

**NORTHEAST DISTRICT COUNCIL OF THE OPCMIA  
ANNUITY FUND**

**Summary Plan Description**

**JANUARY 2021**

## **Northeast District Council of the OPCMIA Annuity Fund**

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## **About This Booklet**

*This booklet is the Summary Plan Description (SPD) for the Northeast District Council of the OPCMIA Annuity Plan (the “Plan”) as amended and restated effective as of January 1, 2021 and subsequent amendments thereto. It is meant to help you understand how the Plan works. The primary purpose of this booklet is to provide you with a non-technical explanation of the most important features of the Plan. We urge you to read it carefully so that you will understand the Plan as it applies to you and to your family. We also suggest that you share this booklet with your family and that you keep it in a safe place for future reference. If you lose your copy, please feel free to ask the Northeast District Council of the OPCMIA Annuity Fund Office for another.*

*This SPD does not change or otherwise interpret the official rules and regulations in the official Plan document or other documents, including trust agreements and the collective bargaining agreements establishing the Plan. Rights to Benefits are determined only by referring to the full text of official Plan documents (available for your inspection at the Fund Office) or by official action of the Board of Trustees. If there is any conflict between the terms of the official rules and regulations of the Plan and this section, the official rules and regulations will control. In addition, the Board of Trustees reserves the right, in its sole and absolute discretion, to amend or end this Plan at any time, subject to the terms of the applicable collective bargaining agreements. Please also note that no individuals (other than the Board of Trustees of the Plan) have any authority to interpret the Plan (or other official Plan documents), or to make any promises to you about it.*

**PLEASE NOTE: Important information about time limits on your right to bring a legal action can be found in the section titled “Claims and Appeals Procedures.”**

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# LETTER TO PARTICIPANTS

**August 2021**

To All Participants:

The Board of Trustees is pleased to present you with this updated Summary Plan Description (“SPD”) of the Northeast District Council of the OPCMIA Annuity Plan (the “Plan”) as restated and amended effective January 1, 2021 and subsequent amendments thereto.

You participate in the Plan if your employer makes contributions to the Northeast District Council of the OPCMIA Annuity Fund (the “Fund”) on your behalf in accordance with the terms of your collective bargaining agreement. You can obtain a copy of your collective bargaining agreement from the Fund Office or from the Union. A list of obligated employers under your collective bargaining agreement is also available from the Fund Office.

The Plan is administered exclusively by a Board of Trustees consisting of representatives of the Northeast District Council of OPCMIA (Locals 780, 262, and 40) and employers that are signatories to collective bargaining agreements with the Unions that provide for participation in the Plan. The Employer Trustees and Union Trustees have equal voting rights and serve without compensation.

Amounts in your Plan Annuity Account are invested by the Trustees. You pay no taxes on Employer Contributions or investment earnings on those Contributions until your benefit is actually paid to you. When you retire, that benefit can be a valuable supplement to your pension, Social Security and personal savings.

This SPD includes up-to-date information on how the Plan works and supersedes all previous SPDs that you may have received. As you read through this SPD, you will learn how you become a Participant, what the Benefits are, and how to claim them. We also suggest that you share this booklet with your family, and that you keep it in a safe place for easy reference. If there is a difference between this SPD and what is written in the Plan documents, the Plan documents will govern.

We urge you to read this SPD carefully so that you understand how the Plan applies to you and your family. Please understand that no general explanation can adequately give you all the details of the Plan. This explanation does not change, expand or otherwise interpret the terms of the Plan. Your rights can be determined only by referring to the full text of the Plan.

If you have any question about the information in this booklet, please call the Fund Office at (516) 775 - 2280 during regular business hours. The Fund Office is open Monday through Friday from 8:00 AM to 3:30 PM. **Also, please don't forget to give the Fund Office your new address in the event you move and keep any passwords associated with your Plan Annuity Account safe.**

Sincerely,

THE BOARD OF TRUSTEES

## PLAN HIGHLIGHTS

- **You must be eligible under the Plan in order to receive a benefit.** If you do not meet the Plan’s eligibility requirements, no Benefits are available to you under this Plan.
- **You are not required (or permitted) to contribute to the Plan.** All Contributions are made by Employers and invested at your direction.
- **You are immediately 100% “vested” in the value of your Account.** This means that you always have a right to the full value of your Annuity Account when your Covered Employment ends or you retire.
- **The value of your Annuity Account** at any time depends on the amount of Employer Contributions, investment gains and losses and administrative expenses, and whether you have made any withdrawals from your Annuity Account. Annuity Accounts are valued on a daily basis.
- **If you are a former OPCMIA Local 262 Annuity Fund participant (“Former Local 262 Participant”), you are eligible to receive the full amount of your Benefits under the Plan that were in your Annuity Account as of January 1, 2018 in the following instances:**
  - When you reach age 55 and retire. You are considered to be retired when you have withdrawn from employment for which contributions are required to be made to the Plan.
  - If you are “totally and permanently disabled” (as determined by the Social Security Administration).
  - After you have terminated employment before reaching age 55. You will be considered to have terminated employment after a 12 consecutive month period during which you have not worked within the Union’s jurisdiction.
  - Effective for distributions that were made on or after January 1, 2010, if you are age 65 or older and receiving a pension from the OPCMIA Local 262 Pension Fund, you may receive a distribution from this Plan of Benefits in your Annuity Account as of January 1, 2018.
- **If you are a former OPCMIA Local 40 Annuity Fund participant (“Former Local 40 Participant”), you are eligible to receive the full amount of your Benefits under the Plan that were in your Annuity Account as of July 1, 2019 in the following instances:**
  - When you reach age 55 and retire early. You are considered to be retired when you have separated from service for which contributions are required to be made to the Plan.

- If you are “totally and permanently disabled” (as determined by the Social Security Administration).
  - When you reach age 62 and elect to have amounts distributed to you, even if you continue in employment past that age.
  - When you terminate employment before age 55 or 62 for any reason other than death or disability, you may elect to receive Benefits (1) up to 50% of your Annuity Account balance as of July 1, 2019 if you have no hours reported or contributions made up your behalf by any company for a period of six consecutive months and if you are not employed for a period of six consecutive months by a covered employer; or (2) up to your full Annuity Account balance as of July 1, 2019 if you have no hours reported or contributions made on your behalf by any company for a period of 12 months and if you are not employed for a period of 12 consecutive months by a covered employer.
- **You are eligible to receive the full amount of your Benefits under the Plan (for Former Local 262 Participants, the following rules are only applicable for contributions made to your Annuity Account on or after January 1, 2018; for Former Local 40 Participants, the following rules are only applicable for contributions made to your Annuity Account on or after July 1, 2019):**
    - When you reach age 55 and retire early. You are considered to be retired when you have withdrawn from employment for which contributions are required to be made to the Plan.
    - When you are “totally and permanently disabled” (as determined by the Social Security Administration).
    - When you: (i) have stopped working in Covered Employment, (ii) have had an Annuity Account under the Plan for at least two years, and (iii) no more than 70 hours of Employer Contributions have been made to the Fund on your behalf for at least six consecutive months.
    - When you have stopped working in Covered Employment in the Union’s jurisdiction for at least six consecutive months and then return to your home local union, where your home local union does not have a reciprocity agreement in place with the Union or does not have an annuity plan for its members.
    - When you reach age 59 ½ and elect to have amounts from your Account balance distributed to you, even if you continue in employment past that age, under the new provisions of the SECURE Act.
  - **How your Benefits will be paid** depends on your marital status. If you are married, your Benefits will be paid as an annuity that provides monthly income over your and your Spouse’s lifetime, unless you elect (with your Spouse’s written consent) to receive your Annuity Account balance in one lump sum payment or in equal installment payments during a period of up to 20 years. If you are not married, your Benefits will be paid as a



monthly annuity for your life, unless you elect to receive your Annuity Account balance in one lump sum or in equal installment payments during a period of up to 20 years.

