











Operating Engineers Local 12

Pension Fund

Summary Plan Description

©2014 International Union Of Operating Engineers. All Rights Reserved.

Cover image © Gabriele Maltinti/Shutterstock.com

OPERATING ENGINEERS PENSION PLAN

100 Corson Street
Suite 100
Pasadena, CA 91103
(866) 400-5200
www.oefi.org

Board of Trustees

Union Trustees

David K. Sikorski
Perry Hawkins
Ken Hunt
Shawn Kinsey
Steve Coldiron
Robert Ninteman
Joe Rangel, Jr.

Employer Trustees

Dave Greco
Jaimie Angus
Michael Crawford
Mike Prlich
Stanley Howard
Patrick Velasquez
George Butorovich
Eddie Sprecco
Rocky Miller
Rob Manning

Fund Manager

Michael B. De Chellis

Legal Counsel

Carroll & Scully
Laquer, Urban, Clifford & Hodge

Consultant

Rael & Letson
The Segal Company

Auditor

Miller Kaplan Arase, LLP

OPERATING ENGINEERS PENSION PLAN

INTRODUCTION

We are pleased to provide you with this Summary Plan Description booklet that describes the benefits of your Pension Plan.

We encourage you to review this booklet carefully so that you are aware of all of the benefits to which you are entitled as well as some important restrictions and responsibilities. Our goal is to present and explain your benefits in language that is easy to understand. However, sometimes we must use terms that are not used in everyday conversation for legal reasons. You can call or write the Fund Office for answers to any questions you may have about the Plan and how any rule affects you.

This booklet provides a summary of the Plan rules as in effect December 1, 2014. If the facts and circumstances of a particular situation must be considered for a time before December 1, 2014, the provisions of the Plan in effect at the relevant date must be applied. Those provisions may be different from the current rules as explained in this booklet.

This booklet is only a summary of the Pension Plan rules. The complete rules of the Plan are contained in the Operating Engineers Pension Plan which is available upon request from the Fund Office. If there is any conflict between the information in this booklet and the Plan rules, the Plan rules will govern.

For your protection, only the Board of Trustees is authorized to interpret the rules of the Plan. Information you receive from the Union or employers or their representatives should be regarded as unofficial. Official information about your rights under the Plan must be communicated to you, in writing, signed on behalf of the Board of Trustees. The Board has authorized the Fund Office to communicate with participants on its behalf. Please remember to keep the Fund Office informed of any change in your mailing address. This will ensure that you receive all communications.

The Pension Plan has been providing benefits and retirement security for over 50 years. We are proud of the growth and success of the Plan and believe it will continue to provide significant measure of security to you and your beneficiaries for many years to come.

Sincerely,
BOARD OF TRUSTEES

TABLE OF CONTENTS

Glossary of Terms 5

Pension Credits 6
- Prior Pension Credit 6
- Current Pension Credit 7

Vesting 9

Breaks in Employment and Permanent Breaks in Employment 10

Pension Eligibility Requirements and Amounts 13

Forms of Pension Payment 20

Death Benefits 23

Starting Your Pension Payments 25

Retirement and Suspension of Pension Payments for
- Work After Retirement 27

Appealing the Denial of a Claim 29

General Information 30
- Qualified Domestic Relations Orders 30
- Rollovers to Another Plan 30
- Overpayments 30
- Incompetency or Incapacity of a Pensioner 30
- Non-Assignment of Benefits 30
- Information Required from Participants 31

Some Questions and Answers 32

Checklist: Things For You To Do 34

Facts About Your Plan 36

Statement of ERISA Rights 41

GLOSSARY OF TERMS

Participant

You become a Participant when you work in Covered Service for an employer who is required to make contributions to this Plan.

Covered Service

Covered Service is work covered by a collective bargaining agreement for which your employer is required to make contributions to this Plan.

Contiguous Non-Covered Service

This includes service of any kind for a contributing employer which immediately precedes or follows Covered Service for that same employer.

Year of Service

You earn a Year of Service for each Plan Year in which you have at least 1,000 Hours of Service.

Hour of Service

Each hour you are paid or entitled to be paid for periods you work in Covered Service and for periods during which no work is performed such as hours for which back pay is awarded.

Plan Year

The twelve consecutive month period from July 1 of one year to June 30 of the next year.

Normal Retirement Age

The later of age 65 or the 5th anniversary of the date you became a Participant in the Plan, excluding participation before July 1, 1988.

Pensioner

A Participant who has started to receive pension payments from the Plan.

Spouse

The person to whom a Participant or Pensioner is legally married in accordance with a marriage certificate issued by the state in which the marriage took place.

PENSION CREDIT

Pension Credits are units that measure the amount of time a Participant has worked in employment covered by the Plan. Pension Credits are based on your hours of such employment. Pension Credits are used in determining your eligibility for and amount of benefits payable under the Plan.

There are two types of Pension Credits:

- **Prior Pension Credit (for periods before June 1, 1960)**
- **Current Pension Credit (for periods after June 1, 1960)**

PRIOR PENSION CREDIT (for periods before June 1, 1960)

Prior Pension Credit is granted for employment and military service as follows:

1. Work as an Operating Engineer before June 1, 1960. One Prior Pension Credit is granted for each Plan Year before June 1, 1960 in which a Participant worked 1,200 hours or more (1/1200 of such credit for each hour of work) in a job covered by one of the Collective Bargaining Agreements in the geographic area covered by the Plan. Credit is also granted for work in an industry organized by the Union before June 1, 1960, unless that work results in credit toward a pension from a public agency.

2. Employment by the Union before June 30, 1960. One Prior Pension Credit is granted for each Plan Year of regular employment by the Union before June 30, 1960.

3. Military Service from 1940 through 1947 and from 1950 through 1956. One Prior Pension Credit is granted for each Plan Year ($1/12^{th}$ of a credit for each month) of service in the Armed Forces of the United States during the years 1940 through 1947 and 1950 through 1956. Credit is only granted if the Participant was employed in a job covered by a Collective Bargaining Agreement in the Plan's geographic area immediately before induction into military service and the Participant returned to that type of job within one year of discharge from military service or within one year of recovery from a disability which continued after leaving the military. No credit is granted if the Participant was dishonorably discharged.

Because it may be difficult to provide evidence of employment before June 1, 1960, Prior Pension Credit is granted to each Participant at the rate of 1,200 hours for each Plan Year of membership in good standing in the Union from May 1, 1930 to June 1, 1960.

Important Limits on Prior Pension Credits

- The maximum number of Prior Pension Credits is 20.
- Prior Pension Credit will be credited to a Participant only if the Participant earns at least one-half of a Current Pension Credit before incurring a Permanent Break in Employment.

CURRENT PENSION CREDIT (for periods after June 1, 1960)

Current Pension Credit is granted for employment and for military service as follows:

Work as an Operating Engineer after June 1, 1960. Current Pension Credits are based on contributions made to the Plan by employers in accordance with a Collective Bargaining Agreement. In general, one Current Pension Credit is granted for each 1,000 hours (1/1000 of a Current Pension Credit for each hour of service) of employment for a contributing employer. However, if an employer contributes to the Plan at less than the master or standard rate for periods after June 1, 1968, Current Pension Credit will be granted at a rate less than one Current Pension Credit for each 1,000 hours of service. The following chart outlines the amount of contributions required for Current Pension Credit.

From	Prior To	Contributions Required For One Full Current Pension Credit	Contributions Required for 1/1000th of a Current Pension Credit
June 1, 1968	July 1, 1970	$600	$0.60
July 1, 1970	July 1, 1971	$800	$0.80
July 1, 1971	July 1, 1972	$1,000	$1.00
July 1, 1972	July 1, 1973	$1,200	$1.20
July 1, 1973	July 1, 1975	$1,500	$1.50
July 1, 1975	July 1, 1976	$1,750	$1.75
July 1, 1976	July 1, 1978	$2,000	$2.00
July 1, 1978	July 1, 1979	$2,300	$2.30
July 1, 1979	July 1, 1980	$2,600	$2.60
July 1, 1980	January 1, 1981	$2,650	$2.65
January 1, 1981	February 1, 1982	$2,800	$2.80
February 1, 1982	July 1, 1982	$2,950	$2.95
July 1, 1982	July 1, 1983	$3,150	$3.15
July 1, 1983	July 1, 1997	$3,350	$3.35
July 1, 1997	July 1, 2000	$3,450	$3.45
July 1, 2000	July 1, 2006	$3,750	$3.75
July 1, 2006	July 1, 2007	$4,050	$4.05
July 1, 2007	July 1, 2008	$4,550	$4.55
July 1, 2008	July 1, 2009	$5,050	$5.05
July 1, 2009	July 1, 2023	$5,550	$5.55
July 1, 2023	July 1, 2024	$6,050	$6.05
July 1, 2024	July 1, 2026	$6,550	$6.55
July 1, 2026 and later		$7,300	$7.30*

* This is the amount used for benefit accrual. The actual contribution rate paid by individual employers may be higher because it includes a surcharge in accordance with Federal law.

