Annuity Plan
Board of Trustees

Using this Summary Plan Description

Definitions of words or phrases that appear bolded and italicized (e.g., Plan) can be found in the Glossary at the end of this booklet. Following the Glossary, you will find an Index containing IRS terms and acronyms that you may have encountered. These terms are also bolded and italicized throughout the text.

Remember that the information in this booklet is only an overview of the important provisions of your Plan. Every effort has been made to accurately describe the Plan provisions that are contained in the Plan document. If there is a difference between this booklet and the Plan document, the Plan document will govern. You can review the Plan in the Plan Administrator’s office during regular business hours if you have any questions this booklet doesn’t answer. If you want your own copy of the Plan, please write your Plan Administrator. There may be a small charge for reproduction.
## Highlights and General Information
### About the Plan

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<td><strong>Effective Date</strong></td>
<td>The International Union of Operating Engineers Local 825 Annuity Plan was originally effective on July 1, 1984. This booklet describes the Plan as amended through December 31, 2008.</td>
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### Plan Sponsor

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<td>International Union of Operating Engineers Local 825 Annuity Plan</td>
</tr>
<tr>
<td>65 Springfield Avenue, Second Floor</td>
</tr>
<tr>
<td>Springfield, NJ 07081</td>
</tr>
<tr>
<td>Employer Identification Number: 22-2507282</td>
</tr>
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<td>Plan Number: 002</td>
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### Plan Administrator

| Board of Trustees and/or their designee will serve as the **Plan Administrator**.  |
| You may contact your **Plan Administrator at:**  |
| 65 Springfield Avenue, Second Floor  |
| Springfield, NJ 07081  |
| Telephone: 973-671-6800  |

### Eligibility Requirements

- You must be a **member** or **employee** working in **covered employment**; and,
- You must complete one **hour of service**.

### Employer Contributions

- **Money Purchase Pension Contributions** - your employer will contribute to the **Plan** on your behalf as specified in the **collective bargaining agreement** or a participation agreement under which you are covered.
- **Participants and beneficiaries**, upon written request to the **Plan Administrator**, are entitled to receive information as to whether a particular employer is a **contributing employer** and, if so, the employer’s address.

### Your Contributions

- **Rollover contributions** - funds transferred to your **account** directly or indirectly from another **eligible retirement plan** or **Individual Retirement Account**.

### Vesting

- 100% immediate vesting for all contributions made to your **account**.

### To Make Changes to Your Account

- Call the **Interactive Voice Response Service (IVR)** at 877.PRU.2100 (877.778.2100)
- Access the **Prudential Retirement®Online Retirement Center** internet website at www.prudential.com/online/retirement

### Taking Money Out of Your Account

- **Loans**
- **Distributions**:
  - Termination
  - Retirement
  - Disability
  - Death (payment made to your **beneficiary(ies)**)

**NOTE**: There may be limits and tax liabilities on **Plan** payments; please see your **Plan Administrator** for details.

### Payment Options

- Single sum payment
- Installments
- **Annuities**
- Rollover out of the **Plan**
- Any combination of the above
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1. Introduction

HOW THE INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL 825 ANNUITY PLAN WORKS

The Plan provides you with a retirement benefit based upon contributions by contributing employers to the Plan on your behalf. There are some limits to these contributions, which you will find explained in detail in Section 3, Plan Contributions.

Your contributions are held for you in your individual account until they are distributed as provided under the Plan. You control your account and may change the way your money is invested.

2. Eligibility

You are Eligible to Participate in the Plan if:
- you are a member covered by a collective bargaining agreement between a contributing employer and the Union or you are working in covered employment;
- the collective bargaining agreement requires contributions on your behalf to the Plan;
- you complete one hour of service.

You Are Also Eligible To Participate In The Plan If:
- your contributing employer has entered into a participation agreement with the Trustees;
- the participation agreement requires contributions on your behalf to the Plan; and
- you complete one hour of service.

The Operating Engineers Local 825, the Operating Engineers Local 825 Apprenticeship Training and Retraining Fund and the Operating Engineers Local 825 Benefit Funds have entered into participation agreements with the Trustees under which contributions are made for eligible employees.

You Will Continue to Participate in the Plan Until the Earliest of:
- the date you retire on or after early retirement date,
- the date you retire on or after normal retirement date,
- the date you retire because of a total and permanent disability,
- the date you die, or
- six consecutive months from your last day of work in the industry within the jurisdiction of Local 825 for a contributing employer with a collective bargaining agreement requiring contributions to the Plan. Your participation will cease on the date immediately following the six consecutive month period.

If you cease participation in the Plan, as described above, and you are later reemployed by a contributing employer, you will recommence participation in the Plan beginning on the first day that your contributing employer is required to contribute on your behalf to the Plan and you complete one hour of service.
3. Plan Contributions

Money Purchase Pension Contributions. Your contributing employer will make money purchase pension contributions to your account in the amount and manner specified in the collective bargaining agreement between the Union and various employers or any other participation agreement between your contributing employer and the Trustees.

Rollover Contributions. Once you have become a participant in the Plan, you may make a rollover contribution to the Plan. You may elect to rollover eligible distributions from a qualified plan (excluding post-tax contributions), a 403(b) annuity contract, a governmental 457(b) plan or an individual retirement account into your account under the Plan.

The Limit On Total Contributions. A limit is placed on the total amount of contributions (excluding rollover contributions) that are made to the Plan each year. This limit is the smaller of two amounts:

- $46,000 (as adjusted for inflation each year); or
- 100% of your compensation (as determined under Section 415(c) of the Internal Revenue Code and accompanying regulations).

4. Vesting

Vesting means that you have a right to receive payment of your account balance in a form and at a time specified in this Summary Plan Description. If you are vested, your right to payment cannot be forfeited or otherwise taken away. This Plan provides for 100% immediate vesting of your account balance including all contributions made to your account (subject to investment gain or loss and to deductions for administrative fees and charges).