- **If a change occurs in your marital status or dependent status** (for example: birth, adoption of a child, divorce), please notify the Fund Office immediately.
- **Your Spouse is your automatic Beneficiary under the Fund**, unless your Spouse waives the entitlement on the appropriate forms. Be sure to request from the Fund Office and file the appropriate form designating your Beneficiary under the Fund.
- **At least quarterly, the Fund Office will provide you with a statement indicating your total hours worked for the year.** You have a period of three months to protest the correctness of this report, otherwise it will be considered your final permanent record for your hours worked in Covered Employment for the year. If you do not receive this quarterly statement, please notify the Fund Office. You will only receive this statement if the Fund Office has received a Contribution on your behalf for the year.
- **Benefits provided under this Plan are generally not assignable to another person**, but exceptions may apply for federal tax levies and Qualified Domestic Relations Orders (QDROs).
- **You may be entitled to make a withdrawal from your Annuity Account balance in certain circumstances *before* you retire or your Covered Employment ends.** Specifically, the Plan allows for loans in certain limited situations, such as to pay for funeral expenses of a family member and to pay for the purchase or construction of your primary residence.
- **The Trustees reserve the right to interpret the Plan, and to amend, change and modify it** from time to time in their discretion in accordance with law.

## **ELIGIBILITY AND PARTICIPATION**

### **Eligibility**

You are eligible to participate in this Plan if:

- you work within the jurisdiction of a Union, employed by an Employer who makes Contributions to the Fund on your behalf pursuant to the terms of a collective bargaining agreement between that Employer and a Union, *or*
- you are any paid officer, business agent or Employee of the Union or a NEDC of the OPCMIA Fund designated as an Employer for whom Contributions are made to the Fund.

### **When Participation Starts**

Your participation in the Plan can begin on the date you meet the above eligibility requirements. You are always 100% vested in your Annuity Account. That means you are always entitled to receive the full value of your Annuity Account when you are otherwise eligible to receive Benefits.

### **When Participation Ends**

Your participation in the Plan ends when you have received all Benefits due you under the Plan.

### **Enrolling in the Plan and Naming a Beneficiary**

Once you become a Participant, you will be asked to complete an enrollment form and designate the Beneficiary or Beneficiaries who are to receive your Benefits in the event you die before receiving all amounts due you.

Subject to the rules described below, you may name any person or persons you choose as your Beneficiary (and you may name one or more alternate Beneficiaries). You may also change your Beneficiary designation at any time by submitting a new form to the Fund Office. In all cases, you must use the form prescribed by the Trustees and it must be properly completed.

If you are married, your Beneficiary will automatically be your Spouse. You may name a Beneficiary other than your Spouse only if your Spouse consents in writing and such consent is witnessed by a notary public.

If you fail to name a Beneficiary, or if your Beneficiary dies before you, any unpaid benefit will be paid, according to Plan provisions and in the following order of priority, to:

- your Spouse or, if you do not have a Spouse,
- your estate.

### ***Keeping the Fund Office Informed***

The best way to ensure fast and accurate benefit payments and other services is to make sure we have your most up-to-date information on file. So please remember to notify the Fund Office whenever you:

- have a name change,
- get married, separated or divorced,
- have a new dependent,
- move,
- get a new phone number or email address, or
- want to name a new beneficiary.

By notifying the Fund Office whenever one of these events occurs, you'll help ensure that Fund records are up to date and that you will continue to receive important communications.

## HOW THE PLAN WORKS

### Who Makes Contributions?

Only your Employer contributes to the Plan on your behalf. You are neither required nor permitted to contribute to the Fund. The amount your Employer contributes is set by the terms of the collective bargaining or other agreement that governs your Plan participation.

Rollover Contributions. If you receive an eligible rollover distribution from another employer's tax-qualified plan, from certain annuity contracts described in Internal Revenue Code Section 403(b), from certain plans described in Internal Revenue Code Section 457(b) and/or from an individual retirement Annuity Account (also known as an "IRA"), you may be permitted to roll it over into this Plan. Any amounts rolled over on your behalf are nonforfeitable and will be maintained under a separate Plan account. Contact John Hancock for more information on the rules governing rollovers into the Plan.

### When Are Contributions Credited?

Contributions made by an Employer on your behalf are credited to your Annuity Account upon receipt.

### Your Individual Account

All Employer Contributions on your behalf go into an individual account in your name. The term "Annuity Account," as used in this SPD, means any one or more of the following subaccounts maintained in your name:

- Profit Sharing Account.
  - If you are a Local 780 Participant and had completed an Hour of Service on or after February 1, 2016, a separate account will be established and designated as your Profit Sharing Account. Your Profit Sharing Account will then be credited with: (i) all Employer Contributions made on your behalf for Covered Employment on or after February 1, 2016; (ii) investment earnings on those Employer Contributions; (iii) eligible Rollover Contributions made on or after February 1, 2016; and (iv) investment earnings on those Rollover Contributions.
  - If you are a Former Local 262 Participant and had completed an Hour of Service on or after January 1, 2018, a separate account will be established and designated as your Profit Sharing Account. Your Profit Sharing Account will then be credited with: (i) all Employer Contributions made on your behalf for Covered Employment on or after January 1, 2018; (ii) investment earnings on those Employer Contributions; (iii) eligible Rollover Contributions made on or after January 1, 2018; and (iv) investment earnings on those Rollover Contributions.
  - If you are a Former Local 40 Participant and had completed an Hour of Service on or after July 1, 2019, a separate account will be established and designated as your Profit Sharing Account. Your Profit Sharing Account will then be credited with: (i)

all Employer Contributions made on your behalf for Covered Employment on or after July 1, 2019; (ii) investment earnings on those Employer Contributions; (iii) eligible Rollover Contributions made on or after July 1, 2019; and (iv) investment earnings on those Rollover Contributions.

- Money Purchase Account.

- If you are a Local 780 Participant and had completed an Hour of Service before February 1, 2016, a separate account will be established and designated as your Money Purchase Account. Your Money Purchase Account will be credited with: (i) the amount in your Annuity Account as of January 31, 2016; (ii) all Employer Contributions made on your behalf for Covered Employment before February 1, 2016; and (iii) investment earnings on those Employer Contributions.
- If you are a Former Local 262 Participant and had completed an Hour of Service before January 1, 2018, a separate account will be established and designated as your Money Purchase Account. Your Money Purchase Account will be credited with: (i) the amount in your Annuity Account as of December 31, 2017; (ii) all Employer Contributions made on your behalf for Covered Employment before January 1, 2018; and (iii) investment earnings on those Employer Contributions.
- If you are a Former Local 40 Participant and had completed an Hour of Service before July 1, 2019, a separate account will be established and designated as your Money Purchase Account. Your Money Purchase Account will be credited with (i) the amount in your Annuity Account as of June 30, 2019; (ii) all Employer Contributions made on your behalf for Covered Employment before July 1, 2019; and (iii) investment earnings on those Employer Contributions.

When you are entitled to your money. You are always 100% “vested” in (or entitled to) the amount in your Annuity Account. This means that you do not have to complete any special period of service to become entitled to receive your Annuity Account value if your Covered Employment ends before retirement.

However, you should keep in mind that even though your Annuity Account balance is vested, there are limitations on when money may be withdrawn from the Account. The sections of this booklet called “When Are You Eligible to Receive Benefits?”, “Can You Apply for a Loan?”, “Can You Apply for a Hardship Distribution?”, and “Other Permitted Distributions” tell you more about when you can withdraw or borrow money from your Annuity Account.

Investment of your Annuity Account. You can get more information on current Fund investments by contacting the Fund Office. You direct the investment of amounts in your Annuity Account, in accordance with the following rules:

- You may direct how your Annuity Account is to be invested among the available investment funds in the percentage multiples established by the Plan Administrator.

