

# **METRO-I.L.A. PENSION FUND BENEFITS PLAN**

## **SUMMARY PLAN DESCRIPTION (SPD)**

**EFFECTIVE JANUARY 1, 2008**

**This SPD Replaces and Supersedes All Prior Pension  
Fund Plan SPDs**

***This page purposely left blank***

## **IMPORTANT NOTICES**

### **ATTENTION**

This booklet provides a brief description, written in non-technical language, of the important provisions of the METRO-I.L.A. Pension Plan. In the event there appears to be a conflict between the description of any plan provisions in this booklet and their statements in the formal Plan of Benefits itself, **the language contained in the Plan of Benefits is the official governing language.** Nothing in this booklet is meant to interpret or extend or change in any way the provisions of the Plan. The Trustees reserve the right to amend, modify, or discontinue all or part of this plan whenever, in their sole judgment, conditions so warrant.

### **CAUTION**

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

### **COMMUNICATIONS**

If you have a question about any aspect of your participation in the plan, you should, for your own permanent record, write to the Plan Office or the Trustees. You will then receive a written reply which will provide you with a permanent reference.

**NOTE: Assistance in Spanish is available by telephone or in person at the Plan Office.**

**NOTA: Si necesita ayuda en Español, puede llamar por teléfono o visitar la Oficina del Plan.**

***This page purposely left blank***

# **METRO-ILA PENSION FUND BENEFITS PLAN**

**301 ROUTE 17N  
7TH FLOOR  
RUTHERFORD, NJ 07070-2575  
TELEPHONE: (201) 842-0202**

**TO:** PARTICIPANTS IN THE METRO-ILA PENSION FUND PLAN

**FROM:** TRUSTEES OF THE METRO-ILA PENSION FUND PLAN

**DATE:** JANUARY 1, 2008

---

This booklet has been prepared at the direction of the Trustees of the Pension Plan (the plan.). It is intended to describe, fully, the various provisions of the plan as in effect on January 1, 2008. Recent federal legislation has required some significant changes in the plan, and the effects of these changes are included in the booklet. The booklet has six major sections, as follows:

- 1. Description of Benefits;**
- 2. Suspension of Normal and Early Pension Benefits;**
- 3. Claim Procedure;**
- 4. Claim Denial Appeal Procedure;**
- 5. Your Rights Under The Employee Retirement Income Security Act of 1974 (ERISA); and**
- 6. Technical Details.** This section of the booklet is provided to you under the terms of the Employee Retirement Income Security Act of 1974 (ERISA) and contains many technical details of the plan intended to insure that you will be able to enjoy all the rights to which you are entitled under the provisions of the plan.

The plan is one of the several fringe benefits negotiated between Locals 1804-1 and 1814 of the International Longshoremen's Association and the Metropolitan Marine Maintenance Contractors Association (MMMCA). It is designed to provide income at retirement and, also, benefits for a member (or beneficiary) at certain other times.

A number of significant changes have been made since the last booklet was distributed to you. You should read this booklet thoroughly to make sure that you are completely familiar with the revised plan.

**THE DETAILS IN THIS BOOKLET SHOULD NOT BE INTERPRETED AS RESTORING ANY SERVICE YOU HAVE LOST UNDER ANY PRIOR PROVISIONS OF THE PLAN AND SHOULD NOT BE INTERPRETED AS INCREASING ANY FROZEN BENEFIT YOU MAY ALREADY HAVE, NOR INCREASING YOUR BENEFIT IF YOU ARE ALREADY RECEIVING A PENSION.**

**IF YOU DO HAVE INTERRUPTED SERVICE BEFORE 2005, THE PLAN PROVISIONS THAT WERE IN EFFECT AT THE TIME OF THE INTERRUPTION WILL APPLY TO ANY OF YOUR BENEFITS ASSOCIATED WITH YOUR SERVICE EARNED BEFORE THE INTERRUPTION.**

The Trustees are assisted in their tasks by professional advisors whom we hire from time to time. These may include an actuary, an attorney, an auditor and one or more investment managers.

The daily operation of the plan is maintained by the Plan Administrator who is located at the Plan Office. You are encouraged to make use of the facilities of the Plan Office where you will find assistance in understanding your benefits and in complying with the requirements in order to achieve your benefits.

It is our intention to continue the successful operation of the plan in the sound actuarial fashion which has prevailed to date. Your assistance in this endeavor will be increased by your complete understanding of the plan itself. Accordingly, it is in your interest and that of your family to familiarize yourself completely with this booklet.

If, after having gone through the booklet thoroughly, you have any question regarding the plan or its operation, please do not hesitate to contact the Plan Office.

Sincerely,

Plan Trustees

# TABLE OF CONTENTS

|  | Page(s)      |
|--|--------------|
| <b>SECTION 1: DESCRIPTION OF BENEFITS</b>          | <b>9-41</b>  |
| A. General Information                             | 9            |
| B. Financing                                       | 9            |
| C. Plan Year                                       | 11           |
| D. Joining the Plan                                | 11           |
| E. Earning Pension Income                          | 12           |
| F. Earning Vesting Service                         | 15           |
| G. Becoming Vested                                 | 16           |
| H. Break and Interruption in Service               | 17           |
| I. Normal Pension                                  | 21           |
| J. Early Pension                                   | 22           |
| K. Disability Pension                              | 23           |
| L. Applying for Pension Benefits                   | 26           |
| M. Receiving Your Pension                          | 28           |
| N. Married Couple Forms                            | 30           |
| O. Pre-Retirement Surviving Pension                | 34           |
| P. Lump Sum Death Benefit                          | 36           |
| Q. Claim and Appeal Procedures                     | 37           |
| R. Suspension of Normal and Early Pension Benefits | 38           |
| S. Contract Cargo Repairmen Pension Plan           | 41           |
| <b>SECTION 2: PENSION BENEFIT SUSPENSION</b>       | <b>42-44</b> |
| A. General Information                             | 42           |
| B. Prohibited Employment                           | 42           |
| C. Plan Area                                       | 42           |
| D. Notification                                    | 42           |

## TABLE OF CONTENTS (Continued)

|  | Page(s)      |
|--|--------------|
| <b>SECTION 2: PENSION BENEFIT SUSPENSION (Continued)</b>                         | <b>42-44</b> |
|  |              |
| E. Presumption   | 43           |
| F. Resumption of Pension Payments  | 43           |
| G. Recovery  | 44           |
| H. Status Determination  | 44           |
|  |              |
| <b>SECTION 3: CLAIMS</b>   | <b>45</b>    |
|  |              |
| A. Claim Procedure   | 45           |
|  |              |
| <b>SECTION 4: CLAIM DENIAL APPEAL PROCEDURE</b>                                  | <b>46-48</b> |
|  |              |
| A. Initial Adverse Benefit Determinations  | 46           |
| B. Appeal of Adverse Benefit Determinations                                      | 46           |
| C. Determination on Appeal   | 47           |
|  |              |
| <b>SECTION 5: YOUR ERISA RIGHTS</b>  | <b>49-50</b> |
|  |              |
| A. Your Rights Under the Employee Retirement Income Security Act of 1974 (ERISA) | 49           |
|  |              |
| <b>SECTION 6: TECHNICAL DETAILS</b>  | <b>51-54</b> |

# SECTION 1: DESCRIPTION OF BENEFITS

## A. GENERAL INFORMATION

Some major changes have taken place in the plan as the result of improvements made by the Trustees since the last booklet was printed. The effective dates of these changes have been at different times. However:

**NO PENSION OR VESTING SERVICE THAT WAS LOST UNDER PRIOR PLAN PROVISIONS IS RESTORED, NO PREVIOUSLY EARNED PENSION OR VESTING SERVICE IS INCREASED AND NO PREVIOUSLY FROZEN BENEFITS ARE INCREASED, AS A RESULT OF THESE CHANGES.**

### **What Is the Purpose of the Plan?**

The chief purpose of the plan is to provide an income for you, in addition to your Social Security benefits, if any, following your retirement from active employment in the plan area.

