOE trade are divided among different pension plans, you may be able to use related pension plan credits to qualify for a partial (sometimes called a "pro rata") pension. These reciprocal agreements are designed to provide benefits for any Participant who would not otherwise qualify for any pension benefits, or whose pension benefit would be reduced, because his or her years of employment have been divided between jurisdictions covered by different IUOE pension plans. See page 25 for more information on partial/pro rata pensions.

You may also be eligible to have hours, and related contributions, transferred from one IUOE pension plan to another IUOE pension plan, including our Plan, if you sign an appropriate form and provide it to the plan where you are working in advance of your work which relates to those hours and contributions. See page 49 for further information, and contact the Fund Office if you have questions about employment under other plans, or if you are interested in having hours and contributions transferred to another IUOE pension plan or to this Plan.

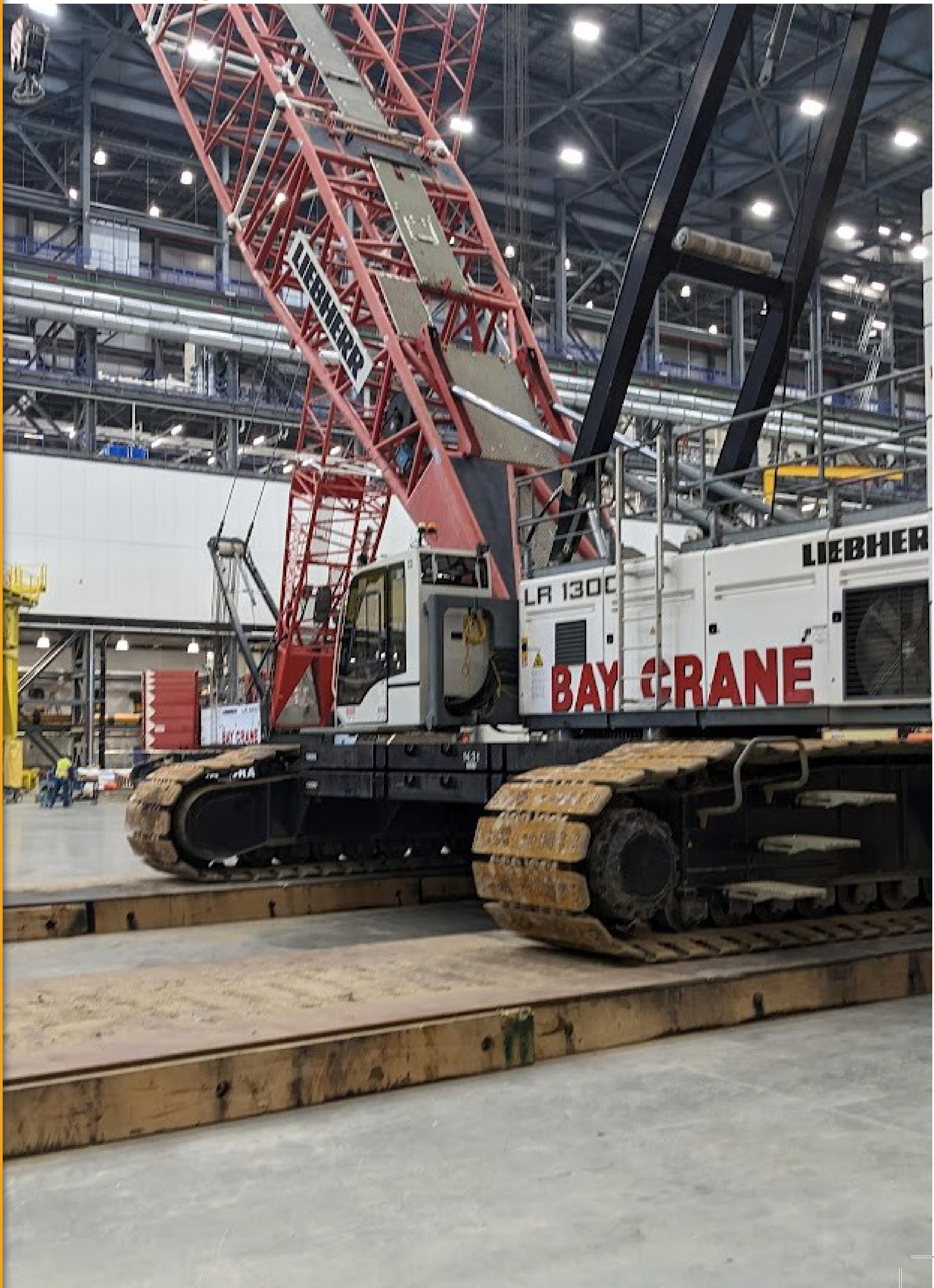
Type of Pensions

The Pension Plan offers four pension options: regular, early retirement, Vested, and disability pensions.

FAST FACTS

- In all situations, in order to receive any type of pension from the Plan you must be Vested and submit a properly completed Application for Benefits (including any applicable Spousal consent and/or notary certifications) to the Fund Office and that Application must be approved by the Trustees. See the section entitled "Applying for A Pension" starting on page 57 for further details.
- You can begin receiving a regular pension at Normal Retirement Age (typically age 62).
- The Plan offers an early retirement pension option for a Participant who attains at least age 55 and has at least ten (10) pension credits.
- To be considered for a disability pension, you must have received a disability award from the Social Security Administration and meet other eligibility requirements discussed in more detail below.
- Vested Participants who leave Covered Employment before retirement can apply for Vested pensions (calculated in the same manner as regular pensions) when they reach Normal Retirement Age.
- Combining pension credits from your work under this Plan and other operating engineers' plans may make you eligible for a partial or pro rata pension.
- You can initially retire on an early retirement pension but then convert it into a disability pension if certain requirements are met. This is called a contingent early retirement disability pension.

LOCAL 478
Operating Engineers
Building Connecticut



Retirement

To be eligible for any type of pension from the Fund you must be retired. Being retired means not engaging in the type of employment that would cause a pension to be suspended. See "If You Return to Work After Retiring" on page 47. You also must not engage in any type of disqualifying employment, also as described on page 47.

Regular Pension

A regular pension is the pension benefit you can receive when you reach Normal Retirement Age. You are eligible to start receiving your pension as of the first day of any month on or after you reach your Normal Retirement Age, provided that you are Vested. In addition, it is possible for some Participants who start working in the union IUOE trade later in life to become eligible for a regular pension if they attain their Normal Retirement Age while they have status as a Plan Participant.

Vested Pension

If you leave Covered Employment before becoming eligible for retirement but after you are Vested in your pension credits, you are still eligible to collect a pension benefit from the Fund. The monthly amount of a Vested pension is calculated in the same manner as a regular pension. Provided you meet the vesting requirement, you will be entitled to receive a Vested pension when you reach Normal Retirement Age. If you reach Normal Retirement Age on the first day of a month, then you may retire and start receiving a Vested pension as of such day.

Early Retirement Pension

An early retirement pension is a pension that starts before Normal Retirement Age. The monthly amount of an early retirement pension is less than that of a regular pension because the early retirement pension will presumably need to be paid over a longer period of time. Provided you meet the vesting requirement, you may start receiving an early retirement pension as of the first day of any month on or after you have: (1) reached at least age 55; and (2) earned at least 10 pension credits. If you qualify for an early retirement pension and are applying for disability benefits from the Social Security Administration, please see page 25 for more information as you may be able to convert your early retirement pension to a disability pension. This is called a contingent early retirement disability pension.

Disability Pension

The Plan has two types of disability pensions, one is subject to a reduction and the other is unreduced. For both types, Participants must be Vested and determined to be totally and permanently disabled by the Social Security Administration. "Totally and permanently disabled" means that, because of bodily injury or illness, you are wholly prevented from engaging in any further gainful employment in any occupation whatsoever (except employment found by the Board of Trustees to be for the purpose of rehabilitation) and that this disability is expected to be permanent and continuous for the rest of your life. Proof of being totally and permanently disabled can only be shown by a Social Security Disability Award, as discussed further below. In addition, for both types of disability pensions, the disability cannot have been caused, directly or indirectly, by:

- an intentionally self-inflicted injury;
- current use of illegal drugs;
- intoxication due to the consumption of alcohol;
- Military Service for any country (land, sea or air);
- engagement in a felonious or criminal enterprise; or
- injuries or illness sustained while you are working in Non-Covered Employment.

For a Vested Participant who is totally and permanently disabled *and meets all of the additional standards outlined below,* his or her disability pension will be calculated the same way as a regular pension is, regardless of his or her age (i.e., on an "unreduced" basis). If such Participant does not meet any one of the applicable standards, then his or her disability pension will be reduced in accordance with Plan provisions based on that Participant's age (see page 32 for more details). The additional standards for an unreduced disability pension are that the applicable Participant must have:

- at least ten (10) years of vesting service, and
- at least nine (9) pension credits, and
- earned at least 0.1 pension credit (or 0.2 of a pension credit for time periods prior to October 1, 2001) for work in Covered Employment in one of the two Benefit Years immediately preceding the Benefit Year in which he or she became totally and permanently disabled. Solely for purposes of satisfying this requirement, hours worked in the jurisdiction of a related plan for an employer obligated to contribute to that plan will be counted.

The Board of Trustees will require, as proof of your disability, a Social Security Disability Award letter. Your disability will be deemed to have begun on the date as of which the Social Security Administration determines you to be disabled, and your letter cannot specify a particular ending date as to your disability. You may also be required to undergo physical examinations and submit proof of your continuing disability periodically to the Fund. If you think you will be eligible for a disability pension, you are encouraged to apply for Social Security disability benefits as soon as possible. You will need the Social Security notice of award as proof of your disability under this Plan.

If you are receiving a disability pension, you must report any gainful employment in writing to the Fund Office <u>within seven days of its start</u>. If you fail to report the employment, or the employment is of the type that causes pensions to be suspended, you will no longer be eligible for a disability pension.

If you recover from your disability and are able to work in any capacity, you will no longer be eligible for a disability pension. You must report to the Trustees within seven days of your return to any gainful employment. Assuming you are able, you may then return to Covered Employment and resume earning pension credits.

Converting an Early Retirement Pension to a Disability Pension

A Participant who is receiving an early retirement pension may be eligible to convert it to a disability pension in certain circumstances. This is called a contingent early retirement disability pension and requirements for such a conversion include all of the following:

- notifying the Trustees of your intention to convert the early retirement pension to a disability pension at the time you initially submit your Application for Benefits for an early retirement pension,
- providing proof to the Trustees which shows that you applied for a Social Security disability benefits award prior to the starting date of your early retirement pension,
- otherwise meeting the Plan rules for a disability pension (other than having received a Social Security disability benefits award),
- receiving approval of your Social Security disability benefits award within twelve (12) months from the starting date of your early retirement pension, and
- notifying the Fund Office within sixty (60) days of the date you receive the notice of approval of your Social Security disability benefits award.

It is vital that you notify the Fund Office within the required timeline because if you miss that time frame then you will NOT be able to convert your early retirement pension to a disability pension. Assuming all of the above listed requirements are met, the Fund Office will convert your early retirement pension to a disability pension. The effective date of the conversion will be the later of: (1) the date your early retirement pension commenced, or (2) the date the Social Security Administration determined you were disabled. If the Pensioner dies before receiving final approval of a conversion from an early retirement to a disability pension, any post-retirement death benefits will be based on the early retirement pension benefit amount.