Current Pension Credit for Military Service A Participant who served in the military and returns to civilian employment as an Operating Engineer for a contributing employer on or after December 12, 1994, will receive 3/100 of a Current Pension Credit for each calendar week of military service. Military service means both voluntary duty in the uniformed services of the United States and includes active duty, training (active and inactive), National Guard duty and periods when the Participant leaves civilian employment as an Operating Engineer for an examination to determine fitness for military service.

In order to receive this Current Pension Credit for military service, the Participant must provide to the Fund Office documents proving entitlement and must meet the following conditions:

1. The Participant must work as an Operating Engineer for a contributing employer or be on the out-of-work list of the Union immediately before entering military service; and

2. The total of all absences for military service must be less than 5 years unless the additional service was required by the government to fulfill training requirements, to complete an initial period of service, or because the Participant was unable to obtain orders for release; and

3. The Participant must return to work as an Operating Engineer for a contributing employer or be available for work on the out-of-work list of the Union in accordance with the following timetable:

Length of Service	Deadline to Return to Work or Out of Work List
Fewer than 31 days or for an examination to determine fitness to serve	2nd work day following transportation from place of service to Participant's residence
More than 30 but fewer than 180 days	14 days after completion of service unless impossible or unreasonable through no fault of Participant and then next day possible
More than 180 days	90 days after completion of service unless hospitalized or recovering from illness or injury from time in service and then when recovered. Maximum recovery period is two years unless circumstances beyond Participant's control make it impossible or unreasonable and then time necessary is allowed to accommodate circumstances

No hours are granted for military service if the Participant's separation from service is a dishonorable or bad conduct discharge, under other than honorable conditions, by dismissal or by dropping the Participant from the military rolls.

Work as an Operating Engineer Local No. 428 before November 30, 2024. A Participant who was a member of Operating Engineers Local 428 for whom contributions were made on their behalf to the Local 428 Annuity Trust Fund before November 30, 2024 shall receive the same amount of Pension Credits in this Plan, with a maximum amount of four (4) Pension Credits, upon accruing one (1) Pension Credit with this Plan

NOTE: Pension Credits obtained from contributions to the Local 428 Annuity Trust Fund are to be used for vesting purposes and are subject to Operating Engineers Pension Trust Plan Rules. These credits are not to be used towards calculating amounts for pension benefits, lump sum benefits, or death benefits.

VESTING

Vesting means that the Pension Credits you have earned cannot be forfeited or lost and you will be eligible for a pension when you meet the age and other requirements. However, vesting does not prevent Breaks in Employment which may cause the value of your Pension Credits to be frozen at the value in effect under the Plan at the time of the Break instead of the value in effect at retirement. See page 10 for the Break in Employment rules.

The following outlines the requirements for vesting. ***In each case, you must meet the requirement before you have a Permanent Break in Employment.***

Period	Required Credits or Service
On or before June 30, 1976	At least 3 Current Pension Credits or 3,000 hours of Covered Service
On or before June 30, 1978	At least 3 Current Pension Credits or 3,000 hours of Covered Service, Contiguous Non-Covered Service or a combination of both -OR- At least 2.7 Current Pension Credits or 2,700 hours of Covered Service, Contiguous Non-Covered Service or a combination of both if you later bring the total of your Current Pension Credits to 3 or your hours to 3,000
On or before June 30, 1980	At least 6 Current Pension Credits or 6,000 hours of Covered Service, Contiguous Non-Covered Service or a combination of both -OR- At least 5 Current Pension Credits or 5,000 hours of Covered Service, Contiguous Non-Covered Service or a combination of both if you later bring the total of your Current Pension Credits to 6 or your hours to 6,000
On and after July 1, 1980	At least 10 Current Pension Credits or 10,000 hours of Covered Service, Contiguous Non-Covered Service or a combination of both
For anyone with one Hour of Service after June 30, 1999	At least 5 Years of Service. A Year of Service is a Plan Year in which the Participant has 1,000 or more Hours of Service
On and after July 1, 1976	Normal Retirement Age (see page 5)

Exception: If you are not part of the Local 12 bargaining unit (a Non-Bargained Employee) and you have at least one Hour of Service after June 30, 1989, you will be vested when you have completed 5 Years of Service (a Year of Service is a Plan Year in which you have 1,000 Hours of Service).

BREAKS IN EMPLOYMENT AND PERMANENT BREAKS IN EMPLOYMENT

If you do not work enough hours, you may incur a Break in Employment or a Permanent Break in Employment. A Break in Employment may result in the value of your Pension Credits to be frozen at the level in effect at the time of the Break. A Permanent Break in Employment may result in the loss of the Pension Credits you accumulated prior to the Permanent Break.

BREAKS IN EMPLOYMENT

Incurring a Break in Employment

The following will cause a Break in Employment:

Failure to Work 500 Hours in Three Consecutive Plan Years. If you do not receive credit for 500 hours of Covered Service in a period of three consecutive Plan Years, you will have a Break in Employment. The Break takes effect on the last day of the third Plan Year if that last day is before July 1, 1990. If the last day of the three Plan Years is after July 1, 1990, the Break takes effect retroactively to the last day of the Plan Year before the three-year period began.

Work for Non-Contributing Employers. You will have a Break in Employment if you:

1. Work in any employment after January 1, 1990 for an employer who does Operating Engineer work but who has not signed a collective bargaining agreement with Local 12 requiring contributions to this Plan or a Related Plan recognized by the Trustees; or
2. Work as an Operating Engineer after January 1, 1990, for an employer, whether or not signatory, if the employer is not obligated to pay contributions for the work to the Plan or to a Related Plan. (see pages 16 and 17)

The Break takes effect on the last day of the Plan Year in which you work in the employment described above unless the employment is after July 1, 1994, in which case, the Break takes effect on the last day of the month before the month of the prohibited employment.

You must provide documents or other information requested by the Trustees to prove what type of work you are doing. If you fail or refuse to provide requested documents or information, the Trustees may presume you have done work which causes a Break in Employment.

Exceptions: You will not incur a Break in Employment for:

1. Work done at the request of Local 12 in an authorized organizing effort; or

2. Work for an employer which has terminated its Collective Bargaining Agreement as long as Local 12 continues bargaining with the employer and does not tell you to stop working; or

3. Work for which a Collective Bargaining Agreement temporarily requires that contributions be remitted to the Operating Engineers Health and Welfare Fund instead of the Pension Plan.

Effects of a Break in Employment

If you have a Break in Employment, your pension will be calculated using the Pension Factors (see page 18) in effect at the time of the Break rather than the Pension Factors in effect when you retire. This means your pension will be lower than it would have been if you had no Break. However, in no event will the Pension Factors be less than $8.00 for each Prior Service Credit and $12.00 for each Pension Credit unless you have more hours reported to a Related Plan than to this Plan, in which case, payment will be based on the Pension Factors in effect at the time the Credits were earned.

Waiving a Break in Employment

The Trustees may waive a Break in Employment for the following reasons:

1. Temporary or Total Disability, unless the disability occurred during or after employment for a non-contributing employer.

2. Military Service as outlined on pages 6 - 8.

3. Participation on a picket line authorized by Local 12 on or after July 1, 1969.

4. Unavailability of Operating Engineer employment on and after June 1, 1969, provided you submit the evidence required by the Trustees to prove that you were on Local 12's out-of-work list and continuously available for employment as an Operating Engineer and that you did not work in employment for a non-contributing employer.

