

A Guide to Your Benefits

SUMMARY PLAN DESCRIPTION
ISSUED AUGUST 2022

CPE

CENTRAL PENSION FUND

Central Pension Fund of the
International Union of Operating Engineers
and Participating Employers

www.cpfioe.org

*Address updated April 2026

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SUMMARY OF MATERIAL MODIFICATIONS

for the

CENTRAL PENSION FUND OF THE INTERNATIONAL UNION OF OPERATING ENGINEERS AND PARTICIPATING EMPLOYERS

This notice contains a Summary of Material Modifications to the Summary Plan Description (SPD), issued August 2022. This Summary of Material Modifications (SMM) supplements or modifies the information in your SPD regarding the Plan. Please keep this document with a copy of your 2022 SPD. For additional information about your benefit or to review the SPD, please visit the Central Pension Fund's website at www.cpfuoe.org.

1. Benefit Accrual Increase for Hours Worked February 1, 2023 through January 31, 2025

Effective April 1, 2025, the benefit accrual rate for all hours worked during the period February 1, 2023, to January 1, 2025, will increase from 1.75% to 2.00%. This is a one-time increase that only applies to hours worked during this period. Thus, for hours worked both before (April 1, 2020, through January 31, 2023) and after that period (February 1, 2025, onward), the Benefit Accrual Rate remains unchanged at 1.75%. Furthermore, because the effective date of the increase is April 1, 2025, and is not retroactive, current retirees who worked during the specified period will see an increase to their monthly benefits beginning on or after April 1, 2025, without any retroactive lump-sum back payments.

For more information, please review the December 2024 Summary of Material Modifications, which can be found under the "Participant & Recipient Forms" section of the Central Pension Fund's website at www.cpfuoe.org.

2. Automatic Beneficiary Revocation Upon Divorce

Effective March 1, 2023, please note that the designation of a Participant's spouse as Beneficiary is automatically revoked upon divorce. As such, if you wish to name a former spouse as your beneficiary, you must complete and submit a new Designation of Beneficiary designation form after a divorce.

It is important to note that this does not apply to Participants who have retired and selected a Qualified Joint and Survivor Annuity. In that case, and in accordance with the Plan of Benefits, the Qualified Spouse would continue to be entitled to the survivor portion of the Participant's benefit unless, after the Participant and spouse divorce, the Fund receives a valid waiver of the former spouse's rights to receive the survivor benefits.

3. Medical Certification for Total & Permanent Disability

For purposes of the medical certification required for a Disability Benefit (which is in addition to the requirement of a Social Security disability determination), the Fund will now accept any medical professional that qualifies as an “Acceptable Medical Source” under the Social Security Administration (which includes, for example, a Nurse Practitioner). For more information on who is considered an Acceptable Medical Source, please visit the Social Security Administration’s website or 20 CFR 404.1502.

4. Retirement Eligibility While Working in a Non-Covered Position

In general, to be eligible to retire and begin receiving a benefit, you must terminate employment with an intent to permanently retire. While this continues to be the rule for most Participants, effective June 25, 2024, Participants who have reached Normal Retirement Age (65) and who are no longer working in a classification covered by a collective bargaining agreement, may continue working for a Participating Employer and commence receiving their retirement benefits, provided they are not otherwise working in disqualifying employment.

5. Recalculation of Benefits for Return to Work

Effective January 1, 2025, a retiree who has reached the age of 65 and returned to work may have their benefit recalculated upon reaching 1,000 contribution hours. The 1,000 hours required under this rule need not be continuous, and the recalculation is performed upon request.

6. Alumni (former Bargaining Unit Personnel) Participation

Subject to specific requirements, Participating Employers who contribute to the Central Pension Fund may extend participation to bargaining unit alumni employees that are currently not covered by any applicable collective bargaining agreement. If an employer seeks to have its bargaining unit alumni employees participate in the Fund, the employer must complete and execute the Fund’s Alumni Participation Agreement.

7. New Employer Rule: Free Look Exception for New Participating Employers

While the Central Pension Fund does not have Employer withdrawal liability, the “Free Look Exception” provides an exception to the Fund’s withdrawal liability rules for new Employers provided certain conditions are met. One such condition is that if the new Employer’s obligation to contribute to CPF ceases, the employer must not have been contributing to the Fund for more than five (5) years.

Where to Get More Information

For more information about this notice, you may contact Joseph J. Shelton, Chief Executive Officer, at the Fund Office located at 1125 17th Street, N.W., Suite 500, Washington, D.C. 20036-4724, telephone number is 202-362-1000. For identification purposes, the official plan number is 001 and the plan sponsor’s employer identification number or “EIN” is 36-6052390.



CENTRAL PENSION FUND OF THE INTERNATIONAL UNION OF OPERATING ENGINEERS AND PARTICIPATING EMPLOYERS

1125 17TH STREET, N.W., SUITE 500, WASHINGTON, D.C. 20036-4724
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August 2022

Dear Participant,

The **Board of Trustees** of the Central Pension Fund of the International Union of Operating Engineers and Participating Employers (**Central Pension Fund**) is pleased to issue this revised Summary Plan Description (**SPD**). This SPD summarizes the Central Pension Fund's **Plan of Benefits** as of February 1, 2022 and in general supersedes all previous versions of the SPD. In general, benefits described in this SPD apply to retirement dates on or after February 1, 2022, for **Active Employees**.

The Central Pension Fund has been established to provide you with a regular income after retirement. Benefits under this Plan are separate from, and in addition to, your Social Security and any private benefits you arrange on your own.

The Central Pension Fund is administered by the Board of Trustees of which half are appointed by **Employers** who contribute to the Central Pension Fund and half are appointed by the International Union of Operating Engineers (**Union**). The Board of Trustees has the sole power to amend the Plan of Benefits, as provided in the Restated Agreement and Declaration of Trust of the Central Pension Fund of the International Union of Operating Engineers and Participating Employers (**Trust Agreement**).

The general terms and provisions of the Plan of Benefits are explained on the following pages. We have prepared this SPD in a manner that we hope will be understood by Participants. However, should you require further information, please write to the **Fund Office** of the Central Pension Fund, 1125 17th Street, N.W., Suite 500, Washington, D.C. 20036-4724. In addition, we invite you to visit the Central Pension Fund's website at www.cpfiuoe.org, where all of the basic forms and documents utilized by the Fund can be found, together with the latest information concerning any amendments to the Plan of Benefits that may have been adopted since this SPD was published.

The complete text of the Plan of Benefits, as most recently amended, and the Trust Agreement are available at no cost from the Fund Office upon written request. When future amendments to the Plan of Benefits are made, the Fund Office will mail to active Participants a summary of those amendments, known as a Summary of Material Modifications or **SMM**, and the actual text of such amendments will be made available for inspection at the Fund Office.

We look forward to continued growth and further opportunities to improve benefits.

Sincerely,
Board of Trustees



Important Points to Remember

- To be eligible to receive retirement benefits or disability benefits you must be a **Participant** covered by this Plan. You must have worked for one or more **Participating Employers** for a certain number of years and must meet certain age requirements. In general, the amount of the benefit you receive from the Plan will depend on the rate of contributions your Participating Employer(s) made on your behalf and the applicable **Benefit Accrual Rate**. Among other things, this SPD describes what it means to be a Participant, how you earn your **Accrued Benefit**, how you earn a **Vested Interest** with respect to your Accrued Benefit, how a **Break-In-Service** may affect your right to your Accrued Benefit, and how your Accrued Benefit may be paid to you.
- Put this SPD in a safe place.
- Tell your family, particularly your spouse, about this SPD and where you keep it filed.
- If you lose this SPD, you may ask the Fund Office for another or download a copy from the Fund's website.
- A number of terms used throughout this SPD have special meanings unique to the Central Pension Fund. When they first appear in the SPD, these terms are generally in **bold** and in many cases are defined in Section 1 of the SPD.
- Generally, you must complete an Application for Benefits before payments can begin.
- If you are not married when you retire, the normal form of benefit is a **Single Life Annuity**. If you are married when you retire, the normal form of benefit is a **Qualified Joint and Survivor Annuity (QJSA)**. A QJSA provides you with an actuarially reduced lifetime monthly benefit and your surviving spouse with a monthly lifetime benefit equal to 50% of your monthly benefit. The Plan also offers a number of optional benefit forms, which are described later in this SPD.
- The Plan also provides disability benefits in the event you become **Totally and Permanently Disabled**, and death benefits payable to your surviving spouse or other beneficiary in the event you die prior to or after you retire.
- The Board of Trustees may amend the Plan of Benefits from time to time, and these amendments may impact your rights and benefits under the Plan. If this occurs, you will receive an SMM. Please be sure to read all Central Pension Fund communications and keep these documents with this SPD.
- **This is a summary.** It is not meant to interpret, extend or change the Plan of Benefits or the Trust Agreement in any way. If there is a conflict between this SPD and the actual provisions of the Plan of Benefits or the Trust Agreement, the Plan of Benefits and Trust Agreement will govern your rights and benefits.
- **Rules about Plan interpretation.** Only the Board of Trustees is authorized to interpret the Plan of Benefits and Trust Agreement. The Board of Trustees has discretion to decide all questions about the Plan of Benefits and Trust Agreement, including questions about your eligibility for benefits and the amount of benefits that are payable to you. Individual Trustees, Employers or Union representatives do not have the authority to interpret the Plan of Benefits

or Trust Agreement on behalf of the Board of Trustees or to act as its agents. The Board of Trustees also has the discretion to determine the facts of any claim you make for benefits.

- **If you have a question.** If you have any question about your benefits, please contact the Fund Office. The Board of Trustees has authorized the

Fund Office to respond in writing to your questions. As a courtesy to you, the Fund Office may also respond informally to your oral questions by telephone. However, these oral answers are not binding upon the Board of Trustees and cannot be relied on in any dispute concerning your benefits.





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The information contained in this booklet is an explanation of the general terms of the Plan, but it should be understood the booklet is subject to the terms of the Plan of Benefits as adopted by the Trustees pursuant to the Trust Agreement. For further information, please write to the Central Pension Fund, 1125 17th Street, N.W., Suite 500, Washington, D.C. 20036-4724.



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SECTION 1

Definitions

The terms listed below have a particular meaning in your Plan. They are used to explain when you may participate in the Plan, when you may become eligible for benefits, how much you may receive and other important information relating to the Plan.

Accrued Benefit: The monthly amount of your retirement benefit that you have earned up to a specific date and payable as of your Normal Retirement Date.

Active Employee: An Employee for whom at least 400 hours were required to have been reported to the Fund during the most recent calendar year.

Annuity Starting Date: The first day of the month for which a Normal Retirement, Special Retirement, or Early Retirement benefit is payable to a Participant under the terms of the Plan.

Beneficiary: The person(s) or entity who will receive any benefits payable as a result of your death.

Benefit Accrual Rate: The percentage rate used during a particular period to determine your accrued monthly benefit payable at Normal Retirement Age.

Board of Trustees: The Board of Trustees of the Central Pension Fund of the International Union of Operating Engineers and Participating Employers are the persons charged with the general administration of the Plan. The Board of Trustees is the Plan's "Administrator" and the Plan's "Named Fiduciary" as those terms are defined in ERISA.

Break-In-Service: Break-in-Service refers to when the Plan may disregard prior years of service earned by a non-vested Participant for purposes of determining whether the Participant has met the minimum service requirements to be eligible for a

benefit. A vested Participant cannot incur a Break-In-Service.

Code: The Internal Revenue Code of 1986, as amended from time to time.

Contingent Annuitant: A person other than your Qualified Spouse named by you to receive a monthly benefit after your death.

Credited Future Service: The years (and fractional parts of years) during which hours and contributions are required to be reported to this Fund on your behalf by your Participating Employer(s). See Section 4 for details.

Credited Past Service: The number of years (and fractional parts of years) after your 35th birthday and prior to your IPD, up to a maximum of 30 years, during which you meet the requirements set forth in Section 4.

Credited Service: The total of your Credited Past Service and Credited Future Service. See Section 4 for details.

Early Retirement Date: The first of the month following your 55th birthday provided you have at least 10 years of Vesting Service.

Employee: You are an Employee if you receive compensation subject to Federal Income Tax from any Participating Employer.

ERISA: The Employee Retirement Income Security Act of 1974, as amended from time to time.

Established Rate: The Rate of Contribution for each local union calculated at the end of the previous plan year determined by dividing the total contributions by the total hours for all active participants of the local union. Except the actual Rate of Contribution will be used for benefit calculation purposes where the computed Established Rate of contributions for the local union is higher.

Fund (or Plan): The Central Pension Fund of the International Union of Operating Engineers and Participating Employers.

Fund Office: The Administrative Office of the Central Pension Fund is located at 1125 17th Street, N.W., Suite 500, Washington, D.C. 20036-4724, telephone (800) 789-5721, FAX (202) 364-2913, website www.cpfuoe.org.

Hours of Service: All hours for which you as an Employee are directly or indirectly paid or entitled to be paid for performance of duties, including vacations, holidays, disability, leaves of absence (maximum of 501 hours for a single continuous period during which no duties are performed) and back pay. When used solely for purposes of earning Vesting Service, "hours" shall mean Hours of Service.

Initial Participation Date (IPD): The first date for which a Participating Employer is required to make contributions to the Plan on an Employee's behalf, unless a Break-in-Service occurs.

Merged Plan: A pension plan which was established and maintained independently of the Fund and later became part of this Fund pursuant to a merger agreement.

Minimum Benefit: A minimum monthly benefit of \$25.00 will be paid to a Participant upon Normal Retirement. The Minimum Benefit will be adjusted if payable at Early Retirement.

Normal Retirement Age: the first day of the month following the *latest* of:

- The date you attain age 65,
- The 5th anniversary of your IPD (If you do not have an Hour of Service on or after February 1, 1988, the 10th anniversary of your IPD), or
- If your IPD is on or after February 1, 1988, the date on which you complete 1,000 hours of Credited Future Service.