Partial or Pro Rata Pensions

If your employment has been with Employers contributing to this Plan and to other International Union of Operating Engineers pension plans, it can prevent you from accumulating the pension credits you need to be eligible for a pension. It could also cause your pension benefit to be lower than it would be otherwise. The solution offered by this Plan is a partial or pro rata pension. For you to be eligible for a partial or pro rata pension from the Fund all of the following requirements must be met:

- you must have worked under the jurisdiction of other IUOE local unions that required participation in their pension funds;
- you must have earned at least 1.0 pension credit under each pension plan that is to be included in the determination of the partial pension;
- you must have sufficient combined pension credits from all pension plans so that you would be eligible for a pension under each of those plans (i.e., vested under the rules of each plan) if they were treated as pension credits under each plan;

- you cannot have incurred a temporary or permanent Break in Service in any of the plans (for this requirement, Covered Employment in the jurisdiction of any of the plans will be considered Covered Employment in all of the plans); and
- you must be retired and not working as an operating engineer for any of the plans which would be paying your partial or pro rata pension.

To have a partial or pro rata pension paid before you reach Normal Retirement Age under this Plan, you must meet this Plan's eligibility criteria for an early retirement or disability pension, as applicable. Also, in connection with determining eligibility for our Plan's death benefits (see page 51 for more details), you must be Vested (considering only pension credits you have earned under this Plan) at the time of your death.

Mandatory Commencement of Your Pension Benefit

Federal law requires that you start receiving your Pension Plan benefits no later than your "Required Beginning Date", pursuant to Code §401(a)(9). If you are still working, this does not mean you have to stop working, but it does mean that your benefits from this Plan must start. Your Required Beginning Date is determined by your birthday, and the earliest date it could be is the April 1st of the calendar year following the year in which you attained age 70 ½, assuming you were born prior to July 1, 1949. Based on recent changes in federal law, your Required Beginning Date may be the April 1st of the calendar year following your attainment of a later age (specifically ages 72, 73 or 75), again depending on your date of birth. If you have not commenced receiving your Pension Plan benefits by the time you reach your Required Beginning Date, the Fund will be required to commence distribution of your benefit in accordance with Plan rules. Please contact the Fund Office for more information regarding what your specific Required Beginning Date is. Under current law, you will incur substantial penalties if you delay payments beyond that date.

Calculating Your Pension Benefit

The amount of your pension benefit will depend on how many pension credits you have accumulated and what benefit rate(s) apply to them. Your age, along with your Spouse's age (if applicable), and payment option selected will also affect the final amount you receive.

FAST FACTS

- As a general rule, if your employment has been continuous (meaning no "pension rate break" as described in more detail below) and you earn the minimum amount of pension credit (currently 140 hours) in the Benefit Year you retire, the benefit rate in effect at the time of your retirement will apply to all of your pension credits.
- If your employment has been interrupted by Benefit Years in which you were not earning any pension credit, a different benefit rate (or rates) may apply to pension credits you earned over different time frames. This concept is known as a "pension rate break," and it is described below.
- Monthly benefit amounts determined from pension credits are subject to adjustments to cover the costs for early retirement, reduced disability retirement, and/or some of the Plan's pension payment options.

LOCAL 478
Operating Engineers
Building Connecticut

Base Monthly Pension Amount

To begin calculating your pension benefit as a Vested Participant, the Fund Office multiplies your pension credits by the applicable benefit rate(s). The resulting amount is your base monthly pension amount *and it assumes you would receive your benefits in the form of a Five-Year Certain and Life Pension* at your Normal Retirement Age. That base monthly pension amount may then be adjusted for early retirement, reduced disability retirement, and/or the type of payment you select.

Separation from Covered Employment

If you fail to work a minimum amount of 140 hours in a Benefit Year for two Benefit Years in a row, you will be considered to have separated from Covered Employment and may have a pension rate break (or multiple pension rate breaks). For Benefit Years before October 1, 2001, the minimum amount of hours that needed to be worked in a Benefit Year was 300.

Retirement Date on or after:	Benefit Rate Used to Determine Your Monthly Pension Amount (Per Pension Credit)	Covered Employment Requirement in a Benefit Year (BY)
October 1, 2024	$94	140 hours in a BY after October 1, 2023
October 1, 2022	$90	140 hours in a BY after October 1, 2021
October 1, 2018	$86	140 hours in BY after October 1, 2017
October 1, 2007	$84	140 hours in a BY after October 1, 2006
October 1, 2006	$80	140 hours in a BY after October 1, 2005
October 1, 2005	$70	140 hours in a BY after October 1, 2004
October 1, 2001	$69.50	300 hours in the BY October 1, 2000 through September 30, 2001; OR 140 hours in a BY after October 1, 2001
October 1, 2000	$67	300 hours in a BY after October 1, 1999
October 1, 1998	$65	300 hours in a BY after October 1, 1997
October 1, 1997	$55	300 hours in a BY after October 1, 1996
October 1, 1996	$52	300 hours in a BY after October 1, 1995
October 1, 1994	$49	300 hours in a BY after October 1, 1993
October 1,1993	$47	300 hours in a BY after October 1, 1992
October 1,1992	$46	300 hours in a BY after October 1, 1991
October 1, 1991	$45	300 hours in a BY after October 1, 1990
October 1, 1990	$43	300 hours in a BY after October 1, 1989
October 1, 1989	$42	300 hours in a BY after October 1, 1988
October 1, 1988	$40	300 hours in a BY after October 1, 1987
July 1, 1986	$35	300 hours in a BY after October 1, 1985
October 1, 1985	$30	300 hours in a BY after October 1, 1983
October 1, 1984	$27	300 hours in a BY after October 1, 1982

Retirement Date on or after:	Benefit Rate Used to Determine Your Monthly Pension Amount (Per Pension Credit)	Covered Employment Requirement in a Benefit Year (BY)
October 1, 1983	$25	300 hours in a BY after October 1, 1982
January 1, 1983	$22	300 hours in a BY after October 1, 1981
July 1, 1980	$20	300 hours in a BY after October 1, 1978

EXAMPLE: If you are Vested, you had a continuous employment history with no pension rate breaks, you earned at least 0.1 pension credit in the 2024 Benefit Year, and you retired having reached your Normal Retirement Age on September 1, 2025, your base monthly pension amount would be calculated by taking the total number of pension credits earned and multiplying it by $94, which is the current benefit rate. If you do not earn the minimum amount of pension credit in the Benefit Year you retire, the Fund will analyze the above chart to determine the applicable benefit rate in effect at the time you did earn the minimum amount of pension credits (and such benefit rate will apply to some, or all, of your pension credits depending upon your work history). If you need information regarding the benefit rates for periods before July 1, 1980, contact the Fund Office.

Pension Rate Breaks

If you go two consecutive Benefit Years without performing enough work in Covered Employment as noted above, then you will incur a pension rate break. The benefit rate applied to the pension credits earned prior to this pension rate break will be the benefit rate in effect when you last earned 0.1 (140 hours) or if the pension rate break is prior to October 1, 2001, 0.2 (300 hours). It is possible for a Vested Participant to have more than one pension rate break, meaning that multiple benefit rates would apply to his or her accumulated pension credits.

Examples of Pension Rate Breaks: You worked in Covered Employment from January 2002 to July 2007 and earned 6 pension credits (1.0 credit in each partial or full Benefit Year). Also, at that point, you became Vested under the Plan's rules as in effect in 2007. You then completely stopped working in Covered Employment until November 2014 (which is much longer than two consecutive Benefit Years, resulting in a pension rate break). After your return to Covered Employment, you earned 5.5 more pension credits, including 0.7 pension credit during the Benefit Year ending September 30, 2019. You then stopped working and applied to retire in October of 2022. The Fund Office would have calculated the benefit rates to your pension credits as follows:

6.0 pension credits x $84 (the rate in effect October 1, 2007, when the two-Benefit Year period that resulted in your separation from Covered Employment started) **$504.00**	+	5.5 pension credits x $86 (the rate in effect as of the end of the September 30, 2019 Benefit Year) **$473.00**	=	Base monthly benefit amount **$977.00**

Now …

Let's change the above example slightly and assuming that you didn't retire in October of 2022 but instead resumed working again in Covered Employment. Let's also say you earn 2.0 more pension credits (1.0 in each of the Benefit Years ending on September 30, 2023 and 2024), and you apply to retire effective October 1, 2024. What will happen?

Your monthly base monthly benefit amount for your 6.0 and 5.5 pension credits, as calculated above, would remain unchanged: **$977.00**	+	Your new 2.0 pension credits x $94 (this is the rate in effect on 10/1/24 and you are retiring) **$188.00**	=	Base monthly benefit amount **$1,165.00**

To be clear, here you incurred an *additional* pension rate break by not working in the three (3) Benefit Year period that commenced on October 1, 2019 and ended on September 30, 2022. That is why the $977.00 figure remains unchanged and your two new pension credits are calculated at the Fund's current $94 benefit rate.

Can a Pension Rate Break be "cured?"

Yes, you can cure a specific pension rate break if all of the following three conditions are met:

1. You can provide evidence that you actively sought work in Covered Employment (e.g., by maintaining registering with the Union Referral Office and accepting referrals for employment from the Union Referral Office) throughout the two (or longer) consecutive Benefit Year period (the Break Period), <u>and</u>
2. You worked at least one day (eight hours) in Covered Employment in one half of the number of Benefit Years in the Break Period, <u>and</u>
3. You subsequently return to work in Covered Employment and earn at least five (5) Pension Credits.

If these conditions are all met, a Vested Participant's pension will be calculated without regard to the two or more Benefit Year period which relates to that specific pension rate break.

Pension Credits Before a Permanent Break in Service

Remember, if you are not Vested and you have a permanent Break in Service, any pension credits earned before the permanent Break in Service are forfeited and will not figure into the calculation of your monthly pension benefit.

Calculating a Regular Pension or a Vested Pension

As a general rule, no adjustment is made to the base monthly pension amount for a regular pension with respect to age. An adjustment will be made for the payment option, however, if you receive your regular pension benefit in the form of one of the joint-and-survivor pension options. Also, as a reminder, a Vested pension is calculated in the same manner as a regular pension.

Calculating an Early Retirement Pension

Since you will start receiving an early retirement pension before your Normal Retirement Age and will likely receive a greater number of payments during your lifetime, the base monthly pension amount for an early retirement pension will be reduced as follows:

- If you have not yet reached age 58 when you retire, by 0.5% for each month by which your early retirement date precedes what would have been your normal retirement date (the first day of the month which is on or after your attainment of Normal Retirement Age); OR
- If you have reached age 58 when you retire, by 0.25% for each month by which your early retirement date precedes what would have been your normal retirement date.

<u>EXAMPLE:</u> If you retire on an early retirement pension when you are age 57-1/2 and your base monthly pension amount is $1,500. Here is the adjustment:

Base monthly pension amount	-	27% (0.5% x the 54 months between age 57-1/2 and your Normal Retirement Age of 62)	=	Monthly benefit amount
$1,500		**$405**		**$1,095**

Also, a further adjustment will be made for the payment option if you receive your early retirement pension benefit in the form of one of the joint-and-survivor pension options.

Calculating a Disability Pension

The Fund has two types of disability pensions, one being "unreduced" and one being "reduced." The eligibility rules for each, including the additional standards for unreduced disability pensions, are explained in much more detail starting on page 23.

For those who meet <u>all</u> the additional standards and qualify for the <u>unreduced disability pension</u>, it is calculated the same way a regular pension is, which means no adjustment is made to the base monthly pension amount for this type of pension based on age. However, please be aware that an adjustment will be made for the payment option if you receive your disability pension benefits in the form of one of the joint-and-survivor pension options.