5. Employment by National Steel and Shipbuilding Company between July 1, 1975, through June 30, 1978 if you were dispatched to work there by Local 12.

6. Work as a teacher providing instruction in Operating Engineer skills if the teaching is at the request or direction of the administrator of the Operating Engineers Training Trust.

If you believe you qualify for a waiver of a Break in Employment, contact the Fund Office.

PERMANENT BREAKS IN EMPLOYMENT

Incurring a Permanent Break in Employment if you are not yet vested

You will have a Permanent Break in Employment as follows:

Between June 1, 1960 and July 1, 1976. You will have a Permanent Break if you fail to receive credit for 500 hours in each of three consecutive Plan Years. The Permanent Break takes effect on the last day of the third Plan Year.

Between July 1, 1976 and July 1, 1979. You will have a Permanent Break if you fail to receive credit for 500 hours in each of three consecutive Plan Years **and** you fail to receive credit for 500 hours in each of a series of consecutive Plan Years equal to the number of Pension Credits (or multiples of 1,000 hours) previously accumulated. The Permanent Break takes effect on the last day of the last Plan Year in the series of Plan Years used to determine the Permanent Break.

Between July 1, 1979 and July 1, 1985. You will have a Permanent Break if you fail to receive credit for 500 hours in each of a series of consecutive Plan Years equal to the number of Pension Credits (or multiples of 1,000 hours) previously accumulated. The Permanent Break occurs on the last day of the last Plan Year in the series of Plan Years used to determine the Break.

On and After July 1, 1985. You will have a Permanent Break if you fail to receive credit for 500 hours in each of a series of consecutive Plan Years (not less than five) equal in number to the Years of Service previously accumulated. A Year of Service is a Plan Year in which you are credited with at least 1,000 Hours of Service. The Permanent Break occurs on the last day of the last Plan Year in the series of Plan Years used to determine the Break.

For Example: Let's say you have 1,000 Hours of Service in each of the four Plan Years from 2002 through 2005. You will have a Permanent Break if you then have fewer than 500 hours in each of the five Plan Years from 2006 through 2010.

Effects of a Permanent Break in Employment

If you incur a Permanent Break in Employment, all of the Pension Credits and Years of Service earned prior to the Permanent Break will be permanently forfeited and cannot be used to apply for a pension or for any other purpose under the Plan.

Waiving a Permanent Break in Employment

The Trustees may waive a Permanent Break in Employment for the following reasons:

1. Temporary or Total Disability for more than six months of a Plan Year.

2. Service in the Armed Forces of the United States or in the Public Health Service of the United States. Contact the Fund Office for detailed rules.

3. Absence from Covered Service on or after July 1, 1985 due to maternity or paternity leave. This includes your pregnancy, birth of your child, the placement of an adopted child with you or the care of your child after birth or adoption.

4. Unavailability of work in Covered Service on and after July 1, 1990, provided you have been on Local 12's out-of-work list, continuously available for work in Covered Service while not working, and have not worked for a Non-Contributing Employer during the Plan Year.

If you believe you qualify for a waiver of a Permanent Break in Employment, contact the Fund Office.

PENSION ELIGIBILITY REQUIREMENTS AND AMOUNTS

This section describes the eligibility requirements and amounts for each type of pension available under the Plan. The amount of monthly payment for each type will vary based on a number of factors such as your age, accumulated Pension Credits and the form of pension you elect. Information about the amount of payment will be found in the section on Forms of Pension Payment as well as in this section.

In order to receive any pension, you must file an application and submit the documents required by the Plan. Your pension cannot be effective earlier than the month following the month the application has been received by the Fund Office. See Pension Effective Date on page 25

Important: It is possible to be eligible for a pension and not be vested which means you can lose your right to a pension if you have a Permanent Break in Employment before becoming vested.

Pension Eligibility Requirements

The following chart outlines the age and service requirements for each type of pension under the Plan.

Pension Type	Age	Service Requirement
Regular	62 or older	• 3 Current Pension Credits or 3,000 hours on or before June 30, 1978 **or** • 6 Current Pension Credits or 6,000 hours **or** • Vested (see page 9)
Early	55 or older but younger than 62	Same as Regular Pension
Service	60 or older	30 years of service without a Break in Employment **and** 30,000 hours in this Plan A year of service for this purpose means each year of Prior Pension Credit and each Plan Year in which you have at least one hour.
Disability	Younger than 62	• ½ of one Current Pension Credit or 500 hours on or before June 30, 1978 **or** • 6 Current Pension Credits or 6,000 hours **or** • Vested (see page 9) **Additional Requirements** 1. You have not elected to receive and you are not eligible for disability benefits under the Operating Engineers Health & Welfare Fund, **and** 2. You do not have a Break in Employment for failing to have 500 hours in three Plan Years unless you are credited with 3,000 hours after the Break, **and** 3. You do not have a Break in Employment because you worked for a Non-Contributing Employer unless you are credited with 6,000 hours after the Break, and 4. You have 500 hours reported in the last 24 months preceding your Pension Effective Date,* **and** 5. You are Totally and Permanently Disabled (see page 15)
ProRata	See page 16	See page 16

* If you are Totally and Permanently Disabled, you must have 500 hours in the 24 months preceding the effective date of your Social Security Disability Award or in the 24 months preceding the date you are determined to be Totally and Permanently Disabled based on medical evidence.

Definition of Total and Permanent Disability

You are considered to be Totally and Permanently Disabled if the Trustees find that you are unable to engage in any substantial gainful activity because of sickness or accidental bodily injury or both. Your disability can be physical or mental, but it must be so severe that it is expected to result in your death or that it has lasted or will last for at least 12 months. You will not be considered Totally and Permanently Disabled if your injury or disease was self-inflicted, caused by the use of narcotics that were not prescribed for you by a physician, or was due to your commission or attempt to commit a felony.

You will not be considered Totally and Permanently Disabled just because you can no longer do your job as an Operating Engineer or perform the normal duties of an Operating Engineer. You must be so disabled that you cannot perform any type of substantial gainful employment. This means work that involves significant physical or mental duties which are productive and the work is done for profit. The Trustees will consider your age, education and work experience as well as the nature of your disability to determine if you are Totally and Permanently Disabled.

Proof of Total and Permanent Disability

The Trustees may obtain competent medical evidence to assist them in determining if you meet the Plan's definition or they may accept as proof of your disability, a Social Security Disability Award.

In order to determine that you continue to meet the Plan's definition of Total and Permanent Disability, the Trustees will, from time to time, require that you submit documents and other evidence, including results of medical examinations.

Changing from an Early or Service Pension to a Disability Pension

You may change your Early or Service Pension to a Disability Pension by filing a written request for the change and meeting the following requirements:

Using Medical Evidence

- You must have filed an application for a Disability Pension on or before the effective date of your Early or Service Pension, **and**
- You must have met the service requirements for a Disability Pension when you applied for your Early or Service Pension, **and**
- You must provide competent medical evidence that you were Totally and Permanently Disabled before the effective date of your Early or Service Pension.

The Disability Pension will be effective on the first of the month following the receipt by the Trustees of the medical evidence.

Using a Social Security Disability Award (SSDA)

- You must be awarded a Social Security Disability benefit, **and**
- You must have met the service requirements for a Disability Pension when you applied for your Early or Service Pension, **and**
- You must have applied for an Early or Service Pension on or after October 1, 1999.

The Disability Pension will be effective on the first of the month following the effective date of the Social Security Disability benefits.

If your SSDA is effective after the effective date of your Early Pension, the higher amount of the Disability Pension will not be paid to you until the difference between the Early Pension and Disability Pension equals the total amount paid to you as an Early Pension before your SSDA was effective.

Recovery from a Disability

If you recover from your disability or you lose your Social Security Disability Award, you must report your recovery or loss, in writing, to the Trustees within 30 days. If you fail to timely report, your eligibility for pension at a subsequent retirement will be postponed for six months plus the number of months you received Disability Pension payments to which you were not entitled. The six-month period will not extend beyond your Normal Retirement Age. However, the Trustees will recover the overpayment from your pension by deducting 100% of the first pension payment due to you when payments resume and 25% per month after that until the full amount is recouped.