### **When Did the Plan Start?**

The plan started January 1, 1961.

### **Who Is Responsible for the Operation of the Plan?**

The Trustees composed of persons designated by the Unions and designated by MMMCA, which represents your employers who contribute to the plan.

## B. FINANCING

A most important element of your pension plan is money. Where it comes from, how it is managed, and to what uses it may be put should be of interest to you.

## **Who Pays for the Plan?**

The plan is paid for by employers who have collective bargaining agreements with your ILA Local that call for contributions to the plan or who have signed a special participation agreement that calls for contributions to the plan.

## **How Are the Plan Moneys Managed?**

All of the plan assets are held in trust by the Trustees for the participants and beneficiaries of the plan. The Trustees have the ultimate responsibility for the management of plan monies. However, the Trustees are allowed, under law, to hire professional investment managers to provide expert assistance in the very complex field of managing pension plan money. The Trustees have retained investment management firms which are charged with the responsibility of investing a major portion of the plan assets.

## **May I Borrow Against the Pension I Am to Get?**

No. Further, plan provisions prohibit assignment of your interest in the plan for any purposes. However, if the Trustees are presented with a qualified domestic relations order, they must obey the order even if it requires distributing all or a portion of your pension to someone other than you.

## **When I Retire, May I Take a Cash Settlement Instead of Monthly Pension Payments?**

No. The purpose of the plan is to provide pensions to participants.

## **If the Plan Is Discontinued, What Will Happen to the Assets of the Plan?**

Under the terms of federal law, the assets of the plan are to be used for the benefit of the participants, surviving spouses, and beneficiaries. If all of the plan benefits are provided by the assets of the plan, and there is still money left over, the money is to be used to increase benefits. Under no circumstances may money, which has been properly contributed to the plan ever, be returned to any employer or any ILA Local.

## **C. PLAN YEAR**

Records under the plan are kept on a Plan Year basis.

### **What Is a Plan Year?**

A Plan Year means any calendar year, January 1 through the following December 31.

## **D. JOINING THE PLAN**

You become a participant in the plan when you work in employment for which your employer is required to contribute to the plan.

### **When Do I Become a Participant in the Plan?**

When you first work in employment for which your employer is required to contribute to this plan, you become a participant. Certain employers have agreed to contribute to the plan on behalf of non-bargaining unit employees. If you are not sure if a certain employer is a contributing employer under this plan, please contact the Plan Office where a complete list of contributing employers is available. In addition, when a survivor of a participant starts receiving a periodic survivor's benefit, the survivor, also, will become a participant.

### **Can My Participation in the Plan Ever Stop?**

Yes. Your participation in the plan stops if you incur a Break in Service when you are not vested. Of course, your participation also stops in the event of your death.

### **Does Self-Employment Count?**

No. Under no circumstances will you receive any credit, for any purpose, under the plan for work in self-employment.

## **Suppose My Employer Wishes (or I Wish) To Contribute To the Plan for Me Even Though My Employer Is Not Required to Do So Under a Collective Bargaining Agreement. Is This Allowed?**

No! Unless your employment is covered in a written agreement between your employer and your ILA Local, or between your employer and the Trustees, no credit can be given to you (even if you or your employer contributes to the plan) for any work you do.

## **E. EARNING PENSION SERVICE**

The Pension Service you accumulate under the plan is valuable to you because the more Pension Service you earn the larger your benefit will be. Therefore, it is VERY important that you make sure that the Plan Office has a complete record of EACH hour of your work that might earn you Pension Service under the plan.

### **What Is Pre-ERISA Service?**

Pre-ERISA Service refers to Pension Service you receive for time worked before 1976 provided you were participating in the plan as of January 1, 1976.

### **What Is Future Pension Service?**

Future Pension Service refers to Pension Service you receive for time worked after 1975.

### **Why Is Pension Service important?**

Pension Service is important in determining your eligibility for, and the size of, your benefit.

### **How Do I Earn Pre-ERISA Service?**

Before 1976, you receive Pension Service for each Plan Year in accordance with the terms and provisions of this plan, as it existed on December 31, 1975, based on employer records as of such date.

## **What Is an Hour of Future Pension Service?**

An hour of Future Pension Service, generally referred to as an hour of Pension Service, is an hour of employment after 1975 for which your employer is required to *contribute* to the plan. Hours of Pension Service are used to build years, and fractions of years, of Future Pension Service.

## **How Do I Earn Future Pension Service?**

You receive credit for a year of Pension Service for 700 hours of Pension Service you earn in a Plan Year. However, if you complete at least 400 hours of Pension Service but less than 700 hours of Pension Service in the Plan Year, you will receive a fraction of a year of Pension Service for that Plan Year. This fraction of a year of Pension Service will be calculated by dividing the actual hours of Pension Service by 700. Furthermore, if you earn an average of 700 hours of Pension Service during your years of participation in the plan, you will be credited with a year of Pension Service for each such year. You may earn Pension Service during the time that you are a participant in the plan.

## **Can I Earn Pension Service if I Become Disabled?**

If you incur a disabling injury while employed in covered employment, for which you receive any form of worker's compensation, or a non-occupational injury or sickness that renders you totally disabled while you are otherwise employed in covered employment, you will receive Pension Service in accordance with the answer to the previous question "How do I earn Future Pension Service?" based on the hours credited at the rate of 20 hours of Pension Service per week you are so disabled.

No more than three years of Pension Service will be granted to you for any one period of injury or sickness incurred on or off the job.

No more than three years of Pension Service will be granted for all your periods of disability (on or off the job) during your lifetime.

## **What About Service in the Armed Forces?**

You can also receive credit for active service in the Armed Forces of the

## **What About Service in the Armed Forces? (Continued)**

United States for a period during which your reemployment rights are protected by federal law. This credit is calculated identical to the provision outlined in the question, “**How do I earn Future Pension Service?**” provided that you return to work in compliance with such laws.

## **What About Pension Service Under the Local 1814-ILA Contract Cargo Repairmen Pension Plan?**

If you were a participant in the Local 1814-ILA Contract Cargo Repairmen Pension Plan on March 31, 1983, you may be entitled to Pension Service for the period prior to March 31, 1983. If you have any questions regarding this period, you should contact the Plan Office.

## **Is There a Limit on the Amount of Pension Service that I Can Earn in Any One Plan Year?**

Yes. There is a limit of one year of Pension Service that you can earn in any one Plan Year.

## **Is There a Limit on the Total Number of Years of Pension Service that I Can Accumulate?**

No.

## **Does My Age Have Anything To Do with the Earning of Pension Service?**

No.

## **Can I Lose My Pension Service Once I Have Earned It?**

Yes. If you incur a Break in Service at a time when you are not vested, you will forfeit the Pension Service that you had accumulated before the Break in Service. However, under certain circumstances, forfeited Pension Service can be reinstated. Please refer to the questions under “**BREAK AND INTERRUPTION IN SERVICE**” on page 17.