For those who only qualify for the <u>reduced disability pension</u>, this disability pension will be calculated in a manner which is very similar to that for an early retirement pension. Accordingly, the base monthly pension amount for a reduced disability pension will be calculated as follows:

- If your disability retirement date is on or after your 58th birthday, your disability pension will be reduced by 0.25% for each month by which your disability retirement date precedes what would have been your normal retirement date, or
- If your disability retirement date is on or after your 55th birthday, but before your 58th birthday, your disability pension will be reduced by 0.5% for each month by which your disability retirement date precedes what would have been your normal retirement date, or
- If your disability retirement date is before your 55th birthday, your disability pension will be reduced by: (1) 42% (representing a reduction of 0.5% for each of the 84 months between the ages of 55 and 62), ***plus*** (2) an actuarial reduction determined in accordance with Plan rules for each additional month that you are younger than age 55.

Also, a further adjustment will be made for the payment option if you receive your disability pension benefits in the form of one of the joint-and-survivor pension options.

Calculating a Partial or Pro Rata Pension

The base monthly pension amount of a partial or pro rata pension under this Plan will be the sum of the amounts payable for each period of employment under this Plan. The applicable pension rates for different periods of employment will be determined as they would be for someone whose service was interrupted by separations from Covered Employment. Your benefit accrued under this Plan will be based on this Plan's rules in effect during the last Benefit Year of your Covered Employment under the jurisdiction of this Plan.

If you are otherwise eligible and choose to start receiving your partial or pro rata pension before Normal Retirement Age under the Plan's early retirement pension provisions, the base monthly pension amount will be reduced as discussed above under "Calculating an Early Retirement Pension". A reduction will also be made to a pro rata pension for the payment option if you receive your benefit in the form of one of the joint-and-survivor pension options.

Taxes on Your Pension

Pension benefits are subject to federal and state income taxes and may be subject to local taxes. The amounts payable under the Plan are before any deductions required by law and may not be the net amount receivable by a Pensioner or his or her Beneficiary. See page 72 for more information.

Pension Payment Options

The form in which your pension is paid will affect your monthly benefit amount. Married Participants have a choice of payment options, while an unmarried Participant will automatically receive a Five-Year Certain and Life Pension.

FAST FACTS

- If you are married when you retire, you will automatically receive the 50% Joint and Survivor Pension, *unless* you and your Spouse reject that form and choose a different payment option. If you are receiving a 50% Joint and Survivor Pension and die, then your surviving Spouse (provided he or she was married to you when your benefits commenced) will receive a death benefit for his or her life.
- The Plan also offers two other joint and survivor payment options that allow you to provide a larger continuing income for a surviving Spouse (provided he or she was married to you when your benefits commenced). They are called the 66 2/3% Joint and Survivor Pension and the 75% Joint and Survivor Pension.
- For those who retire under one of the joint and survivor payment options, the Plan provides a "pop-up" benefit in the event the Spouse to whom you were married when your pension started passes away. <u>You MUST notify the Plan and provide us with a copy of the death certificate to trigger this benefit</u>. After at least a 30-day waiting period, your monthly benefit will "pop up" to the amount you would have otherwise received on a Five-Year Certain and Life Pension for the rest of your life.
- If you are unmarried when you retire, you will automatically receive a Five-Year Certain and Life Pension. You may name a Beneficiary in the event you die prior to the end of the five-year guarantee period.
- As a general rule, once payment of your pension begins as to specific pension credits, you cannot change the type (e.g., regular or early Pension) or selected payment form (e.g., Five-Year Certain and Life Pension or 50% Joint and Survivor Pension). The contingent early retirement disability pension is an exception to the rule of changing the type of pension.
- If the value of your benefit is $7,000 (or any amount specified by the Internal Revenue Service in the future) or less, your benefit will be paid out in a single lump sum instead of any of the other payment options. The Plan does not provide for lump sum payments in any other circumstances.

LOCAL 478
Operating Engineers
Building Connecticut

The Available Forms of Payment at Retirement

The various forms of payments available are summarized in the accompanying chart. All forms, except the limited lump-sum payment form, provide a monthly lifetime income for you.

FORMS OF PAYMENT FOR PENSION BENEFITS	
Joint-and-survivor pensions (Available only to married Participants); Five-Year Certain and Life Pension (Automatic for unmarried Participants; may be elected by married Participants)	
50% Joint-and-Survivor Pension	• This is the automatic form of payment if you are married, unless you and your Spouse reject this form of payment. This form provides a lifetime monthly income for you. Also, if your Spouse to whom you were married when your pension began (your "Eligible Spouse") outlives you, he or she receives a monthly income for life of 50% of the amount you were receiving, starting after your death. • Your monthly payment amount is less than you would receive under the Five-Year Certain and Life Pension because your benefit is structured to cover your Eligible Spouse's expected life span. • If your Eligible Spouse dies before you, your monthly payment amount can increase to the amount you would have received under the Five-Year Certain and Life Pension. To be entitled to this pop-up benefit, you must provide the Fund Office with your Eligible Spouse's death certificate and you will be subject to at least a 30-day waiting period. The increased pop-up benefit will start the first day of the month after the waiting period ends.
66-2/3% Joint-and-Survivor Pension	• This form is like the 50% Joint and Survivor Pension above, with one difference: if your Eligible Spouse outlives you, he or she then receives a monthly income for life of 66-2/3% of the amount you were receiving. This further reduces your monthly amount because it must cover your Eligible Spouse's expected life span at a higher payment level. • If your Eligible Spouse dies before you, your monthly payment amount can increase to the amount you would have received under the Five-Year Certain and Life Pension. To be entitled to this pop-up benefit, you must provide the Fund Office with your Eligible Spouse's death certificate and you will be subject to at least a 30-day waiting period. The increased pop-up benefit will start the first day of the month after the waiting period ends.
75% Joint-and-Survivor Pension	• This form is like the 50% Joint and Survivor Pension above, with one difference: if your Eligible Spouse outlives you, he or she then receives a monthly income for life that is 75% of the amount you were receiving. This further reduces your monthly amount because it must cover your Eligible Spouse's expected life span at an even higher payment level. • If your Eligible Spouse dies before you, your monthly payment amount can increase to the amount you would have received under the Five-Year Certain and Life Pension. To be entitled to this pop-up benefit, you must provide the Fund Office with your Eligible Spouse's death certificate and you will be subject to at least a 30-day waiting period. The increased pop-up benefit will start the first day of the month after the waiting period ends.

Five-Year Certain and Life Pension	If you are unmarried, this is the *automatic* form of payment and the *only* form of payment available to you (unless your benefit is payable as a lump sum). If you are married, you may elect it with your Spouse's consent. This benefit form provides a lifetime monthly income for you. If you should die before five years of payments (60 monthly payments) have been made, payments will be made to your designated Beneficiary (in the same amount you were receiving) for the remainder of such 60-month period.
Lump-Sum Payment	
Lump-sum payment	This is the *automatic* form of payment if your lifetime pension has a present value of $7,000 or less at the time it becomes payable. It is a one-time payment of the entire value of your benefit. This is a not a payment option you can select, and it is mandated by IRS rules. The Plan does not provide for any other lump sum payments.

Reviewing the Explanation of the Forms of Payment

When you request an Application for Benefits from the Fund Office, you will be sent a detailed explanation of the payment options available and, if you are married, the financial effect of electing one payment option over another. As a general rule, once payment of your pension begins as to specific pension credits, you cannot change the form (e.g., Five-Year Certain and Life Pension, 50%, 66 2/3%, or 75% Joint and Survivor Pensions).

Rejecting the 50% Joint and Survivor Pension

If you are married on the date your pension becomes effective, you will automatically receive a 50% Joint and Survivor Pension unless you reject this form of payment. To reject it, you must elect another form of payment and your Eligible Spouse (again, the Spouse to whom you are married at the time your pension begins) must consent to the election in writing, acknowledging the effect of the rejection, in the presence of a notary public or person authorized to administer oaths. This must take place before payment begins.

If the Value of Your Benefit Is $7,000 or Less

If you receive a lump-sum payment because the value of your benefit is $7,000 or less (or the amount specified by the IRS in the future), you have the option of rolling over the payment to an IRA or eligible retirement plan to defer payment of income taxes (and avoiding mandatory withholding, if you do a direct rollover). You will be given information concerning rollovers when you apply for your benefit.

Five-Year Certain and Life Pension

This payment form is used in determining the Plan's base monthly pension amount at your Normal Retirement Age. No adjustment is made for this payment option at Normal Retirement Age. However, if you elect an early retirement pension or qualify for a disability pension on a reduced basis, your base monthly pension amount will be adjusted for your age in accordance with Plan rules and the adjusted amount will be your monthly pension amount.

50%, 66 2/3%, and 75% Joint-and-Survivor Pension

Guaranteeing retirement benefits to two people and for two lifetimes means that more monthly benefit checks may be paid than would be the case if only one lifetime were covered. The possibility of spreading out the value of a Participant's monthly benefit payments over a longer period of time means that only a reduced amount can be paid each month. How much the monthly benefit is reduced from what you would have received under a Five-Year Certain and Life Pension depends on the difference in ages between you and your Eligible Spouse (again, the Spouse to whom you were married when your pension began), and also whether you are retiring on a disability pension (either unreduced or reduced). In no event can the age adjustment cause the resulting amount to exceed 99% of what you would have received under a Five-Year Certain and Life Pension.

50% Joint and Survivor Pension

If you receive your benefit in the form of a 50% Joint and Survivor Pension, your base monthly pension amount (after adjustment, if any, for early retirement) will be reduced as shown in the following chart.

ADJUSTMENT FOR 50% JOINT AND SURVIVOR PENSION PAYMENT OPTION		
If your Spouse is this age in relation to you . . .	**You will receive this percentage of what you would have received under a Five-Year Certain and Life Pension**	
	(Non-disability pension)	***(Disability pension)***
10 years younger	86%	78%
Five years younger	88%	80%
Same age	90%	82%
Five years older	92%	84%
Age adjustments are in increments of 0.4% per year of age difference.		

For example: If your Spouse is five years younger than you are, your base monthly pension amount is $1,800 (in Five-Year Certain and Life Pension form), and you are not disabled or retiring early. Your monthly pension amount under a 50% Joint and Survivor Pension would be $1,584 (88% of $1,800). If you died before your Eligible Spouse (again, the Spouse to whom you were married when you initially retired), that Spouse would start receiving 50% of that amount, or $792 per month, after your death.

66-2/3% Joint-and-Survivor Pension

If you receive your benefit in the form of a 66-2/3% joint-and-survivor pension, your base monthly pension amount (after adjustment, if any, for early retirement) will be reduced as shown in the following chart.

ADJUSTMENT FOR 66-2/3% JOINT-AND-SURVIVOR PENSION PAYMENT OPTION		
If your Spouse is this age in relation to you . . .	**You will receive this percentage of what you would have received under a Five-Year Certain and Life Pension**	
	(Non-disability pension)	***(Disability pension)***
10 years younger	82%	71%
Five years younger	84.5%	73.5%
Same age	87%	76%
Five years older	89.5%	78.5%
Age adjustments are in increments of 0.5% per year of age difference.		