5. Obtaining Your Account Information

Accessing Your Account. You can use the telephone or Internet to obtain detailed information on your account, to transfer assets from one investment to another, to change the way your future contributions are invested, or to obtain general information about the Plan: Go to the Prudential Retirement Online Retirement Center www.prudential.com/online/retirement or call the Interactive Voice Response (IVR) service at 877.PRU.2100 (877.778.2100). Before you can use the Online Retirement Center or the IVR service, you need to create a Personal Identification Number (PIN) for yourself. The same PIN works for both the IVR and the Online Retirement Center, and you can create your PIN online or on the telephone. See Section 6, Your Personal Identification Number.

Your Participant Financial Statement. Periodically you will receive a statement which summarizes all the activity in your account, including new contributions and loans, as well as earnings/losses on your investments.
6. Your Personal Identification Number

Following receipt of notice of your enrollment in the Plan, Prudential will send you a letter regarding registering your account via the Prudential Retirement Online Retirement Center or the Interactive Voice Response (IVR) service.

To Establish Your PIN Online:
Go to www.prudential.com/online/retirement. Select the “First time logging in?” link and follow the instructions. This will allow you to create a new User ID to use with your PIN instead of your Social Security number. Your PIN must be between 6 - 10 numbers.

To Establish Your PIN on the Telephone:
Call 877.PRU.2100 (877.778.2100). When asked for your account number, enter your Social Security number. Follow the prompts to create a new PIN. You will be asked to validate your Social Security number, date of birth and zip code to create a PIN. Your PIN must be between 6 - 10 numbers.

7. Safeguarding Your Pin

- Do not share your PIN with anyone.
- Memorize your PIN.
- If you must write it down, do not label the number as your PIN for the Plan.
- Do not choose a PIN that is easily guessed (e.g. your birthday).
- Do not use your PIN when someone else can see you keying it in.
- Change your PIN from time to time.
- Change your PIN immediately if you suspect it has been exposed to others or that an unauthorized person has tried to access your account.

Your PIN should be kept in a safe place where it can be accessed whenever you visit Prudential online or call them. Should you wish to change your PIN, or if you lose or forget your PIN, go to Prudential’s website or call them and follow the prompts.
8. Your Investment Options

You direct how your account is invested. You can choose to invest contributions in the wide variety of funds offered under your Plan. Each of these funds is designed with a specific investment objective. You should become familiar with each fund’s investment goals and level of risk before making your investment decision.

The Plan Administrator is required to provide a notice at least 30 days prior to the beginning of the Plan Year (i.e. 30 days prior to July 1st of each year) explaining the effect of failing to direct the investment of your contributions and explaining the default investment fund (which is discussed below). In the case of a new participant, the Plan Administrator is required to provide this notice to you at least 30 days prior to the initial investment of your contributions.

If you do not direct how your contributions to the Plan are to be invested, the contributions will be invested in the default investment fund. The default investment fund is considered to be a Qualified Default Investment Alternative, as defined in section 404(c)(5) of ERISA and accompanying regulations.

In accordance with the Participant Investment Responsibility section below, you may direct that your contributions be moved out of the default investment fund to another investment fund offered under the Plan.

Information on the funds was included with your enrollment materials and is available through the Interactive Voice Response Service (IVR) or the Prudential Retirement Online Retirement Center. Please contact your Plan Administrator if you would like further information on the funds your Plan offers.

9. Participant Investment Responsibility

The Employee Retirement Income Security Act of 1974 ("ERISA") imposes certain duties on the parties who are responsible for the operation of the Plan. These parties, called fiduciaries, have a duty to invest Plan assets in a prudent manner. However, there is a special rule in ERISA called Section 404(c) that permits Participants to exercise control over the assets in their plan account and choose from a broad range of investment options. This Plan is intended to constitute a plan under section 404(c) of ERISA and Title 29 of the Code of Federal Regulations Section 2550.404c-1. Consequently, you are responsible for investment decisions relating to the investment of the assets in your account under the Plan. In addition, the Plan’s Trustees, fiduciaries and representatives are not liable or responsible for any losses that are the direct and necessary result of the investment instructions given by you or your representative.
If you want any additional information about any of the investment options, you may request the following information by calling the **Interactive Voice Response Service (IVR)** at 877.PRU.2100 or logging on to www.prudential.com/online/retirement. The following information is available upon request.

- A description of the annual operating expenses of each investment option (e.g., investment management fees, administrative fees, transaction costs) which reduce the rate of return to you, and the aggregate amount of such expenses expressed as a percentage of average net assets of the designated investment alternative;
- Copies of prospectuses, financial statements and reports, plus any other relevant materials which relate to the available investment options offered under the [Plan](#) to the extent that such information is provided to the Plan;
- A list of the assets comprising the portfolio of each investment option that constitute Plan assets within the meaning of 29 CFR 2510.3-101, the value of each such asset (or the proportion of the investment option which it comprises) and, with respect to each such asset which is a fixed rate investment contract issued by a bank, savings and loan association or insurance company, the name of the issuer of the contract, the term of the contract and the rate of return on the contract;
- Information concerning the value of shares or units of the investment options available to you under the Plan, as well as the past investment performance of such investment options, determined net of expenses, on a reasonable and consistent basis; and
- Information concerning the value of shares or units in the investment options held in your account.

Although Prudential can give you information about the investment options, Prudential cannot give you investment advice. Because you are responsible for your investment choices, please read the above-referenced literature and materials on each investment option before making any investment decisions. Remember that you will share in any losses as well as any gains of the investment options that you choose.

### You will also receive quarterly benefit statements reflecting the value of your Account and containing the following information:

- **Account** value as of the end of the preceding calendar quarter;
- Contributions received on your behalf during the calendar quarter;
- **Distributions** made during the calendar quarter; and,
- Balance of any outstanding loan(s) from the Plan.

You should review your benefit statement as soon as you receive it. If there are any discrepancies between this statement and your records of employment with contributing employers (such as pay stubs), you should bring such discrepancies to the attention of the Fund Office immediately and be prepared to present your employment records. All other discrepancies regarding your benefit statement should be brought to the attention of Prudential. We also recommend that you keep a record of your quarterly benefit statements.
10. A Word Of Caution

Please remember that any investment carries a degree of risk. The annual rate of return on your investment will depend on the investment options you choose. How the investment options have performed in the past does not guarantee that those performance results will continue in the future. Accordingly, you should evaluate the investment options available under the Plan in the same manner that you would evaluate any investment to determine whether you are comfortable with the investment risk and potential rewards.

