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## **WHAT IS A SUMMARY PLAN DESCRIPTION?**

This Summary Plan Description is a summary of the information contained in the official text of the Plan and sets forth certain rights and protections that Plan Participants are entitled to under the federal Employee Retirement Income Security Act (“ERISA”).

The purpose of this Summary Plan Description is to provide you with information about the Plan rules and benefits available to you. If it is considered that the terms, conditions and provisions of this Summary Plan Description differ in content from that of the Plan, then the Plan shall govern.

The Summary Plan Description outlines the major provisions of the Plan.

## **ELIGIBILITY FOR PARTICIPATION IN THE PLAN**

You become a Participant in the Plan as of the first date an employer becomes obligated to make a contribution to the Annuity Fund on your behalf. The Plan is maintained pursuant to one or more collective bargaining agreements that describe certain obligations a contributing employer may have to the Plan. Copies of any such agreement may be obtained by you or your beneficiary upon written request to the Fund Manager, and is available for examination at the Fund Office.

## **PARTICIPANT'S ACCOUNT BALANCE**

Subject to the calculation below, the balance of your Account at the beginning of a calendar year shall be increased by contributions credited and reduced by benefits paid.

## **CALCULATION OF A PARTICIPANT'S ACCOUNT BALANCE**

The method of calculation for your Account shall be based upon the following as defined herein: (a) Your Average Monthly Balance, (b) Investment Return, (c) Expenses; and if applicable, (d) Retention and (e) Special Administration Fees.

- (a) Average Monthly Balance is calculated by the balance of your Account on the last day of each month of a calendar year, whose total is then divided by twelve, before adjustments are made for net investment return and expenses.
- (b) Investment Return based on a proportionate share of earnings, less administration costs, are applied to your Account. If your Account has a zero balance on December 31, it will not be credited with earnings.
- (c) Expenses are based on the ratio of contributions received for your Account to total contributions received; a proportionate share of administrative costs for the year will be deducted from your Account. Anything herein contained to the contrary notwithstanding, your Account will be charged with a \$50 Administrative Charge each Plan Year. Retired Participant's not utilizing ACH direct deposit for monthly distributions will be charged \$20 for each Plan check issued.

The final calculation using (a), (b) and (c) shall be the "net value" of your Account at the end of the calendar year.

(d) Lump sum distributions of \$2,000 dollars or more may be subject to a 20% retention until the Plan is valued at year end.

(e) Special Administrative Fees:

• Hardship Withdrawal Fee	\$50.00
• New Loan Fee	\$50.00
• Returned Check Fee	\$25.00
• Loan Default Fee	\$50.00
• Active Termination Withdrawal Fee	\$50.00
• QDRO Withdrawal Fee	\$50.00
• QDRO Review Fee	\$350.00

### **VESTING FOR PARTICIPANTS**

Vesting occurs when you acquire a nonforfeitable right to your benefit even if you separate from service. You are 100% vested in the amount that is contributed on your behalf by your employer at all times.

### **BENEFITS FOR PARTICIPANTS**

(a) **Death Benefit**

Your beneficiary is eligible for a death benefit if you die while a participant in the Plan.

You may choose anyone you like to be your beneficiary, but if you are married and your spouse is not designated, your spouse must consent in writing to such designation. The consent must be witnessed by a notary public or the Fund Manager or Assistant Fund Manager.

If your spouse is the designated beneficiary and you were married for at least one (1) year at the time of your death, your spouse can receive a Qualified Pre-Retirement Survivor Annuity for the rest of his or her life from your Account balance. Alternatively, your surviving spouse may elect to have a benefit payment received in a lump sum distribution.

If there is no designated beneficiary on file with the Fund for a deceased Participant, the Trustees shall pay such monies to the spouse. If there is no spouse surviving, to your surviving children in equal shares. If there are no children surviving, to your estate.

(b) Retirement Benefit

Normal Retirement Age is 65. Your Normal Retirement Date is the first day of the month coincident with or next following your 65th birthday.