Normal Retirement Date: The first day of the month following your Normal Retirement Age.

One-Year Break-In-Service: A Participant incurs a One-Year Break-In-Service if during a Plan Year he does not complete 400 or more Hours of Service with a Participating Employer.

Other Plan: Other Plans are IRS approved pension plans established by the International Union of Operating Engineers, affiliated Local Unions and Participating Employers; or any noncontributory plan in which you have a vested interest.

Participant: You are a Participant if any of the following conditions apply:

- You are an Employee who had at least 400 hours reported to this Fund by a Participating Employer(s) from whom you received compensation subject to Federal Income Tax during the most recent calendar year.
- You are an Active or former Employee who has a Vested Interest.
- You are a former Employee who is receiving a retirement or disability benefit.
- You are a former Employee who may be eligible to receive a benefit in the future.

Participating Employer: An employer who has a valid collective bargaining agreement or participating agreement requiring contributions to be paid to this Fund or, with the permission of the Board of Trustees, an employer who adopts the Trust Agreement.

Plan of Benefits: The Plan of Benefits of the Central Pension Fund of the International Union of Operating Engineers and Participating Employers as amended from time to time.

Plan Year: February 1 through January 31.

Qualified Domestic Relations Order (QDRO): A domestic relations order which creates or recognizes the right of an alternate payee (e.g., your former spouse or your child) to some portion of your benefits and meets certain legal requirements. See Section 15 for details.

Qualified Joint and Survivor Annuity (QJSA): A reduced benefit payable to you at retirement for your lifetime and, in the event of your death, to your Spouse for his/her lifetime. See Section 7 for details.

Qualified Preretirement Survivor Annuity (QPSA): The monthly benefit your Qualified Spouse will receive for his/her lifetime if you have a Vested Interest in your Accrued Benefit on your date of death. See Section 9 for details.

Qualified Spouse: Generally, your Spouse on your Annuity Starting Date (or, if you elect a Retroactive Annuity Starting Date, on the date of actual distribution of your benefit), and, if and to the extent required by the terms of a QDRO, your former spouse. For purposes of the Plan's Qualified Preretirement Survivor Annuity, a Qualified Spouse is the Spouse to whom you had been married to continuously for at least one year prior to your death.

Rate of Contribution: The hourly contribution rate to be made on behalf of an Employee in accordance with the terms of a participating agreement or collective bargaining agreement or memorandum of agreement between any Local Union and a Participating Employer or group of Participating Employers or any other written agreement accepted by the Board of Trustees with respect to such Employee.

Related Pension Plans: Pension plans maintained by IUOE Local Unions and/or employers that are signatory to the International Union of Operating Engineers National Pension Reciprocity Agreement.

Retiree: A Participant who is receiving a Normal, Special, or Early Retirement benefit from the Plan.

Special Retirement Date: The first of the month following your 62nd birthday, provided you have 25 years of total Credited Service in the Central Pension Fund or Related Pension Plan(s) and are eligible for benefits in all of the plans. See Section 5 for details.

Spouse: A person to whom you are legally married.

Standard Industry Classification: U.S. Office of Management and Budget classification of businesses in accordance with standard types of activity.

Total and Permanent Disability: A physical or mental condition which has resulted in an award of a complete disability benefit by the Social Security Administration, is reasonably expected to be permanent, and cannot be improved by any known medical treatment. See Section 8 for details.

Trust Agreement: The Restated Agreement and Declaration of Trust of the Central Pension Fund of the International Union of Operating Engineers and Participating Employers, as amended from time to time.

Vested Interest: A right to a non-forfeitable benefit. See Section 4 for details.

Vesting Future Service: Years following your IPD during which you earn service as set forth in Section 4.

Vesting Past Service: The number of years prior to your IPD during which you maintained continuous active union membership or were continuously employed by your Initial Contributing Employer, provided you meet the requirements set forth in Section 4.

Vesting Service: The total of Vesting Future Service and Vesting Past Service. See Section 4 for details.



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SECTION 2

Highlights of Your Pension Plan

The information below highlights some of the features of the Pension Plan. You can find more detailed information in the rest of the SPD.

<p>When you become eligible to participate</p>	<p>You become a Participant of the Central Pension Fund as of the first day on which an Employer becomes obligated to make contributions to the Central Pension Fund on your behalf.</p>
<p>When you can receive a pension benefit</p>	<p>Normal Retirement Benefit Generally, if you have one or more hours reported on your behalf after January 1, 1989, you are eligible for a Normal Retirement benefit when you:</p> <ul style="list-style-type: none"> • retire • reach age 65, • have: <ul style="list-style-type: none"> - at least 1,000 hours of Credited Future Service if your IPD is January 1, 1982 or later, or - at least 1,200 hours of Credited Future Service if your IPD is prior to January 1, 1982, and • have 5 years of Vesting Service. <p>Early Retirement Benefit You are eligible for an Early Retirement benefit if you:</p> <ul style="list-style-type: none"> • retire • are age 55 or older, • have: <ul style="list-style-type: none"> - At least 1,000 hours of Credited Future Service if your IPD is January 1, 1982 or later, or - At least 1/200 hours of Credited Future Service if you IPD is prior to January 1, 1982, and • have 10 years of Vesting Service. <p>Special Retirement Benefit You are eligible for a Special Retirement benefit if you:</p> <ul style="list-style-type: none"> • retire • are age 62 or older, • have at least 25 years of total Credited Service in the Central Pension Fund and any Related Plan(s).

<p>Amount of your pension benefit</p>	<p>Normal Retirement Benefit The amount of your monthly Normal Retirement benefit is determined by calculating the amount of your Credited Future Service benefit and, if your IPD was prior to January 1, 1981, adding the amount of your Credited Past Service benefit, if any, to your Credited Future Service benefit (See Section 6).</p> <p>Early Retirement Benefit Your Early Retirement benefit will equal:</p> <ul style="list-style-type: none"> • Your Normal Retirement benefit reduced by ¼ of 1% for each month your date of retirement precedes age 65, or • If you have completed at least 25 years of Credited Service, your Normal Retirement Benefit reduced by ¼ of 1% for each month your date of retirement precedes age 62. <p>Special Retirement Benefit</p> <ul style="list-style-type: none"> • Your Special Retirement benefit will equal your Normal Retirement benefit if you have reached your Special Retirement Date (age 62 or, if later, the date you complete 25 years of Credited Service).
<p>Disability Benefits</p>	<p>Monthly Disability Benefit <u>Eligibility</u> In general, you are eligible for a Monthly Disability Benefit if you:</p> <ul style="list-style-type: none"> • have ceased working due to an illness or injury, and • suffer a Total and Permanent Disability, and • have at least 15 years of Vesting Service, and • have not yet reached age 55. <p>If you are receiving a Monthly Disability Benefit, it will convert to an Early Retirement benefit when you reach age 55.</p> <p><u>Amount</u> The amount of your Monthly Disability benefit will be equal to an Early Retirement benefit payable at age 55 in the Single Life Annuity form.</p> <p>Lump Sum Disability Benefit <u>Eligibility</u> A Lump Sum Disability Benefit is payable if you are not yet age 65, not eligible for a Monthly Disability Benefit or any type of pension benefit under the Plan, and you suffer a Total and Permanent Disability due to:</p> <ul style="list-style-type: none"> • the loss of use of both hands, or • the loss of use of both feet, or • the loss of sight of both eyes, or • any combination of the above. <p><u>Amount</u> The amount of a Lump Sum Disability Benefit is equal to the total amount of contributions made to the Plan on your behalf.</p>

<p>How your pension will be paid</p>	<p>Normal Form of Pension for Married Participants (Qualified Joint and Survivor Annuity): If you are married when you retire, the normal form of benefit is a Qualified Joint and Survivor Annuity. The Qualified Joint and Survivor Annuity provides you with a reduced monthly benefit in order to provide your surviving spouse with a lifetime monthly benefit that is 50% of your reduced monthly benefit amount. Should your spouse die before you, the amount of your monthly benefit will “pop-up” to the amount you would receive in the Single Life Annuity form. The portion of your benefit earned prior to August 1, 2005 includes a 60 payment guarantee feature.</p> <p>Normal Form of Pension for Unmarried Participants (Single Life Annuity): If you are not married, the normal form of benefit is the amount of your monthly Normal Retirement, Special Retirement, or Early Retirement benefit (whichever is applicable) payable for your lifetime. In addition, the portion of your benefit earned prior to August 1, 2005 includes a 60 payment guarantee feature.</p> <p>Optional Forms of Pension:</p> <ul style="list-style-type: none"> • If you are married when you retire, you may elect a 66 2/3% Joint and Surviving Spouse Annuity, a 75% Joint and Surviving Spouse Annuity (the Plan’s Qualified Optional Survivor Annuity), or a 100% Joint and Surviving Spouse Annuity that provides you with a reduced monthly benefit in order to provide your surviving spouse with a lifetime monthly benefit that is 66 2/3%, 75%, or 100% of your reduced monthly benefit amount. The portion of your benefit earned prior to August 1, 2005 includes a 60 payment guarantee feature. • You may also elect a 50%, 66 2/3%, 75%, or 100% Joint and Survivor Annuity with a Contingent Annuitant that provides you with a reduced monthly benefit in order to provide your Contingent Annuitant with a lifetime benefit that is 50%, 66 2/3%, 75%, or 100% of your reduced monthly benefit. In addition, the portion of your benefit earned prior to August 1, 2005 includes a 60 payment guarantee feature. <p>If you are married, your spouse must consent to your waiver of the Qualified Joint and Survivor Annuity if you plan to elect a Single Life Annuity or any Joint and Survivor Annuities with a Contingent Annuitant.</p>
<p>Death Benefits</p>	<p>Death Benefits after Retirement</p> <ul style="list-style-type: none"> • If you die after your pension commences and you did <u>not</u> elect a Single Life Annuity, your Qualified Spouse or Contingent Annuitant will receive a survivor annuity in accordance with the benefit form you elected when you retired, plus the balance, if any, of the 60 Payment Guarantee feature based on the portion of your Accrued Benefit you earned prior to August 1, 2005 in monthly payments. • If you are a retired Participant and had elected the Single Life Annuity, your Beneficiary(s) may receive the balance, if any, of the 60 Payment Guarantee feature based on the portion of your Accrued Benefit earned prior to August 1, 2005 as a Lump Sum Death Benefit (i.e., an immediate commuted value lump sum payment) or in monthly payments.

<p>Death Benefits (continued)</p>	<p>Death Benefits <i>before Retirement</i></p> <ul style="list-style-type: none"> • If you die before your pension commences, there are three different types of Death Benefits potentially available, depending on whether you are vested and have a Qualified Spouse as of the date of your death. <ul style="list-style-type: none"> – <u>Qualified Preretirement Survivor Annuity</u>. If you are married to a Qualified Spouse, your surviving Spouse will receive a Qualified Preretirement Survivor Annuity if you are vested and die before commencement of your pension benefit (or die while receiving a Monthly Disability Benefit). – <u>Return of Contributions Benefit</u>. This benefit provides that a spouse not eligible for a Qualified Preretirement Survivor Annuity, or another Beneficiary(s), will receive a benefit equal to the total amount of contributions made on your behalf up to your date of death if: (1) you had accrued 1000 hours of Credited Future Service, and the date of the last contribution was within the 24 months immediately preceding the date of death, or (2) you are vested. – <u>Benefits Remaining Under the 60 Payment Guarantee</u>. If you die after you are eligible for a Normal Retirement or Special Retirement Benefit but before you apply for benefits, and you are not married to a Qualified Spouse, your Beneficiary(s) may also elect to receive the portion of your Accrued Benefit you earned prior to August 1, 2005, if any, as a Lump Sum Death Benefit (i.e., an immediate commuted value lump sum payment) or in monthly payments.
<p>Applying for your benefit</p>	<p>In general:</p> <ul style="list-style-type: none"> • If you have a right to a Normal, Special, or Early Retirement Benefit or a Disability Benefit, you must request an Application for Benefits from the Fund Office. • You will be considered as having applied for your pension only when the Fund Office has received your completed Application for Benefits by mail with all required enclosures. • Payments cannot begin before the completed Application for Benefits is received and processed. • You must provide a copy of your birth certificate or other proof of your date of birth. If you are electing a Qualified Joint and Survivor Annuity or one of the Plan's Joint and Surviving Spouse Annuity options you must also provide proof of marriage along with proof of your spouse's date of birth. If you are electing one of the Plan's optional Joint and Survivor Annuities with a Contingent Annuitant, you must provide proof of your Contingent Annuitant's date of birth. • The approval process usually takes 60 to 90 days and sometimes longer, particularly if the Fund Office is waiting for receipt of your last hours worked from your Employer(s), or any missing proof documents.

<p>Applying for your benefit (continued)</p>	<ul style="list-style-type: none"> • Please note that to be considered “retired” and eligible to commence your pension under the Plan, you must have separated from service with any and all Participating Employers. However, if you are age 70 ½ or older, you do not need to separate from service with a Participating Employer to commence receiving your pension. <p>Application Process for Death Benefits:</p> <ul style="list-style-type: none"> • Your surviving spouse must submit an Application for Surviving Spouse or, in the case of any other Beneficiary, a Statement of Claim for Death Benefits, to the Fund Office for benefits that may be due upon your death. • Your surviving spouse or other Beneficiary or a representative should contact the Fund Office as soon as possible after your death to minimize delay in payments. • Your surviving spouse or Beneficiary will need to provide the Fund Office with a certified copy of your death certificate. Your surviving spouse will need to provide proof of marriage and date of birth. • The Fund Office will provide information to properly authorized representatives regarding benefits that may be due as a result of the Participant’s death.
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SECTION 3

How and When You Become a Participant

Initial Participation Date

Generally, your participation in the Central Pension Fund begins on the first date for which a **Participating Employer** is required to make contributions to the Fund on your behalf. This is known as your **Initial Participation Date (IPD)**.