## F. EARNING VESTING SERVICE

It is important that you know what Vesting Service is. If you have five years of Vesting Service and earn at least one hour of Vesting Service after January 1, 1997, your right to your pension benefit will be 100% non-forfeitable.

### What is Vesting Service?

A year of Vesting Service is a Plan Year during which you earn at least 400 HOURS OF PENSION SERVICE AND RELATED SERVICE COMBINED. However, as discussed below, hours of Related Service can only be earned on or after January 1, 1976. There is no such thing as a *partial* year of Vesting Service. Thus, if you earn 399 hours, or less, of Pension Service and Related Service combined during a particular Plan Year, you will *not* be credited with a year of Vesting Service for that Plan Year.

Hours of Pension Service are explained in the questions under “**EARNING PENSION SERVICE**” on page 12, and hours of Related Service are explained in the next paragraph. Hours of Pension Service and hours of Related Service are both called hours of Vesting Service.

### What Is an Hour of Related Service?

Hours of Related Service can only be earned for work on or after January 1, 1976. You can earn an hour of Related Service when you work *for a contributing employer* in a classification of employment, which is *not* covered by a collective bargaining agreement between your employer and the ILA Local. However, you cannot earn Related Service for employment in such a non-covered classification unless that employment immediately precedes or immediately follows employment *with the same contributing employer* for which you were credited with Pension Service. If your employment is *interrupted* by your quitting, being laid off, being fired by the contributing employer or by your retirement, then any time worked after that cannot be classified as Related Service in this category.

If you are in a non-covered classification as described above and do not work (for example, because of illness), but are paid by your employer anyway, that time will also count as Related Service hours. However, there is a limit of 501 on the number of Related Service hours that you can earn during any one period of non-work.

## **What Is an Hour of Related Service? (Continued)**

If you earn Related Service, it is important (just as Pension Service is) for initially participating in the plan, accumulating years of Vesting Service under the plan, and therefore, becoming entitled to a pension at retirement. However, hours of Related Service *do not count* in determining either the amount of your Pension Service or the amount of your pension benefit.

## **Why is Vesting Service Important?**

As mentioned above, earning enough Vesting Service is one way to become vested under the plan. Also, the amount of your Vesting Service is important to you if you incur a Break in Service *before* you become vested. If you incur a Break in Service before you become vested and you return to work under the plan soon enough after the Break, your Pension Service lost because of the Break will be reinstated if you have enough Vesting Service. Please refer to the questions under “BREAK IN SERVICE AND INTERRUPTION IN SERVICE” on page 17.

## **G. BECOMING VESTED**

This aspect of the Pension Plan is of special concern if you leave employment covered by the plan before you satisfy the age and service requirements for a Normal or Early Pension.

## **What Is Vesting?**

Vesting refers to non-forfeitable ownership of your right to a pension under the plan. Once you become *vested*, it does not matter what happens later, you will be *entitled* to receive your accrued pension benefit at your Normal Pension Date or, if eligible, your Early Pension Date. However, this right stops if you die before your pension starts. In order to become vested under the plan, you must fulfill certain requirements.

## **What Are the Requirements for Vesting Under the Plan?**

One way to become vested under the plan is to satisfy the age and service requirements for a Normal or Early Pension. However, even if you do not satisfy these age and service requirements, you will be vested once you complete at least five years of Vesting Service and earn at least one hour of Vesting Service after 1996. Other vesting requirements were in effect before 1997.

## **What Are the Requirements for Vesting Under the Plan? (Continued)**

Please note that the requirements for vesting are *not* retroactive. If you have broken your service and lost Pension Service under the provisions of the plan as previously in effect, the above rules will not reinstate this lost credit.

### **H. BREAK IN SERVICE AND INTERRUPTION IN SERVICE**

A Break in Service can cause the loss of previously earned Pension Service. Even if it does *not* cause the loss of previously earned service, a Break in Service *will* cause the portion of your pension attributable to that service to be frozen.

Previously earned Pension Service, which is frozen in this manner, is referred to as Interrupted Pension Service and can also result from certain types of Interruptions in Service *other than* a Break in Service.

#### **What Is a Break Year?**

A Break Year means a Plan Year during which you are credited with less than 400 hours of Vesting Service.

#### **Are There Any Exceptions to this Provision?**

Yes. A Break Year will not be considered to have occurred when the failure to complete at least 400 hours of Vesting Service is due to:

1. Sickness or injury incurred off the job for a combined period of not more than three years (five years if period of sickness or injury began prior to 2005). In the event that you sustain an injury or sickness for which you receive non-occupational disability benefits mandated by state law, you shall also receive pro rata credit for purposes of determining Pension Service and Vesting Service hereunder for the period during which you receive such benefits, on the basis of up to a maximum of 20 hours for each such week.
2. Injury incurred on the job for which you receive compensation for temporary total disability, or temporary partial disability, or permanent partial disability, or permanent total disability, as the

## Are There Any Exceptions to this Provision? (Continued)

case may be, in which even pro rata credit for the period of such Compensation shall be given you for purposes of determining Pension Service and Vesting Service hereunder on the following basis: pro rata credit at the rate of a maximum of 20 hours a week.

In any instance of injury incurred on the job in which you pursue remedy through an action against a third party, you shall receive pro rata credit for purposes of determining Pension Service and Vesting Service hereunder at the rate of a maximum of seven hundred hours per year for a total period not in excess of three years (five years if the sickness, disability or injury was incurred prior to 2005) from the date of the injury on the basis of the amount of any final judgment in your favor entered in such action or of any agreed settlement thereof divided by the then applicable statutory maximum weekly Compensation rate, but the hours credited under this sentence, when added to hours actually worked by you during such year will not cause your total hours for such year to exceed seven hundred hours in the event such action is withdrawn or otherwise terminated, or judgment in favor of the third party is entered thereon and you are subsequently awarded compensation, the pro rata provisions of the prior paragraph will apply.

3. In no event will you be credited with more than three years (five years if the sickness, disability or injury was incurred prior to 2005) of Pension or Vesting Service for non-work time granted in accordance with 1. and/or 2. in total during your lifetime.
4. There is a special rule, which applies if you are absent from work after 1985 as a result of your pregnancy, the birth of your child, the adoption of a child, or the caring for such child during the period immediately following the birth or adoption. You will not be charged with a Break Year for the Plan Year in which the absence begins, or if you would not have been charged with a Break Year for that Plan Year anyway (because you already had 400 hours of Vesting Service), for the next Plan Year.
5. Internment or civil detention in a foreign country, by order of the government of that country, due to an international political crisis

## **Are There Any Exceptions to this Provision? (Continued)**

shall not be deemed to have interrupted the Pension or Vesting Service which you would otherwise have earned.

6. No special credit described in this question will be given for any period of time for which you receive a pension benefit under the plan.

*It is your responsibility* to advise the Plan Office of any maternity or paternity absence you may have, or of any total disability.

### **What Is a Break in Service?**

If you experience a Break Year you will incur a Break in Service.

### **What Happens if I Incur a Break in Service When I Am *Not* Vested?**

If you are not vested, your participation in the plan will stop. This means you will *forfeit* your Pension Service and Vesting Service that were credited before the end of the period which caused your Break in Service. However, your forfeited Pension Service and Vesting Service can be reinstated if you return to work and satisfy certain conditions.