However, if certain conditions are met, you may receive a distribution earlier than age 65. If you reach age 55 and have retired from the industry, and are no longer available for work with a contributing employer as evidenced by you not being registered for employment in accordance with the referral procedure in the applicable Collective Bargaining Agreement, or if you become disabled you shall be eligible to retire.

If you are not married throughout the one year period ending on your annuity starting date, or if you elect not to receive a Qualified Joint and Survivor Annuity, the retirement benefits provided herein may, at your election, be paid as a monthly benefit of at least \$100 a month until the net value of your Account is exhausted. A Participant may increase the amount of the monthly benefit by multiples of \$100.

(c) Disability Benefit

If you become totally and permanently disabled due to a physical or mental condition and cannot perform the customary duties of your employment you may be eligible for a disability benefit. The Disability Benefit, at your election, may be a monthly benefit of \$100 until the net value of your Account is exhausted. You may increase the monthly benefit by multiples of \$100 or elect to receive the entire account in a lump sum.

(d) Termination Benefit

(i) In the event no contributions have been made to your Account for a period of two (2) consecutive calendar years, and your Account Balance is \$1,000 or less, the Trustees may distribute such amount to you before your Annuity Starting Date without the consent of your spouse.

(ii) In the event you are not working in the trade in the same geographic area covered by the Plan and you have attained your 55th birthday, you may apply for a Termination Benefit of \$100 payable monthly until the net value of your Account is exhausted. You may increase your monthly benefit by multiples of \$100, but no more than twice in any consecutive twelve month period.

(iii) In the event you have a credit balance in your Account, and:

(A) you have not been a Plan Participant for a period exceeding twelve consecutive months; or

(B) you have entered the armed forces; or

- (C) you are not working in the trade in the same geographic area covered by the Plan.

Based upon the foregoing, you may be eligible for a Termination Benefit of \$100 a month for each 30-day period that you have not worked for a contributing Employer. The Trustees may increase the monthly amount in multiples of \$100 up to \$1,900.

- (iv) If you have not worked for a contributing Employer for at least 12 consecutive months, you may apply for a Termination Benefit payable in one lump sum, if the value of your Account does not exceed \$1,000. If the present value of your Account exceeds \$1,000 and your Spouse consents in writing to the distribution, you are eligible to apply for a distribution of 25%, 50% or the entire value of your Account.

(e) Method of Payment of Various Benefits

A **Qualified Joint and Survivor Annuity** is an Annuity determined at the effective date of your retirement, based upon your age and that of your spouse. If you die before your spouse, (to whom you were married for at least one (1) year at the effective date of your retirement) your spouse will continue to receive a monthly annuity for life equal to 50% or 75% of the monthly annuity you had been receiving. This protection exists for your spouse even if you become divorced after your benefit payments start. A Qualified Joint and Survivor Annuity applies to your distribution if you are married throughout the one (1) year period ending on your annuity starting date.

A **Lifetime Annuity** stops at your death and does not provide for a continuation to your spouse. Finally, in place of receiving periodic income with your spouse's consent you may elect to receive your entire Account in a **lump sum or by other available options** provided in your retirement benefit application.

In the event that you die prior to retirement, if you are married your spouse can receive a **Qualified Pre-retirement Survivor Annuity** based on the balance in your Account as of the date of death. However, your spouse may elect to receive a lump sum distribution of your Account balance payable upon your death.

For you to receive any benefit other than a Qualified Joint and Survivor Annuity you must submit to the Fund an election not to receive a Qualified Joint and Survivor Annuity which must be accompanied by your spouse's consent in writing to such election which is witnessed by a notary public, the Fund Manager or the Assistant Fund Manager.

You may also elect to have your distribution paid in a direct rollover to an eligible retirement plan specified by you.

(f) Loans to Participants

You are eligible for loans during periods of financial need which may result from your unemployment or sickness, disability of yourself or members of the immediate family, or for the purpose of [purchasing your first time principal residence (loan up to \$10,000)]; or preserving the home, the Trustees may, upon application, grant loans to Participants.