For example: If you and your Spouse are the same age, your base monthly pension amount is $2,000 (in Five-Year Certain and Life Pension form), and you are not disabled or retiring early. Your monthly pension amount under a 66-2/3% joint-and-survivor pension would be $1,740 (87% of $2,000). If you died before your Eligible Spouse, that Spouse would start receiving 66-2/3% of that amount, or $1,160 per month, after your death.

75% Joint-and-Survivor Pension

If you receive your benefit in the form of a 75% joint-and-survivor pension, your base monthly pension amount (after adjustment, if any, for early retirement) will be reduced as shown in the following chart.

ADJUSTMENT FOR 75% JOINT-AND-SURVIVOR PENSION PAYMENT OPTION		
If your Spouse is this age in relation to you . . .	**You will receive this percentage of what you would have received under a Five-Year Certain and Life Pension**	
	(Non-disability pension)	***(Disability pension)***
10 years younger	79%	68%
Five years younger	82%	70.5%
Same age	85%	73%
Five years older	88%	75.5%
Age adjustments are in increments of 0.6% per year of age difference for a non-disability pension and 0.5% for a disability pension.		

For example: If your Spouse is 10 years younger than you are, your base monthly pension amount is $1,600 (in Five-Year Certain and Life Pension form) and you are not disabled or retiring early. Your monthly pension amount under a 75% joint-and-survivor pension would be $1,264 (79% of $1,600). If you died before your Eligible Spouse, that Spouse would start receiving 75% of that amount, or $948 per month, after your death.

If You Divorce After Retiring

In general, if you are married when your 50%, 66 2/3%, or 75% Joint and Survivor Pension commences and then get a divorce, that former Spouse will still be entitled to any survivor benefits in the event of your death. This is because the Plan is required by law to provide the survivor benefits to the Spouse to whom you were married when your pension started. So, if you later remarry, keep in mind that your subsequent Spouse will not be entitled to any survivor benefits. See "If You Get Divorced…" on page 45 for more information.

Life Events

At certain times, you may experience "life events" that can affect your Plan participation or benefit.

FAST FACTS

The following events may affect your pension benefit from the Fund:

- Incurring a Break in Service; Leaving Covered Employment
- Getting married
- Getting divorced; QDROs
- Moving
- Entering the Military Service
- Working beyond Normal Retirement Age
- Returning to work after you retire

LOCAL 478
Operating Engineers
Building Connecticut

If You Have a Break in Service (Applies only to non-Vested Participants)

Under current Plan rules, if you have not yet become Vested in your benefit and you complete less than 140 hours of service in a Benefit Year, you will be deemed to have incurred a temporary Break in Service as of the last day of that Benefit Year. At that point, you will cease to be a Plan Participant.

When the number of Benefit Years in which you complete less than 140 hours of service (300 hours for periods prior to October 1, 2001) equals or exceeds the greater of: (a) six (6), or (b) the number of years of vesting service you had earned prior to your temporary Break in Service, you will be deemed to have incurred a permanent Break in Service. At that point, you will permanently lose any pension credits or years of vesting service you accumulated before the Break in Service.

You will not lose your accumulated pension credits and years of vesting service if you "repair" a temporary Break in Service —by returning to Covered Employment and earning at least 840 hours of service in a Benefit Year—before it becomes a permanent Break in Service.

For purposes of determining whether you have incurred a Break in Service, hours of service will include the hours you work in Covered Employment and also hours (up to 501 per single continuous period) for vacation, holidays, or other absence to the extent they are paid for by your Employer or as required by law, such as leave under the Family Medical Leave Act. Periods of disability or Military Service when you are earning pension credit (see page 17) will also count. If you are receiving credit for hours worked under a related plan under the terms of a reciprocal agreement to which the Fund is a party, that time will also count for purposes of avoiding a Break in Service only.

For example: The accompanying chart shows how the Plan's Break in Service provisions work, using a non-Vested Participant named Jim as an example. To follow the example, you need to know two things:

- **Non-credit years (null years):** Currently, if a Participant has at least 140 hours of service in a Benefit Year, but less than the 840 required in a Benefit Year for a service break repair or "cure," the year will be considered a "null year" and disregarded for purposes of determining whether the Participant has incurred a permanent Break in Service.
- **Past-year requirements:** For Benefit Years beginning before October 1, 2001, participants incurred a temporary Break in Service if they failed to complete at least 300 hours of service in a Benefit Year. (They also needed to earn at least 900 hours of service in a Benefit Year to repair a break.)

Benefit Year Ending in 9/30 . . .	Jim's Hours of Service	Jim's Pension Credits/Break in Service Status
2015	1,420	1.0 credit
2016	1,700	1.2 credits
2017	100	Temporary Break in Service (under the 140-hour rule) – Year 1
2018	0	Year 2
2019	0	Year 3
2020	200	Non-credit (null) year – earned at least 140, but less than 840 hours 0.1 credit earned

Benefit Year Ending in 9/30 . . .	Jim's Hours of Service	Jim's Pension Credits/Break in Service Status
2021	0	Year 4
2022	0	Year 5
2023	0	Year 6 - At the end of September 30, 2023, Jim's temporary Break in Service which started October 1, 2016 becomes a permanent Break in Service, and all 2.2 pension credits and associated years of vesting service earned prior to October 1, 2016 are cancelled

Note in this example that Jim's 0.1 of a pension credit earned in the Benefit Year ending September 30, 2020 has not been lost yet. However, as to that 0.1 of a pension credit, he had another temporary Break in Service as of the end of the 2021 Benefit Year (as he earned under 140 hours in that Benefit Year), and he is in "Year 3" of that temporary Break in Service (the 2021, 2022 and 2023 Benefit Years).

If You Leave Covered Employment

If you are Vested and earn less than 0.1 pension credit per Benefit Year for two consecutive Benefit Years (0.2 pension credits per Benefit Year before October 1, 2001), you will be considered to have incurred a pension rate break (see below) as of the last day you worked in Covered Employment. This is different than a Break in Service that may occur if you are not Vested. If you are Vested and never return to Covered Employment, the Plan provisions in effect when you last worked in Covered Employment will determine the amount of your monthly benefit.

Pension Rate Break

If you stop working in Covered Employment and later return to Covered Employment, you may have what is called a "pension rate break," meaning that the benefit rate applied to pension credits earned in your earlier employment will be different from the benefit rate applied to credits earned during your later employment (see page 30 for more information as to how a pension rate break may impact the calculation of your pension benefit). You will not be considered to have a pension rate break if you can demonstrate that you were actively seeking work in Covered Employment (including registering for work with the Union Referral Office), you worked at least one day (8 hours) in Covered Employment in at least half of the Benefit Years in which you failed to earn less than the required portion of a pension credit, and you earn an additional five (5) pension credits after your return to Covered Employment. Remember that it is possible to have multiple pension rate breaks, meaning that different benefit rates may apply to the pension credits you have earned over your working career.

If You Get Married

When you are legally married, certain Plan rules and provisions apply to you and your Spouse. If you are Vested in the Plan, your Spouse is eligible for a pre-retirement surviving Spouse benefit if you die before you retire (provided you had been married to your surviving Spouse for at least one year at the date of your death). See page 53 for more information.

If you are married when you retire, the standard form of payment for you and your Spouse will be the 50% Joint and Survivor Pension. If you do not want to receive the 50% Joint and Survivor Pension, you and your Spouse must reject that payment option in writing in the presence of a notary public or other person authorized by law.

If you were unmarried when your Fund pension benefits commenced and you subsequently marry, you cannot change your pension payment form (the Five-Year Certain and Life Pension) to a form that would provide a lifetime benefit for your new Spouse in the event he or she outlives you. However, if you are within the five year period of guaranteed payments under that form, you could designate your new Spouse as your Beneficiary for any death benefits.

Checklist:

- ✓ If you get married, please contact the Fund Office immediately so that the Fund can update your records.
- ✓ If you get married just before your pension starts, call the Fund Office immediately to discuss your election of a payment option for your pension. You will need your new Spouse's written consent if you want to receive anything other than a 50% Joint and Survivor Pension.

If You Get Divorced or Owe Child Support; QDROs

If you divorce or owe child support, a Qualified Domestic Relations Order (QDRO) could require the Plan to pay part or all of your pension benefit to a former Spouse, child, or other dependent (known as an "alternate payee") for reasons such as spousal or child support or division of marital property. A QDRO is a court document that is issued by a state court. Please be aware that such documents are not automatically provided to the Fund Office, so you, the alternate payee, and/or any attorney involved are responsible for providing the Fund Office with a copy of the court order. Once the Fund Office receives an order approved by a court, the Fund Office will work with the Fund's Legal Counsel to review it and let you know if it meets the legal requirements necessary to be a QDRO. The rights of an alternate payee set forth in a QDRO will take precedence over any claims of your Spouse or Beneficiary at the time of retirement or death.

If you divorce before retiring and benefit amounts are awarded to an alternate payee, you will be entitled to receive the portion not awarded to the alternate payee upon your retirement. If you are remarried at that time, the rules governing Joint and Survivor pensions will apply to the portion not awarded to the alternate payee, or the QDRO may order your former Spouse to be treated as your Spouse upon your death.

If you retire on one of the joint-and-survivor pensions and then divorce, your former Spouse will still be entitled to any survivor benefits in the event of your death. There is one exception, and it applies in situations where your former Spouse has agreed to waive any and all rights to those survivor benefits in writing as part of a court-approved process. In that situation, your benefit can revert to the amount that would have been paid to you in Five-Year Certain and Life Pension form. Another important point to remember: if you retire on one of the joint-and-survivor pensions, divorce and then remarry, you cannot replace your former Spouse with your subsequent Spouse as to who is entitled to any survivor benefits. Your former Spouse will remain entitled to those survivor benefits if you die and he or she is alive. If you would like a copy of the Plan's QDRO Procedures, which are available free of charge and include a copy of the Fund's "Form QDRO," contact the Fund Office.

Checklist:

- ✓ If you get divorced, please contact the Fund Office to update your records ASAP.
- ✓ If you get divorced, you should also consider modifying any Fund Beneficiary designations you have in place. If you would like to do so, contact the Fund Office for a new Beneficiary designation form.
- ✓ Submit any court order and/or QDRO immediately to the Fund Office for review.

If You Move

If you move to a new address, keep in touch! Let both the Fund Office and the Union Referral Office know immediately about your change of address and/or new phone number. For your protection, we require that all address changes be submitted in writing, on a form provided by the Union and the Fund and signed by the Participant. It is your responsibility to make sure that the Fund Office always has your most current address on file. If you do not, you may miss out on important information or, after you retire, perhaps even your pension payment.

If You Enter the Military

If you enter into Military Service for the United States, you can still earn pension credits and years of vesting service. See page 17 for more information.

Checklist:

- ✓ Notify the Fund Office and last Contributing Employer that you will be leaving Covered Employment for Military Service.
- ✓ Contact the Fund Office for information on what you need to do to receive credit during your period of Military Service.
- ✓ Make sure you adhere to the provisions for returning to Covered Employment after your Military Service ends, including contacting the Fund Office and the Union Referral Office.

If You Work Beyond Normal Retirement Age

You may perform work *outside* of the IUOE industry, and such work will have no impact on your Fund benefits or your eligibility for those benefits. Examples of such outside work would include a ranger on a golf course, a grocery store clerk, a manager of a restaurant, etc. Also, if you apply for Fund benefits after your Normal Retirement Age, as long as you have not: (1) worked in the operating engineer trade for forty (40) or more hours (in accordance with rules established by the U.S. Department of Labor), or (2) collected four (4) or more supplemental unemployment benefit checks ("SUB") from the International Union of Operating Engineers Local No. 478 Health Benefits Fund, with respect to a specific month, your pension amount will be actuarially increased for such month. The Fund will apply this rule to all of the months between your normal retirement date and the date your pension becomes effective in determining your actuarial increase.