### **Can Any Pension Service and Vesting Service that I Lose Because of a Break in Service Ever Be Reinstated?**

This is where your years of Vesting Service can play an important part. If you experience a Break in Service when you are not vested, and again earn a year of Vesting Service under the plan sometime after that, your Pension Service and Vesting Service that were forfeited will be reinstated if the number of consecutive Break Years that you incur is less than the number of years of Vesting Service that you had completed before your Break in Service.

If your Break in Service is after 1985, an additional rule applies: if you later earn a year of Vesting Service, your Pension Service that was forfeited *will be reinstated*, even if you do not satisfy the rule above, *if the number of consecutive Break Years that you incur is less than five*.

## **What Happens if I Experience a Break in Service When I Am Vested?**

If you are vested at the time of your Break in Service, you will remain eligible to receive, at pension age, the benefit associated with the Pension Service you earned.

## **What Is an Interruption in Service?**

Any Break in Service, which does not cause the permanent loss of your prior Pension Service, is considered an Interruption in Service. Thus, if you incur a Break in Service when you are vested, your Break in Service will be considered an Interruption in Service. *Similarly*, if you incur a Break in Service when you are not vested, and your Pension Service that was forfeited is later reinstated, your Break in Service will then be considered an Interruption in Service.

However, an Interruption in Service can also occur in other ways. In particular, you will have an Interruption in Service if you *fail to earn at least 400 hours of Pension Service* in a Plan Year. For this purpose, *it does not matter* that you avoided a Break in Service by *working in Related Service*, or that you were either totally disabled during all or any part of that period, or on a maternity or paternity absence.

## **What Is Interrupted Pension Service?**

Interrupted Pension Service is any Pension Service credited to you before the start of an Interruption in Service. The portion of your pension benefit attributable to this service is frozen at the level of benefits in effect *on the day before* your Interruption in Service starts and will not be increased on account of any future improvements to the plan.

## **Is the Freezing Permanent?**

Even if you come back to work in covered employment, the portion of your pension benefit attributable to that Interrupted Pension Service will remain frozen, unless you return to covered employment and earn at least 400 hours of Pension Service in one of the four Plan Years immediately following the Plan Year that was the Break Year.

## **Is There Another Way to "Unfreeze" My Pension?**

Yes. If your pension was frozen before November 1, 2005, it can be "unfrozen" after November 1, 2005 provided:

1. You had at least ten years of Pension Service before your break;
2. You incurred no more than ten Break Years after your pension was frozen; and
3. You earn at least nine years of Pension Service after your pension was frozen and before 2011.

If you satisfy these three requirements for any "frozen" portion of your accrued benefit, such frozen portion will be unfrozen.

## **I. NORMAL PENSION**

The purpose of the plan is to arrange for the continuation of a portion of your wages during those years, which follow the completion of your working career. You will normally complete your working career at age 62 and start your pension if you have satisfied the service requirement for a Normal Pension.

### **When May I Start Receiving my Normal Pension?**

Once you are at least age 62, you may apply for a Normal Pension if you have satisfied the service requirement.

### **How Do I Satisfy the Service Requirement for a Normal Pension at or After Age 62?**

You satisfy this requirement if you participate in the plan continuously for a period of at least five years ending on or after your 62nd birthday.

### **How Much Is the Normal Pension?**

Effective January 1, 2005, the Normal Pension is a monthly benefit equal to \$77 for each year of your Pension Service. In order to be entitled to the \$77 unit benefit for your unbroken Pension Service before 2005, you must earn at least one hour of Pension Service during 2005.

## **How Much Is the Normal Pension? (Continued)**

Furthermore, if you became a participant before 1994, your monthly Pension benefit cannot be less than \$275 plus \$20 for each year of your Pension Service (with a maximum of 20 years of Pension Service counted).

## **What Is the Additional Pension?**

If your Early or Normal Pension benefit becomes effective 1/1/05 through 12/1/10, there will be an addition made to what would otherwise be the monthly amount.

To be eligible for this addition, you must have at least 25 years of Pension Service. This addition will not apply to any service that was broken before 2005.

The amount of the monthly addition is \$23/month for each year of your Pension Service. If you are retiring early and/or receiving your pension in an optional form, there will be the appropriate reduction for such features.

## **J. EARLY PENSION**

Under certain circumstances you may start your pension before you become eligible for a Normal Pension. Because your life expectancy is longer when you are younger, however, and because of certain other financial aspects, there is a reduction in the amount of your otherwise Normal Pension if you choose to retire early.

## **Must I Wait Until I Am Eligible for a Normal Pension To Start My Pension?**

No. If you satisfy the service requirement for an Early Pension, you may start your pension at any time after age 60.

## **What Is the Service Requirement for an Early Pension?**

In order to be eligible to receive an Early Pension, you must have at least 20 years of Pension Service to your credit.

## How is My Early Pension Calculated?

You start by calculating the amount of your Normal Pension. Then, you reduce that amount by 1/2 of 1% for each whole calendar month by which your Early Pension Date precedes the first of the month next following your 62nd birthday.

For example, suppose you had accrued a Normal Pension of \$800 per month, but wanted to receive your pension benefit commencing on the first of the month following your 60th birthday. You would count the number of months between your Early Pension Date and the first of the month next following your 62nd birthday.

Since the number of months in between is 24, there is an 12% reduction ( $24 \times 0.5\% = 12\%$ ) in what would otherwise have been your Normal Pension. This results in a monthly pension at your Early Pension Date of \$704 (i.e.  $88\% \times \$800$ ). This example also assumes that you are receiving your pension in the Life Only form (monthly payments for your lifetime only), and not in one of the Married Couple forms (more on Married Couple forms later on).

## K. DISABILITY PENSION

It is possible that you may not be able to work until your Normal Pension Date because you become totally disabled. A special plan provision is intended to provide a benefit to you in these circumstances.

### How Disabled Must I Be in Order to Receive a Disability Pension?

You must be considered **totally and permanently disabled** to the satisfaction of the Trustees. A disability award from the Social Security Administration is acceptable proof of disability. In lieu of that, the Trustees request that you submit a report from your personal physician. The Trustees reserve the right to require you to submit to examination by a physician of their choice and to make the final determination of your total and permanent disability (and, consequently, of your eligibility for a Disability Pension).

## **What Are the Other Requirements for Entitlement to a Disability Pension?**

You must not be eligible for a Normal Pension at the time of your Disability Pension, you must be at least age 45 at the time you become disabled, you must satisfy the service requirement for a Disability Pension and you must satisfy the employment requirement for a Disability Pension.

## **What Is the Service Requirement for a Disability Benefit?**

You must have at least 15 years of Pension Service (or have an annual average of 1,200 hours of Pension Service in the 14 years immediately preceding the year in which you become disabled).

## **What Is the Employment Requirement for a Disability Pension?**

You must be at work in employment for which your employer is required to contribute to the plan when your disability starts.

## **What Is the Size of the Disability Pension?**

The Disability Pension is a monthly benefit calculated in the same way as the Normal Pension except that no "additional pension" is payable for disability. This is the amount, which is payable, without reduction, and no optional forms of payment are available. However, if you were a participant in the plan on a December 31, 1993, your monthly Disability Pension will not be less than \$625. Furthermore, while you are receiving your Disability Pension, your spouse, if you have been married for at least one year, may have the protection of the Pre-Retirement Surviving Spouse Pension.