Loans must be repaid when due and if not repaid, any retirement or termination benefit that a member shall be eligible to apply for, shall be first used to repay the loan.

If an outstanding loan is refinanced through the Fund, it is to be treated as a second loan, and the maximum loan limit shall apply to the sum of the new loan and the portion of the old loan being paid off. If a loan is refinanced, it must be paid in full within five (5) years from the date of the initial loan.

A loan shall not be considered paid in full even if you default and the Fund treats it as a taxable distribution. If you default on a loan, even if such loan is eventually repaid you shall no longer be eligible for further loans from the Plan.

(g) Qualified Domestic Relations Order (“QDRO”)

In general, ERISA and the Internal Revenue Code do not permit you to assign your interest in a pension plan to another person. Certain rules are intended to ensure that your pension benefits are available to provide financial support during your retirement years. However, a limited exception to these rules permits the assignment of your interest in the Plan to another person through a QDRO.

Under the QDRO exception, a domestic relations order may assign some or all of your pension benefits to a spouse, former spouse, child, or other dependent to satisfy family support or marital property obligations if and only if the order is “qualified” by the Fund. The Fund’s procedures governing QDRO’s can be obtained without charge from the Fund Office.

**HOW TO APPLY FOR A BENEFIT**

You should file an application for benefits with the Fund Office. The forms will be provided to you upon request at the Fund Office.

**APPEALS PROCEDURE**

Each claim for any benefit disbursement under this Plan is reviewed under the direction of the Board of Trustees. The facts that are presented with the claim

are considered, primarily, in evaluating it. Sometimes the Fund Office will not receive all the pertinent details when a claim is presented which could result in a denial of your claim. However, regardless of the reason for the denial, you are entitled to a review of your denied claim.

#### Initial Adverse Benefit Determination

If your claim for benefits is denied in whole or in part for any reason, then within 90 days after this Plan receives your claims, this Plan will send you written notice of its decision, unless special circumstances require an extension, in which case the Plan will send you written notice of the decision no later than 180 days after the Plan receives your claim. If an extension is necessary you will be given written notice of the extension before the expiration of the initial 90-day period, which shall indicate the special circumstances requiring the extension of time and the date by which the Plan expects to render the benefit determination.

The Plan's written notice of its decision will include the specific reason or reasons for the adverse benefit determination; reference to specific plan provisions on which the determination is based; a description of any additional material or information necessary for you to complete your claim and an explanation of why such material or information is necessary (if applicable); and a description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of your right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act of 1974 (ERISA) following an adverse benefit determination on review.

#### Appeal of Adverse Benefit Determination

If you are not satisfied with the reason or reasons why your claim was denied, then you may appeal to the Board of Trustees. To appeal, you must write to the Trustees within 60 days after you receive this Plan's initial adverse benefit determination. Your correspondence (or your representative's correspondence) must include the following statement: "I AM WRITING IN ORDER TO APPEAL YOUR DECISION TO DENY ME BENEFITS. YOUR ADVERSE BENEFIT DETERMINATION WAS DATED \_\_\_\_\_, 20\_\_." If this statement is not included, then the Trustees may not understand that you are making an appeal, as opposed to a general inquiry. If you have chosen someone to represent you in making your appeal, then your letter (or your representative's letter) must state that you have authorized him or her to represent you with respect to your appeal, and you must sign such statement. Otherwise, the Trustees may not be sure that you have actually authorized someone to represent you, and the Trustees do not want to communicate about your situation to someone unless they are sure he or she is your chosen representative.

You shall have the opportunity to submit written comments, documents, records and other information related to the claims for benefits. You shall also be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits. A document, record, or other information is relevant to a claim if it was relied upon in making the benefit determination; was submitted, considered, or



generated in the course of making the benefit determination, without regard to whether such document, record, or other information was relied upon in making the benefit determination; demonstrates compliance with the administrative processes and safeguards required in making the benefit determination; or, in the case of disability pension claims only, constitutes a statement of policy or guidance with respect to the Plan concerning the denied benefit, without regard to whether such advice or statement was relied upon in making the benefit determination. The review will take into account all comments, documents, records and other information submitted or considered in the initial benefit determination.