If you recover from your disability you can return to work as an Operating Engineer, if you wish, and continue to earn Pension Credits.

Pro Rata Pensions

Pro Rata Pensions (sometimes called "Reciprocal Pensions") are provided for Participants who would not otherwise qualify for a pension, or whose pension would be less than they would otherwise be, because their years of employment were divided between the geographic area of Local 12 and other areas which have their own Operating Engineers pension plans. These other plans are called Related Plans.

The Trust has reciprocal agreements with many Related Plans in the United States and Canada. These agreements allow the hours you worked in the Related Plans to be combined with the hours you worked in this Plan to meet the eligibility requirements for a pension in this Plan. However, the benefit payable to you from this Plan is based solely on the Credits you earn in this Plan. The Related Plans may pay you a pension for the credits you earn in their areas. You would receive a check from each pension plan, not a combined check.

The hours you earn in Related Plans can also be used to prevent a Permanent Break in Employment in this Plan.

Western States and Rock Products Reciprocity Agreements

You are eligible for a Pro Rata Pension if you are retired from Operating Engineer work and would be eligible for a Regular, Early or Disability Pension from this Plan based on the combination of hours from this Plan and Related Plans covered by these agreements.

The amount of pension is determined in the same way as the Regular, Early or Disability Pension based only on the Credits earned in this Plan. However, no benefit is payable for any Prior Service Credit unless you have at least ½ of a Pension Credit before February 16, 1968.

International Union Reciprocity Agreement

You are eligible for a Pro Rata Pension if you are retired from Operating Engineer work and would be eligible for a pension from this Plan based on the combination of hours from this Plan and Related Plans covered by this agreement and meet the following requirements:

1. You are credited with at least one Year of Service for employment under this Plan (contributions must be made to this Plan); and

2. You are eligible for a Pro Rata Pension from the Related Plan; and

3. You waive the right to any other pension under this Plan.

The amount of pension is determined in the same way as the other pensions in this Plan based only on the Credits earned in this Plan.

National Pipeline Agreement – Central Pension Plan

The Trustees have adopted a policy which allows for the transfer of contributions for work you do under the National Pipeline Agreement from the Central Pension Fund to this Plan. The dollar amount transferred is divided by the current contribution rate in this Plan to determine the number of hours credited under this Plan. The hours credited will be added to the hours you earned in the Local 12 area to establish the Pension Credit in this Plan.

Pension Amounts

Following is the basic formula for calculating the amount of a monthly pension. The amount of monthly pension is affected by the form of payment you elect at retirement. See pages 20 - 22.

Regular, Service and Disability Pensions

The monthly payment is calculated by multiplying your Prior Pension Credits and Current Pension Credits (and fractions of each) times the Pension Factors from the following table, and adding the results.

If you have a Break in Employment, Credits earned before the Break will be multiplied by the Pension Factor in effect at the time of the Break, but not less than $8.00 for each Prior Pension Credit and $12.00 for each Current Pension Credit. However, if you have more hours reported to a Related Plan than to this Plan the Pension Factor in effect at the time the Credits were earned will be used to calculate the amount of pension you receive.

PENSION FACTORS		
Effective Date	**Prior Pension Credit**	**Current Pension Credit**
July 1, 1966	$4.50	$3.65
July 1, 1967	$7.20	$5.65
July 1, 1968	$7.20	$7.95
July 1, 1970	$7.20	$9.00
July 1, 1971	$7.20	$11.00
July 1, 1972	$8.00	$12.00
July 1,1973	$8.00	$15.50
July 1, 1975	$8.00	$20.00
December 1, 1978	$8.00	$22.00
July 1, 1979	$8.00	$23.00
January 1, 1981	$8.00	$24.00
February 1, 1982	$8.00	$25.00
July 1, 1982	$8.00	$26.00
January 1, 1984	$8.00	$27.00
July 1, 1985	$8.00	$29.00
July 1, 1986	$8.00	$30.00
July 1, 1987	$8.00	$31.00
July 1, 1988	$8.00	$33.00
July 1, 1989	$8.00	$34.00
July 1, 1990	$8.00	$35.00
July 1, 1991	$8.00	$36.00
July 1, 1994	$8.00	$37.00
January 1, 1997	$8.00	$39.00
September 1, 1997	$8.00	$40.00
July 1, 1998	$8.00	$45.00
August 1, 1999	$8.00	$46.00
February 1, 2000	$8.00	$47.00
August 1, 2000	$8.00	$50.00
October 1, 2001	$8.00	$54.00
August 1, 2006	$8.00	$55.00
July 1, 2007	$8.00	$58.00
July 1, 2023	$8.00	$60.00
July 1, 2024	$8.00	$62.00
July 1, 2026	$8.00	$66.00

Early Pension

The amount of the Early Pension is calculated by first determining the amount of Regular Pension you would be entitled to receive if you were age 62 and then reducing that amount by ¼ of 1% for each month (3% for each year) you are younger than age 62 on the effective date of your pension.

Exception: If you have a Break in Employment because you worked for a Non-Contributing Employer, the amount of the reduction is ½ of 1% for each month you are younger than age 62.

Delayed Retirement

If you have met the eligibility requirements for a pension and have stopped working but your effective date is delayed beyond your Normal Retirement Age (see page 5), your benefit may be increased to reflect this delay. The adjustment is based on actuarial tables. The Fund Office can tell you how much this adjustment will be.

FORMS OF PENSION PAYMENT

When you apply for your pension, you must elect the form of payment you want to receive. **Once the pension begins, you cannot change your election.**

If you are married, you will receive a written explanation from the Fund Office describing the forms of payment and estimates of the monthly pension amounts under each form. You will have a period of not more than 90 days before your pension begins or fewer than 30 days after you receive the written explanation to make your election. The 30-day minimum period may be waived if you and your Spouse agree to the waiver, you are given at least 7 days to change an election, and your pension begins no earlier than the 8th day after the Fund Office provides the written explanation.

Following are the forms of payment available under the Plan.

Single Life Annuity (with 120 months guaranteed)

This is the automatic form of payment for unmarried Participants. A married Participant may elect this form only if he and his Spouse have properly rejected the Joint & Survivor Annuity.

This form provides a monthly pension to the pensioner for life. In the event the pensioner dies before receiving 120 monthly pension payments, the monthly pension will continue to be paid to the pensioner's designated beneficiary until a total of 120 monthly payments have been made to the pensioner and his beneficiary combined. If the beneficiary is not the pensioner's Spouse, all payments will be paid within five years of the pensioner's death.

For married Participants, the Spouse is automatically the beneficiary unless the participant and Spouse complete a Designation of Beneficiary Form naming someone other than the Spouse and the Spouse consents to that beneficiary.

50% or 75% Joint & Survivor Annuity (formerly called the Husband-and-Wife Pension)

This is the automatic form of payment for married Participants and is not available to unmarried Participants. If the Participant and Spouse want to elect the Single Life Annuity, they must reject this form of payment at retirement.

This form provides a reduced monthly pension to the pensioner for life. If the pensioner dies before the Spouse, 50% or 75% of the reduced monthly pension, whichever the pensioner and Spouse elect at retirement, will continue to be paid to the pensioner's surviving Spouse for the Spouse's lifetime. It is reduced from the Single Life Annuity form because it spreads benefits over two lifetimes – the pensioner and the Spouse. The amount of reduction is based on the ages of the pensioner and Spouse. The amount of reduction will be larger (the amount of monthly pension smaller) under the 75% form than under the 50% form. The Participant and Spouse must elect, at retirement, if they want the 50% or the 75% survivor's annuity.

The Spouse who is married to the Participant at the time of the Participant's retirement will be entitled to this lifetime pension even if the Participant and Spouse are subsequently divorced. If the Spouse dies before the pensioner, all payments cease upon the pensioner's death. If both deaths occur before 36 monthly payments have been made, payments will continue to be paid to the pensioner's beneficiary on the account until a total of 36 payments have been made.

The amount of pension payable under the Joint & Survivor Annuity is calculated as follows:

50% Joint & Survivor Annuity

Non-Disability Pension

Multiply the amount of pension payable under the Single Life Annuity by 94% minus 0.5% for each year the Spouse is younger than the pensioner or plus 0.5% for each year the Spouse is older than the pensioner, but not more than 100%.