- If you fail to make an election, the Trustees will invest that portion of your Annuity Account in the default investment fund designated by the Plan Administrator. The Fund's Qualified Default Investment Alternative is the Northeast District Council of the OPCMIA Core Fund.
- You can change your investment election amounts in your Annuity Account in accordance with procedures established by the Plan Administrator. However, where it deems appropriate, and subject to the requirements of applicable law, the Plan Administrator may decline to implement, or otherwise limit the frequency by which you can direct the investment of your Annuity Account.

If you were a Former Local 262 Participant, prior to January 1, 2018, the Trustees directed the investment of amounts in your Annuity Account.

How is the value of each individual Annuity Account determined? The value of your Annuity Account at any time depends on a number of factors, including:

- the amount of Contributions made on your behalf;
- investment gains or losses on those Contributions; and
- administrative expenses and withdrawals that are subtracted from your Annuity Account.

## **WHEN ARE YOU ELIGIBLE TO RECEIVE BENEFITS?**

If you are a Former Local 262 Participant, you are eligible to receive the full amount of your Benefits under the Plan that were in your Annuity Account as of January 1, 2018 in the following instances:

- When you reach age 55 and retire. You are considered to be retired when you have withdrawn from employment for which contributions are required to be made to the Plan.
- If you are “totally and permanently disabled” (as determined by the Social Security Administration).
- After you have terminated employment before reaching age 55. You will be considered to have terminated employment after a 12 consecutive month period during which you have not worked within the Union’s jurisdiction.
- Effective for distributions that were made on or after January 1, 2010, if you are age 65 or older and receiving a pension from the OPCMIA Local 262 Pension Fund, you may receive a distribution from this Plan of Benefits in your Annuity Account as of January 1, 2018.

If you are a Former Local 40 Participant, you are eligible to receive the full amount of your Benefits under the Plan that were in your Annuity Account as of July 1, 2019 in the following instances:

- When you reach age 55 and retire early. You are considered to be retired when you have separated from service for which contributions are required to be made to the Plan.
- If you are “totally and permanently disabled” (as determined by the Social Security Administration).
- When you reach age 62 and elect to have amounts distributed to you, even if you continue in employment past that age.
- When you terminate employment before age 55 or 62 for any reason other than death or disability, you may elect to receive Benefits (1) up to 50% of your Annuity Account balance as of July 1, 2019 if you have no hours reported or contributions made up your behalf by any company for a period of six consecutive months and if you are not employed for a period of six consecutive months by a covered employer; or (2) up to your full Annuity Account balance as of July 1, 2019 if you have no hours reported or contributions made on your behalf by any company for a period of 12 months and if you are not employed for a period of 12 consecutive months by a covered employer.

You are eligible to receive the full amount of your Benefits under the Plan (for Former Local 262 Participants, the following rules are only applicable for contributions made to your Annuity Account on or after January 1, 2018; for Former Local 40 Participants, the following rules are only applicable for contributions made to your Annuity Account on or after July 1, 2019):

- When you reach age 55 and retire early. You are considered to be retired when you have withdrawn from employment for which contributions are required to be made to the Plan.
- When you are “totally and permanently disabled” (as determined by the Social Security Administration).
- When you: (i) have stopped working in Covered Employment, (ii) have had an Annuity Account under the Plan for at least two years, and (iii) no more than 70 hours of Employer Contributions have been made to the Fund on your behalf for at least six consecutive months.
- When you have stopped working in Covered Employment in the Union’s jurisdiction for at least six consecutive months and then return to your home local union, where your home local union does not have a reciprocity agreement in place with the Union or does not have an annuity plan for its members.
- When you reach age 59 ½ and elect to have amounts from your Account balance distributed to you, even if you continue in employment past that age, under the new provisions of the SECURE Act.

### **When Payment is Made?**

Payment is generally made, or begins, once you reach the Normal Retirement Age of 59 ½. However, if you prefer, you may elect payment as soon as possible after you meet the requirements for a benefit, as long as you file a properly completed application form.

If your Annuity Account balance exceeds \$5,000, you may defer payment if you wish, but in no event may payment be made later than April 1 of the year following the year you reach age 72.

### **What Happens if You are Re-Employed?**

If you retire and receive your Benefits due to you under the Plan and then are re-employed, and an individual Annuity Account is again established on your behalf, you will not be entitled to receive your new Benefits due you under the Plan until two years from the date of your renewed participation in the Plan (the date Employer Contributions recommenced to the Fund on your behalf).



## HOW BENEFITS ARE PAID?

How Benefits are normally paid depends on the value of your Annuity Account and whether you are married or single when payments start.

If the total value of your Annuity Account is \$5,000 or less and you have applied for benefits, it will be paid out in one lump sum as soon as administratively practicable after you apply. If the total value of your Annuity Account is more than \$5,000, then, unless you elect one of the **Optional Forms of Payment** described below, it will be paid under the **Normal Form of Payment** described below (depending on whether you are married or single).

Notwithstanding the above, if you have no contributions made on your behalf within the most recent three-year span and the total value of your Annuity Account is \$1,000 or less, it will be automatically paid out to you in one lump sum.

### Optional Forms of Payment

The following optional forms of payment are available under the Plan:

- **Lump Sum.** You receive the entire balance of your Annuity Account in a single payment.
- **Installment Payments.** Your Annuity Account is paid in equal installments over a period of up to 20 years. If you die before all payments have been made, the balance due will be paid to your designated Beneficiary. If no Beneficiary has been named, or your Beneficiary dies before you, the balance will be paid to your surviving Spouse. If there is no Spouse, the balance will be paid to your estate. If you are a Local 40 Participant and a portion of your Annuity Account is attributable to contributions made on your behalf before July 1, 2019, you may elect to have that portion of your Account paid as an installment over your life expectancy or your and your Spouse's life expectancy; for more information about this option, please contact John Hancock.
- **Single Life Annuity.** Your Annuity Account balance will be used to purchase an annuity that will pay you monthly income for your lifetime. No Benefits will be paid after your death. This is the automatic form of payment for **unmarried** Participants. Accordingly, if you are not married, you will receive a single life annuity *unless* you elect to receive either a lump sum payment or installment payments. If you are married, you may elect this form of benefit payment (or one of the other optional forms of payment) instead of the Qualified Joint and Survivor Annuity (described below), *provided that* your Spouse consents in writing to your receipt of this form (on forms provided by the Fund Office).

### Normal Forms of Payment

#### Married Participants

If you are married, unless you elect otherwise with your Spouse's written consent (on forms provided by the Fund Office), your Annuity Account balance will be used to purchase a Qualified Joint and Survivor Annuity under which you will receive a fixed monthly amount for your lifetime,

with 50% of that amount continuing to be paid monthly to your Spouse upon your death, if he or she survives you. (If your Spouse dies before you, but after your annuity payments start, your monthly payments will continue in the same reduced amount that you received before your Spouse died.) As an alternative, you may elect a qualified optional survivor annuity to be purchased, which is an annuity for life, and provides a monthly payment to you for as long as you live and, if your Spouse is still living when you die, then he or she will receive 75% of your monthly payment amount for life.

The monthly benefit you receive under this form may be less than under the single life annuity because it will be spread over two lifetimes instead of one.

However, if you are married but don't want your benefit paid as a Qualified Joint and Survivor Annuity, and your Spouse consents in writing (on forms provided by the Fund Office), you may elect a lump sum, installment payments, or a single life annuity.

**Under either the 50% Qualified Joint and Survivor Annuity, the 75% qualified optional survivor annuity, or the single life annuity your benefit will be the actuarial equivalent of the lump sum amount, with the exact monthly amount depending on a number of factors, including your Annuity Account balance, your age, and interest rates at the time the annuity is purchased. If you wish to see the insurance company quotes obtained by the Plan, you should contact the Fund Office.**

### Unmarried Participants

If you are not married, your Annuity Account balance will be used to buy a single life annuity that will pay you a monthly benefit for as long as you live, *unless* you elect one of the other optional forms of payment described above – a single lump sum or installment payments. As described on page 16 under the single life annuity form of payment, no Benefits are paid after your death.