11. Making Changes

As your personal situation changes, you may decide to change your investment choices. Your Plan allows you to make the changes you need by following these simple guidelines:

Through the Interactive Voice Response Service (IVR) or the Prudential Retirement Online Retirement Center - Internet Service. The Interactive Voice Response Service (IVR) and the Prudential Retirement Online Retirement Center - Internet Service enable you to perform certain transactions, investment transfers, and investment changes in accordance with the terms of the Plan. To access the Interactive Voice Response Service (IVR), call 877.PRU.2100 (877.778.2100). To access the Internet Service, visit www.prudential.com/online/retirement.

Transferring Funds and/or Changing Your Investment Choices. You may change the way your future contributions are invested among your Plan’s various investment funds. You may also transfer money already in your account between funds.

Under most circumstances, unrestricted transfers will be available; however, the Plan has the right to monitor trading activity. To that end, the Plan has adopted an Excessive Trading Monitoring Policy designed to protect the interests of the vast majority of Plan participants who are long-term investors. Market timing, which is a type of excessive trading, is the process of making frequent transfers into and out of the same fund over a short period. The Plan will monitor trading activity and new regulatory requirements.

Transfers do not change the way your future contributions are allocated; if you want to change the way your future contributions will be invested, you must specifically request such a change.

You will receive written confirmation of your transactions by mail.

NOTE: Beneficiaries and alternate payees may also have access to changing account balances through the same process as participants.
12. Taking Money Out Of The Plan

Please read this section very carefully before deciding to take money out of your account. You should also review Section 13, Tax Rules Affecting Plan Payments.

You may receive money from your account in the following ways:

- Loans
- Distributions

Loans

The Plan lets you borrow from your vested account balance. To apply for a loan, you must be a participant. If you are married, your spouse must consent in writing to your taking a loan (which consent must be witnessed by a Plan representative or notary public).

Types of Loans

Financial Hardship Loan. To obtain approval for a loan, you must demonstrate to the Plan Administrator that you have an "immediate and heavy financial need" due to one of the following reasons:

- Illness, accident or injury to yourself or a family member for which you will not be reimbursed by insurance.
- Funeral expenses for your spouse, child, or parent which are not covered by life insurance.
- Costs directly related to the purchase of your primary residence (not including mortgage payments).
- Tuition payments, room and board expenses, and related educational fees for you, your spouse, your children, or any of your dependents for post-secondary education or for a school or institution for physically or mentally handicapped children.
- Payments needed to prevent your eviction from your principal residence or to prevent foreclosure on the mortgage on your residence.
- Any other financial hardship approved by the Plan Administrator on a nondiscriminatory basis.

Limits On The Amount You May Borrow

The minimum amount you can borrow is $500. The maximum amount you can borrow is the lesser of 50% of your entire vested account balance or $50,000 minus the highest outstanding balance of your total Plan loans during the 12-month period ending on the day before the loan is issued.
Applying for a Loan

To Request a Loan:

- Call the Interactive Voice Response Service (IVR) or access Prudential’s Internet Service website located at www.prudential.com/online/retirement;
- Experiment with different loan amounts and repayment terms;
- Confirm your loan request. (If you change your mind about taking a loan, do not confirm your request.) Once a loan has been approved, it cannot be cancelled.

The Plan Administrator has the authority to set interest rates based on regulatory guidelines. Since interest rates change, you should check the Interactive Voice Response Service (IVR) or access Prudential’s Internet Service website www.prudential.com/online/retirement for the current rate at the time of your loan application. Once your loan is approved, the rate will remain in effect until you repay the loan.

Loan Repayment

Generally, you may take up to five years to repay a loan provided payments are made in equal installments no less frequently than quarterly. If you are using a loan to purchase your primary residence, you may take up to ten (10) years to repay the loan.

You must repay the loan by check.

While you are on an authorized unpaid leave of absence, you are not required to make loan payments for up to a year. In addition, your loan repayments will be suspended during a period of qualified military service.

Your Plan may allow you to prepay your loan balance, at any time, without penalty. When you repay the loan, both the principal and the interest will be reinvested in your account.

If you terminate employment or retire with an outstanding loan balance and receive a partial or full distribution of your vested account balance, you must repay the loan to prevent it from being reported to the IRS as ordinary income in which case you will have to pay federal and state income taxes.

If you die with an outstanding loan, the balance of the loan will be reported to the IRS as ordinary income.
Defaulting on a Loan:

If you do not make a payment within 90 days of the date on which a payment was originally due, your loan will be considered in default. If this happens:

- The full amount will be due and payable immediately.
- The outstanding balance of the loan will be reported to the IRS as ordinary income and you will have to pay federal and state income tax on this amount.
- Future applications you make for a loan will be denied until such time as the balance, plus all accrued interest, of your defaulted loan is repaid.

If you think you are in danger of defaulting on a loan, contact your Plan Administrator immediately.

Distributions

You are automatically eligible to receive a distribution of your vested account balance upon your:

- Retirement
- Termination
- Disability
- Death (in which case payment will be made to your beneficiary(ies)).

An application for distribution must be filed with the Plan Administrator.

Normal Retirement Date under this Plan occurs when you reach age 62 or older and cease covered employment. You will be eligible to receive a distribution when you retire from work as an operating engineer.

Early Retirement Date under this Plan occurs when you reach age 55 or older and cease covered employment. You will be eligible to receive a distribution when you retire from work as an operating engineer.

Required Beginning Date for Your Plan Distributions

The Plan will automatically commence the distribution of your account if you are eligible and you have not applied for benefits from the Plan by April 1 of the calendar year immediately following the year in which you attain age 70 ½. However, if you are still engaged in covered employment on or after April 1 of the year immediately following the year in which you attain 70 ½, then the Plan will automatically commence distribution of your account on April 1 of the calendar year following the year in which you retire, become disabled, or cease active participation in the Plan for a period of six consecutive months. See your Plan Administrator for details on how these rules apply to you.
Termination

If you leave employment before you are eligible to retire, you will be entitled to receive your vested account balance upon expiration of six consecutive months from your last day of work for a contributing employer.