Disability Pension

Multiply the amount of pension payable under the Single Life Annuity by 91.5% minus 0.4% for each year the Spouse is younger than the pensioner or plus 0.4% for each year the Spouse is older than the pensioner, but not more than 100%.

75% Joint & Survivor Annuity

Non-Disability Pension

Multiply the amount of pension under the Single Life Annuity by 89.0% minus 0.5 % for each year the Spouse is younger than the pensioner or plus 0.5% for each year the Spouse is older than the pensioner, but not more than 100%.

Disability Pension

Multiply the amount of pension payable under the Single Life Annuity by 82.0% minus 0.4% for each year the Spouse is younger than the pensioner or plus 0.4% for each year the Spouse is older than the pensioner, but not more than 100%.

Special Rules for the Joint & Survivor Annuity. The Joint & Survivor Annuity will not be paid:

1. Unless the Participant and Spouse are lawfully married when pension payments begin, unless a Qualified Domestic Relations Order provides otherwise.

2. If the marriage of the Participant and Spouse is legally terminated before the pension begins, unless a Qualified Domestic Relations Order provides otherwise.

3. If the marriage of the Participant is legally terminated before the Participant dies, if the Participant dies before a pension is payable, unless a Qualified Domestic Relations Order provides otherwise.

4. If the Participant and Spouse are lawfully married to each other for less than one year before the Participant dies.

5. If the Spouse dies before the Participant's pension begins or before the Participant's death, if the Participant dies before a pension is payable.

The Trustees will rely on your written statement before your pension begins to determine if you are married. If the statement is false, the Trustees will adjust the pension to recoup payments made in error.

Automatic Lump Sum Benefit (instead of Monthly Pension Payments)

In general, the pensions payable by the Plan are paid in monthly payments. You cannot choose to receive your monthly pension in a lump sum. However, if at the time your pension begins, the actuarial present value of your monthly benefit is $5,000 or less, the Trustees will automatically pay you that present value in one lump sum payment. After that amount is paid to you, no further payments are payable to you from the Plan.

Lump Sum Benefit at Retirement

This benefit is payable ***in addition to*** the monthly pension. It provides a single sum payment equal to $250 for each year of Pension Credit, up to a maximum of $2,500 for 10 years of Pension Credit. The pensioner may elect to take all or some of this benefit at retirement or to defer all or some of it to be paid to his spouse or beneficiary upon his death.

If the pension is paid in the form of the Joint & Survivor Annuity (50% or 75%), the payment will not be made in a single lump sum. Instead the actuarial value of the lump sum will be included in the amount of the monthly pension for as long as the pension is payable. The Fund Office can tell you the amount of the actuarial value of the lump sum benefit.

DEATH BENEFITS

Death After Retirement Benefits Begin

If you die after retirement, death benefits are payable based on the form of pension payment you elected when you retired. See pages 20 - 21. However, if you elected the 50% or 75% Joint & Survivor Annuity but you have been married for fewer than 12 months when you die, your surviving Spouse will automatically be entitled to the 120 Month Guarantee Benefit (outlined below) adjusted for the amounts you received as a Joint & Survivor Annuity.

If you deferred all or a portion of the Lump Sum at Retirement Benefit to be paid upon your death (see page 22), the amount of benefit deferred will be paid to your beneficiary.

Death Before Retirement Benefits Begin

Lump Sum Benefit

Your beneficiary is entitled to a lump sum payment equal to $250 for each Pension Credit you have accumulated when you die, up to a maximum of 10 Credits. The minimum death benefit is $1,000 and the maximum death benefit is $2,500. This lump sum benefit is in addition to the pre-retirement Joint & Survivor Annuity or the 120 Month Guarantee.

Pre-Retirement 50% Joint & Survivor Annuity

If you have been married for at least 12 months and die before retirement after you have met the service requirements for a pension, your surviving Spouse is automatically entitled to the pre-retirement 50% Joint & Survivor Annuity. This benefit is calculated as if you had retired on the 50% Joint & Survivor Annuity (see page 21) on the day before you died.

If you are younger than age 45 on the date of death, benefits will not commence until the first of the month following the month in which you would have attained age 45 had you lived. If you are age 45 or older on the date of death, benefits will commence the first of the month following the date of death unless your spouse elects to defer the commencement of benefits to a later date. In no event will benefits begin later than December 1 of the year in which you would have reached age 70-1/2 had you lived, or December 1 of the year in which you died.

Your surviving Spouse may elect, within 90 days after receiving written notice from the Fund Office, the 120 Month Guarantee Benefit instead of the 50% Joint & Survivor Annuity.

120 Month Guarantee

If you are not married or you have been married for fewer than 12 months when you die, your beneficiary is entitled to 120 monthly payments equal to the amount of Regular Pension you would have received if you had been age 62 and retired on a Single Life Annuity on the day before you died. If you are married, this benefit is payable to your surviving Spouse unless you designated someone other than your Spouse as your beneficiary and your Spouse consented to that designation on the Plan's Designation of Beneficiary Form.

Designating a Beneficiary

You may designate a beneficiary or beneficiaries by completing the Plan's Designation of Beneficiary Form. Federal law and the Pension Plan rules require that if you are married, certain benefits are automatically paid to your surviving Spouse, as follows:

Death Before Retirement Benefits.

If you have been ***married for at least 12 months*** when you die, your surviving Spouse is automatically entitled to the Plan's death benefits. You may not name a different beneficiary even if your Spouse agrees. If you have been ***married for less than 12 months*** when you die, your surviving Spouse is automatically entitled to the Plan's death benefits. However, you may name someone other than your spouse if your Spouse consents to that designation on the Designation of Beneficiary Form. As soon as you have been married for 12 months, your Spouse automatically becomes your beneficiary for Death Before Retirement Benefits.

Death After Retirement Benefits.

- **If you elected the 50% or 75% Joint & Survivor Annuity**, benefits are automatically payable to the Spouse to whom you were married at the time of your Annuity Starting Date (page 25), even if you are later divorced and remarried.

- **If you elected the Single Life Annuity**, benefits are automatically payable to your surviving Spouse unless you are not married when you die or you name someone other than your Spouse and your Spouse consents to that designation on the Designation of Beneficiary Form. If you are not married when you die, the beneficiary named on the Designation of Beneficiary Form is entitled to receive the Plan's death benefits.

Failure to Designate a Beneficiary

If you do not have a beneficiary because none was designated, or the beneficiary died before you or before receiving all of the benefits payable on your behalf, or the beneficiary cannot be found within two years after you die, then any benefits payable will be paid to your surviving Spouse. If you have no surviving Spouse or the Spouse cannot be located within two years of your death, the benefits will be paid to your heirs or estate.

The Trustees have the sole discretion to decide whether to pay benefits to your heirs or estate when you have no spouse or designated beneficiary.

STARTING YOUR PENSION PAYMENTS

Effective Date (Annuity Starting Date)

The first date for which your pension is payable is called the Effective Date or Annuity Starting Date. Except as outlined under Required Payments below, the Fund Office cannot pay a pension to you unless you are retired and have filed a pension application.

Pensions are usually effective on the first day of the month after the completed pension application is received by the Fund Office. Commencement of payments may be delayed due to administrative processing. However, once payments commence, they will be retroactive to the first of the month following receipt of the application or later if requested by the Participant.

Disability Pension payments cannot be effective before the date you are determined to be Totally and Permanently Disabled (see page 15). To assure that your pension will be paid as soon as possible, it is advisable to file your pension application with the Fund Office at the same time that you apply for Social Security Disability benefits and promptly send the Social Security Disability Award letter you receive from Social Security to the Fund Office.

Your Effective Date must be at least 30 days after the Fund Office gives you a written explanation of the forms of payment and estimates of the monthly pension amounts under each form. You will have a period of not more than 90 days before your pension begins or fewer than 30 days after you receive the written explanation to make your election. The 30-day minimum period may be waived if you and your Spouse agree to the waiver, you are given at least 7 days to change an election, and your pension begins no earlier than the 8th day after the Fund Office provides the written explanation. The 30-day minimum period is also waived if your benefit is being paid in a lump sum because the value of your lifetime benefit is $5,000 or less.