### **Applying for Benefits**

In order to receive Benefits, and to elect an optional form of payment, you must submit a completed application to John Hancock as well as all of the supporting documentation required by the Fund Office for the type of benefit you are applying for. Application form(s) can be obtained from John Hancock or the Fund Office. Be sure to complete the application form(s) as instructed, and contact John Hancock if you need assistance.

In addition, if you are married and you wish to receive one of the optional forms of payment, your Spouse must consent in writing (on forms provided by John Hancock) to your rejection of the normal form of payment (the Qualified Joint and Survivor Annuity). A notary public must witness your Spouse's consent.

### **Can You Defer Receiving Your Benefits?**

Yes. If you are eligible to receive Benefits, you can choose not to receive them immediately. Your Annuity Account will be adjusted every year for investment gains or losses, administrative expenses and withdrawals that are subtracted from your Annuity Account (through December 31

of the previous year) until you choose to receive your Benefits due you under the Plan. You must notify the Trustees, in writing, of the decision to defer receiving Benefits.

But remember: You may not postpone your Benefits to a date later than April 1<sup>st</sup> following the calendar year in which you reach 72 years old.

### **Loan Outstanding**

If a loan is outstanding at the time you request a benefit, the loan balance owing must either be repaid in full when you receive your benefit or the remaining outstanding loan balance will be treated as a distribution to you from your Annuity Account.

## HOW ARE YOUR SURVIVORS PROTECTED?

### **If You Die Before Payment of Your Benefit Starts**

If you are married at the time of your death, your Spouse will receive your Annuity Account balance, *unless* you waived this benefit with your Spouse's consent (on forms provided by the Fund Office) and named someone else as your Beneficiary. (Contact the Fund Office to request the forms required to be completed by you and your Spouse if you wish to waive this benefit.) If your Spouse is entitled to this benefit, your Annuity Account balance will be used to buy a single life annuity that provides lifetime monthly income for your Spouse, unless your Spouse elects to receive payment in a single lump sum or installment payments over a period of up to 20 years.

Your surviving Spouse may also elect to defer payment of this benefit until any specified date that is no later than December 31<sup>st</sup> of the year in which you would have reached age 72, or, if later, December 31<sup>st</sup> of the calendar year following the year in which you died.

If you were not married, your Annuity Account balance will be paid to your designated Beneficiary in a lump sum, or in the form of installment payments for a period of less than 20 years. However, if your Beneficiary elects to receive your Annuity Account balance in the form of equal installment payments, the balance must be fully distributed to your beneficiary within five years. If no Beneficiary has been named, or your Beneficiary dies before you, your Annuity Account balance will be paid to your estate.

### **If You Die After Payment of Your Benefit Has Started**

If you are married at the time of your death, your Spouse will receive half of what your monthly benefit was for the rest of his or her life, *unless* you waived this benefit with your Spouse's consent (on forms provided by the Fund Office), in which case your remaining Annuity Account balance will be distributed in accordance with the terms of the form of benefit that was elected.

If you were not married, your remaining Annuity Account balance will be paid to your designated Beneficiary in a lump sum. If no Beneficiary has been named, or your Beneficiary dies before you, your remaining Annuity Account balance will be paid to your estate.

### **Important – Rejecting the Qualified Joint and Survivor Annuity**

If you are married and wish to designate someone other than your Spouse to receive Benefits as a result of your death, your Spouse must consent to this change in Beneficiary designation in writing (on forms provided by the Fund Office). Your Spouse's consent must be witnessed by a notary public.

## CAN YOU APPLY FOR A LOAN?

Yes. Although the Plan has been designed primarily to help you accumulate additional funds for retirement, you are allowed to borrow from your Annuity Account for certain needs during your working years. The restrictions comply with government regulations, which require that the primary purpose of this Plan is to provide retirement income. This section provides more details on the requirements for a loan and how much you may withdraw.

### Eligibility for Former Local 262 Participants

In order to obtain a loan from money contributed to your Annuity Account prior to January 1, 2018, for any of the permitted purposes described below, you must have maintained an account for one year or more, and have a minimum Annuity Account balance of \$5,000. The minimum loan amount permitted is \$1,000. To ensure that loans are used as applied, loans will be issued in the form of a two party check.

### Permitted Purposes for a Loan for Former Local 262 Participants

To borrow money contributed to your Annuity Account prior to January 1, 2018, you must meet the above eligibility requirements and apply for the loan for one of the following reasons:

- Educational expenses including tuition and/or room and board, but not books, supplies or school fees, for your dependent children at an accredited college, university, private school or vocational school. Loans for this purpose can only be requested for expenses incurred during the current semester or the semester immediately preceding the date of the application. In the event the college, university, private school or vocational school does not operate by semesters, loans for this purpose can only be requested for expenses incurred for the current school year or the school year immediately preceding the date of the application;
- To purchase a primary residence (only available once in a lifetime);
- To cover funeral expenses for your spouse, children, your parents or your spouse's parents;
- For expenses incurred as a result of temporary disability due to illness or accident, which have not been reimbursed by benefits payable from any public or private plan or program including, but not limited to Social Security, workers compensation, Medicaid, for any employer, union, employer-union welfare plan or program;
- To prevent foreclosure, tax lien or eviction from your primary residence; and,
- To repair damages to or make improvements on your primary residence.

- Hardship related to the 2020 coronavirus/COVID-19 pandemic. A loan for this purpose is only available during the period of March 27, 2020 through September 22, 2020. Notwithstanding the requirements set forth in “Other Loan Requirements” below, you may take a loan for this purpose even if you receive a Coronavirus-Related Distribution or a hardship distribution from your Profit Sharing Account as described below, if you have an outstanding loan from your Annuity Account, or if you previously defaulted on a loan from the Plan. In addition, you may take a loan for this purpose even if you have not been a participant in the Fund for at least three consecutive years prior to the loan. The maximum amount for this type of loan is the lesser of one of the following, taking into account any other outstanding or defaulted loans under the Plan: one-hundred thousand dollars (\$100,000) or your full Annuity Account balance. For example, if you have an Annuity Account balance of \$150,000 and have an outstanding loan for \$50,000, you may take a coronavirus-related loan for up to \$50,000 (meaning you would have a total outstanding loan balance of \$100,000).

To be eligible for this coronavirus-related loan, you must be a “qualified individual,” meaning you meet at least one of the following criteria:

- You or your spouse or dependent were diagnosed with the virus SARS-CoV-2 or with COVID-19 by a test approved by the Centers for Disease Control and Prevention; or
- You experienced adverse financial consequences as a result of:
  - being quarantined due to such virus or disease,
  - being furloughed or laid off due to such virus or disease,
  - having your work hours reduced due to such virus or disease,
  - being unable to work due to lack of child care due to such virus or disease,
  - closing or reducing the hours of a business you own or operate due to such virus or disease,
  - having a reduction in pay or self-employment income or a job offer rescinded or a start date for a job delayed due to COVID-19, or
  - your spouse or a member of your household (meaning someone who shares your principal residence) experiencing one of the above events (e.g., being quarantined or furloughed or the closing of a business which that person owns, due to COVID-19).

## Eligibility for All Participants

If you are a Local 780 or 40 Participant, in order to obtain a loan from your Annuity Account for any of the permitted purposes described below, you must have maintained a credit balance in your Annuity Account for at least two consecutive years immediately prior to requesting such loan. If you are a Local 262 Participant, in order to obtain a loan from money contributed to your Annuity Account on or after January 1, 2018 for any of the permitted purposes described below, you also must have maintained a credit balance in your Annuity Account for at least two consecutive years immediately prior to requesting such loan. You are not required to take a minimum loan amount, except as otherwise specified.