Total and Permanent Disability

If you experience a total and permanent disability while employed, you will be eligible for a distribution. You are considered totally and permanently disabled if:

- The Plan Administrator determines that you are disabled based on objective medical evidence demonstrating an inability to continue employment as an operating engineer for the remainder of your life; or,

Death

If you die before you have started to receive payment of your account, your beneficiary(ies) will receive the full value of your account. If you are married, your spouse will be the beneficiary of at least that portion of your account payable as a Pre-Retirement Survivor Annuity, unless he or she has willingly given up that right. This is discussed in more detail in Section 14, Survivor Benefits.

Rollover Distributions of Taxable Amounts

You may defer paying tax on some taxable payments by electing a rollover distribution, for payments of $200 or more, instead of a single sum payment directly to you. There are two different types of rollover distributions:

Direct Rollover. In a direct rollover, all or some of the funds due to you are sent, at your election, to either an Individual Retirement Account (IRA) or an eligible retirement plan. By directly rolling over all or a portion of the taxable portion of your funds, you avoid the mandatory 20% withholding on the amount rolled over. See Section 13, Tax Rules Affecting Plan payments.

If you have an outstanding loan and you want to rollover your entire vested account balance to an IRA or eligible retirement plan, you must repay your loan before taking a distribution.

Your payment will not be taxed until you take it out of the IRA or eligible retirement plan. Therefore, you will pay no tax on it in the current year and no income tax will be withheld from the payment.

Indirect Rollover. In an indirect rollover, all funds are first paid to you. The Plan Administrator is required by law to withhold 20% of the taxable portion of your funds for income taxes. The 20% withheld is credited to your taxes due when you file your income return. You may rollover the remaining 80% of the funds to an Individual Retirement Account (IRA) or to another eligible retirement plan within 60 days of the time you receive the distribution.

You will not be taxed on the amount rolled over until you take the money out of the IRA or eligible retirement plan.

If you wish to rollover the full 100% of the taxable portion of your payment, you will have to make up 20% of the payment from another source. If you only rollover the 80% that you actually received, you will be taxed on the 20% that was withheld but not rolled over. See Section 13, Tax Rules Affecting Plan Payments, for more information.
Choosing Your Payment Options

Your Plan offers a number of ways for you to receive your account balance in addition to the rollover distributions described above. You will receive a notice that describes the features of the various forms of payment that are available to you. IRS rules require that you receive this notice not less than 30 days or more than 180 days before you receive a payment from the Plan. However, in many cases, distributions can take place before the end of the 30-day minimum notice period. See Timing Of Payment Options.

If your vested account balance, excluding rollover contributions, exceeds $5,000, you may choose one of the following forms of payment below:

- A single sum payment
- Installment payments
- An annuity (please consult the Insurance Company concerning the various annuity options available under the Plan)
  □ For married participants, the automatic form of payment is a joint and survivor annuity that pays your surviving spouse a monthly benefit equal to 50% of the monthly benefit that you receive prior to your death. Spousal consent is required in order for a married participant to select any option other than the joint and 50% survivor annuity. The Plan also offers a joint and survivor annuity that pays your surviving spouse a monthly benefit equal to 75% of the monthly benefit that you receive prior to your death. These survivor benefits and the process for spousal consent are discussed in Section 14 below.

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Once payments begin, your choice may not be changed, no matter what the circumstances.

If your vested account balance, excluding rollover contributions, is $5,000 or less, the distribution will be made in the form of a single sum payment.

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Timing of Payment Options

Distributions may commence any time after the thirtieth day following the date that notification regarding forms of payment available under the Plan is given. If you expressly waive this 30-day waiting period, distributions may commence any time after the seventh day following the date that notification regarding the forms of payment available under the Plan is given. You may revoke a distribution election at any time during the 30-day waiting period. If you waive the 30-day waiting period, you will only have 7 days in which to revoke a distribution election.
13. Tax Rules Affecting Plan Payments

Mandatory 20% Withholding

Whenever you receive a distribution from the Plan, other than periodic annuity payments or installment payments of ten years or more, and there is no direct rollover to an IRA or an eligible retirement plan, the IRS requires the Plan Administrator to withhold 20% of the taxable amount.

This 20% withholding is not a tax; it is credited to any future federal income tax that you may owe. This amount will automatically be deducted from the amount paid to you.

Example:

John Smith retires and elects a single sum payment of his vested account balance. His vested account balance is made up of all taxable dollars.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>His vested account balance</td>
<td>$10,000</td>
</tr>
<tr>
<td>Less 20% withholding</td>
<td>-$2,000</td>
</tr>
<tr>
<td>Total cash received</td>
<td>$8,000</td>
</tr>
</tbody>
</table>

10% Additional Penalty Tax

Any distribution from your account is generally subject to an additional 10% federal tax penalty if you take it out before you reach the age of 59 1/2.

This penalty tax does not apply to the following types of payments:

- Any distribution made when you terminate employment at or after age 55.
- Any distribution made under the terms of a qualified domestic relations order, which is a court order creating or recognizing an alternate payee’s (e.g., spouse, former spouse, child) right to part or all of your Plan benefits. See Section 15, Events That May Affect Your Account, for more information about domestic relations orders.
- Any corrective distributions necessary to comply with IRS contribution limits.

If you have questions about tax rules affecting Plan payments, please contact your tax advisor.
14. Survivor Benefits

Survivor benefits are an important part of the financial security and peace of mind the Plan provides. In this section, these benefits are described in more detail as well as the decisions you will need to make about them before you retire.

Choosing a Beneficiary

When you enroll in the Plan, you will receive a beneficiary designation form that you can use to designate your beneficiary in the case of your death.

Generally, the law requires that your spouse be the beneficiary of at least 50% of your vested account balance. If you are married and designate a non-spouse beneficiary, only 50% of your vested account balance will be paid to your beneficiary assuming your spouse is alive at the time of your death and your beneficiary survives you.