Required Payments

Normal Retirement Age.
Even if you do not file an application for pension, unless you sign a written statement asking that your pension payments be postponed, your pension payments must begin no later than 60 days after the end of the Plan Year in which you reach Normal Retirement Age and retire.

Required Beginning Date.
Even if you do not file an application for pension, the Plan must begin making pension payments to you when you reach your Required Beginning Date. You may not postpone payments beyond this date.

If you are a 5% owner of the employer making contributions to the Trust on your behalf, your Required Beginning Date is April 1 following the calendar year in which you attain age 70-1/2.

If you are not a 5% owner and reach age 70-1/2 in 1999 or later, your Required Beginning Date is April 1 following the calendar year in which you attain age 70-1/2 or, if later, April 1 following the calendar year in which you retire. If you reached age 70-1/2 before 1999, your Required Beginning Date may be determined in a different manner. Please contact the Fund Office for details.

If you fail to file an application when otherwise required to do so by these rules, your Required Beginning Date will be your Annuity Starting Date and the Plan will pay your benefits as follows:

- In a lump sum if the value of your lifetime pension is $5,000 or less

- As a 50% Joint & Survivor Annuity if the value of your lifetime pension is over $5,000. The Plan will assume that you have been married for at least one year on the Annuity Starting Date and that your Spouse is three years younger than you.

If you fail to file an application and the plan automatically starts your pension as outlined above, you will not be able to change the form of payment except that the Fund Office will change a 50% Joint & Survivor Annuity to a Single Life Annuity if you can prove to the Trustees that you did not have a Spouse on the Required Beginning Date. Also, the amount of the 50% Joint & Survivor Annuity will be based on the actual age difference between you and your Spouse if you can prove that the three-year age difference assumption was incorrect.

Methods of Receiving Pension Payment

You may elect to receive your monthly pension by having it mailed to your address or by having it directly deposited to a bank account. The Trustees strongly urge Pensioners to have their checks directly deposited. This is more secure as checks are subject to theft from your mailbox. In addition, you can be assured that your pension payment will be in your account promptly and avoid potential delays of the mail.

RETIREMENT AND SUSPENSION OF PENSION PAYMENTS FOR WORK AFTER RETIREMENT

In order to receive a monthly pension from this Plan, you must retire and cannot perform any work that is covered or prohibited by the Plan. If you are receiving a Regular, Early or Service Pension, you can work in any employment other than Operating Engineer work. You can do some Operating Engineer work if you have reached Normal Retirement Age as outlined below. If you are receiving a Disability Pension, you cannot work in any "substantial gainful employment" because you must be Totally and Permanently Disabled to be eligible for a Disability Pension. See page 15 for the definition of Total and Permanent Disability.

Retirement

The definition of retirement depends on whether you have reached Normal Retirement Age (see page 5).

Before Normal Retirement Age.
You may not do any work of the type covered by any Operating Engineer collective bargaining agreement no matter where you work or whether the work is actually covered by a collective bargaining agreement in the area where you are working.

After Normal Retirement Age.
You may work 39 or fewer hours in a month, but not more than 40, in the "same industry, the same trade or craft and the same geographic area" covered by this Plan. The "same industry" means the business activity of any employer which includes employment that was covered by the Plan when your pension began. The "same trade or craft" means an occupation in which you were employed at any time under the plan or one that uses the same skills, and it also means self-employment or supervisory employment related to those same skills. The same "geographic area" means California and Nevada.

Suspension of Pension Payments

If you return to work in the type of employment outlined above after your Effective Date, your pension will be suspended for each calendar month of such work. When you stop working in prohibited employment, your pension payments will resume.

If you are younger than Normal Retirement Age when your pension is suspended, you will have additional penalties for multiple suspensions: one additional month of pension for the second return to Covered Service, three additional months of pension for the third, and six additional months of pension for the fourth. None of these suspension penalties will extend beyond your Normal Retirement Age.

Once you have reached your Required Beginning Date (see page 25), your pension will not be suspended for any type or duration of work.

Required Notifications

Notice of employment by Pensioner.
If you return to work in prohibited employment after retirement, you must notify the Trustees of your employment, in writing, within 30 days after you start work. If you fail to notify the Trustees of your prohibited employment after you reached Normal Retirement Age, and the Trustees discover that you are engaged in such employment, the Trustees will presume that you are working 40 or more hours each month. The Trustees will also presume that, if you are working on a construction site,

that you have been at that site for as long as the employer has been there. You can provide evidence that you are not working as much as the Trustees presume.

Notice of Suspension of Benefits.
The Fund Office will give you written notice of the suspension of your pension in person or by first class mail during the first month benefits are suspended. The notice will tell you why the pension is being suspended, how you can get the Trustees to review the suspension, and how you can get your pension restarted. The notice will also explain how the Plan will recover any benefits which were previously paid in error.

Notice of the end of employment by Pensioner.
You must notify the Trustees in writing when you have stopped working in prohibited employment. Your pension will not be started again until you give this notice.

Pension Payments Following Suspension

When you stop working in employment which caused your pension to be suspended, your pension will start again no later than the third month after the last month for which your benefit was suspended, if you have provided the required notice outlined above. You will receive a benefit which is equal to the benefit you were receiving before the suspension plus the monthly benefit based on Pension Credit you earned when you returned to work.

The Trustees will recover the amount of any pension payments which you received after you returned to work. This recovery will be done by withholding future pension payments until the full amount is recovered. If you have reached Normal Retirement Age, the amount withheld will be limited to 100% of the first payment after your pension starts and 25% of subsequent payments. The Trustees can also recover overpayments from you by any other lawful means.

APPEALING THE DENIAL OF A CLAIM

If your application for benefits or other written claim under the Plan has been denied, in whole or in part, you will be notified in writing of the denial. This written notice will explain the reasons for the denial and outline what you can do to request reconsideration by the Trustees and to justify the claim. This notice will be provided to you within 90 days (45 days for a disability claim) of the receipt of your claim by the Plan. There may be special circumstances which will make additional time necessary in which case the Trustees may take up to an additional 90 days (30 days for a disability claim). The Trustees will notify you of the delay and the reasons for it.

If your claim is denied, you can request that the Trustees reconsider the decision denying your claim. The request must be in writing and state in a clear and concise way the reason for your disagreement with the Trustees' decision, and it must include any substantiating evidence you may have. This written request must be filed with the Fund Office within 60 days of the date of your receipt of the denial of your claim. If you do not meet this 60-day filing requirement, your claim can be denied again. You will then be prevented from asking the Trustees to reconsider their decision on the basis of evidence the Trustees had before making the original decision.

The Trustees, or a committee appointed by them, will consider your written claim if it is filed on time, and make a decision at the next regularly scheduled meeting of the Trustees. However, if your claim is received by the Fund Office less than 30 days before the next regularly scheduled Trustees meeting, your case will be reviewed at the second regularly scheduled meeting after the Trustees receive your appeal. If the Trustees need more time to review your appeal because of special circumstances, you will be notified of the delay, and the Trustees will make the decision as soon as possible but not later than the third regularly scheduled meeting after receiving your appeal. You will be notified of the appeal decision in writing promptly after the meeting in which your appeal was heard.

GENERAL INFORMATION

Qualified Domestic Relations Orders

The Plan is required to pay benefits in accordance with the provisions of a Qualified Domestic Relations Order (QDRO). A domestic relations order is a court order which is issued pursuant to a state domestic relations law and which relates to marital property rights and spousal or child support. In order to be considered a Qualified Domestic Relations Order, the order must contain specific provisions with respect to benefits under the Plan.

When the Plan receives a proposed QDRO, it follows specific procedures as required by federal law in determining whether the order is qualified. The Plan also has a model QDRO that is available to Participants and their attorneys, along with a copy of the Plan's procedures with respect to QDRO's. This information is available free of charge. If you have any questions regarding QDRO's, you should contact the Fund Office.

Rollovers to Another Plan

The Plan allows you to direct that all or part of an Eligible Rollover Distribution be paid to another plan. Typically, these distributions are lump sums; they are not monthly pension benefits. When you retire, you will receive complete information about rollovers. You should contact the Fund Office with any questions.