### Determinations on Appeal

The Trustees at their next regularly scheduled meeting will make a determination of the appeal. However, if the appeal is received less than thirty (30) days before the meeting, the decision may be made at the second meeting following receipt of the request. If special circumstances require an extension of time for processing, then a decision may be made at the third meeting following the date the appeal is made. Before an extension of time commences, you will receive written notice of the extension, describing the special circumstances requiring the extension. The Plan will notify you of the benefit determination no later than 5 days after the determination is made.

If your appeal is denied, the Plan's written notice of the Board's decision will include the specific reason or reasons for the adverse benefit determination; reference to specific Plan provision on which the determination is based; a statement that the claimant is 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 for benefits; and a statement of your right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act of 1974 (ERISA).

The Trustees' final decision with respect to their review of your appeal shall be final and binding upon you, since the Trustees have exclusive authority and discretion to determine all questions of eligibility and entitlement under this Plan. Nonetheless, if you disagree with the final decision of the Trustees with respect to your appeal, then you may start a legal action against this Plan.

### **PENALTIES ON WITHDRAWALS AND EARLY DISTRIBUTIONS**

In an effort to encourage savings for retirement, certain penalties are charged against early withdrawals or distributions from a qualified plan. The IRS imposes a nondeductible 10% additional tax on the entire taxable amount of the withdrawal or distribution. This tax is in addition to any income tax you might be liable for on the withdrawal or distribution. The penalty covers withdrawals and distributions due to termination from plan participation.

Under your Plan, the only exceptions to this rule are as follows:

- (1) A distribution or withdrawal after you have reached age 59½;

A distribution to your beneficiary due to your death;

A distribution to you due to your total and permanent disability;

A distribution to you if you have reached age 55 and elect early retirement under the Plan and actually do retire;

A payment to an alternate payee pursuant to a Qualified Domestic Relations Order.

If the distribution or withdrawal qualifies, you have the option of rolling such amount over, within sixty (60) days, into an IRA account, or another qualified plan which accepts rollover contributions, to avoid current taxation and penalties.

### **PARTICIPANT RIGHTS AND PROTECTIONS UNDER ERISA**

As a Participant in the 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:

Examine, without charge, at the Fund Office all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the Fund Manager, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. The Administrator may make a reasonable charge for the copies.

Receive a summary of the Plan’s annual financial report. The Fund Manager is required by law to furnish each Participant with a copy of this summary annual report.

Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

### **Prudent Actions by Plan Fiduciaries**

In addition to creating rights to Plan Participants ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and beneficiaries. No one, including your employer, your union, or any other person,

may fire you or otherwise discriminate against you in any way to prevent you from obtaining an annuity 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 a Federal Court. In such a case, the court may require the Fund 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 Fund. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a State or Federal Court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal Court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal Court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

### **Assistance With Your Questions**

If you have any questions about your plan, you should contact the Fund Manager. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Fund Manager, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

### **PLAN INSURANCE**

This Plan is not one which is insured as a pension plan by the Pension Benefit Guaranty Corporation ("PBGC"), a Federally instituted organization. If you, as a Participant, desire more information concerning the PBGC and its possible jurisdiction over your Annuity Plan, you may send inquiries to the Fund Manager or to the office of Communications, PBGC, 2020 "K" Street NW, Washington, D.C. 20006 - Telephone: (202) 254-4817.

## DISCLOSURE INFORMATION REQUIRED BY ERISA

(a) Name of Plan and Plan Identification Number

Annuity Fund of the Electrical Industry of Long Island I.D. #11-6045930, Plan No. 002.