Your spouse may waive his or her right under the law to receive at least 50% of your account. Written consent of your spouse is required in order for your beneficiary to receive amounts otherwise payable to your spouse, and the beneficiary named may not be changed unless your spouse consents to such change.

If your spouse consents to waive his or her right under the law to receive at least 50% of your account, you may cancel this waiver at any time before your death. If you do so, your spouse again becomes the beneficiary to at least 50% of your account balance. If you wish, you may also make a new choice, subject to the same consent provisions discussed herein.

You and your spouse need to understand your respective rights and obligations concerning the benefits payable at your death, particularly the financial impact a waiver will have on your spouse.

If you are married and you die without complying with these beneficiary requirements, at least 50% of your vested account balance (or 100%, if there is no surviving designated beneficiary) will be payable to your spouse.

Of course, it is very important that you keep the Plan Administrator informed of any changes in your marital status and of the proper name and address of your beneficiary.
Payment of Survivor Benefits to Your Spouse

If you die before you’ve started to receive payment of your account, and your vested account balance, excluding rollover contributions, is more than $5,000.00, your spouse is entitled to:

- A single sum payment of your account,
- Installment payments over a period not greater than his or her life expectancy;
- A pre-retirement survivor annuity which will provide your spouse with lifelong annuity payments beginning immediately after your death.

If your spouse is eligible for and consents to the pre-retirement survivor annuity, it will be purchased using at least 50% of your vested account balance. If there are other beneficiaries, the remaining 50% will be distributed to them according to your prior election. If not, 100% of your vested account balance will be used to purchase the pre-retirement survivor annuity for your spouse.

Your spouse may elect another payment option but your spouse’s choice of payment options will be limited to what is offered by the Plan and may be limited by certain IRS tax rules, in which case the Plan Administrator will provide your spouse with any necessary information.

Depending on the actions taken by your spouse, the following provisions may apply:

- If your spouse consents to the pre-retirement survivor annuity or chooses installment payments over a period not greater than his or her life expectancy, he or she may elect to postpone payment until the later of December 31 of the calendar year after your death or December 31 of the calendar year you would have attained age 70 ½; or
- If your spouse chooses a single sum payment, the distribution of your entire vested account balance must be paid by December 31 of the calendar year containing the fifth anniversary of your death; or
- If your vested account balance, excluding rollover contributions, is $5,000.00 or less, or your spouse does not consent to a distribution of any type, he or she will receive your vested account balance in the form of a single sum payment and such payment will be paid by December 31 of the calendar year containing the fifth anniversary of your death.

If you die after you have started to receive payment of your retirement benefit, your spouse will receive payment equal to 50% of the benefit you received prior to your death unless you obtained spousal consent to select another payment option during the benefit election period (see Choosing Your Payment Options).
Payment of Survivor Benefits to a Non-Spouse Beneficiary

If you die before you have started to receive payment of your account:

- Your beneficiary is entitled to receive payment of your vested account balance within a reasonable period after the Plan Administrator has been notified of your death.

If your vested account balance, excluding rollover contributions, is more than $5,000.00, the following provisions will apply to your beneficiary:

- If your beneficiary chooses a form of annuity or chooses installment payments over a period not greater than his or her lifetime, he or she must begin payments by December 31 of the calendar year after your death; or
- If your beneficiary elects a single sum payment, the distribution of your entire vested account balance must be paid by December 31 of the calendar year containing the fifth anniversary of your death; or
- If your vested account balance, excluding rollover contributions, is $5,000.00 or less, or your beneficiary does not consent to a distribution of any type, he or she will receive your vested account balance in the form of a single sum payment and will be paid by December 31 of the calendar year containing the fifth anniversary of your death.

If you die after you have started to receive payment of your retirement benefit, your non-spouse beneficiary will receive payment in the form and manner you selected during the benefit election period (see Choosing Your Payment Options).
15. Events That May Affect Your Account

Following are some of the events that could have an impact on your account. Please note how your contributions and/or benefits would be affected in each case.

**Operational and Administrative Expenses.** Generally, operational and administrative expenses of the Plan are paid from Plan assets.

Your account may reflect deductions for expenses related to the administration of your account. Investment management fees applicable to administering the investment funds offered by the Plan are deducted from your account.

**If the Plan is Terminated.** The Trustees may modify, suspend, or terminate the Plan at any time. If this Plan is terminated, contributions to the Plan will stop. You will be entitled to receive payment of your account as permitted under federal law.

**Transfer Restrictions.** Under certain circumstances the amount transferred from the Guaranteed Long Term Account (GLTA) to other investment funds may be limited. The Insurance Company reserves the right to limit transfers out of the GLTA to protect the underlying interest rate.

Under the Plan’s Excessive Trading Monitoring Policy, each participant’s investment fund transfer activities are monitored to determine whether there are any excessive trading (or market timing) activities. The term excessive trading or market timing as used here means a pattern of frequent transfers in and out of the same investment fund over a short period of time (30-day period). Excessive trading or market timing can negatively affect other fund investors. If a Plan participant has engaged in excessive trading or inappropriate market timing, under the Plan’s policy his or her ability to make investment transfers in or out of a particular fund may be restricted.

Excessive Trading (or market timing) is:

- A round-trip trade (in and out or vice versa) within the same investment option in a 30-day period, where the sum total of the round-trip trade is greater than $50,000 and was not the result of systematic rebalancing, transfers supporting a long-term asset allocation strategy, payroll deductions, or other retirement planning activities.
- Note: Each one-way trade in the round-trip trade must be equal to or greater than $25,000.

If it is determined that you have had any excessive trading (or market timing) activities in your account the following actions will be taken:

- You will receive a warning letter upon the first instance of an excessive trading (or market timing) pattern. The second instance generates an action letter to you. Both letters will come from the Insurance Company, which is administering the Policy for the Plan.
- If you receive an action letter, your ability to initiate transactions through Internet, Phone, or Fax will be suspended for a period of 90 days. However, transactions can be initiated via U.S. Mail during this period.