If you are less than age 62 and retire due to an occupational disability and (i) you are entitled to compensation benefits under State or Federal Compensation Laws, or (ii) you have received a lump sum award for disability, or (iii) you have had a judgment entered in your favor against a

## **What Is the Size of the Disability Pension? (Continued)**

third party, your disability pension will be reduced by the payments you receive under (i), (ii) or (iii) above until you reach age 62.

If your Disability Pension becomes effective after 12/31/2004 and stops before 12/1/2010 and you apply for an Early or Normal Pension to start no later than 12/1/2010, you will be eligible to be considered for the "additional pension" provided you satisfy the service requirement for the "additional pension".

## **When Does my Disability Pension Start?**

You must apply for the Disability Pension. If, when you make your application, you satisfy the eligibility requirements described in the questions above, your Disability Pension will be effective as of the first day of the month next following the date of your application.

## **When Does my Disability Pension Stop?**

Your Disability Pension stops with the monthly payment due for the month in which you reach age 62 (at which time, if you are eligible, you may apply for a Normal Pension). However, if you recover from your disability before age 62, your Disability Pension payments will stop with the payment due for the month in which you recover from your total and permanent disability.

## **When my Disability Pension Stops, Will I Then Be Eligible To Receive an Early Pension?**

Your receipt of a Disability Pension does not make you automatically eligible to receive an Early Pension.

## **Does My Receipt of a Disability Pension Affect the Amount of My Normal (or Early) Pension?**

No. If you are eligible for a Normal Pension, the monthly amount of your Normal Pension, when determined in the Life Only Form (monthly payments for your lifetime only) will be *at least* the amount of your Disability Pension. Similarly, if your Disability Pension stops before age 62 and you become eligible for an Early Pension, that Early Pension will

## **Does My Receipt of a Disability Pension Affect the Amount of My Normal (or Early) Pension? (Continued)**

be determined by reference to a Normal Pension, which is at least the amount of your Disability Pension. Furthermore, if your Disability Pension stops, and you return to covered employment and earn additional Pension Service, the amount of your Normal or Early Pension will be recalculated and based on your accrued benefit.

### **L. APPLYING FOR PENSION BENEFITS**

All benefits must be applied for under the plan. This rule applies to employees, surviving spouses, and beneficiaries. It is important that you provide all information asked for as accurately as possible. Any payments made in error to anyone will be owed to the plan and must be repaid.

#### **When Should I Submit an Application for My Pension?**

Normally, your application should be filed at least *seven months* in advance of the date you wish to have your pension start. This will enable the Trustees to process your application and be ready to pay benefits promptly on the first day of the month you select. However, in no event

can pension benefits start effective before the first of the month which is at least *one* full calendar month after the day on which the Plan Office receives your signed application for benefits and after you have had at least 30 days to consider your options.

No medical examination is required to qualify for a Normal or Early Pension under the plan. However, a medical examination will, most likely, be required for the purpose of determining your eligibility for a Disability Pension.

In order to receive a pension benefit, proof of age must be submitted to the Plan Office. A birth certificate is the best proof; however, if you cannot obtain a birth certificate, the Plan Administrator will tell you what will be required. The same rule applies to a surviving spouse entitled to a pension under the plan. You need not wait until your Pension Date to submit evidence of your date of birth; the earlier you submit evidence, the better. Other documents may also be required (e.g. marriage certificate, divorce decree, death certificate, etc.).

## **When Should I Submit an Application for My Pension? (Continued)**

If you, your surviving spouse, or your beneficiary intentionally make a false statement material to an application, or submit fraudulent information or proof, then any benefits which are not vested under the plan may be denied, suspended or discontinued. The plan will also have the right to recover any payments wrongfully made in reliance on the false or fraudulent statement, information or proof.

The burden of proof lies with you to affirmatively establish your entitlement to unreported or underreported hours of covered employment. If you believe that your employer has underreported or failed to report your hours of work in covered employment, you must present evidence satisfactory to the Trustees to receive credit for such hours.

## **If I Receive a Disability Pension and Am Later Eligible for a Normal or Early Pension, Must I Complete an Additional Application for the Normal or Early Pension?**

Yes. All benefits must be applied for under the plan.

## **If I Forget or Fail to Apply When I Am First Eligible, Can My Pension Be Paid Retroactively?**

No. However, it is possible that an actuarial increase will be made in your accrued benefit.

## **If I Wish To Postpone or Delay the Start of My Normal Pension, for How Long May I Do So?**

Your Normal Pension *must* commence no later than the April 1st next following the calendar year in which you reach age 70 and six months (provided you have satisfied the age and service requirements for a Normal Pension). This rule applies whether you are working or not.

If you do not submit an application before the April 1st on which your pension is required to start, the Trustees *will start payment of your pension benefit* as of that April 1st based on such information concerning you as they may have or reasonably assume (i.e., concerning your age, marital status and the age of your spouse). If, however, the plan staff is

## **If I Wish To Postpone or Delay the Start of My Normal Pension, for How Long May I Do So? (Continued)**

*not* able to locate you, then when (and if) they do locate you, payments may be actuarially adjusted to the date on which they were required to start.

### **M. RECEIVING YOUR PENSION**

Since your pension benefit payments will be a substantial part of your retirement income, the details regarding actual payment of your pension are explained in the following:

#### **When Will My Pension Payments Start Once I Have Applied?**

If you have satisfied all of the requirements, your Pension will start effective with the first day of the first calendar month which is at least one month after the date on which the Plan Office receives your application, or on a later date, if you wish. If you are applying for a Normal or Early Pension, you must have at least 30 days to consider your options. For example, if you submit your application for a Normal or Early Pension to the Plan Office on January 15, your pension may be scheduled to start no earlier than effective with March 1st.

#### **How Often Will I Receive My Pension Benefit Payments?**

Pension payments are made monthly at the beginning of the month for the month then starting.

#### **For How Long Will I Receive My Pension?**

Normal and Early pension benefit payments under the Life Only Form are payable for as long as you live and will stop with the payment due for the month in which you die. Normal and Early Pension payments under either of the Married Couple Forms are payable for as long as the survivor of you and your spouse lives and will stop with the payment due for the month in which the survivor dies. Disability Pension payments are generally payable through the first of the month immediately preceding your 62nd birthday, unless you stop being disabled before age 62.

## **Can My Pension Be Suspended or Forfeited for Any Reason?**

Yes, if you retire on a Normal or Early Pension and return to certain work, your pension benefit may be suspended. Please refer to the questions under "**SUSPENSION OF NORMAL AND EARLY PENSION BENEFITS**" on page 38 and read Section 2 of this booklet.]

## **If I Return To Work Under the Plan After Once Retiring on a Normal or Early Pension, How Is My Pension Benefit Calculated?**

You may receive credit for your additional hours of Pension Service, and your monthly benefit will be recalculated (effective as of the beginning of the next Plan Year) to see if an increase is called for. Any increases on account of your earning additional hours of Pension Service that may be due you will be calculated at the monthly benefit rate then in effect. However, any new monthly benefit rate will not be applied to increase the amount of your previously earned pension benefit.

## **If I Am Interested in Providing that My Spouse Participate in Some Way in My Normal or Early Pension, What Should I Do?**

There is such a benefit available; read the next topic, "MARRIED COUPLE FORMS."

When you apply for a Normal or Early Pension, if you are eligible, you may provide that your spouse will participate with you. You will be given the details as they apply to your own situation, and you will be required to take at least a 30-day period to make up your mind.

## **For Purposes of this Plan, Who is My Spouse?**

In addition to a member of a traditional marriage, the term, "spouse", can include a person who has cohabitated continuously with you, in an apparent husband and wife relationship, for a period of at least 20 years immediately prior to your death or the start of your Normal or Early Pension.