## Permitted Purposes for a Loan

To borrow money from your Annuity Account, you must meet the above eligibility requirement and apply for the loan for one of the following reasons:

- Funeral expenses you incur because of the death of a Spouse, child, parent or family member.
- Education expenses to pay for tuition and/or room and board to maintain a dependent child in an educational institution beyond the high school level, or at a school or institution for physically or mentally handicapped children.
- Education expenses to pay for tuition for you to enroll in an educational institution beyond the high school level.
- Expenses of at least \$500.00 you incur for dental expenses not reimbursed by insurance.
- The purchase or repair of a house, a cooperative or a condominium apartment in which you will reside. Down payment, contract, improvement and title expenses are covered under this provision.
- Expenses to prevent (or incurred as a result of) foreclosure on, or eviction from, your primary residence.
- Expenses you incur to pay for legal representation in criminal matters that is provided to you, your Spouse or your child by a licensed attorney.
- Expenses you incur to pay for child support, so long as the child support expenses are incurred pursuant to a domestic relations order, a judgment of divorce or a stipulation of settlement; however, distributions for this purpose are to be paid directly from the Fund to the relevant state in which child support is owed.
- The satisfaction of state, local and/or federal taxes you incur.

- Expenses you incur for serious, non-elective medical and dental procedures not otherwise covered by available medical insurance.
- Hardship related to the 2020 coronavirus/COVID-19 pandemic. A loan for this purpose is only available during the period of March 27, 2020 through September 22, 2020. Notwithstanding the requirements set forth in “Other Loan Requirements” below, you may take a loan for this purpose even if you receive a Coronavirus-Related Distribution or a hardship distribution from your Profit Sharing Account as described below, if you have an outstanding loan from your Annuity Account, or if you previously defaulted on a loan from the Plan. In addition, you may take a loan for this purpose even if you have not been a participant in the Fund for at least three consecutive years prior to the loan. The maximum amount for this type of loan is the lesser of one of the following, taking into account any other outstanding or defaulted loans under the Plan: one-hundred thousand dollars (\$100,000) or your full Annuity Account balance. For example, if you have an Annuity Account balance of \$150,000 and have an outstanding loan for \$50,000, you may take a coronavirus-related loan for up to \$50,000 (meaning you would have a total outstanding loan balance of \$100,000).

To be eligible for this coronavirus-related loan, you must be a “qualified individual,” meaning you meet at least one of the following criteria:

- You or your spouse or dependent were diagnosed with the virus SARS-CoV-2 or with COVID-19 by a test approved by the Centers for Disease Control and Prevention; or
- You experienced adverse financial consequences as a result of:
  - being quarantined due to such virus or disease,
  - being furloughed or laid off due to such virus or disease,
  - having your work hours reduced due to such virus or disease,
  - being unable to work due to lack of child care due to such virus or disease,
  - closing or reducing the hours of a business you own or operate due to such virus or disease,
  - having a reduction in pay or self-employment income or a job offer rescinded or a start date for a job delayed due to COVID-19, or
  - your spouse or a member of your household (meaning someone who shares your principal residence) experiencing one of the above events (e.g., being quarantined or furloughed or the closing of a business which that person owns, due to COVID-19).



## Other Loan Requirements

Your loan is also subject to the following requirements:

- Under federal law, there is a limit to how much you can borrow: it is 50% of the amount in your Annuity Account, but in no event more than \$50,000. The highest outstanding loan balance you have from the immediately preceding 12-month period is included in this limit.
- Upon the granting of your loan, you must execute and deliver to the Trustees an assignment of the remaining balance of your individual Annuity Account as collateral to secure repayment of your loan and accrued interest.
- If you are married, your Spouse must consent to the loan in writing within the 90-day period preceding the grant of the loan, and the consent must be witnessed by a notary public.
- A loan will not be made if it would be inconsistent with the terms of a Qualified Domestic Relations Order (QDRO) that is delivered to the Trustees before the loan is approved.
- If you have already taken out a loan, you are generally not eligible for an additional loan until the outstanding loan balance, plus any accrued interest, has been fully repaid. Effective February 1, 2016, if you default on a loan, you will not be permitted to take any further loans under the Plan.
- For contributions made prior to January 1, 2018 the following rules apply for Former Local 262 Participants:
  - If you had no loans from the plan outstanding at any time during the prior 12 months, the loan is limited to the lesser of 50% of the amount in your Annuity Account, or \$50,000.
  - If you did have loans outstanding within the prior 12 months, the maximum loan permitted (when added to the outstanding balance of all other loans from the Plan) is limited to the lesser of: (1) \$50,000 (reduced by the excess of the highest outstanding balance of plan loans during the one-year period ending on the date of the new loan over the balance of plan loans on the date the new loan is made) or (2) 50% of the value of your Annuity Account. You are not permitted to take any additional loans if you defaulted on a previous loan from this Plan. You are only permitted to have one loan at a time except that you may take a secondary loan for education expenses as long as your first loan is in good standing.
  - If you have an outstanding defaulted loan, you may re-pay the balance of the loan with interest, and once the defaulted loan is repaid you are then eligible to apply for future loans under the Plan.

## How Do You Pay Back the Loan?

- Your loan, when made, will bear simple interest on the outstanding loan balance based on the prime interest rate as set in the Wall Street Journal, plus 1%.
- The loan must be repaid in total quarterly installments equal to an amount of not less than one twentieth of the initial principal of the loan plus accrued interest on the unpaid principal balance for that quarter. The only exception to this repayment rule is for a loan to cover home purchase expenses. In such a case, your total quarterly payments must be equal to an amount of not less than one fortieth of the initial principal of the loan plus accrued interest on the unpaid principal balance for that quarter.
  - However, in no event will the amount of the quarterly installments be less than \$25.00 except if such installment is the final installment.
- The quarterly installments are due on the first day of each calendar quarter after the loan is made. It is your responsibility to see that your loan repayments arrive on time.
- Your final payment must be made within five years from the date your loan is granted (except in the case of a loan to purchase your primary residence, in which case the loan may be repaid over up to 10 years).
- Loan payments are suspended for any month in which you are in “qualified military service,” as defined in Internal Revenue Code Section 414(u). Interest will continue to accrue during any such period of suspension, but cannot exceed the amount allowable under the Service Members’ Civil Relief Act of 2003. When you return from military service, the final due date of the loan will be extended by the period of qualified military service.
- Loan repayments due during the period beginning on March 27, 2020 through December 31, 2020 may be suspended for one year. For example, if a repayment would normally be due on June 30, 2020, if you choose to do so, it would be delayed and not be due until June 30, 2021. Any repayments due after December 31, 2020 will be adjusted to reflect the delay and any interest thereon. If you delay your repayments, the maximum permitted term for the loan will extend beyond the five-year period during which loans generally must be paid.
  - **IMPORTANT NOTE:** If you want to delay your loan repayments and you normally would repay via direct debit or ACH, you must call John Hancock to stop those repayments. If you want to delay your loan repayments and you normally repay via a loan invoice, John Hancock will continue to send you the invoices but you do not need to pay (i.e., you will be considered to have delayed your repayments if you do not pay the invoice). Please contact John Hancock for any questions regarding a delay of loan repayments.

## What If You Can’t Repay Or You Die Before Full Repayment?

If you default. If any portion of your loan is not repaid after the loan payment is due and the grace period has passed, then the full outstanding amount of your loan (including accumulated interest) will be considered to be in default. Note that the Trustees have the right to assess interest and/or penalties on delinquent loan payments, and the Trustees may take any action they consider

appropriate, including but not limited to lawsuits, to collect amounts associated with the defaulted loan. If you do not “cure” a default within the grace period ending on the last day of the calendar quarter beginning after the missed payment, the law requires that your loan be accelerated and treated as a “deemed distribution.”