The Plan will continue to monitor trading activity and new regulatory requirements. You will be notified of any changes that are made to the Excessive Trading Policy.
If a Court Issues a Domestic Relations Order. If you become divorced or separated, the court may assign part or all of your benefit to an alternate payee (such as your spouse, former spouse, child or other dependent) through a **domestic relations order**. This is a court order that recognizes the alternate payee’s right to part or all of your vested benefit. While ERISA (the **Employee Retirement Income Security Act of 1974**) generally protects Plan benefits against creditors, domestic relations orders that are deemed qualified by the Plan Administrator are an exception.

A **qualified domestic relations order** (QDRO) can force payment of benefits to an alternate payee even though the Plan prohibits distributions earlier than retirement, termination, death or disability. The law requires that your Plan Administrator determine, within a reasonable amount of time, whether the domestic relations order is qualified. During such time that your Plan Administrator is determining the qualification of the domestic relations order, that portion of your account that is affected by the domestic relations order will be accounted for on a separate basis for the benefit of the alternate payee.

Your Plan Administrator must follow specific procedures to ensure that your benefits are properly distributed. This can sometimes be a time-consuming process. You may obtain a copy of the Plan’s QDRO procedures free of charge from your Plan Administrator. You and each alternate payee will be notified of the Plan Administrator’s decision.

If the Plan is Determined to be Top Heavy. A plan is termed **top heavy** if the current value of the accounts held by key employees is 60% or more of the total current value of all accounts under the plan. Key employees are generally defined as certain officers and owners of contributing employers. Notwithstanding the foregoing, Participants who are covered by a collective bargaining agreement shall not be considered key employees. Should this Plan become top heavy, you will be notified.
16. Your ERISA Rights

Participants in the Plan have certain rights and protection under the Employee Retirement Income Security Act of 1974, commonly known as ERISA. ERISA states that, as a Plan participant, you are entitled to:

- Examine, without charge, all Plan documents at the Plan Administrator’s office and other specified locations. These documents include insurance contracts, 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;
- Obtain copies of all Plan documents including insurance contracts, collective bargaining agreements, the latest annual report and updated summary plan description upon a written request directed to the Plan Administrator. The Plan Administrator may charge a reasonable amount for the copies;
- Receive a summary of the Plan’s annual financial report. The Plan Administrator is legally required to give participants a copy of this summary annual report; and
- Obtain a statement, free of charge, telling you whether you are vested and, if so, the amount of your vested account. You are always 100% vested under the Plan. This statement must be requested in writing and the Plan Administrator is not obligated to provide it more than once a year.

Further, you may not be fired or discriminated against in any way as a means of preventing you from obtaining your retirement benefits or exercising your rights under ERISA.

If Your Request for Benefits is Denied

ERISA regulations describe steps that must be taken in the rare cases when a claim for payment is denied, either in whole or in part. A claim might be denied if:

- The Plan Administrator does not believe that you are entitled to payment; or
- The Plan Administrator disagrees with the payment amount to which you believe you are entitled.

If your claim is denied, the Plan Administrator has to notify you in writing within 90 days after receiving your claim. The notice must contain the following information:

- The specific reason(s) your claim was denied.
- The Plan provisions that support the denial.
- If your application was incomplete, the additional information needed to complete your claim request and an explanation of why it is needed.
- Information on what you need to do in order to have the claim denial reviewed.
- A statement of claimant’s right to bring a civil action under section 502(a) of ERISA following an adverse determination on review.

If you do not receive notice on the status of your claim from the Plan Administrator within 90 days, or within 180 days if it is a special case (see Time Extensions), you can assume your claim has been denied and you may request a review of your denial.
Requesting a Review of the Denial

Once the Plan Administrator has reviewed your claim and notified you in writing of the denial within the required 90-day period, you may contest the denial. You must submit a written request for a review of that denial within 60 days of the date of the Plan Administrator’s written notification. In case the Plan Administrator does not notify you of the denial within the required 90-day period, your request for review should be submitted immediately after the 90-day period expires.

If you wish, you (or your representative) may review the appropriate Plan documents and submit written information supporting your claim to the Board of Trustees.

The Board of Trustees will review your request at their next quarterly meeting immediately following receipt of your request (unless you submitted your request less than 30 days prior to the next quarterly meeting, in which case your request will be heard at the following quarterly meeting) and you will receive written notification of a final decision within five (5) days after a meeting at which your request is heard unless the Trustees need additional time (see Time Extensions). This notification will:

- Be written in clear, easily understood language;
- Inform you of the decision, the reasons why that decision was made, and the specific Plan provisions that support it;
- Inform you of your right to receive free of charge upon your request reasonable access to, and copies of, all documents and other information relevant to your claim; and
- State your right to bring an action under section 502(a) of ERISA.

If you disagree with the results of the review, you may file suit in federal or state court. If your suit is successful, the court may award you legal costs, including attorneys’ fees.

Time Extensions

Under special circumstances, the 90-day initial period for notice of a decision regarding an initial claim for benefits may be extended. Similarly, the Trustees may delay ruling on your request for review until the quarterly meeting following the meeting that immediately follows receipt of your request. You will be informed in writing of any extensions before the end of these initial notification periods. The extension notice will state the special circumstances necessitating the delay and the revised date by which you may expect a decision.
Special Rules for Disability Claims

If your claim for benefit under the Plan is the result of a disability, special rules may apply.

If your initial claim for disability benefits is denied, the Plan Administrator will notify you in writing within 45 days after receiving your claim, rather than the 90-day period specified above. This period may be extended by the Plan for up to 30 days, if special circumstances require an extension. The Plan Administrator will notify you within the 45-day period that additional time is needed. The notice of extension will:

- explain the circumstances requiring the extension,
- provide the date a decision can be expected,
- explain the standards for approving a disability claim,
- outline the unresolved issue(s) that prevent a decision on your claim, and
describe the additional information needed to resolve those issues and complete your claim request.

You will have at least 45 days to provide any additional information that is needed to the Plan Administrator.