## N. MARRIED COUPLE FORMS

There are two types of benefits available under the plan that apply to the surviving spouse of a participant. One type of benefit, collectively called the Married Couple forms, is available at Normal or Early Pension Date, and may be waived by the retiring participant and his spouse. The other type of benefit, the Pre-Retirement Surviving Spouse Pension, is a pre-retirement death benefit, which is automatic under the plan.

### **What are the Married Couple Forms that Are Available at Normal or Early Pension Date?**

There are two Married Couple forms. Each provides a reduced monthly pension payable to you for as long as you live, with the provision that, if your eligible spouse outlives you, your spouse will start receiving either 50% or 100% of the reduced monthly pension that you had been receiving.

If you apply and are eligible for a pension benefit, you will have the opportunity to elect one of the Married Couple forms (either the 50% form or the 100% form). However, in order for your surviving spouse to be eligible to receive a survivor benefit at your death, your spouse must have been lawfully married to you *for at least one year* before the start of your pension. Also, such spouse must be the *same* spouse to whom you were married at the time your pension started.

Nevertheless, if you are married on the effective date of your pension benefit, but have not been married for at least one year, you may elect a Married Couple form to be effective on the first anniversary of your wedding.

## **If I Am Interested in Providing that My Spouse Participate in Some Way in My Normal or Early Pension, What Should I Do?**

In the event that you make the election in this situation, however, your spouse will only be entitled to the survivor benefit if, at the date of your death, you and your spouse have been married to each other *for at least one year* up to the date of your death.

## **How Much Is the Monthly Pension Benefit I Will Receive if I Want My Pension To Be Paid in One of the Married Couple Forms?**

This will depend on whether you select the 50% or 100% form. Also, the age of your spouse and your own age must be taken into account. For example, let's assume that you are retiring at age 62 with a monthly pension of \$1000 and that your spouse is age 59. If you and your spouse decide *not* to receive your pension benefit in one of the Married Couple forms, you would receive a monthly pension of \$1000 that would stop with the date of your death and would *not* provide any survivor benefit for your spouse.

If you choose to receive the 50% Married Couple form instead (that is, a reduced monthly pension with the provision that 50% of the reduced amount would continue to your surviving spouse for life), you would receive a monthly pension of \$894 and, if your eligible spouse was still alive at the time of your death, your spouse would start receiving one-half of that (\$447) for life.

If your spouse were 55 years old (instead of 59) the corresponding figures for the 50% Married Couple form would be \$875 per month for you (instead of \$894) and \$437.50 per month for your surviving spouse (instead of \$447). The decrease, of course, is due to the longer life expectancy of your now younger (age 55) spouse.

The reductions described in the above examples apply only to the 50% Married Couple form. Under the 100% Married Couple form, the reduced monthly pension payable to you for your lifetime would be less to take

into account the increased cost of your spouse's benefit. Thus, if under the above, you had instead elected the 100% Married Couple form, the monthly pension payable to you would have been \$808, if your spouse was age 59 and \$778 if your spouse was age 55. If you predeceased

## **How Much Is the Monthly Pension Benefit I Will Receive if I Want My Pension To Be Paid in One of the Married Couple Forms? (Continued)**

your spouse, the same monthly amount (\$808 or \$778) would continue to your spouse for life.

The above examples apply only to the age combinations, which are specified. You must check with the Plan Office for the exact reductions, which will apply in your situation.

## **How Do My Spouse and I Choose *Not* To Receive My Pension Benefit in One of the Married Couple Forms?**

Unless you elect otherwise, your pension benefit will be paid in the 50% Married Couple form. When you are applying for your pension benefit, you and your spouse will have the opportunity to choose not to receive your pension in the 50% Married Couple form. You will have a period of at least 30 days to make up your minds regarding how your pension is to be paid. Both you and your spouse must elect not to receive your pension in the 50% Married Couple form in order for it to be paid in the Life Only or 100% Married Couple form.

YOUR SPOUSE MUST SPECIFICALLY AGREE IN WRITING TO PAYMENT OF YOUR PENSION IN A FORM OF OTHER THAN THE 50% MARRIED COUPLE FORM, AND YOUR SPOUSE'S AGREEMENT AND WAIVER OF THE 50% FORM MUST BE NOTARIZED OR WITNESSED BY A PLAN REPRESENTATIVE. FOR THE WAIVER TO BE EFFECTIVE, THE WAIVER MUST BE MADE AND RECEIVED BY THE PLAN OFFICE DURING THE 180-DAY PERIOD ENDING WITH THE EFFECTIVE DATE OF YOUR PENSION.

## **If I Die After Retirement and My Surviving Spouse Is Eligible To Receive a Pension Because I Elected One of the Married Couple Forms, Must My Spouse Apply for It?**

Yes. All benefits must be applied for under the plan.

## **For How Long Will My Spouse's Benefit Be Paid?**

For the life of your surviving spouse. Once your spouse starts receiving the pension, it is non-forfeitable for any reason except death

**If I Choose a Married Couple Form, Retire and Start Receiving My Reduced Pension Benefit and My Spouse Dies Before I Do, Will the Amount of My Monthly Benefit Be Raised Back to Its Original (i.e., Life Only) Level?**

Yes.

**If I Return To Work Under the Plan After Once Retiring and Choosing To Receive (or Not To Receive) My Pension Benefit in One of the Married Couple Forms, Do My Spouse and I Have To Choose Again?**

Generally, no. If you originally retired on a Normal Pension, your prior choice remains effective for the pension benefit you were receiving and for any later increases you receive for additional Pension Service earned by returning to work.

If you retire on an Early Pension, however, and later complete additional Pension Service, which results in an increase in the amount of your benefit, you and your spouse may then have to again select the form of benefit you wish to receive. In particular, you will have to again make a choice of form of benefit for each such increase until such time as you have made your first such choice after what would have been your Normal Pension Date. Your choice is made as described in the questions above, but applies only to the amount of the increase.

The amount of pension benefit you were receiving before the increase will continue to be paid in the form (or forms) you previously selected. Your first choice after what would have been your Normal Pension Date will remain in effect for any later increases you may earn by returning to work.

**If I Retire on a Married Couple Form and My Spouse and I Become Divorced, Is My Spouse Still Entitled to the Married Couple Protection?**

Yes, if your pension benefit became effective after 1984 and you and your spouse either were married to each other for at least one year up until the effective date of your Normal or Early Pension or had attained the first anniversary of your wedding after that effective date. However, a court order may provide otherwise.

## **Do the Married Couple Forms Apply to a Disability Pension?**

No. The Married Couple forms only apply to a Normal or Early Pension. If you are receiving a Disability Pension, your spouse may have the protection of the Pre-Retirement Surviving Spouse Pension while you are receiving your Disability Pension.

## **O. PRE-RETIREMENT SURVIVING SPOUSE PENSION**

If you are vested, a monthly benefit will generally be payable to your eligible surviving spouse if you die after 1984 and before Normal or Early Retirement. This benefit is called the Pre-Retirement Surviving Spouse Pension. It may also be payable if you die while receiving a Disability Pension.

### **How Does the Pre-Retirement Surviving Spouse Pension Work?**

In the event you die before you have actually started receiving a Normal or Early Pension, if your surviving spouse is eligible, your surviving spouse will receive a pension benefit provided you have satisfied the requirements for such a benefit. It will be payable to your surviving spouse monthly for as long as your surviving spouse lives.