In the case of a participant of an existing pension plan which the Board of Trustees approves for inclusion in the Central Pension Fund, such participant's IPD will be deemed to be the date contributions were initially made to that existing pension plan on that participant's behalf.

Employer Contributions Only

The Central Pension Fund is funded through Employer Contributions. Employee contributions are not permitted. In addition, a Participating Employer cannot contribute to the Fund on behalf of its sole proprietors or partners. Corporations or limited liability companies that are Participating Employers may contribute on behalf of individuals who maintain ownership interests in such entities.

Participant Information

The information the Fund is required to maintain on your behalf includes:

- Your full name
- Your social security number
- Your birth date
- Your current address
- Your **Home Local** (*i.e.*, the Local Union in which you hold or have applied for membership or in which you are otherwise affiliated)
- Your IUOE Register number(s), Initiation Date(s) and union history
- If married, your spouse's full name, date of birth, and social security number and your date of marriage

This information is needed so that we can determine your right to a benefit. The Fund Office treats this information as confidential, and it is securely maintained. As soon as you start participating, this information should be submitted to the Central Pension Fund on a **Basic Data Form**, which will be provided upon request by your Local Union office or the Central Pension Fund. The form may also be downloaded and printed from the Fund's website at www.cpfuoe.org. When a change occurs in any of your basic data, you should advise the Fund in writing or send a new Basic Data Form indicating the change.



SECTION 4

Vesting Service and Credited Service

UNDERSTANDING VESTING SERVICE AND CREDITED SERVICE

Throughout this booklet you will see references to **Vesting Service** and **Credited Service**. It is important to understand the difference between the two.

Vesting Service

Vesting Service is the service necessary to give you a **Vested Interest** in your Accrued Benefit, and is used to determine your eligibility for a **Normal Retirement Benefit** at age 65 and your eligibility for an **Early Retirement Benefit**. It is also used to determine your eligibility for the Fund's Disability benefits. Your total Vesting Service includes all of your **Vesting Future Service**, **Vesting Past Service** and includes **Qualified Military Service**. While you earn Vesting Service for each hour your Participating Employer is required to make contributions to the Plan on your behalf, you may also earn Vesting Service for periods you work for a Participating Employer in a position that does not require your Employer to make contributions to the Plan (see below).

Credited Service

You earn Credited Service during the period a Participating Employer is required to contribute to the Plan on your behalf. Credited Service includes all of your Credited Future Service, Credited Past Service and includes Qualified Military Service.

- **Credited Future Service.** The contributions your Employer is required to make to the Plan

for each hour of Credited Future Service you work are used to calculate your Accrued Benefit (See Section 6).

- **Credited Past Service.** Your Credited Past Service, if any, is used to determine the amount of your Credited Past Service benefit.

Credited Service is also used to determine your eligibility for a **Special Retirement Benefit**.

VESTED INTEREST

Vested Interest means you have a nonforfeitable right to an Accrued Benefit. Thus, a **Break-in-Service** you incur after you have a Vested Interest has no impact on your right to your Accrued Benefit.

Generally, you have a Vested Interest in your Accrued Benefit when you have completed 5 years of Vesting Service with at least 1,000 hours of Credited Future Service (or at least 1,200 hours of Credited Future Service if your IPD was before January 1, 1982).

If you have not had any hours reported on your behalf since January 1, 1989, you have a Vested Interest in your Accrued Benefit when you have completed 10 years of Vested Service with at least 1,000 hours of Credited Future Service (or at least 1,200 hours of Credited Future Service if your IPD was before January 1, 1982).

If you were age 60 or older on your IPD, you have a Vested Interest after 5 years have elapsed since your IPD, provided you have at least 1,000 hours of Credited Future Service.

VESTING SERVICE IN GENERAL

Vesting Service includes both Vesting Future Service and Vesting Past Service. Your years of Vesting Service are used to determine your Vested Interest. Vesting Service is also used to determine your eligibility for a Normal Retirement Benefit and Early Retirement Benefit and your eligibility for Disability benefits. You may forfeit Vesting Service if you incur a Break-in-Service. Vesting Future Service and Vesting Past Service are discussed below.

VESTING FUTURE SERVICE

Vesting Future Service is any period after your IPD. It is based on the number of hours you complete during a calendar year while working for a Participating Employer in covered employment. Your years of Vesting Future Service will be determined in accordance with the following schedule:

Total Number of Hours in a Calendar Year	Amount of Vesting Future Service
Less than 400 hours	None
400 to 499 hours	0.40 Years
500 to 599 hours	0.50 Years
600 to 699 hours	0.60 Years
700 to 799 hours	0.70 Years
800 to 899 hours	0.80 Years
900 to 999 hours	0.90 Years
1,000 or more hours	1.00 Years

You will also earn Vesting Future Service:

- If you continue to work for your last Participating Employer in a non-covered position, and your employer continues to be a Participating Employer, you will continue to earn Vesting Future Service in accordance with the schedule shown above.
- Further, if you leave your non-covered position with your last Participating Employer and go to work for a new employer in the same classification, and that employer is a Participating Employer, you will continue to earn Vesting Future Service in accordance with the schedule above.

VESTING PAST SERVICE

Participants may earn Vesting Past Service during periods prior to their IPD even though their Participating Employers made no contributions on their behalf to the Fund.

Prior to your IPD you may earn Vesting Past Service provided:

- You maintained continuous active union membership or you maintained continuous employment with your initial Participating Employer.
- If your IPD is between January 1, 1971 and December 31, 1981, you must have at least 1,200 hours of Credited Future Service to earn Vesting Past Service.
- If your IPD is on or after January 1, 1982, you must have at least 1,000 hours of Credited Future Service to earn Vesting Past Service.

CREDITED SERVICE IN GENERAL

You may earn Credited Service in three ways: Credited Future Service, Credited Past Service (if eligible) and Qualified Military Service (if eligible). You may forfeit Credited Service if you incur a Break-In-Service. Credited Future Service, Credited Past Service, and how you may incur a Break-In-Service are discussed below.

CREDITED FUTURE SERVICE

Credited Future Service begins when hours are first reported to the Fund on your behalf. Your Credited Future Service is based on the number of hours for which contributions are required to be reported for you by your Participating Employer(s) in each calendar year. You earn Credited Future Service based on the following schedules:

Hours Reported After January 1, 1976	
Hours	Credited Future Service
0-399 hours	None
400-499 hours	.40 year
500-599 hours	.50 year
600-699 hours	.60 year
700-799 hours	.70 year
800-899 hours	.80 year
900-999 hours	.90 year
1,000 hours & over	1.00 year

Hours Reported from January 1, 1969 to January 1, 1976	
Hours	Credited Future Service
0-400 hours	None
400-799 hours	.33 year
800-1,199 hours	.67 year
1,200 hours & over	1.00 year

Hours Reported Prior to January 1, 1969	
Hours	Credited Future Service
Stationary Employees	
0-400 hours	None
400-799 hours	.25 year
800-1,199 hours	.50 year
1,200 - 1,599 hours	.75 year
1,600 hours & over	1.00 year
Hoisting & Portable Employees	
0-400 hours	None
400-799 hours	.33 years
800-1,199 hours	.67 years
1,200 - 1,599 hours	1.00 year
1,600 hours & over	1.00 year
Pipe Line Employees	
0-400 hours	None
400-799 hours	.33 year
800-1,199 hours	.67 year
1,200 - 1,599 hours	1.00 year
1,600 hours & over	1.00 year

Minimum Hours Needed for Credit in a Calendar Year

If the total hours reported on your behalf in a calendar year are less than 400, you do not earn any Credited Future Service for that year. However, the contributions and hours reported on your behalf during that year will be included when calculating your benefit at retirement.

Maximum Credit in a Calendar Year

The maximum Credited Future Service you can earn in a calendar year, regardless of the total

hours reported on your behalf, is one year of Credited Future Service. However, all contributions and hours reported on your behalf during that year will be included when calculating your benefit at your retirement.

CREDITED PAST SERVICE

If your IPD is prior to January 1, 1981, and you were older than age 35 on your IPD, you may be eligible for Credited Past Service. Your Credited Past Service could be all or a portion of the years after your 35th birthday and prior to your IPD. The maximum number of years allowed for Credited Past Service is 30 years.

Credited Past Service may be earned based upon:

- Your active membership in a Local Union, or
- Your continuous employment with your initial Participating Employer, or
- Your **Employment within the Industry**.

However, Credited Past Service may not be earned for periods of Credited Past Service or Credited Future Service in **Other Plan(s)** for which benefits are payable to you except:

- for Other Plan(s) set up by your initial Participating Employer in which you were a participant, or
- where there are contributions being made to the Central Pension Fund and one or more Other Plan(s) at the same time.

Also—

- If your IPD is between January 1, 1971 and December 31, 1978, you must have had 1,200 hours of Credited Future Service in order to be eligible for Credited Past Service.
- If your IPD is between January 1, 1979 and December 1, 1980, you must have 5 years of Credited Future Service in order to be eligible for Credited Past Service.

If your IPD is January 1, 1981 or later, you are not eligible for Credited Past Service.

Credited Past Service for “Employment within the Industry”

If your IPD is between January 1, 1975 and December 31, 1980, “Employment within the Industry”

includes work performed by you in the same job classification as work performed by you for which hours and contributions have been reported to the Fund under a collective bargaining agreement with your first participating Local Union; provided that the work was performed for an employer in the same **Standard Industry Classification** as your initial Participating Employer.

If your IPD is after December 31, 1974 but before January 1, 1979, Credited Past Service based on Employment within the Industry will be earned as follows.

- If you have earned 1,200 hours of Credited Future Service, you are eligible for up to 5 years of Credited Past Service.
- If you have earned at least 5 years of Credited Future Service, you will be eligible to receive an additional year of Credited Past Service for each year of Credited Future Service in excess of 5 years.

These Employment within the Industry rules *do not apply* to active union membership or continuous employment with your initial Participating Employer, nor to Participants with an IPD prior to January 1, 1975.

ACCEPTABLE PROOFS OF CREDITED PAST SERVICE AND VESTING PAST SERVICE

To be credited with Credited Past Service or Vesting Past Service, Participants may have to provide the Fund Office with certain documentation.

For Union Membership (Upon the Request of the Fund Office):

- Membership in the International Union of Operating Engineers (advise us of your register number(s) and the Fund Office will confirm), or
- Original or certified copy of your dues book.

For Continuous Employment With Your Initial Participating Employer:

- A Statement from employer on employer's letterhead (preferred), or
- Notarized statement from employer if letterhead is not available, or

- Social Security quarterly earnings reports together with notarized statements from you, your co-workers, and the Business Manager or other authorized representative of your Local Union attesting to your continuous prior employment.

For Industry Employment:

- Statement from your Initial Participating Employer or your Local Union office verifying:
 - Your employer's Standard Industry Classification, and
 - Your job classification at the time of your IPD
 - Your dates of employment

and

- One of the following:
 - Statements on company letterhead, or notarized statements, from the employers you worked for prior to your initial Participating Employer stating the employer's Standard Industry Classification, your job classification and dates of your employment.
 - Social Security quarterly earnings reports and notarized statements from you, your co-workers, and the Business Manager or other authorized representative of your Local Union stating:
 - your employer's Standard Industry Classification,
 - your job classification, and
 - your dates of continuous prior employment.

All letters and statements of employment verification must show the beginning and ending month and year.

BREAK-IN-SERVICE

If a Participant incurs a Break-In-Service, the Participant's Credited Service and Vesting Service earned before such Break-in-Service may be canceled or forfeited. However, once you have a Vested Interest in your Accrued Benefit, the Break-In-Service rules set forth below no longer impact your right to your Accrued Benefit.

If your Initial Participation Date is before January 1, 1993—

You will incur a Break-In-Service *if at the time you reach age 65* the number of calendar years during which you earned no Vesting Service is:

- at least 5 *and*
- exceeds the number of prior years for which you earned Vesting Service.

Once you incur a Break-In-Service all prior Credited Service and Vesting Service is forfeited and if you subsequently have hours reported on your behalf to the Fund, you will establish a new IPD.

If your Initial Participation Date is January 1, 1993 or later—

You will incur a Break-In-Service *if at any time before your Normal Retirement Age* the number of consecutive calendar years during which you earned

no Vesting Service equals or exceeds 5 years. However, if you incur a Break-In-Service before reaching your Normal Retirement Age and subsequently earn 400 hours of Vesting Service in a calendar year before reaching your Normal Retirement Age, all prior Credited Service will be reinstated, as will your original IPD. If the Break-In-Service is not “repaired” before your Normal Retirement Age, the Break-In-Service cannot be repaired and all prior Credited Service and Vesting Service is forfeited.

For more information, see “Frequently Asked Questions about Participation and Crediting of Service” in Section 14 below.





SECTION 5

How and When You Become Eligible for a Pension Benefit

NORMAL RETIREMENT BENEFIT

Generally, you have a right to commence receiving a Normal Retirement benefit if you:

- have one or more hours reported to the Fund on your behalf on or after January 1, 1989, and
- have completely ceased working in what would be considered Disqualifying Employment for at least one full calendar month, and
- have reached your 65th birthday, and
- have:
 - at least 1,200 hours of Credited Future Service if your IPD is prior to January 1, 1982, or
 - at least 1,000 hours of Credited Future Service if your IPD is January 1, 1982 or later, and
- have 5 years of Vesting Service.

You also have a right to commence receiving a Normal Retirement benefit upon attaining your Normal Retirement Age. Specifically, you will be eligible for a Normal Retirement benefit if your IPD is February 1, 1988 or later, you were age 60 or older as of your IPD, and:

- you have completely ceased working in what would be considered Disqualifying Employment for at least one full calendar month, and
- you have reached your 65th birthday, and
- you have at least 1,000 hours of Credited Future Service, and
- 5 years have elapsed since your IPD.