If you die. If you die before making full repayment of a loan, the outstanding balance will be subtracted from any death benefit or pre-retirement survivor annuity payable upon your death.

### **Applying for a Loan**

All loan applications, and any required supporting documentation, should be submitted to John Hancock. You may get a loan application from John Hancock or online at <https://myplan.johnhancock.com>. The Fund will determine if you qualify for a loan, and its decision will be final and binding on all parties. It is important to remember that the mere fact that one of these permitted purpose events has occurred does not necessarily mean that you will receive a loan or that you will receive the full amount requested. The Trustees will decide each case individually according to uniform standards.

Don't forget that if you are married, you must provide your Spouse's signed and notarized consent to the loan, and that consent must be signed within 90 days before the loan is made. In order to obtain a loan, you must sign a promissory note, secured by your Annuity Account balance.

## **CAN YOU APPLY FOR A HARDSHIP DISTRIBUTION?**

Yes. Although the Plan has been designed primarily to help you accumulate additional funds for retirement, you are allowed to withdraw from your Profit Sharing Account for certain “financial hardship” needs during your working years. This section provides more details on the requirements for a hardship distribution and how much you may withdraw.

### **Eligibility**

In order to be eligible to obtain a hardship distribution under the Plan for any of the permitted purposes described below, you must have maintained a credit balance in your Profit Sharing Account for at least two consecutive years immediately prior to requesting such withdrawal. This rule is effective for all contributions made on or after January 1, 2018 for Former Local 262 Participants and on or after July 1, 2019 for Former Local 40 Participants. You must also demonstrate, to the satisfaction of the Trustees, that the withdrawal is in an amount which does not exceed the amount required to meet such financial need. The Trustees may require such financial and other information as is reasonably necessary for them to make a determination hereunder. The Trustees’ determination will be made on the basis of all relevant facts and circumstances (on a uniform and non-discriminatory basis), and will be final.

### **Permitted Purposes for a Hardship Distribution**

For Former Local 262 Participants, to receive distributions from your Annuity Account for all contributions made prior to January 1, 2018, you must meet the above eligibility requirements, except the requirement that you maintain a balance in your account for two consecutive years before the request, and apply for the withdrawal for one of the following reasons:

- Educational expenses (tuition and/or room and board) for your dependent children at an accredited college, university, private school or vocational school during the current semester for the semester immediately preceding the date of the application or during the current school year or school year immediately preceding the date of the application; and,
- To repair damages to make improvements on your primary residence.

For all other participants, for Former Local 262 Participants for contributions made on or after January 1, 2018, and for Former Local 40 Participants for contributions made on or after July 1, 2019 to receive distributions from your Profit Sharing Account you must meet the above eligibility requirements and apply for the withdrawal for one of the following reasons:

- Funeral expenses you incur because of the death of a Spouse, child, parent or family member.
- Educational expenses to pay for tuition and/or room and board to maintain a dependent child in an educational institution beyond the high school level, or at a school or institution for physically or mentally handicapped children.

- Educational expenses to pay for tuition for you to enroll in an educational institution beyond the high school level.
- Expenses of at least \$500.00 you incur for dental expenses not reimbursed by insurance.
- The purchase or repair of a house, a cooperative or a condominium apartment in which you will reside. Down payment, contract, improvement and title expenses are covered under this provision.
- Expenses to prevent (or incurred as a result of) foreclosure on, or eviction from, your primary residence.
- Expenses you incur to pay for legal representation in criminal matters that is provided to you, your Spouse or your child by a licensed attorney.
- Expenses you incur to pay for child support, so long as the child support expenses are incurred pursuant to a domestic relations order, a judgment of divorce or a stipulation of settlement; however, distributions for this purpose are to be paid directly from the Fund to the relevant state in which child support is owed.
- The satisfaction of state, local and/or federal taxes you incur.
- Expenses you incur for serious, non-elective medical and dental procedures not otherwise covered by available medical insurance.
- Expenses and losses (including loss of income) you incur on account of a disaster declared by the Federal Emergency Management Agency (“FEMA”) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 100-707, so long as your principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster.
- Expenses incurred by your primary Beneficiary designated under the Plan for qualifying funeral, medical and educational expenses.

### **Other Hardship Distribution Requirements**

Your hardship distribution is also subject to the following requirements:

- The minimum amount which may be withdrawn on account of financial hardship is \$1,000.
- In any event, the amount of a withdrawal may not exceed the lesser of: (i) the value of your Profit Sharing Account; and (ii) the amount necessary to satisfy the financial hardship.
- The amount of any such immediate and heavy financial need may include any amounts necessary to pay Federal, state or local income taxes reasonably anticipated to result from the distribution.
- For the purposes of calculating your hardship distribution amount, the value of your Profit Sharing Account will be determined as of the most recent daily valuation date before the

withdrawal application is received (and Employer Contributions received up to the date of withdrawal).

- All withdrawals will be made in the form of a lump sum.
- The Fund or its agent will determine the date as of which payment of the withdrawal will be made.
- The Trustees may adopt such other rules and regulations as they in their sole discretion deem appropriate to administer Plan hardship distributions.
- You are only permitted two hardship distributions per year.

### **Applying for a Hardship Distribution**

A request for a withdrawal must be made on the appropriate form, which must be submitted to John Hancock for approval at such time as the Trustees in their sole discretion shall determine. You may get a hardship distribution application from John Hancock. It is important to remember that the mere fact that one of these permitted purpose events has occurred does not necessarily mean that you will receive a distribution or that you will receive the full amount requested.

## OTHER PERMITTED DISTRIBUTIONS

Even if you have received a loan or hardship distribution as detailed above, you may apply for and receive the following distributions from your Profit Sharing Account:

- *Qualified Birth or Adoption Distribution* – You may take this type of distribution for a “qualified birth or adoption,” meaning the birth of your child or your adoption of an individual under the age of 18 or who is physically or mentally incapable of self-support. The maximum amount for a Qualified Birth or Adoption Distribution is five thousand dollars (\$5,000), and it must be taken during the one-year period beginning on the child’s date of birth or the date the adoption is finalized. If you receive a Qualified Birth or Adoption Distribution, you may repay amounts equal to the distribution to this Plan or any retirement plan that accepts rollovers. Any repayments will be treated as an eligible rollover, and you may not be taxed if you repay the amount.
- *Coronavirus-Related Distribution* – You may take a Coronavirus-Related Distribution on or after January 1, 2020 but before December 31, 2020. The maximum amount for this type of distribution is the lesser of: fifty thousand dollars (\$50,000) or your full Profit Sharing Account balance. This distribution can be taken irrespective of any hardship distributions or loans from your Annuity Account. If you receive a Coronavirus-Related Distribution, you may repay amounts equal to the distribution to this Plan or any retirement plan that accepts rollovers during the three-year period following the distribution. Any repayments will be treated as an eligible rollover, and you may not be taxed if you repay the amount(s).

To be eligible for a Coronavirus-Related Distribution, you must be a “qualified individual,” meaning you meet at least one of the following criteria:

- You or your spouse or dependent were diagnosed with the virus SARS-CoV-2 or with COVID-19 by a test approved by the Centers for Disease Control and Prevention; or
- you experienced adverse financial consequences as a result of:
  - being quarantined due to such virus or disease,
  - being furloughed or laid off due to such virus or disease,
  - having your work hours reduced due to such virus or disease,
  - being unable to work due to lack of child care due to such virus or disease,
  - closing or reducing the hours of a business you own or operate due to such virus or disease,

- having a reduction in pay or self-employment income or a job offer rescinded or a start date for a job delayed due to COVID-19, or
- your spouse or a member of your household (meaning someone who shares your principal residence) experiencing one of the above events (*e.g.*, being quarantined or furloughed or the closing of a business which that person owns, due to COVID-19).