This is called the Pre-Retirement Surviving Spouse Pension. In order to be eligible to receive such a benefit, your surviving spouse must have been lawfully married to you for at least one continuous year ending on the date of your death.

This benefit will not be effective with a date that is before your spouse applies properly for it unless the application is within six months of your death.

### **What Are the Requirements that I Must Have Satisfied so that My Surviving Spouse Will Be Entitled to This Pension?**

You must satisfy, before your death, any one of the following requirements:

1. You are vested; or

## **What Are the Requirements that I Must Have Satisfied so that My Surviving Spouse Will Be Entitled to This Pension? (Continued)**

2. You have at least 20 years of Vesting Service and pass away while you are in active employment under the plan; or
3. You have at least 15 years of Vesting Service, are at least age 55 and pass away while you are in active employment under the plan.

However, if you terminated active employment in the plan before August 23, 1984, the above requirements pertaining to you do not apply. Instead, you must satisfy each of the following three requirements for this benefit:

4. You completed one hour of Pension Service after 1975;
5. You have not commenced benefits under the plan or died as of August 23, 1984; and
6. You have ten years of Pension Service.

## **When Will My Surviving Spouse's Pension Start if I Die While Covered for this Benefit?**

That depends upon whether you become covered for this benefit under 1 in the answer to the previous question, or under either 2. or 3.

If you became covered under 1 but not either 2 or 3, your eligible surviving spouse may start the pension on or after the earliest date you could have started receiving an Early or Normal Pension.

If you became covered under 2 or 3, your eligible surviving spouse may start the pension on or after the first day of the month following your death.

## **How Much Is That Monthly Pension?**

The monthly pension that is payable to your surviving spouse is calculated as if you *had* retired on your earliest possible Normal or Early Pension Date after the date of your death, and elected that your surviving

## **How Much Is That Monthly Pension? (Continued)**

spouse participate in the benefit with you in the 50% Married Couple form. Your surviving spouse would start receiving 50% of what would have been your reduced monthly pension at what would have been your earliest possible Normal or Early Pension Date. There is a further reduction in the case where your surviving spouse's pension starts before what would have been your earliest possible Normal or Early Pension Date.

## **May My Spouse Elect To Receive the Pre-Retirement Surviving Spouse Pension as a Lump Sum?**

No.

## **P. LUMP SUM DEATH BENEFIT**

There is another death benefit included in the plan. This benefit is a Lump Sum Death Benefit that applies after you commence a Disability, Normal or Early Pension.

## **How Do I Qualify for the Lump Sum Death Benefit Coverage Under the Plan?**

If, at your death, you are receiving any type or form of monthly Pension benefit (other than as a surviving spouse) under this plan, you have qualified for the Lump Sum Death Benefit coverage.

## **How Much Is the Lump Sum Death Benefit?**

The amount of the Lump Sum Death Benefit is equal to \$1000.

## **Who Can Be My Beneficiary for the Lump Sum Death Benefit?**

You may name anyone you like to be your beneficiary. Your designation, however, must be made in writing and given to the Trustees. You may also change your beneficiary at any time, but once again, only in a written designation filed with the Trustees. However, any beneficiary designation or change in beneficiary designation received by the Trustees after your

## **Who Can Be My Beneficiary for the Lump Sum Death Benefit? (Continued)**

death will not be honored.

If a Lump Sum Death Benefit is due as the result of your death, and you have not chosen a beneficiary, or the beneficiary you have chosen has died, then the Lump Sum Death Benefit will be paid in accordance with the New York Estates, Powers and Trusts Act.

## **Will a Lump Sum Death Benefit Be Paid Automatically at My Death?**

No. As with all other benefits under the plan, the Lump Sum Death Benefit must be applied for.

## **Q. CLAIM AND APPEAL PROCEDURES**

Each application (or claim) for a benefit under the plan is reviewed under the direction of the Trustees. The facts that are presented with the claim are what are considered, primarily, in evaluating it. Sometimes the Plan Office will not receive all the pertinent details when a claim is presented. However, regardless of the reason for the denial, you are entitled to a review of your denied claim. The following is a brief summary of the claim and appeal procedures. The complete discussions of the claim procedure and the claim denial appeal procedure are contained in Sections 3 and 4 of this booklet.

## **How Do I Make a Claim for a Benefit?**

First, you must obtain the proper application forms from the Plan Administrator at the Plan Office. The Plan Administrator will assist you in the completion of these forms, as necessary, and will advise you as to what supporting documentation (birth certificate, social security disability award certification, etc.) is required. The completion and filing of your application for a benefit at the Plan Office constitutes your claim for a benefit under the plan.

## **When Will I Know Whether My Claim Is Approved or Disapproved?**

You will be advised of the Trustees approval or disapproval of your claim

## **When Will I Know Whether My Claim Is Approved or Disapproved? (Continued)**

for a benefit within 90 days after the date your application for benefits is filed at the Plan Office. If your claim is denied, completely, or in part, you will receive a written notice stating (i) the specific reason or reasons for the denial, (ii) the specific reference or references to the plan provisions on which the denial is based, and (iii) a statement of the plan's appeal procedure.

## **How Can I Appeal a Decision by the Trustees To Deny My Application for a Benefit Under the Plan?**

If your claim is denied, completely, or in part, you should *write* to the Trustees at the Plan Office asking that the denial be reviewed. The Trustees will set a meeting for this review. Before this meeting you will have an opportunity to review the documents, which relate to the claim itself and to present your appeal, in writing.

Also, at the discretion of the Trustees, you may be allowed to attend the meeting, if you so desire. The Trustees will review their prior decision at their meeting and communicate the results of this review directly to you.

See Section 4 of this booklet for complete details.

## **Is There a Time Limit for Appeal?**

Yes. In order that you are able to use the appeal procedure, you must make your written request to the Trustees for the review *within 60 days* following the date that you receive written notice of the denial.

## **R. SUSPENSION OF NORMAL AND EARLY PENSION BENEFITS**

The plan relies on contributions made by employers for hours worked by active participants to provide benefits for participants (and their beneficiaries) who are no longer actively employed. Therefore, in order to preserve the integrity of the plan, Normal and Early pension benefits may

## **R. SUSPENSION OF NORMAL AND EARLY PENSION BENEFITS (Continued)**

be suspended if a retired participant returns to work in the occupation of the type covered by the plan. The following is a brief summary of the suspension of benefits provisions. The complete discussion of the Plan provisions addressing this matter is contained in Section 2 of this booklet.

### **Are There Any Circumstances Under Which My Pension Benefit Payments Can Be Suspended or Forfeited?**

Once you become eligible for a Normal or Early Pension, the payments are non-forfeitable. However, your pension benefit will be subject to possible suspension if, after your retirement, you become employed in the ship maintenance, container repair, contract cargo repair, or weighmaster industries.

In particular, a *suspension* of monthly payments will occur if you retire on a Normal or Early Pension and, for at least 40 hours during any particular calendar month after your retirement, you are employed or self-employed at work in the ship maintenance industry, container maintenance and repair work, contract cargo repair work, or the weighing of raw sugar and rubber by one or more employers. If you do work (or are self-employed) in such employment for at least 40 hours during a month, you will not be entitled to a pension benefit payment for that month.

### **Will I Be Notified of a Proposed Suspension of My Pension?**

It is your responsibility to notify the Trustees, in writing, of any employment or enterprise that you wish to undertake which might constitute prohibited employment as described above. Your written notification should be given to the Trustees within five days of the start of such employment. The Trustees will then advise you as to whether it will result in a suspension of your pension benefit.