If a further extension is required by the Plan Administrator, you will be notified prior to the end of the first 30-day extension period. The notice will state the circumstances requiring the extension and the date a decision can be expected.

If your disability claim is denied, the Plan Administrator will provide you with written notification that will state the following:

- The specific reason(s) your claim was denied.
- The Plan provisions that support the denial.
- If your application was incomplete, the additional information needed to complete your claim request and an explanation of why it is needed.
- Information on what you need to do in order to have the claim denial reviewed.
- If an internal rule, guideline, protocol, or other similar provision was relied upon in the claim denial, that a copy of the provision is available to you free of charge upon your request.
- If the claim denial is based on a medical necessity or experimental treatment or similar exclusion or limit, that an explanation of the scientific or clinical judgment applying the exclusion or limit to your medical circumstances is available to you free of charge upon your request.
- Claimant’s right to bring a civil action under section 502(a) of ERISA following an adverse determination on review.

You may contest the Plan Administrator’s denial of your claim. You must submit a written request for a review of that denial within 180 days of the date of the Plan Administrator’s written notification. The review will be conducted by the Board of Trustees.
If your original claim was denied based on a medical judgment, the Board of Trustees will consult with an appropriate health care professional. This medical professional shall not be the individual who was consulted on the original claim nor the subordinate of such individual. The review must also identify the medical or vocational experts, if any, whose advice was obtained on behalf of the Plan in connection with the original claim.

The Plan Administrator will notify you of the Board of Trustees’ decision no later than 5 days after the date of the regularly scheduled meeting of the Board that immediately follows receipt of your request, unless your request for review is filed within 30 days preceding the date of such meeting. In such case, you will receive notification no later than 5 days after the date of the second meeting of the Board that immediately follows receipt of your request. If your disability claim is denied, the Plan Administrator will provide you with written notification that will state the following:

- The specific reason(s) your claim was denied.
- The Plan provisions that support the denial.
- If an internal rule, guideline, protocol, or other similar provision was relied upon in the claim denial, that a copy of the provision is available to you free of charge upon your request.
- If the claim denial is based on a medical necessity or experimental treatment or similar exclusion or limit, that an explanation of the scientific or clinical judgment applying the exclusion or limit to your medical circumstances is available to you free of charge upon your request.
- Your right to receive free of charge upon your request reasonable access to, and copies of, all documents and other information relevant to your claim.
- Your right to bring an action under section 502(a) of ERISA.

Under ERISA, there are steps you can take to enforce your rights. For instance, if you request materials from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the documents and pay you up to $110 a day until you receive them - unless you did not receive the materials for reasons beyond the Plan Administrator’s control. In addition, if you disagree with the Plan’s decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court. In addition to defining the rights of Plan participants, ERISA imposes obligations on the people responsible for operating the Plan. These persons are legally referred to as fiduciaries and must act prudently and in the sole interest of the Plan’s participants and beneficiaries. If the 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, however, or if the court finds your claim to be frivolous, the court may order you to pay these costs and fees.
If you have any questions about your Plan, you should contact:

- the Plan Administrator.

If you have any questions about this statement or about your rights under ERISA, you should contact:

- the nearest Area Office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory,
  
or,
  
- Division of Technical Assistance and Inquiries Employee Benefits Security Administration U.S. Department of Labor 200 Constitution Avenue, N.W. Washington, DC 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.

17. Additional Information

Approval by the IRS

The Plan is intended to be a “qualified” plan under the Internal Revenue Code section 401(a). Therefore, certain contributions made to the Plan are not taxable to you until distributed. In the unlikely event that the IRS determines that the Plan does not meet its qualification requirements, all contributions will cease. At such time, some or all of your contributions may be returned. Any contributions that are returned to you are taxable to you in the year that the distribution is made from the disqualified plan.

Description of Entity that Maintains the Plan

The Trustees maintain the Plan. The Trustees retained the Insurance Company to assist the Plan Administrator with the operation of the Plan. This Plan operates under a contract administration. This means that Plan contributions accumulate and benefit payments are payable under a group annuity contract. The contract is with the Insurance Company.

Pension Benefit Guaranty Corporation

The Pension Benefit Guaranty Corporation (PBGC) is operated under the Department of Labor to insure Plan benefits. Because the Plan maintains individual participant accounts, it is not covered by PBGC insurance.
18. Glossary

**Account:** An individual account is maintained for you under the Plan. An account contains all contributions made on your behalf and includes earnings or losses on those contributions and charges for administrative and investment expenses.

**Annuity:** An annuity is a series of payments that are made over a specified period of time, such as over your lifetime or the joint lifetime of you and your spouse, to provide income during that time.

**Beneficiary:** The person entitled to receive the funds in your account upon your death.

**Collective Bargaining Agreement:** An agreement between the Union and a contributing employer which describes the terms and conditions of employment for individuals covered under the agreement, including participation in this Plan. A copy of any such agreement may be obtained by participants and beneficiaries upon written request to the Plan Administrator and is available for examination by participants and beneficiaries.

**Contributing Employer:** Any company that employs persons covered under a collective bargaining agreement or participation agreement requiring contributions to the Plan. A contributing employer also includes the Union and the Local 825 Employee Benefit Funds in their capacity as employer.

**Contribution Period:** For contributing employer contributions, the regular period (monthly, weekly) for which the contributing employer is required to make contributions.

**Covered Employment:** Covered employment is work covered by a collective bargaining agreement or participation agreement between your contributing employer and the local Union, or between your contributing employer and the Trustees.

**Defined Contribution Plan:** A defined contribution plan provides for an individual account for each participant in the plan. Your account under the Plan holds all contributions made to the Plan on your behalf, including investment earnings and losses. When you take a distribution from your account, the amount of your distribution will be based on the value of your account at that time.

**Distribution:** Any payments made from your account.

**Domestic Relations Order:** (See Qualified Domestic Relations Order)

**Early Retirement Date:** The date a participant attains the age of 55. You have a right to the full value of your vested account balance if you retire after satisfying the early retirement provisions under the Plan but before satisfying the normal retirement provisions of the Plan.