Overpayments

If for any reason payment of benefits to an individual under this Plan exceeds the amount of benefits that should have been provided, the Trustees are entitled to take any and all actions necessary and appropriate to recover the overpayment. This may include, but it is not limited to, withholding of future benefits or requiring the individual to repay the overpaid benefits.

Incompetence or Incapacity of a Pensioner

If the Trustees determine that a Pensioner is not able to care for himself or herself because of a physical or mental impairment, the Trustees may make payments due to the Pensioner for the Pensioner's support and maintenance. The Trustees will do this unless, before applying the payment to support the Pensioner, they have received a claim from the Pensioner's legally appointed guardian or conservator. If your Spouse is receiving a pension and is incapacitated, please contact the Fund Office for a form verifying incapacity.

Non-Assignment of Benefits

You cannot sell, transfer or assign any part of the benefits payable to you or any interest you have in the Plan before you receive those benefits or that interest. The Trustees will not recognize or comply with any such sale, transfer or assignment. Also, the Plan will attempt to protect your Plan benefits from creditors or other claimants who try to take them by court order, garnishment, execution or other legal process to the full extent available under the law.

There are some exceptions to this rule:

- The Plan must comply with a lien from the Internal Revenue Service
- The Plan must comply with the provisions of a Qualified Domestic Relations Order (QDRO).

- The Plan will allow you to have your premium for Retiree Health & Welfare Plan coverage to be automatically deducted from your monthly pension check.

If the Plan receives competing claims to Plan benefits and cannot determine the proper person or persons to pay, the Plan will file a lawsuit in an appropriate court and ask the court to decide which person or persons should receive the benefits.

Information Required from Participants

All Participants, Pensioners, Spouses, beneficiaries and other claimants to benefits must supply all information and proof required by the Trustees to administer the Plan. This includes information about you, your Spouse and beneficiaries, including changes in marital status and mailing address. A failure to promptly provide accurate and complete information may result in the denial, suspension or termination of benefits. If an individual provides false information to support a claim for benefits, the Trustees may recover the amount of benefits paid in reliance on the false information to the extent it exceeds what should have been paid.

SOME QUESTIONS AND ANSWERS ABOUT THE PLAN

How does the Plan identify me?

The Fund Office uses the Social Security Number or the Plan identification number (O E I D No.) of the Participant as identification for all transactions. The Union Register Number is also used as a cross reference. The employee's Social Security Number or OE ID No. should be included on any correspondence you submit to the Fund Office. A missing Social Security Number or OE ID No. can significantly delay transactions.

Who administers the Plan?

The Plan is administered by a Board of Trustees made up equally of representatives of the Employer Associations and I.U.O.E., Local 12. The actions of the Board in administering the Plan are governed by a Trust Agreement which provides that all money paid into the Pension Trust or earned by the Pension Trust can be used only for the purpose of providing benefits for Plan participants and beneficiaries and for reasonable expenses in administering the Plan.

Who is covered by the Plan?

The Plan covers employees who work for employers who have signed either a collective bargaining agreement with I.U.O.E., Local 12, or a Participation Agreement approved by the Board of Trustees. The Plan cannot accept voluntary contributions or contributions on behalf of a self-employed individual (sole proprietor or partner).

Do Social Security benefits affect the pensions provided under this Plan?

No. The benefits under this Plan are in addition to benefits paid under Social Security.

May pension benefits be assigned?

No. With limited exceptions, assignment is prohibited by federal law. The Plan must comply with a lien from the Internal Revenue Service. In addition, the Plan is required by federal law to pay benefits in accordance with a Qualified Domestic Relations Order (QDRO). You may also elect to have your premium for Retiree Health and Welfare Plan coverage automatically deducted from your monthly pension check.

Do I have to pay dues to get my pension?

No. Payment of Union dues is for Union membership and does not affect your entitlement to a pension under this Plan.

How much do I pay for my pension?

You do not pay for your pension benefits. Benefits are based solely on the employer contributions made to the Trust in accordance with the collective bargaining agreements with I.U.O.E., Local 12, or an approved Participation Agreement.

Can I withdraw pension contributions?

No. Withdrawals are not permitted. This Plan is not an IRA-type of plan where funds may be accumulated and withdrawn. Benefits are paid only in the manner provided by the Plan rules. Contributions for individual who are not eligible for benefits are retained by the Plan to fund benefits for eligible participants and to administer the Plan.

Are Plan benefits taxable?

Generally, yes. You should contact the Internal Revenue Service or your tax advisor regarding your individual situation. The Fund Office cannot provide tax advice.

Income tax may be withheld from your pension check if you wish and, in some cases, the plan is required to withhold federal and state income tax.

Can my check be directly deposited to my bank account?

Yes, but the Fund Office needs your written permission to do so. Call the Pension Department at the Fund Office to request a Direct Deposit form. This form is also available on the Plan's website, www.oefi.org.

CHECKLIST: THINGS FOR YOU TO DO

If you move

Keep the Fund Office informed of any change in your mailing address to ensure you receive our communications. All mailings from the Fund Office will be made to the last known address on record at the Fund Office. Our mailing address, phone numbers and website address are on page 35 and 36.

A change of address will not be accepted by the Fund Office unless the change is in writing and signed by the Participant. A change of address cannot be accepted by telephone.

For your protection, pension checks cannot be forwarded. They will be returned to the Fund Office if your address is not up to date. Once three pension checks have been returned, your pension will be suspended until your address is updated with the Fund Office. This is true even if you are having your checks directly deposited into your bank account.

The Fund Office and the Union Office are two separate entities. You must notify both offices separately of any change of address.

If you are thinking about retirement

Contact the Fund Office by phone or in writing to get an application package. If you are married, you will automatically receive an estimate of the amount of your benefits under the various optional forms of payment along with the application package. If you are not married, there is only one form of payment available to you, the Single Life Annuity.

You will need to provide copies of certain documents. The Fund Office can tell you what you will need.

Your pension cannot be effective prior to the date your completed Application is received by the Fund Office. Therefore, we encourage you to contact the Fund Office at least three months before the month you want your pension to be effective.

If your marital status changes

If you are divorced, your former Spouse may be entitled to a portion of your pension. Under federal law, the Plan must comply with any order issued by the state court that is a Qualified Domestic Relations Order (QDRO). If you or your attorney have any questions or would like assistance before the QDRO is finalized please contact the Fund Office.

Keep your records

The accuracy and completeness of the records of your work is an important factor in determining eligibility, for and the amount of, your pension. You can protect yourself by checking the work records you receive such as payroll check stubs until you are sure you have been credited with that work.

You will receive a statement from the Fund Office each year showing the amount of hours reported by each employer for whom you worked. Review this annual statement carefully and report any errors to the Fund Office immediately.

Designate a beneficiary

For the protection of the person or persons you want to receive the Plan's death benefits, be sure that you have completed a Designation of Beneficiary Form and filed it with the Fund Office. You may change your beneficiary at any time by filing a new form. The Designation of Beneficiary Form is available from the Fund Office, the Union Office or the Plan's website, www.oefi.org.

Save this booklet

Put it in a safe place. If you lose your copy, you may receive another one from the Fund Office. This booklet is also available on the Plan's website, www.oefi.org.

Additional questions? Ask the Fund Office or visit the Plan's website

You should contact the Fund Office with any questions you have about the Plan and your rights and benefits under it. You can also check on your Pension Credits and get an estimate of your monthly pension.

You can also get information about the Plan and download Pension Plan forms on the Plan's website, www.oefi.org.

FACTS ABOUT YOUR PLAN

Name, type of administration, and type of Plan

The name of the Plan is the Operating Engineers Pension Plan. It is a collectively bargained, jointly-trusteed, labor-management trust. It is a defined benefit pension plan.

Type of Plan

The Plan is an employee benefit pension plan maintained for the purpose of providing pension benefits to participants in the Plan.

Plan Identification Numbers

The Employer Identification Number (EIN) issued by the Internal Revenue Service is 95-6032478. The Plan Number is 001.

Agent for Service of Legal Process

The name and address of the agent designated for the service of legal process is:

Michael B. De Chellis
Operating Engineers Funds, Inc.
100 Corson Street
Suite 100
Pasadena, CA 91103
(866) 400-5200

Legal process may also be served on a Plan Trustee.