If you work in Covered Employment or disqualifying employment or are otherwise considered working under the Plan pursuant to U.S. Department of Labor rules, after you reach Normal

Retirement Age, you will not be considered retired and will thus not be eligible to start receiving your benefit or to receive any actuarial increase. You may, however, earn additional pension credits for work in Covered Employment. See "If You Return to Work After Retiring" below for definitions of the employment that would disqualify you from starting your pension or receiving the actuarial increase for delaying your Application for Benefits. Remember that you must begin receiving your benefit no later than your Required Beginning Date (see "Mandatory Commencement of Your Pension Benefit" on page 26 for more information).

If You Return to Work After Retiring and Disqualifying Employment

After your retirement from this Fund, you may work outside the IUOE industry as much as you wish, and this work will not affect your eligibility for a pension or cause your pension to be suspended. However, subject to the current exceptions listed below and any other exceptions adopted by the Board of Trustees from time to time, after your retirement from this Fund, your pension is subject to suspension for any calendar month in which you engage in "disqualifying employment" for forty (40) or more hours. For purposes of the Plan's suspension of benefits rules, "Disqualifying employment" means that a Pensioner engages in:

- work in Covered Employment in the jurisdiction of the Union, and/or
- self-employment as an operating engineer in the jurisdiction of the Union (whether as a partner, proprietor, or otherwise), and/or
- employment in the jurisdiction of the Union in a category of work that would require contributions to the Pension Fund but for the fact that the employer is not a signatory to a Collective Bargaining Agreement, including acting as an officer, director, supervisor, stockholder, or any similar capacity, for such an employer.

The Fund's Board of Trustees has decided to permit a Pensioner to perform certain work, in Covered Employment only, within the jurisdiction of the Union and still receive his or her pension benefits. *Here are the current provisions, which are subject to change in the future:*

✓ If you are a Pensioner over the age of 62, you may keep receiving your monthly pension benefits and work in Covered Employment up to 59 ½ hours in a month. Work beyond 59 ½ hours in a month will subject you to suspension of your benefits.

✓ If you are a Pensioner younger than age 62, you may keep receiving your monthly pension and work in Covered Employment up to 160 hours every other calendar quarter. For example, you could work for 160 hours in the January through March calendar quarter, but you could not perform any more work until the July through September calendar quarter (where you would again be limited to 160 hours). Work beyond this limit will also subject you to a suspension of your benefits.

✓ If you are a Pensioner who has reached your Required Beginning Date (see "Mandatory Commencement of Your Pension Benefit" on page 26 for more information), you are able to receive your pension and engage in Covered Employment.

You must notify the Fund Office in writing within three days of starting disqualifying employment, regardless of how many hours you work. You must also notify the Fund Office when you stop working in disqualifying employment. If you do not comply with the notice requirements and the Fund Office becomes aware that you are engaged in disqualifying employment, the Fund Office may presume that you have been engaged in disqualifying employment up to or beyond the maximum limits for each month a contractor has been at a site. Remember, if you are receiving a disability pension, you must report ***any*** gainful employment to the Fund Office.

Resumption of Benefits After a Suspension

Assuming you notify the Fund Office that you have stopped working in disqualifying employment, your benefits will resume no later than the first day of the third month after the month you stop such employment. If you earn any additional pension credits while your initial monthly pension benefits were subject to suspension, you will need to submit a new Application for Benefits for those additional pension credits. Your additional pension credits will be payable under the same option and for the same period as your initial monthly pension benefits, or you may be able to select a different option for those additional pension credits, depending upon whether you had attained Normal Retirement Age at the time of your earlier retirement.

Also, it is important to know that once you retire and begin receiving benefits, your return to work in Covered Employment cannot serve to increase the benefit rate (or rates) applicable to the pension credits you had earned at your retirement. Simply put, when you retire the benefit rate (or rates) becomes locked, and that rate (or those rates) cannot change. The additional pension credits you earn due to any new work in Covered Employment will be payable at the applicable benefit rate (or rates). Here is an example of how this works:

EXAMPLE: Assume Jim earned 11.0 pension credits for his work during 11 consecutive Benefit Years, with the last one ending September 30, 2018. He was unmarried, and properly submitted his Application for Benefits and other documentation so that he could retire effective October 1, 2018, on his 62nd birthday (i.e., his Normal Retirement Date). He began receiving his monthly Five-Year Certain and Life Pension of $946 (11 pension credits x $86 rate) and he stayed retired through September 30, 2022. As required by the Plan, Jim then informed the Fund Office in advance that he wanted to return to work in Covered Employment on October 1, 2022. He did so, and he worked on a full-time basis (i.e., he worked in excess of the exception noted earlier for those over age 62 which was, and is, up to 59-1/2 hours per month). Under Plan rules, Jim's monthly benefit of $946 was suspended. Jim then earned 1.2 pension credits in both the 2022-2023 and 2023-2024 Benefit Years. He then informed the Fund Office in advance that he wanted to re-retire effective October 1, 2024, and he properly applied for benefits as to his newly earned 2.4 pension credits.

What will Jim's monthly benefit be as of October 1, 2024? His Five-Year Certain and Life Pension increased to $1,172 per month. His initial monthly pension of $946 resumed, along with an additional amount of $226 (which represented the new 2.4 pension credits at the $94 benefit rate in effect on October 1, 2024; note that while $94 x 2.4 = $225.60, the Fund "rounds up" to $226). The initial $946 figure plus the new $226 figure gave us the revised figure of $1,172 per month.

If you are paid a pension for months your benefits should have been suspended, your pension payments will be reduced in accordance with applicable law after the period of suspension to make up for such prior overpayments.

Checklist:

✓ If you are considering returning to work after retirement, contact the Fund Office before you start to ask if the work will be disqualifying employment.

✓ Report any disqualifying employment to the Fund Office in writing within three days of starting it. If you are receiving a disability pension, report any gainful employment to the Fund Office within seven days of starting it.

✓ Notify the Fund Office in writing when you stop working in disqualifying employment.

- ✓ If you earn any additional pension credits after returning to work, contact the Fund Office to request benefit payment for them.
- ✓ If you do not agree that the work you are doing is disqualifying employment, you can appeal the suspension of benefits. See "Appeal Process," starting on page 61, for more information.

Working as an Operating Engineer in another Jurisdiction

You should always inform the Fund Office if you are going to work in another jurisdiction. This is because the Fund has two primary arrangements which could be beneficial for you.

First, the Fund has entered into certain agreements, known as "reciprocal agreements," with specific Operating Engineers Pension Funds outside Connecticut. If this is your "Home Fund" and you are working in another jurisdiction that has a specific reciprocal agreement with us, you can sign documents so that hours and contributions which would otherwise stay in the other jurisdiction <u>come to this Fund</u>.

Second, the Fund offers pro rata or partial pensions, based on an individual's work in multiple operating engineer jurisdictions. The Fund Office can work with the other jurisdictions where you work to track whether you can ultimately qualify for a pro rata pension. Put simply, if you don't tell us about your entire work history, you may miss out on benefits that you are otherwise entitled to.

Checklist:

- ✓ Before you work in another operating engineer jurisdiction, <u>let the Fund Office know</u>. Likewise, when you return to Connecticut, let the Fund Office know and register with the Union Referral Office.
- ✓ We would also suggest that you inform the benefit funds of the jurisdiction where you are working of your work under our Fund. That will help us coordinate your benefits with the other fund(s) when you ultimately decide to retire.

Death Benefits

The Fund offers certain Pre-Retirement and Post-Retirement death benefits, as discussed in more detail below.

FAST FACTS

- Beneficiary designation forms are available from the Fund Office and will normally be provided with your Application for Benefits, and it is very important that you monitor your Beneficiary designations over time. The Fund commonly faces the unfortunate situation where it has difficulty finding or contacting a Beneficiary because his or her contact information (address, phone number and/or email) is unknown or stale.
- If you are Vested, married and pass away prior to your retirement, under the Plan and applicable law, your Beneficiary will automatically be your Spouse and he or she may be entitled to death benefits. If you are Vested, unmarried and pass away prior to your retirement, your Beneficiary (or Beneficiaries) can only be your eligible minor children. An unmarried Vested Participant who retires will receive benefits via the Five-Year Certain and Life Pension, and he or she may name any Beneficiary that he or she chooses for that specific pension form.
- In situations where you have retired on one of the Fund's joint and survivor options, and the Spouse to whom you were married at the time of your retirement passes away before you do, there is a "pop up" benefit available under Plan rules. See the section entitled "If Your Spouse Dies" below for more details.
- Alert your Spouse or Beneficiary of the need to keep the Fund Office aware of his or her contact information, and to contact the Fund Office for an Application for Benefits as soon as possible after your death.

LOCAL 478

Operating Engineers

Building Connecticut

In the Event of Your Death Before Retirement

If you are Vested in your benefit, but die before the date your pension becomes effective, pre-retirement death benefits may be payable to your eligible surviving Spouse or, if there is no eligible surviving Spouse, to your eligible minor children (if any). Eligibility for a partial or pro rata pension based on combined pension credits will not be considered evidence of eligibility for the Plan's pre-retirement death benefits. Here are the Plan's current rules for both the pre-retirement surviving spouse benefit and the pre-retirement death benefit for minor children:

✓ **Pre-Retirement Surviving Spouse Benefit:** For your Spouse to be eligible for this benefit, you must have been married for at least the 12 months immediately preceding the date of your death, you must have been Vested, and you must have worked for at least one hour of service as a Participant after the effective date of the law implementing this rule (which was August 22, 1984).

- o The lifetime monthly benefit payable to your Spouse will be equal to 50% of the monthly pension amount you would have received if you had retired on a Five-Year Certain and Life Pension the day before you died, with an age-related adjustment if you had not yet reached Normal Retirement Age *(if you die before reaching age 55, the benefit will be computed as if you were age 55)*.
- o If the present value of the benefit payable to your surviving Spouse is $7,000 or less, the Fund will pay your Spouse the entire present value of the benefit in a one-time lump sum payment instead of making the lifetime payments described above. Your Spouse can roll over this one-time lump sum payment to an IRA or eligible retirement plan, if he or she wishes to defer paying taxes. Your Spouse will receive information on rollovers when he or she applies for the benefit.
- o Payment of the pre-retirement surviving spouse benefit must start no later than December 1st of the calendar year when the Participant would have reached his Required Beginning Date or, if later, the December 1st of the calendar year following the year of the Participant's death.

✓ **Pre-Retirement Death Benefit for Minor Children:** The pre-retirement death benefit for one or more of your minor children is payable only if you were not married when you died, you must have been Vested, and no Qualified Domestic Relations Order (QDRO) was in effect regarding your benefits under the Plan.

- o The pre-retirement death benefit for a minor child or minor children will be a monthly benefit equal to one-half of the regular or early retirement pension you would have received if you had retired on the day before your death and selected the Five-Year Certain and Life Pension as your payment option *(if you died before reaching age 55, the benefit will be computed as if you were age 55)*. That amount will be divided evenly among your eligible children at the time.
- o For purposes of this benefit, your eligible children are your unmarried natural or adopted children who had not reached age 18 as of the first day of any applicable month.
- o Payments will be made to the parent or legal guardian of the eligible child(ren) and will stop when a child is no longer an eligible child (i.e., reaches age 18 or marries, or dies, if sooner.) Stopping the benefit to one eligible child due to death or other ineligibility will not cause the amount paid to any other eligible child to increase.