Finally, if you had no hours reported to the Fund

on or after January 1, 1989, and you were not age 60 or older with an IPD of February 1, 1988 or later, you have a right to commence a Normal Retirement benefit if you have reached your 65th birthday and have:

- at least 1,200 hours of Credited Future Service if your IPD is prior to January 1, 1982, or
- at least 1,000 hours of Credited Future Service if your IPD is January 1, 1982 or later, and
- 10 years of Vesting Service or 10 years have elapsed since your IPD without you having incurred a Break-in-Service.

EARLY RETIREMENT BENEFIT

You have a right to commence receiving an Early Retirement benefit if you:

- have completely ceased working in what would be considered Disqualifying Employment for at least one full calendar month, and
- have reached your 55th birthday, and you have:
 - at least 1,200 hours of Credited Future Service if your IPD is prior to January 1, 1982, or
 - at least 1,000 hours of Credited Future Service if your IPD is January 1, 1982 or later, and
- have 10 years of Vesting Service.

Your Early Retirement benefit will be reduced by $\frac{1}{4}$ of 1% for each month (3% a year) your date of retirement precedes age 65, unless you have completed

at least 25 years of Credited Service, in which case your Normal Retirement Benefit will be reduced by $\frac{1}{4}$ of 1% for each month your date of retirement precedes age 62.

SPECIAL RETIREMENT BENEFIT

You have a right to commence receiving a Special Retirement benefit if:

- you have completely ceased working in what would be considered Disqualifying Employment for at least one full calendar month, and
- you have reached your 62nd birthday, and
- you have at least 25 years of total Credited Service.





SECTION 6

How the Amount of Your Benefit Is Calculated

The amount of your Accrued Benefit is determined by applying an applicable **Benefit Accrual Rate** to contributions Participating Employers were required to make on your behalf to calculate your Credited Future Service benefit, and if your IPD is prior to January 1, 1981, adding your Credited Past Service benefit, if any, to your Credited Future Service benefit. This section explains how the Plan calculates the amount of a Participant's Normal Retirement benefit, Special Retirement benefit, Early Retirement benefit, and Disability Benefit.

CREDITED FUTURE SERVICE BENEFIT

The amount of your Accrued Benefit that is based on your Credited Future Service is determined by multiplying the contributions required to be made on your behalf by Participating Employers by a percentage called the Benefit Accrual Rate.

Benefit Accrual Rates for Calculating Credited Future Service Benefit
(Contribution Periods Beginning January 1, 2001)

Contribution Period	Benefit Accrual Rates for Required Contributions
On and after April 1, 2020	1.75%
April 1, 2015 through March 31, 2020	1.25%
April 1, 2009 through March 31, 2015	1.00%
August 1, 2005 through March 31, 2009	3.00%
January 1, 2001 through July 31, 2005	3.30%

Benefit Accrual Rates for Calculating Credited Future Service Benefit

(Contribution Periods Prior to January 1, 2001)

For periods prior to January 1, 2001, the Benefit Accrual Rate depends on whether you had at least 1,000 Hours reported on your behalf in any calendar year after December 31, 1999.

Participants with at least 1,000 Hours reported in a calendar year after December 31, 1999	Benefit Accrual Rate of 3.50% of required contributions through December 31, 2000
Participants without at least 1,000 Hours reported in a calendar year after December 31, 1999	<ul style="list-style-type: none"> • Benefit Accrual rate of 3.40% of required contributions prior to January 1, 1999 • Benefit Accrual Rate of 3.30% of required contributions from January 1, 1999 through December 31, 2000

EXAMPLE CALCULATION: CREDITED FUTURE SERVICE BENEFIT

For periods prior to January 1, 2001, the Benefit Accrual Rate depends on whether you had at least 1,000 Hours reported on your behalf in any calendar year after December 31, 1999.

Jean has an Initial Participation Date of June 1, 1988. Jean retires on February 1, 2023 at age 65 with 34.60 years of Credited Future Service.

- Between April 1, 2020 and January 31, 2022, Jean’s Employers were required to make contributions on Jean’s behalf totaling \$28,875.00.
- Between April 1, 2015 and March 31, 2020, Jean’s Employers were required to make contribution on Jean’s behalf totaling \$54,000.00.
- Between April 1, 2009 and March 31, 2015, Jean’s Employers were required to make contributions on Jean’s behalf totaling \$55,200.00.
- Between August 1, 2005 and March 31, 2009, Jean’s Employers were required to make contributions on Jean’s behalf totaling \$34,650.00.
- Between January 1, 2001 and July 31, 2005, Jean’s Employers were required to make contributions on Jean’s behalf totaling \$38,250.00.
- Between June 1, 1988 and December 31, 2000, Jean’s Employers were required to make contributions on Jean’s behalf totaling \$83,500.00

To calculate Jean’s Normal Retirement benefit:

\$28,875.00 required contributions from 4/1/2020 to 1/31/2022 x 1.75% Benefit Accrual Rate = \$ 505.31
 \$54,000.00 required contributions from 4/1/2015 to 3/31/2020 x 1.25% Benefit Accrual Rate = \$ 675.00
 \$55,200.00 required contributions from 4/1/2009 to 3/31/2015 x 1.00% Benefit Accrual Rate = \$ 552.00
 \$34,650.00 required contributions from 8/1/2005 to 3/31/2009 x 3.00% Benefit Accrual Rate = \$1,039.50
 \$38,250.00 required contributions from 1/1/2001 to 7/31/2005 x 3.30% Benefit Accrual Rate = \$1,262.25
\$83,500.00 required contributions from 6/1/1988 to 12/31/2000 x 3.50% Benefit Accrual Rate = \$2,922.50

Jean’s Accrued Benefit is \$6,956.56

CREDITED PAST SERVICE BENEFIT

Whether or not you qualify for Credited Past Service, and the amount of your Credited Past Service benefit, depends upon when you first became a Participant in the Plan (*i.e.*, your IPD).

- **Participants with IPDs after December 31, 1980.**

Credited Past Service is not provided to you if your IPD is after December 31, 1980.

- **Participants with IPDs prior to January 1, 1978.**

A Participant's Credited Past Service benefit calculation is based upon the average hourly rate of contributions made on the Participant's behalf during their working career. Such Participant's Credited Past Service benefit will be equal to \$1.00 per month for each \$0.05 in the average hourly rate of contributions multiplied by the Participant's years of Credited Past Service.

EXAMPLE CALCULATION: CREDITED PAST SERVICE BENEFIT IPD PRIOR TO 1/1/1978

Roger's IPD is June 1, 1977. Roger's average hourly contribution rate was \$6.00 during his working career. Roger has 2 years of Credited Past Service.

- Divide the \$6.00 average hourly contribution rate by \$0.05 = \$120
- \$120.00 x 2 years of Credited Past Service = \$240.00

Roger's Credited Past Service benefit is \$240.00 per month.

- **Participants with IPDs between January 1, 1978 and December 31, 1980.**

A Participant's Credited Past Service benefit is calculated similarly to that for Participants with IPDs prior to January 1, 1978; however, such Participant's Credited Past Service benefit will be adjusted if the average hourly contribution rate which was in effect in the Participant's Local Union in the calendar year prior to the Participant's IPD (**Established Rate**) is lower than the average hourly rate of contributions made on the Participant's behalf during the Participant's working career.

EXAMPLE CALCULATION: CREDITED PAST SERVICE BENEFIT IPD 1/1/1978 to 12/31/1980

Jay's IPD is June 1, 1980. Jay's average hourly contribution rate was \$6.50 during his working career. However, his Local Union's Established Rate in 1979 is \$3.00. Jay has 3 years of Credited Past Service and 43 years of Credited Future Service.

- Multiply Jay's 3 years of Credited Past Service by the \$3.00 Established Rate of \$3.00 = \$9.00
- Multiply Jay's 43 years of Credited Future Service by the \$6.50 average hourly contribution rate during his working career = \$279.50
- Add the \$9.00 and \$279.50 together = \$288.50
- Divide \$288.50 by Jay's 46 years of total Credited Service = \$6.27
- Divide \$6.27 (Jay's adjusted average hourly contribution rate) by \$0.05 = \$125.40
- \$125.40 x 3 years of Credited Past Service = \$376.20

Jay's Credited Past Service benefit is \$376.20 per month.

Minimum Benefit

Notwithstanding the above, a Participant with a Vested Interest upon retirement will receive a minimum monthly benefit of \$25.00 at Normal Retirement Age.

CALCULATING THE AMOUNT OF AN EARLY RETIREMENT BENEFIT

In General

Your Early Retirement benefit is determined in the same manner as a Normal Retirement benefit, but will be reduced by 0.25% for each month your actual retirement date precedes your Normal Retirement Date.

EXAMPLE CALCULATION: EARLY RETIREMENT BENEFIT AMOUNT

Maria decides to retire on March 1, 2023 at age 55 and 6 months. Maria's Accrued Benefit is \$3,200.00 per month and she has earned 21 years of Credited Future Service. Her monthly Early Retirement benefit would be determined as follows:

$$\begin{array}{r} \text{Accrued Benefit} = \$3,200.00 \\ \text{Reduced by } 0.25\% \times 114 \text{ months (or } 28.5\%) \times \$3,200.00 = \underline{- 912.00} \\ \text{Maria's Monthly Early Retirement benefit: } \mathbf{\$2,288.00} \end{array}$$

Participants with 25 Years of Credited Service

If you have earned at least 25 Years of Credited Service, your Early Retirement benefit is determined in the same manner as a Normal Retirement benefit, but it is then reduced by 0.25% for each month your actual retirement date precedes age 62.

EXAMPLE CALCULATION: EARLY RETIREMENT BENEFIT AMOUNT

Jason decides to retire on March 1, 2023 at age 55 and 6 months. Jason's Accrued Benefit is \$3,800.00 per month and he has earned 26 years of Credited Future Service. His monthly Early Retirement benefit would be determined as follows:

$$\begin{array}{r} \text{Accrued Benefit} = \$3,800.00 \\ \text{Reduced by } 0.25\% \times 78 \text{ months (or } 19.5\%) \times \$3,800.00 = \underline{- 741.00} \\ \text{Jason's Monthly Early Retirement benefit: } \mathbf{\$3,059.00} \end{array}$$

CALCULATING THE AMOUNT OF A MONTHLY DISABILITY BENEFIT

The amount of a monthly Disability Benefit is equal to the amount of a Participant's Early Retirement benefit payable at age 55. A monthly Disability Benefit will commence retroactive to the first of the month following the calendar month in which the Social Security Administration determined you became disabled for purposes of Social Security disability benefits and your treating physician certifies that you have a Total and Permanent Disability.

EXAMPLE CALCULATION: RETROACTIVE PAYMENT OF MONTHLY DISABILITY BENEFITS

On January 20, 2023, Lee receives a Social Security Disability award that sets February 4, 2021 as Lee's disability date for purposes of Social Security Disability benefits. On January 10, 2023, Lee submits a complete application to the Fund Office including a form provided by the Plan wherein Lee's treating physician certifies that Lee became Totally and Permanently Disabled on February 4, 2021.

Lee is age 47 and has earned 20 years of Vesting Service. His monthly Early Retirement benefit at age 55 would be \$2,300.00. The Fund Office approves Lee's monthly Disability Benefit application, and Lee goes into pay status on February 1, 2023.

$$\begin{array}{r} \text{Lee's Monthly Early Retirement benefit:} \quad \$2,300.00 \\ \text{Number of months between March 2021 and February 2023:} \quad \times \underline{24 \text{ months}} \\ \text{Lee's retroactive Disability Benefit payment} \quad = \quad \mathbf{\$55,200.00} \end{array}$$

Lee will continue to receive a monthly Disability Benefit until the earlier of Lee's: (i) Early Retirement Date, (ii) recovery from Total and Permanent Disability, or (iii) death.





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SECTION 7

How Your Retirement Benefit Is Paid

Normal Retirement, Special Retirement, and Early Retirement benefits will be paid in one of the following ways. Your election as to the form of payment must be made prior to the commencement of benefit payments, **and generally cannot be changed thereafter.**

SINGLE LIFE ANNUITY

This is the normal form of benefit for unmarried Participants. It provides monthly payments to you for your lifetime. In addition, the portion of your benefit you earned prior to August 1, 2005 is subject to a 60 Payment Guarantee feature, as described below.

QUALIFIED JOINT AND SURVIVOR ANNUITY (MARRIED PARTICIPANTS)

If you are married when benefits commence, the normal form of benefit is the **Qualified Joint and Survivor Annuity**. This is a reduced form of payment that provides for monthly benefits for your lifetime and then a monthly benefit equal to 50% of your monthly benefit for the lifetime of your Qualified Spouse. You also have the option to elect to receive your retirement benefit as a:

- 66 2/3% Joint and Surviving Spouse Annuity,
- 75% Joint and Surviving Spouse Annuity (the Plan's **Qualified Optional Survivor Annuity**),
or
- 100% Joint and Surviving Spouse Annuity.

Each of these joint and surviving spouse annuity forms include a “pop-up” feature. Specifically, if your

spouse should die before you, your monthly benefit will be increased to the amount you would have been entitled to receive as a Single Life Annuity. This pop-up feature may also apply if a Participant divorces after retirement, but only if the Fund Office receives a court order that constitutes a valid waiver under federal law of the retired Participant's spouse's right to a surviving spouse annuity.

If you are married when your benefit commences, you may waive the Qualified Joint and Survivor Annuity and elect the Single Life Annuity or one of the Plan's Contingent Annuitant benefit forms, as described below, but your spouse must consent to your waiver of the Qualified Joint and Survivor Annuity by signing a spousal consent form, which is sent to you at the time you retire.

CONTINGENT ANNUITANT BENEFIT FORMS

You may elect to receive your benefit as a Joint and Survivor Annuity with a Contingent Annuitant who you designate to receive a survivor annuity in the event you predecease your Contingent Annuitant. This is a reduced form of payment that provides for monthly benefits for your lifetime and then for the lifetime of your Contingent Annuitant.