Plan Administrator

The Board of Trustees is the Plan Administrator. This means that the Board of Trustees is responsible for seeing that information regarding the Plan is reported to government agencies and disclosed to Plan participants and beneficiaries in accordance with ERISA.

The Board of Trustees has designated the following administrative organization to perform the routine administrative functions and day-to-day business of the Plan:

Operating Engineers Funds, Inc.
100 Corson Street
Suite 100
Pasadena, CA 91103
(866) 400-5200

Board of Trustees

The Board of Trustees consists of an equal number of employer and union representatives selected by the employers and union in accordance with the provisions of the Trust Agreement. If you wish to contact the Board of Trustees, you should use the following address and phone number:

Operating Engineers Pension Plan
100 Corson Street
Suite 100
Pasadena, CA 91103
(866) 400-5200

Names, Titles and Addresses of the Trustees as of August 2026 are:

Employer Trustees

Dave Greco
Granite Construction Company
585 W. Beach Street,
Watsonville, CA 95076

Jaimie Angus
Griffith Company
3050 E. Birch Street
Brea, CA 92821

Michael Crawford
Sukut Construction
4010 W. Chandler
Santa Ana, CA 92704-5274

Mike Prlich
Mike Prlich & Sons, Inc.
5103 Elton Street
Baldwin Park, CA 91706

Stanley Howard
Howard Contracting, Inc., 12354
Carson St.
Hawaiian Gardens, CA 90716

Patrick Velasquez
NCA
150 N. Durango Dr., Suite 100
Las Vegas, NV 89145

George Butorovich,
Flatiron West, Inc.
14726 Ramona Ave., Suite 300
Chino, CA 91710

Eddie Sprecco,
AGC-SD,
10140 Riverfront Rd.
Lakeside CA 92040

Rocky Miller
2029 Century Park East, Ste. 2100
Los Angeles, CA 90067

Rob Manning,
Ames Construction
391 N Main Street #302
Corona CA 92878

Union Trustees

David K. Sikorski, Business Manager
I.U.O.E., Local 12
150 Corson Street
Pasadena, CA 91103

Perry Hawkins, President
I.U.O.E., Local 12
150 Corson Street
Pasadena, CA 91103

Ken Hunt, Vice President
I.U.O.E., Local 12
150 Corson Street
Pasadena, CA 91103

Shawn Kinsey
Recording-Corresponding Secretary
I.U.O.E., Local 12
150 Corson Street
Pasadena, CA 91103

Steve Coldiron, Financial Secretary
I.U.O.E., Local 12
150 Corson Street
Pasadena, CA 91103

Robert Ninteman, Treasurer
I.U.O.E., Local 12
150 Corson Street
Pasadena, CA 91103

Joe Rangel, Jr., District Representative
I.U.O.E., Local 12
150 Corson Street
Pasadena, CA 91103

Collective Bargaining Agreements

The Plan was established, and is maintained, through collective bargaining agreements between the International Union of Operating Engineers, I.U.O.E., Local 12, and participating employers. Contributions to this Plan are made on behalf of each participant in accordance with these collective bargaining agreements.

The Fund Office will provide you, upon written request, a copy of any of the collective bargaining agreements. The collective bargaining agreements are also available for examination at the Fund Office.

Source of Contributions

The benefits described in this booklet are provided through employer contributions to this Plan. The amount of employer contributions is determined by the provisions of the collective bargaining agreements which require contributions to this Plan at a fixed rate per hour worked. The Fund Office will provide you, upon written request, information as to whether a particular employer is contributing to this Plan on behalf of participants working under the collective bargaining agreement.

Trust Fund

The assets and reserves of the Plan are held in trust by the Board of Trustees.

Plan Amendment and Termination

The Pension Plan may be amended at any time by the Trustees, consistent with the provisions of the Trust Agreement. However, no amendment may decrease the accrued benefit of any Participant except as necessary to maintain compliance with the provisions of, or to meet the requirements of, federal law.

Plan Termination Insurance

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

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

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

The PBGC guarantee generally covers: (1) normal and early retirement benefits; (2) disability benefits if you become disabled before the plan becomes insolvent; and (3) certain benefits for your survivors.

The PBGC guarantee generally does not cover: (1) benefits greater than the maximum guaranteed amount set by law; (2) benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the earlier of: (i) the date the plan terminates, or (ii) the time the plan becomes insolvent; (3) benefits that are not vested because you have not worked long enough; (4) benefits for which you have not met all of the requirements at the

time the plan becomes insolvent; and (5) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay and severance pay.

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

Source of Financing of the Plan and Identity of any Organization through which Benefits are Provided

All financing of the Plan is made by contributions to the Pension Trust which are made by individual employers under the provisions of the collective bargaining agreements. No outside organization is involved in providing Plan benefits. Benefits are provided from the Trust assets which are accumulated under the provisions of the collective bargaining agreements and the Trust Agreement and held in a trust fund for the purpose of providing benefits and defraying reasonable administrative expense. Amalgamated Bank has been designated as the Corporate Co-Trustee to the Plan. As of the printing of this booklet, the investment managers are:

AFL-CIO Index Fund	**Alcentra**
Artisan Partners	**ATEL Capital**
Blackstone Infrastructure	**Crescent Capital**
Crescent Mezzanine	**INVESCO**
Kayne	**Loomis Sayles**
MC Credit	**Mc Morgan & Co**
MFB NT Collective S&B	**North Sky Capital**
Northern Trust	**Pemberton**
RBC Global Management	**Schroder Taft Hartley Income Fund LP**
Siguler Guff	**ULLICO**
Vanguard	**Washington Capital Infrastructure Funds**
Walter Scott Global Investment Management	**Wellington Management**

Fiscal Plan Year

The fiscal records of the Plan are kept separately for each fiscal Plan Year. The fiscal Plan Year begins on July 1 and ends on June 30.

The Plan's Requirements with Respect to Eligibility for Participation and Benefits

The eligibility requirements are specified on pages 13 through 17 of this booklet. Participation in the Plan starts when the employee is first reported to the Trust as an employee and contributions are made to the Trust on his behalf. There is no delay in participation for either age or length of service.

Description of Provisions for Non-Forfeitable Pension Benefits

A Participant achieves vested status as described on page 9.

Circumstances Resulting in Disqualification, Ineligibility or Denial or Loss of Benefits

Loss of eligibility is described on pages 27 through 28 of this booklet.

Review Procedure

If your claim is denied, in whole or in part, you will receive a written explanation giving detailed reasons for the denial, specific reference to the Plan provisions on which the denial is based, a description of any additional material or information necessary for you to perfect the claim and an explanation of why such information or material is necessary, as well as an explanation of the Plan's claim appeals procedure. A description of the appeals procedure appears on page 29 of this booklet.

Statement of ERISA Rights

As a participant in the Operating Engineers Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). 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 (the Fund Office) and at other specific locations, such as work sites and union halls, all documents governing the plan, including insurance contracts, collective bargaining agreements and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at 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, collective bargaining agreements and a copy of the latest annual report (Form 5500 Series). The Administrator may make a reasonable charge for the copies.

Receive the Annual Funding Notice which provides information regarding the financial health of the Plan, including descriptions of the Trustees' funding and investment policies and the allocation of the Plan's investments as of the close of the prior Plan Year. Effective January 1, 2009, this Annual Funding Notice replaced the requirement of providing you with a Summary Annual Report.

Obtain a statement telling you whether you have a right to receive a pension at normal retirement age and, if so, what your benefit would be at normal retirement age if you stop working now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The plan must provide the statement free of charge. The plan will provide this information to the extent it is able to, based on available records.

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 benefits under the plan or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a benefit under the plan is denied, in whole or in part, you have the 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 materials from the plan and do not receive them within 30 days, you may file suit in federal court. In such a case, the court may require the plan to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator.

If you have a claim for benefits 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, you may file suit in court.

If it should happen that the 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 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 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 your rights under ERISA, or if you need assistance in obtaining documents from the Plan, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or U.S. Department of Labor, 200 Constitution Avenue N.W., Washington D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publication hotline of the Employee Benefits Security Administration.