You may request forms to apply for the above distributions from John Hancock; such forms for these distributions should be submitted to the Fund Office. These distributions may be subject to optional federal and state tax withholding, but they are not subject to a 10% penalty tax when taken before you reach the Normal Retirement Age of 59 ½.



## **CLAIMS AND APPEALS PROCEDURES**

### **How Do I File An Application For An Annuity Benefit?**

You must file a written application with the Board of Trustees on a form that will be provided upon request by the Fund Office.

### **Action on Application**

The Fund Office will make a decision about your application within 90 days of receiving it (unless special circumstances require up to an additional 90 days for processing the application or claim, in which case you will receive a written explanation of the reason for the delay and the date by which the Fund Office expects to make a determination). If you have not received a decision on your application within 90 days (or the additional 90 days if you are so notified), you may request a review of your claim.

If your application for a benefit is denied, in whole or in part, you will be sent a written notice explaining:

- The specific reason for the denial;
- The Plan provisions on which the determination is based;
- Any additional material or information you need to submit to process your application, and an explanation of why such material or information is necessary; and
- The Plan's review procedures and the applicable time limits, as well as your right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act of 1974, as amended, following an adverse benefit determination on review.

### **If My Application is Denied, Do I Have a Right to Appeal?**

Yes. You (or your authorized representative) simply file a written appeal with the Fund Office no later than 60 days after the date the notice of denial was mailed to you. If you do not appeal, the initial determination is final and binding. You can appoint an authorized representative to act on your behalf in filing a claim and seeking a review of a denied claim. You must, however, notify the Fund Office in advance in writing of the name, address, and phone number of the authorized representative.

In connection with your request for review, you (or your authorized representative) may:

- Submit to the Board of Trustees written comments, documents, records and other information relating to your claim (including materials submitted, considered or generated in connection with the benefit determination) within 30 days of filing your request for review; and
- Receive, upon written request and free of charge, reasonable access to (and copies of) all documents, records and other information relevant to your claim.

## **Determination of Your Appeal by the Trustees**

The review by the Board of Trustees will take into account all comments, documents, records and other information submitted relating to your claim, without regard to whether such information was submitted or considered in the initial benefit determination.

The Trustees shall notify you in writing of their decision on the review of the denial no later than 60 days after the Fund Office's receipt of your request for review (unless special circumstances require up to an additional 60 days for processing the request for review, in which case you will receive a written explanation of the reason for the delay and the date by which the Board of Trustees expects to make a determination).

However, because the Fund holds regularly scheduled meetings, the Trustees may make the determination at the meeting immediately following the Fund Office's receipt of your request for review, unless your request is filed within 30 days of that meeting in which case the Trustees may take the request up at the second meeting following receipt of your request. If special circumstances require a further extension and the Fund notifies you of the need for an extension, a benefit determination will be rendered no later than the third meeting following the Fund's receipt of your request for review. If your request for review is decided at a meeting, the decision will be sent to you no later than five days after the decision is made.

When the Board of Trustees makes a decision on review, you will be sent a written notice of the Trustees' decision. If an adverse benefit determination is made on review, you will be sent a written notice explaining:

- The specific reason for the decision;
- The Plan provisions on which the decision is based;
- A statement 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
- A statement of you or your Beneficiary's right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act of 1974, as amended, following an adverse benefit determination on review.

If the Board of Trustees issues an adverse benefit determination on review, it shall be binding and conclusive unless:

- You notify the Trustees, within 90 days of the date the written notice of adverse benefit determination on review was mailed to you, that you intend to commence legal proceedings challenging the Trustees' determination; and
- You actually commence legal proceedings within 180 days of the date the written notice of adverse benefit determination on review was mailed to you.

**PLEASE NOTE:** You cannot bring legal action against the Plan for benefits until you have exhausted these appeals procedures. If you wish to seek judicial review of the denial of any appeal under the Plan, you must file a lawsuit under Section 502(a) of ERISA (to the extent applicable) within 12 months of the date on which all administrative remedies under the Plan are exhausted, that is by the earlier of the date on which an adverse benefit determination on review is issued by the Board of Trustees or the last day on which a final decision should have been issued, or you will be forever prohibited from commencing such action.

## TAX CONSIDERATIONS

The money in your Plan Annuity Account is usually not considered taxable income to you until you actually receive it. When you receive a distribution from the Fund, it is normally subject to income taxes. Further, if you are under the Normal Retirement Age of 59 ½ when you receive a distribution, you may also be subject to an IRS tax penalty of 10% unless you are age 55 and retired.

This Section provides a very brief summary of some key tax issues. When you retire or receive a distribution, you will receive more detailed information from the Fund Office. In addition, since tax laws are complicated, and the Fund Office cannot advise you on any legal or tax matters, you may wish to consult a tax advisor to fully understand the tax consequences of Plan distributions.

Distributions eligible for rollover. You may defer or reduce taxes on certain types of distributions (for example, lump sum and annual installment distributions) by rolling the distribution over to another tax-qualified plan. If you don't roll the distribution over, it will be taxable and subject to 20% mandatory federal tax withholding.

Other types of distributions. Other types of payments, such as annuity payments, cannot be rolled over and are taxable. Current tax law requires the withholding of federal income tax from periodic annuity payments unless you reject the withholding. This type of withholding is similar to withholding from wages, with the amount withheld determined according to an IRS table that takes into Account the amount of the distribution and the number of exemptions you claim.

Hardship withdrawals, as well as defaulted loans that are deemed distributions, are also subject to income taxes and may be subject to a penalty.

### **Please Remember**

The Fund Office cannot provide legal or tax advice. To be sure of the tax treatment of a distribution you receive from the Fund, you should consult an independent advisor.

## OTHER THINGS YOU SHOULD KNOW

### Military Leave

If you are on active military duty you are entitled to certain rights in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). Specifically, you may be credited with contributions to your Annuity Account during your military service, if you meet certain conditions.

USERRA also entitles you to prompt reinstatement in your job following completion of military service, with the same seniority, pay and benefits you would have had if you had not entered military service. To qualify for these “reemployment rights,” you must receive an honorable discharge and return to active employment within the jurisdiction of the Union within one of the following timeframes:

- 90 days of the date of discharge, if the period of service is more than 180 days but less than five years; or
- 14 days from the date of discharge, if the period of service was at least 30 days but less than 180 days; or
- 7 days after discharge if the period of service was less than 30 days.

If you are hospitalized or convalescing from an injury caused by active duty, these time limits may be extended up to two years.

Under USERRA, an active employee is required to notify the employer (in writing or orally) that he or she is leaving for military service unless circumstances or military necessity make notification impossible or unreasonable. Your employer is required to notify the Fund Office within 30 days after you are reemployed following military service.

In addition, please note that to assist military families experiencing significant economic hardships due to individuals being called to active duty, Congress passed the Heroes Earnings Assistance and Relief Tax Act (the “HEART” Act) of 2008. The HEART Act provides for additional Plan benefits and protection for individuals who, after leaving Covered Employment to serve in the military, either die or become disabled while in qualified military service.

The HEART Act requires pension plans to provide mandatory death benefits by treating Participants who die while in qualified military service as if they had returned to active employment before their death. If you die while in qualified military service, the Plan will treat you as if you had returned to Covered Employment and were an active employee before your death. Your spouse may be eligible for the pre-retirement surviving spouse benefit.

Contact the Fund Office for more information regarding benefits provided under the HEART Act.

## **Pension Benefit Guaranty Corporation**

This Plan is a defined contribution plan, which means that contributions are made in specific—or defined—amounts, but you are not guaranteed a specific amount of benefit when you leave Covered Employment (as is the case with a “defined benefit plan,” which is the type of plan we commonly refer to as a pension plan).