If, after your benefit commences, your Contingent Annuitant dies before you, your monthly benefit will not increase. However, if after you submit your Pension Application but prior to your retirement, your Contingent Annuitant dies, your election is automatically canceled. You will then have a

right to choose another type of benefit or to name another Contingent Annuitant. If your Contingent Annuitant is younger than you and you plan to elect a joint and survivor annuity, contact the Fund Office to ensure that there are no IRS restrictions on your right to elect one of these optional benefit forms.

How much will your Single Life Annuity form be reduced if you elect one of the Plan's optional benefit forms?

A Single Life Annuity will be reduced if you elect one of the Plan's optional benefit forms. The amount of the reduction depends on three factors:

1. The type of the Joint and Surviving Spouse Annuity or Joint and Survivor Annuity with a Contingent Annuitant you elect,
2. your age at retirement, and
3. the difference in age between you and your Spouse or you and your Contingent Annuitant.

The Plan's actuary applies actuarial assumptions (i.e., an applicable mortality table and interest rate assumption) to these three variables to determine the reduction for each of the Plan's optional forms.

To ensure that you understand how your election of one of these optional benefit forms will impact the amount of your monthly benefit, prior to your Annuity Starting Date, the Fund Office will provide you with relative values of the various optional forms of benefit under the Plan.

60 PAYMENT GUARANTEE FEATURE (Benefits Earned Prior to August 1, 2005)

The portion of the benefit you accrued prior to August 1, 2005 includes a 60 Payment Guarantee feature. The portion of your benefit you accrue on and after August 1, 2005 does not have this feature.

How the 60 Payment Guarantee works:

- **Single Life Annuity.** If your retirement benefit is being paid as a Single Life Annuity, and you die before receiving 60 monthly payments, your Designated Beneficiary(s) will receive the remainder of 60 monthly payments, based solely on the portion of your monthly benefit you accrued prior to August 1, 2005, in either monthly payments or a discounted lump sum.
- **Joint and Surviving Spouse Annuities and Joint and Survivor Annuities with Contingent Annuitants.** If your retirement benefit is being paid as a Qualified Joint and Survivor Annuity, other joint and surviving spouse annuity form, or joint and survivor annuity form with a Contingent Annuitant, and you die before receiving 60 monthly payments, your Qualified Spouse or Contingent Annuitant will receive:
 - the remainder of 60 monthly payments, based solely on the portion of your monthly benefit you accrued prior to August 1, 2005, **plus**
 - during the remainder of this 60 monthly payment period, 50%, 66 2/3%, 75%, or 100% of your monthly benefit (whichever is applicable) based solely on the portion of your monthly benefit accrued on and after August 1, 2005, and **thereafter**, 50%, 66 2/3%, 75%, or 100% of your monthly benefit (whichever is applicable) based on the entire benefit.



SECTION 8

Disability Benefits

DISABILITY BENEFIT (MONTHLY)

Monthly Disability Benefit Eligibility (in General)

You have a right to a monthly Disability Benefit if you have completely ceased working due to an illness or injury and you:

- are not eligible for an Early Retirement, Normal Retirement or Special Retirement benefit, and
- become Totally and Permanently Disabled, and
- have been awarded disability benefits by the Social Security Administration in connection with such permanent and total disability, and
- have at least 15 years of Vesting Service, and
- have at least 1,000 hours of Credited Future Service.

A Disability Benefit will convert to an Early Retirement benefit when you reach age 55.

Special Eligibility Provisions for Monthly Disability Benefits

- If you become Totally and Permanently Disabled during the 24 months immediately following your IPD, the 1,000 hours of Credited Future Service requirement is waived.
- For the purpose of satisfying the 15 years of Vesting Service requirement, Vesting Past Service need not be continuous nor exclude Employment within the Industry; provided:
 - You had hours reported on your behalf to the Pension Fund for each calendar year from your IPD to the calendar year in which you became Totally and Permanently Disabled; or

- You continued to accrue Vesting Future Service with a Participating Employer; or
- hours you worked are reported to a **Related Pension Plan**.

Features of the Monthly Disability Benefit

The amount of the monthly Disability Benefit is equal to the monthly amount of your Early Retirement benefit at age 55 paid as a Single Life Annuity. The monthly Disability Benefit is payable until one of the following occurs:

- You recover,
- You reach Early Retirement age, or
- You die.

If you are receiving a monthly Disability Benefit, as you approach Early Retirement age, the Fund Office will notify you so you can commence your Early Retirement benefit. At that time, you will elect how you wish to receive your Early Retirement benefit (e.g., Qualified Joint and Survivor Annuity (if married), Single Life Annuity, a Contingent Annuitant benefit, etc.).

NOTE: See “Return To Work Rules” in Section 11 for information on returning to work under a rehabilitation program.

LUMP SUM DISABILITY BENEFIT

A Lump Sum Disability Benefit is payable if you:

- are not yet age 65, and
- are not eligible for a monthly Disability Benefit, and
- are not eligible for any pension benefit payable under this Plan, and
- suffer a Total and Permanent Disability due to:

- the loss of use of both hands, or
- the loss of use of both feet, or
- the loss of sight of both eyes, or
- any combination of the above.

The Lump Sum Disability benefit is equal to the total amount of contributions made on your behalf.

DISABILITY REHABILITATION

If you are Totally and Permanently Disabled and receiving a monthly Disability Benefit, you can return to work and continue receiving your monthly benefit provided your return to work is under an authorized rehabilitation program which has been authorized by your treating physician and approved

by the Board of Trustees. If you participate in a rehabilitation program, you can work up to 400 hours at which time a determination must be made by your doctor as to whether or not you are rehabilitated. If rehabilitation has occurred, your monthly Disability Benefit will cease. If rehabilitation has not occurred, you must stop working and if you continue to work, your benefit will cease. Restarting of a monthly Disability Benefit will require recertification of disability and reapplication if your return to work on a longer-term basis proves unsuccessful. Should your rehabilitation occur during the 400-hour grace period as certified by your doctor, your monthly Disability Benefit would cease at that time. This rehabilitation provision can only be used once.





SECTION 9

Benefits Payable in the Event of Your Death

Upon the death of a Participant, the Plan may provide survivor benefits to the Participant's surviving **Qualified Spouse** or other Beneficiary(s). Benefits that may be payable to deceased Participants' surviving spouses and other Beneficiary(s) are described below.

IF YOU DIE WHILE RECEIVING A NORMAL, SPECIAL, OR EARLY RETIREMENT BENEFIT

If you die while you are receiving a Normal, Special, or Early Retirement Benefit, any survivor benefits will be paid in accordance with the type of retirement benefit you elected. *For details, see Section 7.*

If You Die while Your Application for a Retirement Benefit is Pending with the Fund Office but before Payments Actually Commence

If you had an application pending with the Fund Office at the time of your death, and your eligibility for benefits is determined after your death, your Qualified Spouse or other Beneficiary(s) will be entitled to receive the retirement benefits that would have been paid to you prior to your death. In addition, if you were married and elected a Qualified Joint and Survivor Annuity or another joint and surviving spouse annuity, or if you elected a joint and survivor annuity with a Contingent Annuitant, your surviving Spouse or Contingent Annuitant will receive a survivor annuity in accordance with your election.

If your Spouse, Contingent Annuitant, or other Beneficiary(s) dies before filing an application for survivor benefits or before receiving such survivor benefits, the survivor benefits that would have been payable to your Qualified Spouse, Contingent Annuitant, or other Beneficiary(s) prior to their death will be paid to the Beneficiary(s) of your Qualified Spouse, Contingent Annuitant, or other Beneficiary(s).

QUALIFIED PRERETIREMENT SURVIVOR ANNUITY (QUALIFIED SPOUSE)

If you die before the commencement of your retirement benefit, your **Qualified Spouse** will receive a Qualified Preretirement Survivor Annuity if you had a Vested Interest in your benefit. The Qualified Preretirement Survivor Annuity provides your surviving spouse with a lifetime monthly benefit generally equal to 50% of the benefit you earned as of your date of death. The Qualified Preretirement Survivor Annuity commences starting the first of the month following the date of your death.

If you die prior to age 55, your Qualified Spouse may waive the Qualified Preretirement Survivor Annuity and elect to receive the Return of Contributions Benefit described below.

Should a deceased Participant's Qualified Spouse die before receiving a total amount of survivor annuity benefits that equals or exceeds the amount of the Return of Contributions Benefit that would have otherwise been paid to the Participant's

Beneficiary(s), the Qualified Spouse's Beneficiary(s) will receive a death benefit equal to the amount of the Return of Contributions Benefit *minus* the total amount of annuity benefits the Qualified Spouse received prior to death.

IF YOU HAD A RIGHT TO A NORMAL RETIREMENT OR SPECIAL RETIREMENT BENEFIT BUT HAD NOT YET APPLIED FOR A BENEFIT

If you die after you are eligible for a Normal Retirement or Special Retirement Benefit but before you apply for benefits, survivor benefits will be paid to your Qualified Spouse or other Beneficiary(s) as follows:

- Your Qualified Spouse will receive a preretirement survivor annuity equal to the amount of the surviving spouse annuity payable under the Qualified Joint and Survivor Annuity and related optional forms as described above.
- If you are not married to a Qualified Spouse, your Beneficiary(s) will have a right to a death benefit in an amount equal to—
 - Your Accrued Benefit attributable to all Employer contributions required to be made on your behalf to the Plan for periods ending on or before July 31, 2005, under the 60 Payment Guarantee feature or in the form of a commuted lump sum (see below), *plus*
 - A Return of Contributions Benefit based on all Employer contributions made on your behalf to the Plan for all periods ending after July 31, 2005.

IF YOU HAD A RIGHT TO AN EARLY RETIREMENT BENEFIT AND YOU HAD NOT YET APPLIED

If you die after age 55 with at least 10 years of Vesting Service but before you apply for an Early Retirement Benefit, survivor benefits will be paid to your Qualified Spouse or other Beneficiary(s) as follows:

- Your Qualified Spouse will receive the Qualified Preretirement Survivor Annuity as described above.
- If you are not married to a Qualified Spouse,

your Beneficiary(s) will receive a Return of Contributions Benefit based on all of the Employer contributions made on your behalf to the Plan.

IF YOU DIE WHILE RECEIVING A MONTHLY DISABILITY BENEFIT

If you are married to a Qualified Spouse and die while receiving a monthly Disability Benefit, your Qualified Spouse will receive a Qualified Preretirement Survivor Annuity, as described above. If you do not have a Qualified Spouse and you die while receiving a monthly Disability Benefit, your Beneficiary(s) will be entitled to receive a Return of Contributions Benefit as described below, minus the total amount of monthly Disability benefits you received prior to your death.

If You Die while Your Application for a Monthly Disability Benefit is Pending with the Fund Office but before Payments Actually Commence

If you had an application for a monthly Disability Benefit pending with the Fund Office at the time of your death, and your eligibility for benefits is determined after your death, your Beneficiary(s) will be entitled to receive the monthly Disability Benefits that would have been paid to you prior to your death. In addition, if you were married to a Qualified Spouse, your Qualified Spouse may receive a Qualified Preretirement Survivor Annuity as described above, and if you were not married to a Qualified Spouse, your Beneficiary(s) may receive a Return of Contributions Benefit.

IF YOU HAD A VESTED INTEREST BUT WERE NOT YET ELIGIBLE FOR A NORMAL RETIREMENT, SPECIAL RETIREMENT, OR EARLY RETIREMENT BENEFIT

If you had a Vested Interest in your Accrued Benefit but were not yet eligible for a retirement benefit under the Plan, survivor benefits will be paid to your Qualified Spouse or other Beneficiary(s) as follows:

- Your Qualified Spouse will receive the Qualified Preretirement Survivor Annuity as described above.

- If you are not married to a Qualified Spouse, your Beneficiary(s) would receive the Return of Contributions Benefit based on all of the Employer contributions made on your behalf to the Plan.

IF YOU ARE NOT VESTED WHEN YOU DIED

If you are not yet vested in your Accrued Benefit when you die, your Beneficiary(s) will be entitled to a Return of Contributions Benefit equal to the total amount of Employer contributions made on your behalf to the Plan if:

- You had 1,000 hours reported to the Plan, and
- You had hours reported to the Plan for work performed during the 24 months immediately preceding your date of death.

Note: The 1,000 hour eligibility rule is waived if death or Total and Permanent Disability occurs within the first 12 months of participation. The 24-month eligibility rule is waived if you have not reached age 65 and you incur a Total and Permanent Disability within the 24-month period immediately following the last month you worked for which contributions were made or required to be made to the Plan on your behalf.

RETURN OF CONTRIBUTIONS BENEFIT

A Return of Contributions Benefit is a lump sum death benefit payable to a Participant's Beneficiary(s), and except as otherwise expressly stated in this SPD, the total amount of a Return of Contributions Benefit equals the total amount of contributions made on the deceased Participant's behalf up to the Participant's date of death.

60 PAYMENT GUARANTEE PAID AS A LUMP SUM DEATH BENEFIT (Benefits Earned Prior to August 1, 2005)

Most features of the Plan's 60 Payment Guarantee feature, which only applies to the benefit Participants earned prior to August 1, 2005, are described in Section 7. If a Participant has earned a benefit prior to August 1, 2005, all or a portion of a 60 Payment Guarantee Benefit may be payable to Beneficiary(s) of Participants who die:

- Before receiving 60 monthly Single Life Annuity payments,

- Before receiving 60 monthly Joint and Surviving Spouse Annuity payments or Joint and Survivor Contingent Annuitant payments,
- After they become eligible to receive or have applied for a Normal Retirement or Special Retirement Benefit.

While any portion of the 60 Payment Guarantee not paid to a Participant prior to the Participant's death may be paid to the Participant's Beneficiary(s) in subsequent monthly payments, a Beneficiary may elect to receive that portion of any remaining payments in a lump sum. This is a "commuted (or lump sum present) value" settlement, *i.e.*, the amount paid is less than the sum of the remaining monthly payments because the entire benefit is being paid immediately.

A Beneficiary should consult with a tax advisor prior to making this decision. Prior to the payment of this survivor benefit to a Beneficiary, the Fund Office will provide the Beneficiary with the lump sum amount, and the continuing monthly amount, so that the Beneficiary and the advisor can make an informed choice.