(b) Plan Year Ends: December 31<sup>ST</sup>

(c) Name and Address of Union and Employer Associations:

Local Union No. 25, International Brotherhood of Electrical Workers, located at 372 Vanderbilt Motor Parkway, Hauppauge, New York 11788, representing the employees and the Long Island Chapter National Electrical Contractors Association, Inc. located at 200 Parkway Drive South, Suite 101, Hauppauge, New York 11788, representing the most significant group of employers. Participants and beneficiaries may receive from the Fund Manager, upon written request, information as to whether a particular employer or employee organization is a sponsor of the Plan, and if so, the sponsor's address.

(d) Type of Plan:

Defined Contribution

A complete list of the employers and employee organizations sponsoring the Plan may be obtained by participants and beneficiaries upon written request to the Fund Manager and is available for examination at the Fund Office. You may also receive from the Fund Manager, upon written request, information whether a particular employer or employee organization is a sponsor of the Plan and if so, their address.

(e) Operation and Administration:

The operation and administration of the Plan is the joint responsibility of the Board of Trustees consisting of:

Union Trustees

Kevin M. Harvey  
I.B.E.W. Local 25  
370 Motor Parkway  
Hauppauge, NY 11788

Paul Heinzl  
I.B.E.W. Local 25  
370 Motor Parkway  
Hauppauge, NY 11788

John Guadagno  
I.B.E.W. Local 25  
370 Motor Parkway  
Hauppauge, NY 11788

James P. Malley  
I.B.E.W. Local 25  
370 Motor Parkway  
Hauppauge, NY 11788

Employer Trustees

John Casciano  
ASR Electrical Contracting Inc.  
207 Newtown Road  
Plainview, NY 11803

Michael Daly  
J.P. Daly & Sons  
88A Brook Avenue  
Deer Park, NY 11729

James T. Giorgio  
B & G Electrical Contr. of NY  
7100 New Horizons Blvd.  
North Amityville, NY 11701

Keith Feldmann  
Eldor Contracting Corp.  
30 Corporate Drive  
Holtsville, NY 11742

(f) Collective Bargaining Agreements and Contributions

Parties to the Collective Bargaining Agreements relating to the Plan are Local Union No. 25 I.B.E.W. and the Long Island Chapter National Electrical Contractor's Association and other contributing employers. The agreements contain a clause providing for the rate of contribution to the Annuity Fund, and a copy is available for your examination upon written request to the Board of Trustees.

(g) Funding Medium

The Annuity Fund of the Electrical Industry of Long Island is the funding medium used for the accumulation of assets, and through which benefits are provided, and which is administered by the Board of Trustees.

**Name, Address and Telephone Number of Fund Manager:**

Mr. John W. Gilday  
Fund Manager  
The Annuity Fund of the Electrical Industry of Long Island  
372 Vanderbilt Motor Parkway  
Hauppauge, New York 11788  
(631) 434-3344

**Agents for Service of Legal Process:**

The person designated as agent for the purpose of accepting service of legal process on behalf of the Plan is the Fund Manager. Service of legal process may also be made upon any of the Trustees.

A complete list of the employers and employee organizations sponsoring the Fund can be obtained by participants and beneficiaries upon written request to the Fund Manager and is available for examination at the Fund Office. You may also receive from the Fund Manager, upon written request, information whether a particular employer or employee organization is a sponsor of the Plan and if so, their address.

### **IMPORTANT NOTICE**

In the event there appears to be a conflict between the description of any Plan provision in this Summary Plan Description and its statement in the Annuity Plan itself, the language contained in the Plan (available at the Fund Office) is the official and governing language.

Nothing in this Summary Plan Description is meant to interpret, extend, or change, in any way, the provisions expressed in the Plan. The Trustees reserve the right to amend or modify or terminate all or part of the Plan whenever in their judgment, conditions so warrant.

### **CAUTION**

This booklet and the personnel at the Fund Office are authorized sources of Plan information for you. The Trustees of the Fund have not empowered anyone else to speak for them with regard to the Annuity Plan. No employer, union representative, supervisor or shop steward is in a position to discuss your rights under this Plan with authority.

# NOTES

# NOTES