Please be aware that the Plan's rules do not call for the payment of pre-retirement death benefits under any other circumstances. Here is a representative situation:

EXAMPLE: Assume a Vested Participant, named Dan, had 20.0 Pension Credits and he passed away on July 1, 2024 before receiving any retirement benefits from the Fund. Also assume that Dan had been married to Kathy for six (6) months at time of his passing (married on January 1, 2024), that he had two adult children from a prior marriage (ages 25 and 30) and that no QDRO was ever received by the Fund Office. In this example, there would be no pre-retirement death benefits payable from the Fund due to Dan's death because he had: (a) only been married to Kathy for 6 months, not 12 months, at his passing (so Kathy would not be eligible for the Pre-Retirement Surviving Spouse Benefit), and (b) no minor children at his passing (so the Pre-Retirement Death Benefit for Minor Children is not applicable).

Please note that the result would be the same even if Dan had completed and submitted a beneficiary designation form to the Fund Office naming his wife, Kathy, as his beneficiary. While Dan had properly designated Kathy to receive any death benefits payable under Plan rules, under these facts there are no death benefits payable due to Dan's death for the reasons noted above.

In the Event of Your Death After Retirement

Any post-retirement death benefit payable if you die after retiring under Plan rules will depend on the payment option you were receiving when you were alive:

- ✓ If you were receiving the 50% Joint and Survivor Pension, your surviving Spouse will receive monthly payments that are 50% of the amount you were receiving for his or her life.
- ✓ If you were receiving the 66-2/3% Joint and Survivor Pension, your surviving Spouse will receive monthly payments that are 66-2/3% of the amount you were receiving for his or her life.
- ✓ If you were receiving the 75% Joint and Survivor Pension, your surviving Spouse will receive monthly payments that are 75% of the amount you were receiving for his or her life.
- ✓ If you were receiving a Five-Year Certain and Life Pension and less than 60 guaranteed monthly payments had been made at the time of your death, your designated Beneficiary will receive the remaining number of the 60 guaranteed monthly payments. As a simple example, if you had received 40 monthly payments and then died, your Beneficiary would receive the remaining 20 guaranteed payments (60 – 40 = 20) and then benefits would end.

In all situations described above, your surviving Spouse must be the Spouse to whom you were married when your benefits initially commenced. If you retire under the Five-Year Certain and Life Pension and your designated Beneficiary predeceases you before you have received sixty (60) monthly payments, you should contact the Fund Office to designate a new Beneficiary.

If the present value of the post-retirement death benefit payable to your surviving Spouse or estate is $7,000 or less, the Fund will pay your Spouse or estate the entire present value of the benefit in a one-time lump sum payment.

Naming a Beneficiary/Changing a Beneficiary – Five-Year Certain and Life Pension

Beneficiary designation forms are normally provided by the Fund Office at the time a Vested Participant retires, and it is very important that you monitor your Beneficiary designation(s) over time. If you are Vested and married, under applicable law, your Beneficiary will automatically be your Spouse unless he or she consents in writing through a specific form provided by the Fund to the naming of a different Beneficiary. Because of this automatic designation, it is critical to initially notify the Fund Office of your marital status and also notify the Fund Office immediately of any changes to your marital status. If you are Vested and not married, there are different rules depending on the time of your death. If you die prior to retirement from the Fund, your Beneficiary would only be your minor children (see page 53 and 54). But if you retired while unmarried and are receiving the Fund's Five-Year Certain and Life Pension form, then you may name any person or persons as a Beneficiary to receive any payments due upon your death under that payment form.

If you, with your Spouse's consent, if applicable, name a minor child as your Beneficiary, the Fund will distribute payments to an account in the name of an adult, for the benefit of the minor and subject to the jurisdiction of an applicable state court or to the applicable state's Uniform Transfers to Minors Act.

Assuming a Beneficiary designation conforms with Plan rules as noted above, the Fund will always honor the most recent, and properly completed, Beneficiary designation form on file with the Fund Office prior to your death, except where that designation is overridden by the legal requirements to pay Fund death benefits to the Spouse to whom you were married at the time of your death in situations where the Fund has been made aware of such Spouse. In order for a Beneficiary designation form to be effective, <u>it must be properly completed in its entirety and filed with the Fund Office prior to your death.</u> No Beneficiary designation form or forms will be accepted or honored by the Fund after the date of your death.

You can also change the designation of Beneficiary at any time, provided that if you have a Spouse, you must obtain the written consent of your Spouse and the consent must be notarized. If a Beneficiary designation form is not on file with the Fund Office at the time of your death, or if such designation is defective for any reason, then if you were married at the time of your death your Spouse will be eligible to receive any death benefits provided by the Plan (this assumes that you have properly notified a Fund Office of your marriage). If you do not have a Spouse, then your natural or adopted surviving child(ren) will receive any death benefits in equal shares. If there is no Spouse or surviving child(ren), then your estate will receive any death benefits. In some situations, a state Probate Court will issue an order which allows the Fund to pay death benefits to individuals named in the order. The Fund may honor such an order.

If Your Spouse Dies

If your Spouse dies, please contact the Fund Office immediately so that we can update your records. Also, if you have already started receiving one of the joint-and-survivor pensions when your Spouse dies, and this is the Spouse to whom you were married when your pension initially commenced, your monthly pension amount thereafter can be increased or "pop-up" to the monthly amount you would have received under a Five-Year Certain and Life Pension. This rule went into effect many years ago (for those who retire on or after October 1, 1998), and you are required to notify the Fund Office of your Spouse's death. Once the Fund Office is notified and at least thirty (30) days have passed, you will begin receiving the increased amount.

Unclaimed Death Benefits

If the Fund has not received an Application for Benefits from an executor or administrator of the estate entitled to receive death benefits from the Fund within three months after the date of death of a Participant, Pensioner or Beneficiary, any death benefit payable under the Plan may be paid to any one or more of the following surviving relatives of the Participant, Pensioner or Beneficiary: Spouse, child or children, mother and/or father, brother(s) and/or sister(s).

Applying For a Pension

To receive benefits from this Plan, you must file an Application for Benefits with the Fund Office and it must be approved by the Board of Trustees.

FAST FACTS

- To start receiving a pension benefit from the Fund, remember that you must meet the eligibility requirements for the type of pension you are requesting and be considered retired.
- When you are getting ready to retire, contact the Fund Office to request an Application for Benefits. You can also contact the Fund Office in advance to ask what you will need to complete the Application for Benefits.
- Applications for Benefits take a significant amount of time to process, as the Fund Office needs to ensure that each Application includes all required documentation, that it is signed and notarized where required, and that it is completed correctly. In addition, while our Fund Office performs initial benefit calculations, those calculations are also confirmed by the Fund's independent actuary for accuracy. Because of this, we always recommend that you provide your completed Application packet to our Fund Office at least sixty (60) days before your intended retirement date.
- Pensions are usually effective for an eligible Participant, or Beneficiary, on the first day of the month following the processing period described directly above.

LOCAL 478
Operating Engineers
Building Connecticut

How to Apply

The first step in applying for a pension benefit is to request, in writing or by phone, an Application for Benefits from the Fund Office. When the Fund Office receives your request for an Application for Benefits, you will be sent the Application for Benefits and an explanation of the pension payment options.

You must answer all questions on the Application for Benefits. Also, be sure to sign and date your Application for Benefits. You have the right to review the explanation of payment options for at least 30 days before the date your pension becomes effective. If you are married and you wish to elect a payment option other than the 50% Joint and Survivor Pension, your election must be made in the 180 days before the date your pension is to be effective to be valid (this is also the period in which you can revoke a previous election). Certain election and signature sections on the Application for Benefits must be witnessed by a notary or another person authorized by law, and if those specific sections are not completed correctly your Application for Benefits will be returned to you for correction. If your Application for Benefits is not complete or lacks the required information for processing, it will be returned to you. This could result in a delay of your pension benefits.

Processing of Your Application for Benefits

When the Fund Office receives your properly completed Application for Benefits and all required supporting documents, it will research and verify your marital status, your Vested Status, your pension credits and the benefit rate(s) associated with those credits. The Fund Office initially performs this research and the associated calculations, and its calculations are confirmed with the Fund's independent actuarial consultant. In general, to allow for proper processing your Application for Benefits must be submitted at least 60 days prior to your effective date of retirement. Only the Board of Trustees is authorized to approve a pension benefit.

Applications for Pre-Retirement Death Benefits; Receiving Post-Retirement Death Benefits

To receive any pre-retirement death benefits, your eligible surviving Spouse or eligible minor child(ren)(through a legal guardian), as the case may be, must file an Application for Benefits with the Board of Trustees on a form furnished by the Fund Office, along with any required supporting documentation and applicable tax and direct deposit form(s). An Application for Benefits should be obtained from the Fund Office right after your death so that payments may begin as soon as possible.

No formal Application for Benefits is necessary for a Beneficiary in situations where the Fund is providing post-retirement death benefits. This occurs for a Pensioner's designated Beneficiary where such Pensioner is receiving a Five-Year Certain and Life Pension and died before the sixty (60) guaranteed payments are made, or for a surviving Spouse (as the automatic designated Beneficiary) where the Pensioner is receiving one of the forms of the joint-and-survivor pensions and has died. However, applicable tax and direct deposit form(s) must be furnished to the Fund Office. In addition, due to the popularity of direct deposit, if you are a surviving Spouse under one of the forms of the joint-and-survivor pensions, or the designated Beneficiary under a Five-Year Certain and Life Pension and the Pensioner dies before 60 monthly payments are made, please inform the Fund Office of the Pensioner's death immediately so that appropriate death benefits can be properly paid to you.

LOCAL 478 Operating Engineers Building Connecticut

Appeal Process

The Fund has a detailed claims and appeal process as outlined in this section if there is a denial.

FAST FACTS

- If you receive a denial you may appeal by filing with the Executive Director a written request for review. Such a request must be made to the Executive Director within 90 days (180 days in certain situations involving disability) following the receipt of the denial, and such request must include all facts and/or arguments that are known, or that should be known.
- General inquiries about provisions of the Plan, or requests to change the terms of the Plan, are not items which may be appealed.
- The appeal process must be completely followed by both you and the Trustees before any legal action can be taken regarding a denied claim. A lawsuit cannot be initiated after the applicable statute of limitations has passed.
- Special rules govern the appeal process for denial of a claim for disability benefits, as outlined below.

LOCAL 478
Operating Engineers
Building Connecticut

The appeal process discussed below applies to both: (1) Application for Benefits by Participants and surviving Spouses or Beneficiaries and (2) cases where benefits are suspended for work in Non-Covered Employment.

Some Requests are not subject to the Appeal Process! General inquiries about provisions of the Plan or requests to change the terms of the Plan are not items which may be "appealed" under this section.

When you apply for your benefit and all the appropriate material supporting your Application for Benefits is properly completed, signed and received by the Fund Office, your Application for Benefits is considered to be "filed."

The Fund Office will notify you of the action taken regarding your completed Application for Benefits within 90 days of the date that you filed your Application for Benefits unless there are special circumstances that require more time for processing your Application for Benefits. You will be notified within that original 90-day period if more time (an extension of up to 90 days) is needed.

If you do not receive notice from the Fund Office within the initial 90-day period or a decision by the end of any extension, you can assume that your Application for Benefits has been denied. To appeal the decision, follow the steps outlined below.