**Eligible Retirement Plan:** An eligible retirement plan includes a plan qualified under section 401(a) of the Code (such as a money purchase pension plan or a defined benefit plan), a section 403(a) annuity plan, a section 403(b) tax-sheltered annuity plan, and a governmental 457 plan.

**Employee:** An individual, other than a member, employed by a contributing employer on whose behalf the contributing employer must make contributions to the Plan through a separate participation agreement between the contributing employer and the trustees.

**Fiduciary:** A person who has discretionary control over or responsibility for a Plan’s administration and/or its assets.
**Hour of Service:** You will be credited with one hour of service for every hour for which contributions are received. An hour of service will also be credited for each hour you would have worked, but are absent because of duty in the Uniformed Services of the United States but only if you return to employment as an operator, are disabled during your period of military service, or die during your period of military service. This credit is awarded in accordance with the Uniformed Service Employment and Re-employment Rights Act of 1994 ("USERRA"). You or your surviving spouse or beneficiary(ies) should contact your contributing employer and/or the Plan Administrator regarding your right to receive contributions to your account attributable to your period of military service.

**Individual Retirement Account (IRA):** An IRA is an individual retirement account established to save money for retirement. With an IRA, taxes are deferred on the interest your investment earns, and, if you meet certain criteria, taxes on the contributions are also deferred.

**Insurance Company:** Prudential Retirement Insurance and Annuity Company.

**Interactive Voice Response Service (IVR):** The 877.PRU.2100 (877.778.2100) telephone service where, among other services, participants can model loans, transfer between investments and change the investment mix for future contributions.

**Joint and Survivor Annuity:** A joint and survivor annuity provides fixed monthly payments to you for life. Upon your death, the person to whom you were married at the time the annuity was purchased will receive a fixed monthly payment for his/her life. This payment will be at least 50% of the amount that was payable to you.

**Key and Non-Key Employees:** Key employees are generally certain officers and owners of contributing employers. Notwithstanding the foregoing, participants who are covered by a collective bargaining agreement shall not be considered key employees. If a plan becomes top-heavy in any Plan Year, the benefits earned by that year’s non-key employees may be increased.

**Life Annuity:** A form of retirement benefit in which payments are made on a monthly basis and continue for life.

**Loan:** A portion of your vested account balance which you borrow and agree to repay with interest.

**Member:** An individual who is employed by a contributing employer pursuant to the collective bargaining agreement.

**Money Purchase Pension Contribution:** Mandatory employer contributions that are usually based on a fixed formula.

**Money Purchase Pension Plan:** A money purchase pension plan is a defined contribution plan that provides a fixed formula for employer contributions. The employer contribution is not discretionary and it does not depend on the employer’s profits.

**Normal Retirement Date:** The date a participant attains the age of 62.

**Participant:** A participant is a member or an employee who has an account.

**Plan:** The Plan that your employer is maintaining to help you save for your retirement years.
**Plan Administrator:** Your Plan Administrator is the person or entity who is responsible for the operation of your Plan.

**Plan Year:** The period of 12 consecutive months for which records are kept and assets are valued.

**Pre-Retirement Survivor Annuity (PSA):** A life-long annuity to which your spouse may be entitled if you die before you have started to receive your retirement benefit. The value of a pre-retirement survivor annuity must be the actuarial equivalent of at least 50% of your vested account balance as of the date of your death.

**Prudential Retirement Online Retirement Center:** The Internet service where, among other services, participants have access to view a 90-day account history, check investment performance and project their investments. You can access the Prudential Retirement Online Retirement Center through the Internet site at www.prudential.com/online/retirement.

**Qualified Domestic Relations Order (QDRO):** A domestic relations order, such as a divorce decree or support order, deemed qualified by the Plan Administrator. A qualified domestic relations order can force payment of Plan benefits to an alternate payee (e.g., spouse, former spouse, child), even though the Plan normally prohibits distributions earlier than retirement, termination, death, or disability.

**Retirement Benefit:** The funds paid to you or your designated beneficiary once you separate from service after reaching the earliest retirement date described under the terms of the Plan.

**Rollover Contributions:** Contributions from another eligible retirement plan or individual retirement account (IRA) which are eligible to be "rolled over" to the current Plan either directly or indirectly. If the money is rolled directly from one retirement plan to another, the money is not actually distributed to you and is not subject to income withholding.

**Top Heavy:** A plan is regarded as top heavy when the current value of accounts attributable to key employees is 60% or more of the total current value of all accounts in the plan.

**Total and Permanent Disability:** The inability to continue employment as an operating engineer due to a demonstrable physical or mental impairment that has persisted for a period of five consecutive months and which is expected to continue until death. A participant who has applied for and is receiving Federal Social Security Disability payments is also considered to be totally and permanently disabled.

**Trustees:** A Joint Board of Trustees composed of eight trustees, four union trustees and four employer trustees, who hold title to Plan assets and may be responsible for managing the assets.

**Union:** The International Union of Operating Engineers Local 825.

**Vested:** A non-forfeitable ownership right to a portion or all of your account.

**Vested Account Balance:** The portion of your account to which you have a non-forfeitable ownership right.
Annual Additions/415 Limitations: A limit on all employer and employee contributions (pre-tax and post-tax) and forfeitures allocated to a participant's account. The annual additions limitation is the lesser of $46,000 (as indexed) or 100% of eligible earnings for each year.

Department Of Labor (DOL): A U.S. Government agency that, among other responsibilities, administers the labor, regulatory, and administrative provisions of ERISA.

Employee Retirement Income Security Act of 1974 (ERISA): ERISA is the law designed to protect the rights of participants and beneficiaries of employee benefit plans. ERISA imposes various plan qualification standards and fiduciary responsibilities.

Internal Revenue Code (IRC): The Internal Revenue Code is the body of law governing the federal taxation of individuals and business entities.

Internal Revenue Service (IRS): The agency of the Federal Treasury Department charged with administering, interpreting, and enforcing the tax code. The IRS also determines whether a plan complies with federal tax regulations for qualified plans.

Qualified Plan: A pension or profit sharing plan that meets the requirements of Internal Revenue Code Section 401(a) and qualifies for special tax considerations.