Appendix B of this SPD sets forth the lump sum distribution factors that will be applied to remaining monthly payments.

EXAMPLE CALCULATION: 60 PAYMENT GUARANTEE LUMP SUM CONVERSION

RJ retired on a Normal Retirement Benefit paid as a Single Life Annuity. RJ's monthly benefit was \$2,100.00, only \$785.00 was earned prior to August 1, 2005. RJ died after receiving 17 monthly payments. Therefore, there were 43 guaranteed monthly payments payable to RJ's Beneficiary, Ruth.

- Lump Sum Factor from Table (See Appendix B) for 43 remaining payments: 37.84699
- **37.84699 factor x \$785.00 monthly benefit = \$29,709.89 lump sum payment**

Ruth may elect to receive 43 monthly payments of \$785.00 or a Lump Sum Payment of \$29,709.89.





SECTION 10

Applying for Benefits

APPLICATION PROCESS IN GENERAL

You or your Beneficiary(s) must complete certain Central Pension Fund forms in order to receive a benefit. These forms are available from the Central Pension Fund, from your Local Union office or may be downloaded and printed from the Fund's website at www.cpfuoe.org. The forms must be fully completed following the instructions on the forms and must be submitted directly to the Fund Office. An Application for Benefits is only considered "filed" once it is actually received by the Fund Office, not the date it is postmarked or mailed. An application must be filed by the actual Participant, who earned Credited Service and/or Vesting Service by virtue of their employment with a Participating Employer, before any payment may commence.

In some cases, information not provided on the Central Pension Fund forms may be needed to determine your eligibility. If other information is needed, the Fund Office will contact you after the initial documents have been received.

Prompt submission of the required documents will assure timely processing of your application. We recommend that you start the application process about 90-120 days before your planned retirement date. Also keep in mind that you can request an estimate of benefits at any time. To request an estimate, please complete an Estimate Request form and submit it to the Fund Office. All requests must be made in writing.

Generally, in order to be eligible to commence receiving a benefit you must first completely cease working in Disqualifying Employment (See Sec-

tion 11 for details). In addition, you must also cease working for any Participating Employer regardless of your job classification. To ensure that you have separated from service with all Participating Employers, the Plan requires that you do not work for any Participating Employer in any capacity during the *first* month of your retirement, and you are not eligible to receive your benefit until you have ceased working for any Participating Employer for a minimum of one month. However, effective March 1, 2022, a Participant who continues to work for a Participating Employer may commence receiving a retirement benefit if the Participant has attained age 70 ½.

PENSION AND DISABILITY BENEFITS

If you have a right to a Normal Retirement, Special Retirement, or Early Retirement Benefit or a Disability benefit, you must submit the following documents:

- Central Pension Fund Application for Benefits
- Clear photocopies or state certified birth certificate for you and your spouse (if married)
- Clear photocopies or state certified marriage certificate (if married)
- A copy of your divorce decree (if divorced), including any separation agreement or other domestic relations order which may reference your pension benefit (or if your spouse is deceased, a state certified death certificate)
- For Disability benefits the Fund Office also needs:
 - Central Pension Fund Statement for Total and Permanent Disability benefits

- Social Security Administration Disability Report
- Social Security Administration Disability Benefit Notice of Award.
- Other documents which may be needed:
 - CPF Contingent Annuitant Option form and a clear photocopy or state certified birth certificate for the Contingent Annuitant
 - Evidence of employment and/or union membership for Credited Past Service or Vesting Past Service.

DEATH BENEFITS

If you are a surviving spouse of a Participant with a right to a monthly benefit, you must submit the following forms:

- Central Pension Fund Application for Surviving Spouse Benefits
- A state certified death certificate of the Participant
- If the Participant was not receiving any benefits:
 - A clear photocopy or state certified birth certificate of the deceased Participant
 - A clear photocopy or state certified birth certificate of the surviving spouse
 - A clear photocopy or state certified marriage certificate.

If you are a designated Beneficiary, child, parent, brother, sister, or executor or administrator of a Participant's estate, the following forms are needed:

- Central Pension Fund Statement of Claim for Death Benefits
- A state certified death certificate of the Participant
- Parents of a deceased Participant who are applying for death benefits are also required to submit a clear photocopy or state certified birth certificate of the participant confirming the identity of the parents, and in the event one parent is deceased, a state certified death certificate of the parent.
- Children applying for benefits are also required to submit a clear photocopy or state certified birth certificate confirming the identity of their

parents. In the event there are minor children, the Fund Office will need a statement from the adult financially responsible for the children showing legal guardianship.

If you are a Contingent Annuitant with a right to a survivor benefit you must submit the following forms:

- A Statement of Claim for Death Benefits
- A state certified death certificate of the Participant.

PLEASE NOTE

For your convenience, Appendix A of this SPD includes:

- A comprehensive list of "Acceptable Proofs," in addition to the proofs listed above, that may be considered by the Fund Office to establish: (a) birth date, (b) marriage, (c) change in marital status, (d) Total and Permanent Disability, and (e) death

CLAIMS AND APPEALS PROCEDURES

Notice of Adverse Benefit Determination

If your application is denied, in whole or in part, or if you have otherwise been advised by the Fund Office of an **adverse benefit determination** you will receive a written notice of that denial/Adverse Benefit Determination from the Fund Office.

"Adverse Benefit Determination"

The term "**adverse benefit determination**" means any of the following: a denial, reduction, or termination of, or a failure to provide or make payment (in whole or in part) for, a benefit, including any such denial, reduction, termination, or failure to provide or make payment that is based on the Plan's determination of a participant's or beneficiary's eligibility to participate in the Plan.

This notice will:

- Explain the reasons for the denial,
- Refer to the pertinent provisions of the Plan of Benefits,
- Describe the claim review process and applicable time limits, including a statement of your right to bring a civil action under Section 502(a) of ERISA following an adverse determination on review, and
- If appropriate, describe additional information needed to make your application acceptable and an explanation of why such information is necessary.

Appeal Procedures

If you receive an adverse benefit determination or if you disagree with a policy, determination or action of the Plan that is not an adverse benefit determination as defined above, you may submit a written appeal to the Board of Trustees requesting that the Board of Trustees review your benefit denial or the policy, determination or action with which you disagree. Your written appeal should be mailed to:

Eligibility Committee
Central Pension Fund
1125 17th Street, N.W., Suite 500
Washington, D.C. 20036-4724

Your written appeal must be received by the Fund Office within 180 days after you receive notice of an adverse benefit determination. Failure to file a timely appeal will result in a complete waiver of your right to appeal, and the denial of your application or other claim for benefits will be final and binding.

Upon receipt of an adverse benefit determination, you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, relevant information regarding the claim determination.

Your written appeal should state the reasons for your appeal. This does not mean that you are required to cite all provisions of the Plan of Benefits that apply or to make “legal” arguments; however, you should state clearly why you believe you are

entitled to the benefit you claim. The Board of Trustees can best consider your position if they clearly understand your claims, reasons and/or objections.

You may designate a representative to act on your behalf in filing an appeal of a denial relating to your application or other adverse benefit determination. If the Fund Office or the Board of Trustees are uncertain whether or not you have designated a representative, they may request that you put such designation in writing and may decline to communicate with a third party claiming to be your representative until such written designation is received.

The Board of Trustees or a designated committee of the Board of Trustees will review your appeal at the next meeting of the Board of Trustees immediately following receipt of your appeal unless your appeal was received by the Fund Office within 30 days of the date of the meeting. If your appeal is received by the Fund Office within 30 days of the date of the meeting, an interim meeting may be scheduled to consider your appeal. You may wish to contact the Fund Office concerning the date of the next meeting so that you may submit your appeal in time to be heard at that meeting.

Notice of Determination by the Board of Trustees

You will receive written notice of the decision of the Board of Trustees within 5 days after their review of your appeal.

Content of Notification

If the Board of Trustees denies your appeal, in whole or in part, the notice will explain the reasons for the decision, will include a specific reference to the provisions of the Plan of Benefits on which the decision is based, explain that you are entitled to receive upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim, and describe your right to bring a civil action under Section 502(a) of ERISA.

Decision of the Board of Trustees on Appeal is Final and Binding

The decision of the Board of Trustees is final and binding upon all parties including the claimant and any person claiming a benefit on behalf of the claimant. The Trustees have full discretion or authority to determine all matters relating to the benefits provided under this Plan including, but not limited to, all questions of coverage, eligibility, and methods of providing or arranging for benefits.

For more information, see “Frequently Asked Questions about Retirement” in Section 14 below.





SECTION 11

When You Will Begin Receiving Your Benefits

NORMAL RETIREMENT, SPECIAL RETIREMENT, AND EARLY RETIREMENT BENEFITS

If you apply as soon as you retire and have a right to a benefit, your monthly Normal Retirement, Special Retirement, or Early Retirement benefit generally will be effective on the first day of the month following the last day worked, or on the first day of any month thereafter that you choose, provided that payment of your benefit must commence by your **Required Beginning Date**.

If you retire but for some reason delay in applying for your retirement benefit, you may still elect a **Retroactive Annuity Starting Date**. By electing a Retroactive Annuity Starting Date, you can receive retroactive benefit payments to the date you first became eligible for your retirement benefit, not to exceed 12 months from the date the Fund Office receives your application, and provided you are still alive as of the date the Fund Office receives your application.

IMPORTANT

Generally, to be eligible to begin receiving your retirement benefit you must cease working for a Participating Employer even if you're working in a position that does not require your Employer to contribute to the Plan on your behalf. However, effective March 1, 2022, a Participant who continues to work for a Participating Employer may commence receiving a retirement benefit if the Participant has attained age 70 ½.

DISABILITY BENEFITS

Monthly Disability Benefit payments and Lump Sum Disability Benefit payments are subject to a six-month waiting period from the date that the Social Security Administration determines you became disabled.

However, in the case of Monthly Disability Benefit payments, your first check will include benefits fully retroactive to the date you became Totally and Permanently Disabled.

DEATH BENEFITS

Benefit payments to your surviving spouse, Contingent Annuitant or other Beneficiary who is eligible to receive benefits upon your death shall commence effective as of the first day of the calendar month next following the month in which your death occurs. However, before the payment of benefits can begin, a Beneficiary must first file a written application with the Fund Office, and the Plan will begin paying such benefits after the Fund Office determines eligibility based on the information it receives on such application.

METHOD OF PAYMENT AND DIRECT DEPOSIT/ELECTRONIC FUNDS TRANSFER (EFT)

For a number of reasons, the Fund's recommended method of payment is direct deposit/Electronic Funds Transfer (EFT). If you elect direct deposit, the Fund will electronically transfer your monthly benefit straight to your bank from our

bank, rather than issuing a paper check and sending it to your home address.

Direct deposit is a reliable and efficient means for receiving your monthly benefit. Your benefit is not subject to loss, misrouting or theft, and is available the first working day of each month. There is no delay due to holidays or slow postal service, and you do not have to worry about late deposits due to bad weather, sickness or travel.

The form you would use to elect direct deposit will be included with your election letter package and can also be downloaded and printed from the Fund's website at www.cpfuoe.org. If you have already retired, and wish to elect direct deposit of your future monthly benefit payments, you should write or call the Fund Office to request information on direct deposit.

WORKING AFTER RETIREMENT

Return to Work Rules: Prior To Age 70 ½ (Suspension of Benefit Rules)

After you have completely ceased working for at least one month and actually retire, you can return to work in a job classification which you previously worked while earning your retirement benefit and continue to receive your monthly benefit, *provided* you do not work more than 40 hours in a calendar month.

You do not have a right to a monthly benefit (your monthly benefit will be *suspended*) for any month in which you work more than 40 hours in **Disqualifying Employment**, which is generally defined as work:

- with any employer engaged in an industry in the organizing jurisdiction of the IUOE, regardless of whether the employer is actually organized, in which Participants covered by the Plan were employed and earned benefits at the time of your retirement,
- in a trade or craft for which you were employed at any time while earning your benefit under the Plan, and
- in the geographic area covered by the Plan at the time your retirement began.

Please note that for purposes of this rule, working in a supervisory capacity related to your prior trade or craft is considered the same as working at that trade or craft.

The above rules have been adopted in accordance with applicable Department of Labor Regulations. The Board of Trustees has discretion to waive these rules under terms and conditions deemed appropriate.

Should you receive payment of your benefit for any month in which you worked more than 40 hours in Disqualifying Employment, the Fund will recover any such payments from your future monthly benefit payments, or you can return the amount paid to you for the months with your own personal check.

You are required to notify the Fund Office in writing within 30 days after taking a job that is or may be Disqualifying Employment irrespective of the number of hours you work. If you are not sure whether certain employment would be considered Disqualifying Employment by the Plan, you may request that the Board of Trustees review the employment you are considering and advise you whether the employment would result in the suspension of your benefit. Such requests must be in writing and will be processed in accordance with the Plan's Appeal Procedures set forth in Section 10.

To ensure compliance with the Plan's Suspension of Benefit Rules, **Retirees** may be required from time to time to certify in writing that they are not working in Disqualifying Employment. Of course, if a Retiree returns to work covered by the Plan, the Fund Office will receive reports from the Participating Employer. If there is information provided from any source that a Retiree is working in Disqualifying Employment, the Board of Trustees may automatically suspend the Retiree's monthly benefit based on two presumptions:

1. The Retiree worked at least 40 hours per month, and
2. The Retiree has been working at a jobsite for as long as the Retiree's employer has been working at that site.

A Retiree has the right to rebut these presumptions by providing satisfactory information about the Retiree's actual employment.

Working after Age 70 ½

There are no restrictions on post retirement employment once you reach age 70 ½. Moreover, effective March 1, 2022, Participants who are age 70 ½ or older may start receiving their retirement benefit while continuing to work for a Participating Employer.