If your Application for Benefits is partially or completely denied, the notice you will receive will explain specifically why your claim was denied. In addition, the Fund Office will provide references to specific Plan provisions, rules and regulations that the denial was based on, along with a description of any additional material that you could submit to support your claim and an explanation of why it is necessary. The Fund Office will provide you with an explanation of the steps that you must take in order to have the denial reviewed, as well as a statement of your right to bring a civil action under ERISA §502(a) (29 U.S.C. §1132(a)) following an adverse decision on appeal. The initial decision shall be final and binding on all parties unless it is appealed, according to the process described below.

If you believe you have met the Plan's eligibility requirements for payment of a benefit or if you question the determination of the amount of the benefit awarded, you may petition the Board of Trustees for a review of your claim. Similarly, if you believe a determination that you have engaged in Non-Covered Employment is in error, you may ask for a review of that determination. You may also receive, upon request and free of charge, access to and copies of all documents and records that relate to your claim.

Your request for review must be in writing and must be received by the Fund Office within 90 days of the date that you receive notice of the adverse decision. In your written request for a review, you must explain clearly why the benefit should not be denied or the amount should be adjusted or a determination regarding your employment should be reconsidered. You may submit additional materials for consideration or review by the Trustees, including a written explanation of the issues and comments on the issues.

If your written request for a review of an adverse decision is not filed within the 90-day time frame, you will lose your right to appeal and have your claim reviewed by the Trustees. Furthermore, if your request does not include facts and arguments that you know of or should know of, you will lose the right to any further consideration of the appeal on the basis of those facts or arguments.

The Board of Trustees will decide your appeal no later than the date of the Trustees' meeting immediately following the receipt by the Fund Office of your request for review, unless your request is filed within 30 days of that meeting. If your request is made within 30 days of the meeting date, the Trustees will consider and decide it at the second meeting following the Fund's receipt of your request. A decision may be delayed until the third meeting only if special circumstances require an extension. If an extension is required, you will be provided with written notice of the extension, describing the special circumstances and the date by which the decision will be made.

The decision on review will also be in writing and include the specific reason(s) for the determination, reference(s) to the specific Plan provision(s) on which the determination is based, a statement that you are entitled to receive reasonable access to and copies of all documents relevant to your claim, upon request and free of charge, and a statement of your right to bring a civil action under ERISA §502(a) (29 U.S.C. §1132(a)).

This procedure must be followed by anyone who believes he or she was not given proper consideration for benefits provided by the Plan. You must exhaust all of these remedies before taking any legal action. If, for any reason you do not receive a written decision within the time frames explained above, you can assume that your request for a review has been denied. The decision of the Trustees with respect to a request for a review is final and binding on all parties unless it is contrary to applicable law.

Please be aware that the Board of Trustees (or their delegate) have the full authority and discretion to determine any or all questions, controversies or issues arising under the Plan, including, but not limited to, the interpretation of the Plan, its terms and its operation. Benefits will be paid under this Plan only if the Board of Trustees (or their delegate) decides in their discretion that the applicable individual is entitled to them.

If you or your representative requests a review of your denied claim after the period for filing the request has passed, your request will not be considered a request for a review or a new request for a review or as an extension of time for the purposes of any statute of limitations.

The appeal process must be completely followed by both you and the Trustees before any legal action can be taken regarding a denied claim. A lawsuit cannot be initiated after the applicable statute of limitations has passed.

Special Rules Regarding Appeals Involving Disabled Participants

The Fund Office will notify you of the action taken regarding your completed Application for Benefits for a disability pension within 45 days of the date that you filed your Application for Benefits unless there are special circumstances that require more time for processing your Application for Benefits. You will be notified within that original 45-day period if more time (up to two extensions of up to 30 days each) is needed.

If your Application for Benefits for a disability pension is partially or completely denied, the Board of Trustees will follow all the normal procedures listed above, except that you will have 180 days from the date you receive a written decision to file an appeal with the Trustees.

If an appeal is partially or wholly denied which involves the determination of a disability the denial will comply with applicable U.S. Department of Labor regulations, including §2560.503-1(o). Also, to the extent applicable, the decision would include the following:

- an explanation of the basis for disagreeing with the disability determination made by the Social Security Administration; and
- any specific internal rules, guidelines, protocols, standards or other similar criteria of the Fund relied upon in making the decision, or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Fund do not exist.

In all appeal situations, the Fund will comply with all applicable Department of Labor ("DOL") rules and regulations.

Miscellaneous Items

Holiday Benefit

In December of each year, the Fund issues a Holiday Benefit check. To be eligible for this check, you must be a Pensioner or Beneficiary who has received twelve (12) consecutive monthly benefit checks in that particular calendar year (January through December). The amount of a Holiday Benefit check is normally equal to the Pensioner's or Beneficiary's monthly benefit check, but it is subject to a $500 cap. A Pensioner and/or Beneficiary who has received at least 60 consecutive monthly pension checks as of each December, and who has a monthly benefit of less than $300, will receive a Holiday Benefit check of $300. If a Pensioner dies, any monthly payments made to the Pensioner during the calendar year of his or her death count in determining whether that Pensioner's Beneficiary is eligible for the Holiday Benefit. If you are subject to a QDRO which assigns some or all of your Holiday Benefit, the amount you receive will be lower.

Cost of Living Adjustments or "COLAs"

As a general rule, the Plan does not provide for any type of "automatic" COLAs. However, in the past (the last being on May 1, 2024), the Trustees have adopted specific COLAs which increased the monthly pension benefit otherwise payable to an eligible Pensioner, Beneficiary, surviving Spouse, or applicable Alternate Payee. If you should have any questions regarding the Fund's prior COLAs, do not hesitate to contact the Fund Office. If a COLA is adopted in the future, eligible recipients will be notified in writing.

Mistakenly Made Payments

The Fund, and its employees, work very hard to ensure that you receive each and every dollar of Fund benefits that you are entitled to. But on those rare occasions where the Fund pays too much to you or your Beneficiary (including a Spouse) or pays someone who is not entitled to any benefit, for any reason, then you or that person must reimburse the Fund for the benefits received in error, in compliance with applicable law. If reimbursement is not made, you or the applicable individual may be responsible for paying attorneys' fees and/or court costs to recover the overpayments. If you believe you have received an incorrect benefit payment, you should contact the Fund Office as soon as possible.

Also, with the popularity of direct deposit of Fund benefit checks, we see a few overpayment situations each year with joint and survivor pensions; namely, the Pensioner or Spouse dies, Fund payments are required to stop, and the Fund isn't notified of the death in a timely manner. Please help us avoid this by reporting any death to the Fund Office as soon as possible.

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 SPD. 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 Fund. Since it is not possible to predict future conditions, the Board of Trustees reserves the right to amend or terminate the Plan at any time, 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.

LOCAL 478
Operating Engineers
Building Connecticut

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. Benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC). This insurance provides benefits protection when a plan terminates, and its assets will not cover all benefits payable. However, it does not cover all benefits, and the amount of benefits protection is subject to certain limits. For more information, see "PBGC Insurance" on page 72.

Limitation on Authority

No individual Trustee, Executive Director, Contributing Employer or Union or any representative of any Contributing Employer, the Fund Office or Union, is authorized to interpret this Plan, nor can such person act as an agent of the Board of Trustees.

Trustees' Authority and Discretion

Only the full Board of Trustees is authorized to interpret the Plan of benefits described in this SPD. The Board of Trustees has full discretionary authority to interpret and construe the terms of this SPD, the Plan and the Trust Agreement, including provisions describing benefits and eligibility for benefits.

Trustees' Right to Amend, Modify or Discontinue Benefits

The Board of Trustees, in their sole and exclusive discretion, have the authority to amend and/or terminate at any time the Plan, Trust Agreement, and the benefits and rules described in this SPD, consistent with applicable law.

Effective Date

This SPD summarizes the rules in effect as of August 1, 2024. Rules governing claims for benefits prior to that date may be different. Any specific questions should be referred to the Fund Office.

Important Notice

This SPD is written in non-technical language to provide a brief general description of the most important provisions of the Pension Plan. Nothing in this SPD is meant to interpret or extend or change in any way the provisions of the complete text of the Pension Plan as adopted and amended by the Board of Trustees.

Plan Facts

The chart below provides a short reference for administrative information about the Pension Plan.

Legal Name of the Plan	International Union of Operating Engineers Local No. 478 A-C-D-E Pension Plan
Plan Number	001
Employer Identification Number (EIN)	06-0733831
Plan Type	Defined benefit pension plan
Plan Year	January 1 – December 31
Benefit Year	October 1 – September 30
Plan Administrator	The Board of Trustees
Agent for Service of Legal Process	Ms. Deborah Palmieri Executive Director I.U.O.E. Local No. 478 Pension Fund 1965 Dixwell Avenue Hamden, CT 06514-2400 Telephone: 203-288-9261 or 866-288-9261 (Toll Free) Legal process may also be served upon any Plan Trustee.

Plan Administration

A joint Board of Trustees, consisting of an equal number of Union representatives and Employer representatives, administers and maintains your Pension Plan. The Board is governed by the Trust Agreement established and maintained in accordance with Collective Bargaining Agreements. The Board employs an Executive Director and maintains an administrative staff to perform the routine administration of the Pension Fund.

Plan Funding

Contributions to the Pension Fund are made by individual Contributing Employers at the rate established by Collective Bargaining Agreements or participation agreements. Benefits are provided from the Pension Fund's assets, in accordance with the Trust Agreement, and the assets are invested in accordance with the Plan's investment guidelines by investment managers hired by the Board of Trustees. As of June 1, 2024, the following investment managers have been retained by the Trustees, and each holds and invests a portion of the Fund's assets from which benefits are paid: Acadian Asset Management, BentallGreenOak, BlackRock, Blackstone, Columbia Threadneedle, Cornerstone, HarbourVest Partners, Intercontinental Real Estate, JP Morgan, Kohlberg & Company, Lazard, LSV Asset Management, Loomis Sayles, MacKay Shields, Mesirow, Oaktree Capital Management, PIMCO, and UBS. These investment managers may be changed from time to time by the Board of Trustees.

LOCAL 478
Operating Engineers
Building Connecticut

Contributing Employers

The Fund Office will provide you, upon written request, with information as to whether a particular Employer is a Contributing Employer with respect to this Plan and, if so, that Employer's address.

Collective Bargaining Agreements

The Pension Fund and the Pension Plan are maintained according to Collective Bargaining Agreements. Collective Bargaining Agreements provide for the rate of Employer contributions to the Pension Fund, the type of work and areas of work that require contributions and certain other terms governing contributions. For information on how to obtain or examine copies, see "Availability of Plan Documents" below.

Availability of Plan Documents

Copies of the following are available for inspection at the Fund Office during regular business hours:

- The text of the Plan and amendments, including any amendments adopted after this SPD is printed.
- The Trust Agreement.
- Summary annual reports.
- A full annual report (Form 5500).
- Copies of the Collective Bargaining Agreements and participation agreements.

Upon written request, copies will be furnished by mail. There may be a charge, so you should contact the Fund Office to find out what the charge would be before sending in your request. A copy of any Collective Bargaining Agreement that provides for contributions to this Plan will also be available for inspection within 10 calendar days after written request at the Union office or at the office of any Contributory Employer to which at least 50 Plan Participants report each day.

