Welcome

The International Union of Operating Engineers (IUOE) Local 4 is a diverse trade union that represents over 5,000 operating engineers working throughout the construction industry. We are dedicated to providing our members with comprehensive and innovative benefits that are designed to help you prepare for a financially secure future, and help keep you and your family healthy and well.

This Benefits Highlight Brochure provides an overview of all the benefits available through IUOE Local 4. For more details about these benefits, please refer to the official Summary Plan Descriptions (SPD) that were mailed to you and are available on the IUOE Local 4 Benefit Funds website at www.local4funds.org.

Questions?
For questions about our benefit programs, call 508.533.1400 or send an email to office@local4funds.org.

This brochure describes certain key features of the IUOE Local 4 benefit programs. It does not provide detailed descriptions. These may be found in the official Plan Documents, which govern the Plans at all times. Every attempt has been made to ensure the accuracy of the information in this brochure. However, if anything in this brochure conflicts with the terms outlined in the official Plan Documents the Plan Documents will govern.
HOW TO USE THIS DOCUMENT

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BUILDING YOUR FINANCIAL FUTURE
PENSION PLAN AND ANNUITY SAVINGS PLAN

IUOE Local 4 takes seriously the need to invest in your future and is committed to providing a solid retirement program to help you realize your retirement goals. When you start a construction project, you have a plan — or at least you should! Likewise, when preparing for your future, you want to have a plan — and the tools you need to reach your goals. Your IUOE Local 4 benefits form an important part of your personal retirement plan, but it is up to you to take responsibility and actively plan for your own future.

Laying the Foundation: Pension Plan
Every successful structure needs a strong foundation in order to withstand the tests of time. Established in 1959, the IUOE Local 4 Pension Plan (the Plan) is designed to provide you with a stable foundation of income during your retirement years.

How the Plan Works
The Plan provides a monthly benefit based on your age at retirement and years of service while covered under the Plan. Contributing employers contribute to the Plan on your behalf; you are not required to contribute to the Plan.

Years of service are important because:

- **The number of hours in Covered Employment you work during the contribution period determines the number of Pension Credits and Years of Vesting Credit you earn.** The contribution period is the period of time during which your employer is required to make contributions to the Plan on your behalf. You may also receive Pension Credits and Years of Vesting Credit for work you did before the contribution period.

- **Your Vesting Credits determine if you are eligible for a benefit when you retire.** If you were a Plan participant and worked in Covered Employment on or after January 1, 1998, you can become vested with five Years of Vesting Credit or five Pension Credits. If you were not a Plan participant on or after January 1, 1998, you will be required to have ten or more Years of Vesting Credit in order to become vested, depending on when you last worked in Covered Employment.

- **Your benefit is calculated as a fixed amount multiplied by your number of Pension Credits.**

Vesting means you have a right to a pension benefit that cannot be taken away if you are a participant in the Plan and have at least one hour of Covered Employment after 1997 and five years of Vesting Credit.
PARTICIPATION IN THE PLAN
To participate in the Plan, you must work at least one hour in Covered Employment (work covered by an agreement between your employer and IUOE Local 4 that requires your employer to make contributions at a fixed amount per hour to the Pension Fund on your behalf). If you are not already vested, you may lose participant status if you do not work in Covered Employment for at least 250 hours in a calendar year. If you lose your participant status, you can regain it, and any Break in Service you may have suffered in a prior year may be repaired, by working at least 250 hours in the subsequent calendar year (unless a permanent Break in Service has occurred).

Pension Requirements and Amounts
To be eligible to receive a benefit when you retire, you must be vested in the Plan and meet these requirements:

- **Regular Pension:** Available at age 62 if you earned at least one-quarter Pension Credit after December 31, 2012, and retire on or after January 1, 2014:
  - $85.00 times Pension Credits earned before 1993, plus
  - $125.00 times Pension Credits earned on or after January 1, 1993.
  
- Available at age 62 if you earned at least one-quarter Pension Credit after December 31, 2014 and retire on or after January 1, 2016:
  - $85.00 times Pension Credits earned before 1993, plus
  - $140.00 times Pension Credits earned on or after January 1, 1993.

- Available at age 62 if you earned at least one-quarter Pension Credit after December 31, 2015 and retire on or after January 1, 2017:
  - $85.00 times Pension Credits earned before 1993, plus
  - $150.00 times Pension Credits earned on or after January 1, 1993.

- **Early Pension:** Available as early as age 52 and equal to the amount of Regular Pension to which you would be entitled if you were age 62 at retirement, reduced as follows:
  - For each month from age 60 to age 62, it is reduced by one-eighth of one percent; and
  - For each month you are under age 60, it is reduced by one-quarter of one percent.

- **Disability Pension:** If you become disabled before age 62 and have at least 10 pension credits:
  - The monthly amount of a Disability Pension is the amount of Regular Pension to which you would be entitled if you were age 62 on the date of retirement.

Receiving Payments
You may select from a variety of payment options for your pension benefit based on your personal needs and situation. When the time comes, consider which payment option is best for you.

FOR MORE INFORMATION
See the IUOE Local 4 Pension Plan SPD, available online at www.local4funds.org, for Plan details.
Building the Structure: Annuity and Savings Plan

Once you have a stable foundation, it’s time to build the structure. Established in 1987, the IUOE Local 4 Annuity and Savings Plan (the Plan) is a Profit Sharing Plan with a 401(k) component that provides income in addition to what you will receive from the Pension Plan during your retirement years. It also gives you the opportunity to take an active role in planning and saving for your future.

How the Plan Works

The Plan features two main elements – employer contributions made on your behalf and elective contributions you may make to a 401(k). You are immediately 100% vested in all contributions. MassMutual Financial Group is the Plan’s record keeper and invests all contributions made on your behalf in your self-directed investment account.