RECALCULATION OF BENEFITS AFTER RETURNING TO WORK

Prior to age 65

If you return to work prior to age 65, you have a right to an increase in your monthly benefit at your final retirement date, provided you had at least 1,000 hours reported to the Fund for the period during which you were not entitled to receive a benefit payment under the Plan's Suspension of Benefit Rules. The monthly increase will be based on the type of benefit you were receiving, and the additional hours reported will be added to the prior monthly benefit.

If you earn 5 or more years of additional Credited Future Service **excluding any hours worked during a month you were not entitled to receive a benefit payment**, your monthly benefit will be recalculated based on the type of benefit you were receiving, however, the monthly amount will be based on the percent of benefit then being paid by the Plan but in no case will the benefit be less than what you had previously received.

NOTE: Although you may retire and return to work on more than one occasion prior to reaching age 65, you are eligible to receive this increase only once. Therefore, you should carefully consider your use of this provision if you plan on returning to work on more than one occasion.

After Age 65 but before Age 70 ½

If you return to work after age 65, you have a right to an increase in your monthly benefit at your retirement date provided you had 1,000 uninter-

rupted hours (i.e., you were not entitled to receive a benefit during your return to work) reported to this Fund following the month for which you last received a benefit payment. This monthly increase will be based on the type of benefit you were receiving and the additional hours reported added to the prior monthly benefit.

NOTE: You are eligible to receive this increase anytime you return to work and meet the above requirements.

After Age 70 ½

For hours worked after retirement and after you have reached age 70 ½, your monthly benefit will be adjusted annually to reflect the additional hours and contributions. This adjustment will be made after all hours for the calendar year have been processed by the Fund Office, approximately 120 days following the year end. Payments will be retroactive to the 1st of the year following the year for which they were made.

WHEN YOUR BENEFIT MUST COMMENCE – REQUIRED BEGINNING DATE

The Code and underlying IRS regulations set forth strict rules that require pension plans to begin paying benefits to participants and beneficiaries before a specific date. To comply with the Code and underlying IRS regulations, the Plan's **Required Beginning Date** for Participants is:

- Except in the case of a 5% owner (as defined in the Code) the later of:
 - April 1st of the year following the calendar year in which the Participant attains age 70 ½ or
 - April 1st of the calendar year in which the Participant retires from employment with a Participating Employer.
- In the case of a 5% owner, April 1st of the year following the calendar year in which the Participant attains age 70 ½.



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SECTION 12

Designating Your Beneficiary

YOUR BENEFICIARY

Your Beneficiary is the person or persons you designate to receive any benefit that may be payable under the Plan upon your death.

However, regardless of who you designate as your Beneficiary:

- The Qualified Joint and Survivor Annuity and the Qualified Preretirement Survivor Annuity will only be paid to your Qualified Spouse.
- The Contingent Annuitant joint and survivor annuity benefit will only be paid to the Contingent Annuitant you have selected on your Application for Benefits.
- The Plan will treat your **Alternate Payee** (*e.g.*, your former spouse or your child), as identified in a **QDRO**, as your Beneficiary to the extent required under such QDRO.

HOW TO DESIGNATE A BENEFICIARY

Prior to Your Retirement

You may designate one or more individuals as your Beneficiary by filing a Designation of Beneficiary form with the Fund Office. The form may be obtained from the Fund Office, your Local Union, or may be downloaded and printed from the Fund's

website at www.cpfuo.org. This designation may be changed at any time. If your marriage is terminated by divorce, a copy of your **entire** divorce decree and marital separation/property agreement (if any) must be submitted with this form.

At the Time of Your Retirement

You may designate one or more individuals as your Beneficiary on the form included with your Application for Benefits. The application and accompanying forms may also be obtained from the Fund Office, your Local Union, or the Fund's website.

IF YOU DO NOT DESIGNATE A BENEFICIARY

If you fail to designate a Beneficiary or your Designated Beneficiary predeceases you, benefits will automatically be paid as follows:

- First, to your spouse, if living
- Second, to your children, if living
- Third, to your parents, if living
- Fourth, to your brothers or sisters, if living
- Fifth, to the executor or administrator of your estate.



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SECTION 13

Participants from Merged Plans

From time to time pension plans jointly sponsored by IUOE Local Unions (**Merged Plans**) merge into the Central Pension Fund.

In each case, the terms of the merger agreements provide for certain differences between the benefits, rights and features that apply to the participants from the jurisdiction of the Merged Plan, and those benefits, rights and features described in this SPD.

The following Merged Plans have the most recently concluded merger agreements with the Central Pension Fund:

- Pension Plan for Employees of the Welfare and Pension Funds of Local Union 15, 15A, 15C, 15D, New York, NY
- IUOE Local 675 Pension Fund, Pompano Beach, FL
- IUOE Local 138, 138A and 138B, AFLCIO, Pension and Retirement Benefit Fund, Farmingdale, NY
- IUOE Local Union 15, 15A, 15C, 15D, AFLCIO, Pension Fund, New York, NY
- IUOE Local 25 Marine Division Pension Plan, Millstone, NJ
- Pension Plan of the International Union of Operating Engineers Local 487, Miami, FL.

Participants and beneficiaries from any of the Local Unions covered by these Merged Plans can determine the specific provisions applicable to them by reviewing the following documents:

- The statement that was provided to all participants and beneficiaries within 90 days after the effective date of the plan merger. This statement provided a brief description of the merger, and a description of the provisions of, and benefits provided by, the Merged Plan and the Central Pension Fund.
- The plan document of the Merged Plan and the Central Pension Fund's Plan of Benefits.
- The plan merger documents.

These documents are available for inspection at the offices of the Central Pension Fund, and copies may be obtained upon written request to the Fund Office.





SECTION 14

Frequently Asked Questions

FREQUENTLY ASKED QUESTIONS ABOUT PARTICIPATION AND CREDITING OF SERVICE

If I do not have a right to a benefit, can I withdraw the contributions paid to this Fund on my behalf?

No. Contributions made to this Fund by Participating Employers are only payable in the form of benefits to an eligible Retiree and/or Beneficiary.

What happens if I cease to work as an Operating Engineer?

The Fund Office will continue to maintain your records. If you have 5 years of Vesting Service, have at least 1,000 hours of Credited Future Service (1,200 if your IPD is before January 1, 1982) and at least one Hour of Service reported to the Fund on or after January 1, 1989, and prior to your 65th birthday, you can apply for a benefit at your Normal Retirement Date. If you have 10 years of Vesting Service, have at least 1,000 hours of Credited Future Service (1,200 hours if your IPD is before January 1, 1982), you may apply for a benefit at your Early Retirement Date.

What happens if I stop working as an Operating Engineer and leave the industry before I have a Vested Interest?

The Fund Office will continue to maintain your records. If you cease working as an operating engineer, and do not return to work for a Participating Employer performing work covered by the Plan,

you will not have a right to a retirement benefit.

The contributions Participating Employers made on your behalf will remain in the Fund.

How often can I expect to receive information about my Plan benefits?

Twice each year active and/or vested Participants will receive a benefit statement from the Plan.

I did not keep all of my benefit statements. How can I find out about the benefits I've accrued under the Plan?

Submit to the Fund Office a Request for Estimate (Request for Estimate forms are available online at www.cpfuo.org) or request that the Fund Office provide you with a copy of your record.

What should I do if my employer did not report hours on my behalf?

Write the Fund Office and provide the following information:

- Your social security number, complete name and address
- Name and address of Employer
- Locations of each job in question and Local Union jurisdictions
- The dates worked on each job
- Number of hours worked on each job
- Copies of your pay stubs.

If I work in the territory of an IUOE Local Union that has its own pension plan and does not participate in the Central Pension Fund, what happens to my hours?

Write the Fund Office and provide the following information:

- The Local Union territory in which you were working
- Number of hours worked
- Dates worked
- Name of your employer(s).

With this information we can tell you if you have service in that plan which we can recognize for vesting purposes. For details see Section 4.

I worked over 2,000 hours in one year. Why didn't I receive two years of Credited Future Service?

The maximum Credited Future Service a Participant can earn in a calendar year is one year.

Why don't I have an account balance with the Plan?

The Plan is a defined benefit plan where the benefit you accrue is determined by a formula that is based on the amount of contributions required to be made on your behalf during specific periods of time. It is not a savings account, an IRA or a 401(k) plan; thus, Participants don't have separate accounts. A defined benefit plan such as the Central Pension Fund transfers the investment risk from individual Participants to the Plan. It provides a defined benefit with many additional features, something which cannot be obtained under an IRA, savings account or 401(k) plan.

Why haven't I received my Benefit Statement?

Semi-annual benefit statements are mailed directly to Participants for whom the Fund Office has a current address. You will not receive a benefit statement if: (a) you are an Inactive Participant, or (b) you have begun receiving a benefit from the Plan, or (c) you have not provided the Fund Office with your current address. *It is important that you*

keep both the Fund Office and your Local Union office advised of any address changes.

FREQUENTLY ASKED QUESTIONS ABOUT RETIREMENT

If I am planning to retire, can I find out how much my benefit will be?

Yes, in fact, you should find out how much your benefit will be before finalizing your retirement decision. Send your request for an estimate to the Fund Office. Be sure to include your correct social security number, full name and address. Estimate Request forms are available online at <https://www.cpfuoe.org/forms-documents/>

I know when I want to retire. How far in advance should I file my Application?

We recommend that you file your application no more than four months, and no fewer than two months, before your desired retirement date.

If I worked in the territory of IUOE Local Unions that are not in the Central Pension Fund, must I inform the Central Pension Fund of this when I retire?

Yes. On the Application for Benefits, Local Unions not in the Central Pension Fund are listed. You should circle any Local Union numbers and indicate the actual calendar years worked, so that your eligibility can be checked with reciprocating Local Unions.

Must I retire at my Normal Retirement date?

No. You may continue to work and earn more Credited Future Service, but your benefit cannot commence any earlier than the month following the month you cease working for a Participating Employer unless you attain age 70 ½. Your retirement benefit must commence by your **Required Beginning Date** (See Section 11).

If you retire after Normal Retirement Age and prior to April 1 following the calendar year in which you attained age 70 ½, you will receive the actuarial equivalent of your Normal Retirement benefit (i.e.,

your monthly benefit will be actuarially increased to account for the fact that your benefit is commencing after Normal Retirement Age). However, no actuarial increase will be applied for any month in which your benefit would have otherwise been suspended due to Disqualifying Employment (See **WORKING AFTER RETIREMENT**, Section 11).

Notwithstanding the prior paragraph, if you retire after April 1 following the calendar year in which you attained age 70 ½, solely for the period beginning April 1 following the calendar year you attained age 70 ½, the actuarial increase described above will be provided for any month you delay retirement, even for months your benefit would have otherwise been suspended due to Disqualifying Employment.

Can I elect to roll over my benefit to another retirement plan or my IRA?

The Plan's pension benefit forms are not considered eligible rollover distributions. However, some of the Plan's death benefit forms are eligible for rollover. If your surviving Spouse or other Beneficiary receive an eligible rollover distribution from the Plan, they may elect to have all or any portion of the distribution directly rolled over to an eligible retirement plan including an Inherited IRA. If they

choose not to directly roll over their distribution to an eligible retirement plan, 20% of that eligible rollover distribution is subject to mandatory federal income tax withholding. The Fund Office will provide more information on the rollover rules and the tax consequences of Plan payments before payment is made to your surviving Spouse or other Beneficiary.

When are monthly benefits sent to Retirees?

Checks are issued the last working day of the month for the next month. January's check is dated January 1 and is mailed out the last working day of December. If you have elected direct deposit (see **METHOD OF PAYMENT AND DIRECT DEPOSIT/ELECTRONIC FUNDS TRANSFER (EFT)** in Section 11), your monthly benefit will be directly deposited to your bank by the first working day of each month. This is an excellent way to avoid lost, stolen, delayed and misplaced benefit checks.

I moved and notified the Postal Service of my move. Why is my check still being sent to my old address?

You must also notify the Fund Office of any change in your address. You may do this by submitting U.S. Postal form 3576, or by advising us by mail.





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SECTION 15

General Information

Legal Name of the Plan	Central Pension Fund of the International Union of Operating Engineers and Participating Employers
Plan Administrator	The Board of Trustees of the Central Pension Fund of the International Union of Operating Engineers and Participating Employers
Plan Number	001
Employer Identification Number	36-6052390
Plan Type	Multiemployer Defined Benefit Pension Plan
Plan Year	February 1 – January 31
Agent for Service of Legal Process	<p>The Board of Trustees of the Central Pension Fund of the International Union of Operating Engineers and Participating Employers 1125 17th Street, N.W., Suite 500 Washington, D.C. 20036-4724</p> <p>The Board of Trustees has also designated Joseph Shelton, Chief Executive Officer of the Plan as agent for service of legal process at the address above.</p> <p>Finally, legal process may be made upon any Plan Trustee at the above-referenced address.</p>
Source of Contributions to the Plan	Participating Employers, in accordance with collective bargaining agreements and other written agreements, make all contributions to the Plan. The agreements require contributions on behalf of each covered employee on the basis of a fixed rate. Benefits are provided from the Plan's assets, which are accumulated under the provisions of the Plan's Trust Agreement and held in a trust fund for the purpose of providing benefits to all eligible persons and defraying reasonable administrative expenses.

ACTION BY THE BOARD OF TRUSTEES

The Board of Trustees has discretionary authority to make all interpretations of the Plan of Benefits and all other governing documents of the Plan as are necessary to carry out the intent and purpose of the Plan and provide for its effective administration. In all actions regarding determinations concerning benefit eligibility, the Board of Trustees shall be the sole judge of:

- The standard of proof required in any case;
- The application and interpretation of the Plan of Benefits;
- The amount or entitlement to a benefit, and
- The crediting of Credited Service.

The decisions of the Board of Trustees with respect to any of the foregoing shall be final and binding on all parties.

IF YOU ENTER THE MILITARY

The Plan will credit you with:

- Vesting Service,
- Credited Service,
- Service to avoid One-Year Breaks-in-Service, and
- Service for purposes of benefit accrual.

with respect to Qualified Military Service in accordance with USERRA if you timely return to employment covered by the Plan after such military service.