Your Right to Defer

The Plan is structured around a Normal Retirement Age and the expectation that benefits will commence at that age. Despite that, you may choose to apply for benefits earlier than your Normal Retirement Age, if you are eligible, or you may choose to wait until your Normal Retirement Age or later (but not later than your Required Beginning Date). Other than the Required Beginning Date rule you are not generally required to begin receiving benefits from the Fund at any particular time, and you control when your benefits will commence.

Top-Heavy/Maximum Benefit Provisions

Federal law limits the percentage of Plan benefits that can be earned by certain highly paid employees. A plan that exceeds this limit is considered "top-heavy," and the administrator of such a plan must take actions to bring the plan into compliance with IRS regulations (for example, set minimum benefit levels for some employees or shorten their vesting period). There are similar IRS limits, known as the 415 limits, on the total amount of retirement benefits that an individual Participant can receive from multiple defined benefit plans, including this one. If the Plan becomes top-heavy or you are affected by the 415 limits, you will receive information on the actions being taken.

Transfer and Assignment of Benefits

You may not sell or assign your benefits in this Plan or pledge them as security for a loan. Furthermore, your benefits are not generally subject to attachment by any of your creditors. However, specific state court orders, known as Qualified Domestic Relations Orders (QDROs), may require the Plan to pay all or part of your benefit to your former Spouse, your children, or other dependents. More information is on page 45 and 46. Also, the Fund must honor a federal tax lien against your benefits or specific court orders which comply with other applicable Federal laws.

Taxation of Benefits

Since tax laws are constantly changing, you should consult with your tax advisor or other financial professional before receiving any distribution from the Fund. The brief summary provided immediately below is based on our understanding of the tax law as of the date this SPD was printed and is not intended to render tax or legal advice. The Trustees and Fund Office staff cannot give tax advice on particular situations and cannot help you complete any tax forms. Keep in mind that it is smart to be prepared for your tax obligations and you may incur tax penalties at the federal and/or state level if you do not have enough withheld from your distribution.

Generally speaking, all benefit payments and death benefits payable under the Plan in excess of minimum levels set by the IRS, and any other taxing authority, are taxable income to the recipient and subject to both federal and state income taxes (and may also be subject to local taxes). In addition, federal income tax withholding will normally be required unless you elect not to have such taxes withheld on your applicable IRS Form W-4P. For Connecticut residents, Connecticut income tax withholding is generally required as well (similar to the way an employer would withhold from wages) unless you fail to provide the Fund Office with a properly completed Form CT-W4P. In that event, the Fund is required to withhold 6.99% from any payment made to you. For residents of states other than Connecticut, please note that the Fund Office cannot withhold any other state or local taxes which may be required in your situation.

Other withholding rules apply in specific circumstances, such as in the event of a direct rollover of certain lump sum payments to an eligible retirement plan or individual retirement account. To the extent that you believe you are eligible for a direct rollover with respect to your benefit, please contact the Fund Office for more information.

Finally, we wish to remind you that you are ultimately responsible for your own tax planning and financial decisions. To ensure that you are in compliance with all applicable tax rules, you should always consult with a trusted financial planning and / or tax planning professional before taking a distribution, making or changing your applicable withholding information, or with respect to other important financial matters.

PBGC 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, and only applies to Vested benefits. Currently, 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, and is not adjusted for inflation or cost-of-living increases. For example, the maximum **annual** guarantee for a Pensioner with 30 years of service would be $12,870.

The PBGC guarantee generally covers:

- normal and certain early retirement pension 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 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 Fund Office or contact the PBGC by email at: askpbgc@pbgc.gov, by mail to: Technical Assistance Branch, 445 12th Street S.W., Washington, DC 20024-2101 or call 202-229-6047 (if using a cell phone) or 202-326-4000 (if using a landline – press "0" for a Customer Service Representative). TTY/ASCII users may call the federal Telecommunications Relay Service by dialing "711" and asking 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.

Your ERISA Rights

As a Participant in the International Union of Operating Engineers Local No. 478 A-C-D-E Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended (ERISA). ERISA provides that all Plan Participants shall be entitled to:

Receive Information About Your Plans and Benefits

- Examine, without charge, at the Fund Office and at other specified locations, such as worksites and Union halls, all documents governing the Plan. These documents include 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 Executive Director, 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 Executive Director may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Executive Director is required by law to furnish each Participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age (age 62, for most Participants) 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 must 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.

Prudent Actions by Plan Fiduciaries

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

Enforce Your Rights

- If your claim for a pension 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 the Plan document or the latest annual report from the Plan and do not receive them within 30 days, you may file a suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If you have a claim for benefits 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

LOCAL 478
Operating Engineers
Building Connecticut

lack thereof concerning the qualified status of a domestic relations order, you may file a suit in federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file a suit in state or Federal court. If 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 Fund Office. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Fund Office, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Definitions

Agreement and Declaration of Trust or Trust Agreement means the Pension Fund Trust Agreement of the Hoisting and Portable Engineers Local No. 478 A-C-D-E, International Union of Operating Engineers, entered into as of May 7, 1958, as previously amended and as amended by the 1994 Amended and Restated Agreement and Declaration of Trust of the International Union of Operating Engineers Local 478 Pension Fund, as it may be amended hereafter.

Application for Benefits means the form and related materials (e.g., direct deposit, tax withholding forms, etc.) provided by Trustees which shall be completed by the Participant and/or his or her Beneficiary or Spouse and filed with the Trustees in advance of the pension benefit starting date.

Beneficiary or Beneficiaries means any individual, estate or other recipient entitled to receive death benefits under the terms of the Plan due to the death of a Participant.

Benefit Year means the twelve (12) month period, commencing each October 1st and ending on the September 30th of the immediately following calendar year, utilized by the Plan to determine eligibility, benefits, vesting, credited service and the like.

Break in Service means the failure of a Participant, who has not achieved Vested Status, to complete sufficient hours of service.

Code means the Internal Revenue Code of 1986, as it may be amended from time to time, and all regulations and rulings issued pursuant thereto.

Collective Bargaining Agreement means any written agreement, including any extensions or renewals thereof, between a Contributing Employer and the Union, which describes the terms and conditions of work in the jurisdiction of the Union and under which the Contributing Employer is required to make contributions to the Fund.

Contributing Employer or Employer means any person, firm, corporation, limited liability company or other entity who or which employs members of the Union or other employees, is signatory to a Collective Bargaining Agreement, and is obligated to make contributions to the Fund on behalf of members or other employees. The term also includes, subject to the approval of the Trustees, the Union, an employee benefit fund, or, with respect to Alumni only, any other legally organized business entity that employs Alumni, which is obligated to contribute on behalf of its employees pursuant to a written Participation Agreement with the Fund.

Covered Employment means employment for which a Contributing Employer or contractor is obligated to contribute to the Fund on behalf of an Employee in accordance with a Collective Bargaining Agreement or Participation Agreement with the Union.

ERISA means the Employee Retirement Income Security Act of 1974, as it may be amended from time to time, and all regulations and rulings issued pursuant thereto.

IRS means the Internal Revenue Service.

I.U.O.E. Local No. 478 Alumni Program or Alumni Program means the program established by the I.U.O.E. Local No. 478 Health Benefits and Pension Funds which allows owners, officers and/or supervisors with Contributing Employers to continue to participate in the International Union of Operating Engineers Local No. 478 Health Benefits and Pension Funds, subject to various rules and regulations.

LOCAL 478
Operating Engineers
Building Connecticut

Five-Year Certain and Life Pension means a monthly benefit payable to a Vested Participant for his or her life which is guaranteed for 60 monthly payments. If a Pensioner should die before 60 monthly payments have been made to him or her, the remainder of the 60 monthly payments shall be made to his or her designated Beneficiary.

Fund or Pension Fund means the International Union of Operating Engineers Local No. 478 A-C-D-E Pension Fund created under the terms of the Trust Agreement.

Fund Office means the administrative office of the Fund, which is located at 1965 Dixwell Avenue in Hamden, Connecticut.

Military Service means the performance of duty on a voluntary or involuntary basis under competent authority in the Army, Navy, Air Force, Marines, Coast Guard or Reserves, and also includes the Army and Air National Guards when engaged in active duty for training, inactive duty training, or full-time National Guard duty, the commissioned corps of the Public Health Service, and any other category of persons designated by the President in a time of war or emergency.

Non-Covered Employment means employment in the Union's jurisdiction in a category of work which would require contributions to the Fund but for the fact that the employer is not a signatory to a Collective Bargaining Agreement, and includes acting as an officer, director, supervisor, stockholder or in a similar capacity for such an employer, but excludes employment which is performed at the exclusive direction of the Union by either: (1) an employee of the Union, or (2) an individual who is a member of the Union. The term "Non-Covered Employment" also includes any self-employment, whether as a partner, proprietor, or otherwise, as an operating engineer in the Union's jurisdiction.

Normal Retirement Age means, for any Plan Participant, the later of: (a) age 62, or (b) the earlier of: (1) the age of the Participant on the fifth anniversary of the date the Participant commenced participation in the Plan, or (2) the date on which the Participant completes as least five (5) years of vesting service, provided that during the period that the years of vesting service are earned, the Participant works for at least 1 hour of service either (i) on or after October 1, 1989 while participating in the Plan under a participation agreement, or (ii) on or after October 1, 1998 in Covered Employment governed by a Collective Bargaining Agreement.

Participant means an employee for whom contributions to the Plan are required to be made by a Contributing Employer, and who meets the requirements outlined in this SPD to participate in the Plan. The term also includes any former Participant who is otherwise entitled to receive payments from the Plan.

Pension Plan or Plan means the International Union of Operating Engineers Local No. 478 A-C-D-E Pension Plan.

Pensioner means a retired Participant to whom a monthly pension under this Plan is being paid.

Plan Year means the time period January 1st through December 31st of each year.

QDRO means a Qualified Domestic Relations Order, which is a court judgment, decree or order which recognizes the rights of a Spouse, former Spouse or child of a Vested Participant to receive all or a part of such Participant's accrued benefit under the Fund, and which is determined by the Fund to meet all applicable legal requirements. Most often, a QDRO is part of a divorce, but it can also be part of child support proceedings.

Required Beginning Date means the date a Vested Participant must start receiving his or her Plan benefits under complex IRS rules. More details are provided on page 26.

Social Security Disability Award means an award from the federal Social Security Administration determining that a disabled Participant is entitled to monthly disability benefits from Social Security.

Spouse means the individual to whom a Participant is legally married pursuant to the laws of the State of Connecticut or any individual in a relationship with a Participant that is recognized as a marriage under such applicable Connecticut law governing marriage (or that is recognized as a valid marriage under Connecticut law if the Participant was married outside of Connecticut). Please remember that Connecticut does not currently recognize common law marriages! Once an individual has qualified as a Spouse by virtue of a marriage described above, that individual shall cease to be a Spouse on the day on which a divorce, dissolution of marriage, annulment or legal separation is obtained between such Spouse and the Participant.

Trustees or Board of Trustees means the Board of Trustees as established and constituted from time to time under the provisions of the Fund's Agreement and Declaration of Trust.

Union means Local No. 478 of the International Union of Operating Engineers.

Union Referral Office means the referral office of the Union, which is located at 1965 Dixwell Avenue in Hamden, Connecticut.

Vested or Vested Status means that a Participant meets the requirements to have a nonforfeitable right to accrued benefits under this Plan.

International Union of Operating Engineers
Local Union No. 478 A-C-D-E Pension Plan

LOCAL 478
Operating Engineers
Building Connecticut

Summary Plan Description

Effective August 1, 2024