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<th>EMPLOYER CONTRIBUTIONS (ANNUITY DOLLARS)</th>
<th>YOUR CONTRIBUTIONS (401(K))</th>
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<td>• Your employer contributes to the Plan based on the number of hours you work in Covered Employment.</td>
<td>• You may elect to contribute at a fixed rate for each hour worked, up to the IRS annual limit ($18,000.00 in 2015).</td>
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<td>• You are not required to make contributions in order to receive Annuity Dollar contributions from employers.</td>
<td>• If you are age 50 or above in 2015, you may make additional “catch-up” contributions, up to the IRS annual limit (an additional $6,000.00 in 2015).</td>
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PARTICIPATION IN THE PLAN

To participate in the Plan, you must work at least one hour in Covered Employment (work covered by an agreement between your employer and IUOE Local 4 that requires your employer to make contributions at a fixed amount per hour to the Pension Fund on your behalf). If you are not already vested, you may lose participant status if you do not work in Covered Employment for at least 250 hours in a calendar year. If you lose your participant status, you can regain it, and any Break in Service you may have suffered in a prior year may be repaired, by working at least 250 hours in the subsequent calendar year (unless a permanent Break in Service has occurred).
Investing Your Contributions
The Plan provides a wide range of investment options from which to choose.

As a new participant, your contributions will automatically default to a target-based mutual fund – based on your age and projected retirement date – until you select another investment option. Read the investment materials you receive and choose an investment mix that best suits your savings goals, timeline (e.g., how close you are to retirement) and the level of risk you are willing to take.

Receiving Payments
You may begin to receive payments when you retire, become disabled, terminate employment or, in certain cases, experience a financial hardship. You must meet specific requirements in order to make a withdrawal based on financial hardship, and such a withdrawal may come only from member contributions. Furthermore, loans are available from your account subject to the rules and restrictions of the Plan Document.

The value of your account will be based on the amount of Annuity Dollars and elective 401(k) contributions (if you made them) made to your account and the investment performance of the investment options you chose.

FOR MORE INFORMATION
See the IUOE Local 4 Annuity and Savings Plan SPD, available online at www.local4funds.org, for Plan details.
TAKING CARE OF YOUR HEALTH AND WELL-BEING

HEALTH AND WELFARE PLAN

No matter the age, every building needs to be maintained and protected in order remain structurally sound. Likewise, we each need to take care of ourselves. That’s why IUOE Local 4 values your own and your family’s health and well-being, and is committed to providing comprehensive benefits that protect you from high health care costs and unexpected events, such as illness or injury.

PARTICIPATION IN THE PLAN

In general, you and your eligible dependents may participate in the Basic Benefits Plan if you work:

- 1,000 or more credited hours during a calendar year;
- 1,500 or more hours if you participate in Local 4D and are covered by an Equipment House Contract; or
- 1,800 or more hours if you are a non-collectively bargained employee covered under a Participation Agreement.

You may also become eligible for Supplemental Benefits Plan upon working 500 hours in a calendar year. If you do not meet these requirements, you may have other options. See the IUOE Local 4 Health and Welfare Plan SPD, available online at www.local4funds.org, for Plan details.
Health Care

Medical, Prescription Drug and Hearing Coverage
The Medical Plan is a preferred provider organization (PPO) administered by Blue Cross Blue Shield of Massachusetts. Through the Plan, preventive care is covered 100% and you have the freedom to receive care from both in- and out-of-network providers and facilities without referrals. However, if you choose to receive care out of network, you will generally pay more out of your own pocket. That means you are in control of your health care spending. As of January 1, 2015, the annual deductible was reduced to $200.00 per individual and $400.00 per family, and co-pays were reduced to $10.00 per visit effective June 1, 2015.

The Medical Plan also includes:

- Prescription drug coverage through CVS Caremark. Retail, mail-order and specialty medications are available, and the amount you pay depends on the type of medication you purchase and where you purchase it.
- The Hearing Plan, which covers routine hearing-related expenses, including exams at 100% and an allowance for hearing aids every four years.

Dental Coverage
The Dental Plan uses a PPO network of dentists. You also have the freedom to see an out-of-network dentist. As with medical coverage, you will typically pay more out of your own pocket when care is received out of network.

When you see a dentist in the PPO network, diagnostic and preventive care is covered 100% and you pay coinsurance for basic and major services. Orthodontia is covered at 50% up to a lifetime limit of $2,000.00, unless it is medically necessary, in which case the $2,000.00 limit does not apply (for eligible dependents up to age 19).

Vision Coverage
The Vision Plan is administered by Davis Vision and covers routine vision care, including exams, eyeglasses and contact lenses at 100% when you see a Davis Vision “panel” provider. If you choose to receive care from a “non-panel” provider, you will generally pay more out of your own pocket.
Income Protection

Disability Benefits
If you are unable to work due to a non-work-related illness or injury, including pregnancy, you will receive $400.00 per week for up to 26 weeks. A waiting period may apply before benefits are payable.

Life Insurance
In the event of your death, your designated beneficiary will receive a benefit of $50,000.00. If you are an active employee at age 70, the benefit is reduced to $32,500.00, and it is further reduced to $25,000.00 at age 75.

In the event of your spouse’s death, you will receive a benefit of $2,000.00 to help defray the cost of final expenses.

Accidental Death and Dismemberment (AD&D) Insurance
In the event you are seriously injured, become paralyzed or die from a covered accident, you or your designated beneficiary will receive a monetary benefit based on the type of injury sustained or your death per the schedule listed on page 59 of the Health and Welfare Plan SPD.

FOR MORE INFORMATION
See the IUOE Local 4 Health and Welfare Plan SPD, available online at www.local4funds.org, for Plan details.