The Pension Benefit Guaranty Corporation (PBGC) is a federal agency that insures benefits earned in a defined benefit pension plan. Because this Plan is a defined contribution plan under which you are guaranteed no specific benefit, the Plan is *not* insured by the PBGC.

## **Plan Amendments or Termination**

The Board of Trustees expects to continue the Plan indefinitely, but reserves the right, in its sole and absolute discretion, to amend, change or terminate the Plan, in whole or in part, for any reason and at any time, with respect to all Participants who are or may become covered by the Plan and their Beneficiaries. If the Plan is amended, changed, or terminated, in whole or in part, the ability of Employees to participate in the Plan and/or to receive Benefits under the Plan, as well as the type and amount of Benefits provided under the Plan, may be changed or terminated. However, the rights of all affected Participants to Benefits accrued prior to the date of termination, partial termination or complete discontinuation of Contributions would be nonforfeitable and would be distributed in accordance with applicable law. If the Plan is terminated, all remaining assets will be used for the exclusive benefit of Plan Participants and Beneficiaries. No part of the assets will be returned to any Employer or to the Union.

## **Assignment of Benefits**

Generally, Plan Benefits are for your benefit only and cannot be assigned, pledged, transferred or sold for any reason, nor can they be used to obtain credit in any form. Furthermore, the Plan is generally not liable for or subject to any debts or obligations owed by a Participant. However, exceptions are made for federal tax levies or to satisfy the terms of a QDRO.

A QDRO is a court order or judgment that specifically directs the Plan to pay Benefits from your Annuity Account to your Spouse, former Spouse, child or other dependent in connection with child support, alimony, or marital property rights.

In addition, until the Plan has complied with the terms of the QDRO, the Board of Trustees may restrict distributions from your Annuity Account. These restrictions could also apply during any period when the Board of Trustees is determining whether a written order satisfies the QDRO requirements in the Internal Revenue Code.

You will be notified if the Plan ever receives a proposed QDRO with respect to your Annuity Account. For more information on QDROs, or to receive a free copy of the procedures that the Fund follows in determining whether an order is qualified, contact the Fund Office.

## **Overpayment of Benefits**

There are times that you or your beneficiary will be required to furnish information or proof necessary to determine your or your beneficiary's right to a Plan benefit. If you or your beneficiary fail to submit the requested information or proof, make a false statement, or furnish fraudulent or incorrect information, your or your beneficiary's benefits under the Plan (and participation in the Plan, even if you or your beneficiary would otherwise meet the eligibility requirements) may be denied, suspended, or discontinued at any time and for any length of time (including permanently) by a duly authorized representative of the Plan or any of its designees in its sole and absolute discretion.

If the Plan makes payment for benefits that are in excess of expenses actually incurred or in excess of allowable amounts, due to error (including, for example, a clerical error) or fraud or for any other reason (including, for example, your failure to notify the Plan office regarding a change in family status), the Plan reserves the right to recover such overpayment plus interest and costs, through whatever means are necessary, including, without limitation, legal action or by offsetting future benefit payments to you, your beneficiary, or your or your beneficiary's heirs, assigns, or estate.

## **Forfeitures After Dormancy**

If your Annuity Account becomes payable and you do not request any Annuity Account distributions for five consecutive years, then your Annuity Account will be forfeited as of the fifth anniversary of the lack of distributions from your Annuity Account. The amount forfeited will be used to pay Plan administrative expenses. For Local 40 Participants, prior to July 1, 2019, your Annuity Account was only forfeited if its value was less than \$1,000. If you seek to reinstate distributions from your Annuity Account, your Annuity Account balance will be restored to the amount at the time of forfeiture, unadjusted by any subsequent gains or losses and without interest.

## **Discretionary Authority of the Board of Trustees**

The Board of Trustees (and/or its duly authorized designees) has the exclusive right, power and authority, in its sole and absolute discretion, to administer, apply and interpret the Plan, including this booklet, the legal Plan document, the Trust Agreement and any other Plan documents, and to decide all matters arising in connection with the operation or administration of the Plan. No one else has any authority to interpret the Plan (or other applicable documents) or make any promises to you about it, including any claims for Benefits.

Without limiting the generality of the above, the Board of Trustees (and/or its duly authorized designees) shall have the sole and absolute discretionary authority to:

- Take all actions and make all decisions with respect to the eligibility for, and the amount of, Benefits payable under the Plan;
- Formulate, interpret and apply rules, regulations and policies necessary to administer the Fund in accordance with the terms of the Plan;

- Decide all questions, including legal or factual questions, relating to the calculation and payment of Benefits under the Plan;
- Resolve and/or clarify any ambiguities, inconsistencies and omissions arising under the Plan, including this booklet, the Trust Agreement or other Plan documents;
- Process and approve or deny benefit claims; and
- Determine the standard of proof required in any case.

All determinations and interpretations made by the Board of Trustees (and/or its duly authorized designees) shall be final and binding upon all Participants, Beneficiaries and any other individuals claiming Benefits under the Plan. The Board of Trustees may delegate any duties or powers as it deems necessary to carry out the administration of the Plan.



## **YOUR RIGHTS UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (ERISA)**

As a Participant in the Northeast District Council of the OPCMIA Annuity 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 Fund Office, all documents governing the Plan, including 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 collective bargaining agreements and copies of the latest annual report (Form 5500 series) and an updated summary plan description. The Plan 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.

### **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 an 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 welfare benefit or exercising your rights under ERISA.

### **Enforce Your Rights**

If your claim for an annuity 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 federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for Benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in a 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. However, no legal action may be commenced or maintained against the Plan until after you exhaust the Plan's claims procedures, which are described in this SPD.

### **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:

Division of Technical Assistance and Inquiries  
Employee Benefits Security Administration  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington D.C., 20210.

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at 1-866-444-3272.

## ADMINISTRATIVE INFORMATION

<b>Official Plan Name</b>	Northeast District Council of the OPCMIA Annuity Fund
<b>Employer Identification Number (EIN)</b>	13-3207195
<b>Plan Number</b>	002
<b>Plan Year</b>	January 1 through December 31
<b>Type of Plan</b>	Defined contribution, profit-sharing plan
<b>Effective Date</b>	July 1, 1983, as amended and restated through January 1, 2014
<b>Funding of Benefits</b>	All Contributions to the Fund are made by Employers in accordance with collective bargaining agreements requiring Employers to contribute to the Fund. Benefits are paid from the Fund's assets, which are accumulated under the provisions of the collective bargaining agreements and the Fund's Trust Agreement.
<b>Trust</b>	Plan assets are held in a Trust Fund for the purpose of providing Benefits to covered Participants and paying reasonable administrative expenses.
<b>Plan Sponsor</b>	<p>The Plan is administered by a joint Board of Trustees composed of Union Trustees and Employer Trustees, whose names appear in this summary booklet. The Board of Trustees may be contacted at the Fund Office:</p> <p>Board of Trustees          Northeast District Council of the OPCMIA Annuity Fund          100 Merrick Road, Suite 500 West          Rockville Centre, New York 11570          516-775-2280</p>
<b>Plan Administrator</b>	<p>For legal purposes, the Board of Trustees is also the official Plan Administrator. However, the Board has delegated certain day-to-day administrative duties to the Fund Administrator. The Fund Administrator is:</p> <p>Lisa Parisi          100 Merrick Road, Suite 500 West          Rockville Centre, New York 11570          516-775-2280</p>
<b>Participating Employers</b>	The Northeast District Council of the OPCMIA Annuity Fund will provide you, upon written request, with information as to whether a particular employer is contributing to the Plan on behalf of employees, as well as the address of such employer. Additionally, a complete list of employers and union locals sponsoring the Fund may be obtained upon written request to the Fund Office and is available for examination at the Fund Office.
<b>Agent for Service of Legal Process</b>	Legal process may be served on the Fund Administrator or any member of the Board of Trustees at the address provided above.