Your Qualified Military Service will be credited for these purposes provided the following conditions are satisfied:

- You must have reemployment rights under USERRA and underlying regulations;
- You must not have incurred a One-Year Break-in-Service at the time you entered military service, and
- You must be a Participant before entering military service.

If you meet all of the necessary requirements, the Plan will credit you with Vesting Service and Credited Service to avoid One-Year Breaks-In-Service, and service for purposes of benefit accrual during your Qualified Military Service. Make sure you contact the Fund Office before your military

service. The Fund Office can give you information about what you need to do to receive credit during your period of service in the military (*e.g.*, a copy of your Form DD214 discharge papers).

A Participant who dies while performing Qualified Military Service will have the period of military service prior to their death credited for purposes of determining their Qualified Spouse's eligibility to receive a Qualified Preretirement Survivor Annuity or other Beneficiaries' rights to receive Return of Contributions Benefits. However, such service will not be credited for purposes of benefit accrual when determining the amount of such preretirement survivor benefits.

SELLING, ASSIGNING OR PLEDGING BENEFITS

Benefits provided by the Plan may not be sold, assigned or pledged as security for a loan. Furthermore, benefits are not subject to attachment or execution for the payment of a debt under any judgment or decree by a court or otherwise, except as provided in the Code, ERISA and applicable regulations issued thereunder. However, any benefits payable to an alternate payee under a Qualified Domestic Relations Order (QDRO) will be honored by the Plan

Qualified Domestic Relations Orders

A spouse, former spouse or child (alternate payee) of a Participant may be granted certain rights to the Participant's pension through a QDRO. QDROs, which are typically issued by a court during a Participant's divorce proceedings, are state domestic relations orders that create or recognize the existence of an alternate payee's right to, or assign to an alternate payee the right to, receive all or a portion of the benefits payable with respect to a Participant under the Plan. To be an enforceable QDRO, a domestic relations order must meet certain requirements of federal law. If any pension benefit becomes subject to a QDRO, the Plan will enforce the terms of the QDRO and pay benefits in accordance with its terms.

Participants and beneficiaries can obtain upon request, without charge, a copy of the Fund's QDRO

procedures, as well as suggested QDRO language. All such requests should be sent to the Fund Office to the attention of Fund Counsel.

NON-BARGAINING UNIT PARTICIPATION

Participating Employers may include supervisory and other non-bargaining unit personnel provided:

- all personnel within a like job classification which is non-discriminatory are covered,
- none of the personnel are Highly Compensated or Key Employees, as defined in the Internal Revenue Code,
- such employer signs a Non-Bargaining Unit Participation Agreement, and
- the rate of contribution is not in excess of the rate being reported for the bargaining unit personnel.

In the event the Participating Employer wishes to cover a Highly Compensated or Key Employee, the employer must agree to cover all of its personnel who are not represented by a union.

If the group is accepted by the Board of Trustees, all benefits for which other Participants are eligible will be made available to the group; and past service will be granted in accordance with the provisions of the Plan and this SPD.

RECIPROCITY

The Central Pension Fund is signatory to the International Union of Operating Engineers National Reciprocity Agreement. That agreement provides for two types of reciprocity, Pro-Rata Reciprocity and Money Follows the Man Reciprocity.

Pro-Rata Reciprocity

Pro-Rata Reciprocity provides a means of combining service credits earned under the Central Pension Fund with service credits earned in other IUOE Local Union plans (known as Related Pension Plans) that have signed the pro-rata portion of the International Union of Operating Engineers National Reciprocity Agreement, so that you will have a right to a monthly benefit. All other IUOE Local Union plans in the United States, and four in Canada, are signatory to Pro-Rata Reciprocity.

You could benefit from this provision if your years of Vesting Service have been divided between the Central Pension Fund and one or more Related Pension Plans. To have a right to a pro-rata monthly benefit you must:

- be retired and not performing work for which hours and contributions are being reported,
- have service credits with the Central Pension Fund and the Related Pension Plans that can be combined so that you would have a right to a benefit (that is, you have a Vested Interest in each plan), and
- have at least one year of Credited Future Service in each plan based on actual participation.

Money Follows the Man (MFM) Reciprocity

Money Follows the Man (MFM) Reciprocity permits Participants of this Plan to request that contributions made on their behalf to other MFM signatory IUOE Local Union plans be transferred to the Central Pension Fund. Likewise, MFM Reciprocity permits participants from MFM signatory Local Union plans to request that contributions made to this Plan be transferred back to their home Local Union plan.

More than twenty IUOE Local Union plans are signatory to MFM Reciprocity. Each of these IUOE Local Union plans have adopted their own policies and procedures for MFM Reciprocity, which may limit the time within which MFM transfer requests must be made. Accordingly, participants interested in such transfers should contact those plans to determine such policies and procedures.

The detailed policies and procedures governing the Central Pension Fund's utilization of MFM Reciprocity are posted on the Fund's website at www.cpfuoe.org, or may be obtained directly from the Fund Office.

OTHER PLANS

Other Plans are qualified pension plans established by the IUOE, affiliated Local Unions, and Participating Employers, or any non-contributory Plan in which the Participant has a Vested Interest. A qualified plan is one that is set up under Section

401(a) of the Internal Revenue Code. A non-contributory plan is a plan of benefits where you do not make individual contributions in order to participate.

PLAN AMENDMENT AND/OR TERMINATION

The Board of Trustees reserves the right at any time and from time to time, and retroactively if deemed necessary or appropriate, to modify or amend in whole or in part any or all of the provisions of the Plan; provided, however, that no such modification or amendment shall make it possible for any part of the Fund to be used for, or diverted to, purposes other than for the exclusive benefit of Participants prior to the satisfaction of all liabilities under the Plan. No such amendment or modification shall make it possible to retroactively deprive any Participant of any benefit accrued prior to the date such amendment was adopted except as prescribed by federal law

Although the Plan's Board of Trustees expects to continue the Plan indefinitely, in accordance with the Fund's Trust Agreement, the Plan may be terminated upon the happening of any one or more of the following events:

- In the event the Fund shall, in the opinion of the Board of Trustees, be inadequate to carry out the intent and purpose of the Trust Agreement, or be inadequate to meet the payments due or to become due under the Trust Agreement and the Plan to Participants and Beneficiaries already drawing benefits;
- In the event there are no individuals living who can qualify as Participants to the Plan;
- In the event of termination by action of the Union and the Participating Employers, or
- In the event of termination as may be otherwise provided by law.

SEMI-ANNUAL PARTICIPANT STATEMENTS

Twice each year all active Participants, as well as inactive Participants with a Vested Interest, receive Statements showing the hours and contributions received on their behalf. The Statements are pre-

pared for the period January 1 through June 30, and January 1 through December 31. The Statements are normally sent from the Fund Office to a Participant's current address on file in October for the period ending June 30, and in April for the period ending December 31. Retirees and inactive non-vested Participants do not receive Statements.

IMPORTANT!

If you have not provided the Fund Office with your current address you will not receive a Statement. It is very important that if you move, you promptly provide the Fund Office with your change of address.

TAXATION OF BENEFITS

The Central Pension Fund is a qualified pension plan that meets the requirements of Section 401(a) of the Code, and the Plan of Benefits, as restated and amended, complies with the Code as follows:

- The Plan meets the requirements of Code Section 401(a).
- The Trust has a right to exemption under the requirements of Code Section 501(a).
- Contributions paid by Participating Employers into the Plan will be deductible from the employers' gross income within the limitations and subject to the conditions of Code Section 404 and subject to verification upon examination of the tax returns on which such deductions are claimed.
- Benefits paid to Retirees and Beneficiaries will be taxed under the requirements of Code Section 402(a).

Monthly Benefits

Monthly benefits paid to Retirees and Beneficiaries are subject to federal income tax withholding if your monthly benefits exceed a certain amount. The Fund will withhold federal income tax in accordance with applicable provisions of the Code unless you elect not to have the withholding apply. You may wish to have taxes withheld based on certain withholding allowances (Form W-4P) or you may elect a specified amount of federal income tax be with-

held from your pension payments regardless of the amount of your pension.

The Fund will send federal income tax withheld from benefits to the Internal Revenue Service monthly and advise the Retiree/Beneficiary annually of the amount withheld on an IRS Form 1099R.

Lump Sum Death Benefits

Lump sum death benefits which may be payable to your Beneficiary are subject to federal income tax withholding. The Fund will automatically withhold the applicable tax amount. The Fund will send federal income tax withheld to the Internal Revenue Service and advise the Beneficiary the following January of the amount withheld on an IRS Form 1099R.

BENEFITS INSURED BY THE PENSION BENEFIT GUARANTY CORPORATION (PBGC)

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 arrangement involving two or more unrelated employers, usually in a common industry. Under the multiemployer plan program, the PBGC provides financial assistance through loans to plans that are insolvent. A multiemployer plan is considered insolvent if the plan is unable to pay benefits (at least equal to the PBGC's guaranteed benefit limit) when due. The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by:

- 100% of the first \$11.00 of the monthly benefit accrual rate and
- 75% of the next \$33.00.

The PBGC's maximum guarantee limit is \$35.75 per month times a participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be \$12,870. The PBGC guarantee generally covers: (1) normal and early retirement benefits; (2) disability benefits if you become disabled before the plan becomes insolvent; and (3) certain benefits for your survivors.

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

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC Customer Contact Center, 1200 K Street, N.W., Suite 10227, Washington, DC 20005-4026 or call (202) 326-4000 (not a toll-free number). TTY/TDD users may call the Federal relay service toll-free at 1-800-877-8339 and ask to be connected to (202) 326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website at www.pbgc.gov.

YOUR RIGHTS UNDER ERISA

The following is a statement of your ERISA rights and is required by federal law and regulation.

As a participant in the Central Pension Fund of the International Union of Operating Engineers and Participating Employers you are entitled to certain rights and protections under the Employee Retirement Income Security Act (ERISA) of 1974. ERISA provides that all plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the plan administrator's office and at other specified locations, such as work sites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

- Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 series) and updated summary plan description. The administrator may make a reasonable charge for the copies.
- Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (generally age 65) and if so, what your benefits would be at normal retirement age if you stop working under the plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every 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 plan documents or the latest annual report 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 materials and pay you up to \$110.00 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 which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance With Your Questions

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the 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.



APPENDIX A

Acceptable Proofs

ACCEPTABLE PROOFS OF BIRTH DATE

- A clear photocopy of a state certified or original birth certificate, or
- One original or notarized copy of the following:
 - Naturalization Record
 - Family Bible
 - Record of Baptism
 - Passport
 - Elementary School Records

If the above is not available, then notarized copies of any two of the following will be accepted provided they detail your age:

- Union Records
- Census Records
- Church Records
- Civil Service Records
- Driver's License
- Employment Records
- Fraternal Records
- Hospital Records
- Immigration Records
- Military Records
- Social Security Records
- Savings Bank Records over 3 years old
- Voting Registry
- Insurance Policies over 3 years old.

ACCEPTABLE PROOFS OF MARRIAGE

- Clear photocopy of a state certified or original marriage certificate, or
- Notarized copy of a Church Record showing date of marriage.

Common-law marriages will be recognized under the laws of the state in which you reside provided

appropriate proofs are submitted. Acceptable proofs for common-law marriages include: notarized documents verifying co-habitation such as joint tax returns, joint bank accounts, leases or other similar legal documents. In addition, we will need two notarized statements from disinterested, i.e., not related, persons who can attest to you living together and presenting yourself as husband and wife in the community. We also require an affidavit from both parties verifying there was no legal impediment to the formation of a marriage and the parties intended to form a marriage. If either party was previously married, we would also require proof that marriage ended by death or divorce.

ACCEPTABLE PROOFS OF CHANGE IN MARITAL STATUS

In the event your marital status changes due to divorce, we will need a copy of your **entire** divorce decree (and any related marital separation/property settlement agreement) before we can make any changes to your record. If your spouse predeceases you, we will need a certified copy of your spouse's death certificate. If you re-marry, we will also need a certified copy of that marriage certificate.

ACCEPTABLE PROOFS OF DISABILITY

1. CPF Statement for Permanent and Total Disability benefits, and
2. Social Security Administration Disability Report (Form SSA-3368-BK), and
3. Social Security Administration Disability Award Letter.

ACCEPTABLE PROOF OF DEATH:

State certified death certificate.



APPENDIX B

**TABLE FOR LUMP SUM DISTRIBUTION FACTORS
60 PAYMENT GUARANTEE DEATH BENEFIT
(7.75 Annual Interest Discount)**

Remaining Monthly Guaranteed Payments	Lump Sum Factors	Remaining Monthly Guaranteed Payments	Lump Sum Factors
1	1.00000	31	28.28212
2	1.99380	32	29.10675
3	2.98144	33	29.92626
4	3.96295	34	30.74068
5	4.93837	35	31.55006
6	5.90775	36	32.35442
7	6.87112	37	33.15379
8	7.82851	38	33.94820
9	8.77996	39	34.73769
10	9.72552	40	35.52228
11	10.66521	41	36.30201
12	11.59908	42	37.07690
13	12.52715	43	37.84699
14	13.44947	44	38.61230
15	14.36607	45	39.37287
16	15.27699	46	40.12872
17	16.18225	47	40.87988
18	17.08191	48	41.62638
19	17.97598	49	42.36826
20	18.86451	50	43.10553
21	19.74754	51	43.83823
22	20.62508	52	44.56639
23	21.49719	53	45.29004
24	22.36388	54	46.00920
25	23.22520	55	46.72389
26	24.08118	56	47.43416
27	24.93186	57	48.14002
28	25.77726	58	48.84150
29	26.61741	59	49.53864
30	27.45236	60	50.23145

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Central Pension Fund

International Union of Operating Engineers and Participating Employers

1125 17th Street, N.W., Suite 500

Washington, D.C. 20036-4724

CHANGE SERVICE REQUESTED