If you do not notify the Trustees of your prohibited employment, then the Trustees may presume that you are working at least 40 hours per month and that you have been doing so since the job you are working on started. The Trustees will then notify you, in writing, that your pension benefits are being suspended. This suspension will be effective with the month in which you are notified (for example, a pension payment for

## **Will I Be Notified of a Proposed Suspension of My Pension? (Continued)**

December 1 can be suspended by a notification sent out before the following January 1).

## **If My Pension Benefits Are Suspended, When Will They Start Again?**

Your pension benefits will start again as of the first day of the third month next following the month in which you notify the Trustees, in writing, that you are no longer engaged in prohibited employment as described above.

## **What Happens If I Work at Least 40 Hours in a Month and My Benefits Aren't Suspended?**

The plan must recover any pension benefit payments made to you in error. The Trustees will accomplish this, in general, by reducing your future pension benefit payments by 25%, until such time as the amounts overpaid have been entirely recovered. However, if your pension benefit payments have been suspended for at least one month, the Trustees may also apply an offset for overpayments against the entire monthly payment otherwise due you for the third month immediately following your notification to the Trustees about your cessation of employment.

## **How Can I Determine Whether Contemplated Employment Will Cause a Suspension or Reduction of My Pension Benefit?**

You can request a determination from the Trustees on this point.

## **Is a Suspension or Reduction of My Pension Benefit Owed To Me?**

No. If, during a particular month, you work at least 40 hours in prohibited employment as described in the questions above, the suspension (or recovery by the Trustees) of pension benefits for that month or reduction of future pension benefits (i.e., on subsequent retirement) on account of that month will not be returned to you nor is it owed to you.

## **What If I Disagree With a Determination by the Trustees that I Have Worked in Employment that Would Cause a Suspension?**

You should make a benefits claim and follow the plan's claim and appeal procedures.

### **S. CONTRACT CARGO REPAIRMEN PENSION PLAN**

A pension plan, known as the Contract Cargo Repairmen Pension Plan (Cargo Plan) merged into this plan on 4/1/83. Some of that plan's provisions were more beneficial to participants than those of this plan. As a result, for those who were participants in the Cargo Plan at the time of merger, certain more liberal plan provisions will apply under this plan.

#### **Is There an Additional Way To Become Entitled to a *Normal* Pension if I Was a Participant in the Cargo Plan at the Time of Merger?**

Yes. You may also satisfy the eligibility requirements for a Normal Pension if you are at least age 60 and have at least ten years of Pension Service. However, only Pension Service earned before 4/1/83 may be used to satisfy this more liberal requirement.

#### **Is There an Additional Way To Become Entitled to an *Early* Pension if I Was a Participant in the Cargo Plan at the Time of Merger?**

Yes. You need be only age 55 and have at least 20 years of Pension Service, counting only Pension Service earned before 4/1/83.

#### **Is There a Different Minimum Age Requirement for a Disability Pension if I Was a Participant in the Cargo Plan at the Time of Merger?**

Yes. You need be only age 40 and satisfy the other requirements.

#### **Is There a Minimum Pension Benefit Available To Me if I Was a Participant in the Cargo Plan at the Time of Merger?**

There may be. You should contact the Plan Office for the details.

## **SECTION 2: PENSION BENEFIT SUSPENSION**

### **A. GENERAL INFORMATION**

In the event a Normal or Early Pensioner works at least 40 hours in Prohibited Employment in the Plan Area in a month for which the Pensioner is entitled to a Normal or Early Pension payment hereunder as the result of successful application for such payment, the pension payment hereunder for such month shall be withheld and forfeited provided the proper notice is provided to the Pensioner by the Trustees.

### **B. PROHIBITED EMPLOYMENT**

For the purposes of this Article, Prohibited Employment means an hour of employment (whether union or non-union working or supervising such work, whether contributions are required to be made to the plan on account of such hour or not) for which the Pensioner is compensated by an employer:

1. In the same industry in which Employees covered by the plan worked at the effective date of the affected Employee's pension; and
2. In the same profession, trade or craft of the type in which the affected Employee worked at any time that was classed as Pension Service for such Employee.

### **C. PLAN AREA**

For the purposes of this Article, Plan Area, means the states of New Jersey and New York.

### **D. NOTIFICATION**

No pension benefit payments may be withheld from a Pensioner in any month unless, and until, during the first such month the Trustees notify the Pensioner of the suspension. Such notification shall be delivered

## **D. NOTIFICATION (Continued)**

personally or by first class mail and shall contain:

1. A description of the reason pension payments is being suspended;
2. A general description of this Article;
3. A copy of this Article;
4. A statement that an appeal of the Trustees' decision in the matter may be accomplished using the plan's claim denial appeal procedure; and
5. A statement that the Department of Labor regulations dealing with suspension of benefits may be found in Section 2530.203-3 of the Code of Federal Regulations.

## **E. PRESUMPTION**

Subject to correction by actual evidence, the Trustees may presume that a Pensioner who works at least some time in Prohibited Employment in a month has or will work at least 40 hours in such Prohibited Employment in that month unless, within five days of the start of such employment, the Pensioner notifies the Trustees of such commencement and has not refused to cooperate with reasonable requests by the Trustees to assist them in administering the provisions of this Article.

## **F. RESUMPTION OF PENSION PAYMENTS**

In order that the payment of monthly pension benefits be resumed under this plan once a suspension described in the first two sections of this Article has taken place, the Pensioner must notify the Trustees in writing that the Pensioner has ceased working in Prohibited Employment.

If the resumption of payments occurs, the Trustees shall resume the pension payments to the Pensioner in a monthly amount, adjusted annually to the extent required by law, which shall reflect any additional benefit earned.

Such payments shall resume with the first day of the third calendar month following the calendar month in which the Trustees receive the

## **F. RESUMPTION OF PENSION PAYMENTS (Continued)**

Pensioner's notice called for in this Article. Subject to the next section, should the Pensioner be due any payments for months in which the Pensioner did not work the prescribed duration of Prohibited Employment, such withheld payments shall be paid upon recommencement of pension payments.

## **G. RECOVERY**

In the event a Pensioner receives a monthly pension payment for a month for which the Trustees have the right to withhold and forfeit such payment, the Trustees shall recover such payment by reducing the payments otherwise payable to the Pensioner for the months immediately following the Pensioner's cessation of work in Prohibited Employment for which payment is not due until the third month following the Pensioner's notification to the Trustees called for in the preceding section. If the reductions described in the prior sentence are not sufficient to permit recovery of payments that should not have been made, the Trustees shall recover such un-recovered difference by reducing the otherwise size of future monthly pension payments by no more than 25% until such recovery is complete.

## **H. STATUS DETERMINATION**

A Pensioner or Employee may write to the Trustees to determine if an actual or contemplated employment is Prohibited Employment, and the Trustees shall reply to such request for information after securing enough details to make such a judgment.

## **SECTION 3: CLAIMS**

### **A. CLAIM PROCEDURE**

Application for all benefits must be made in writing on forms that can be obtained from the Plan Secretary at the Plan Office. You may secure such forms by writing, phoning, or visiting the Plan Office during regular business hours. The address is:

**METRO-ILA Pension Plan**

**301 Route 17N, 7th Floor**

**Rutherford, NJ 07070-2575**

**Telephone: (201) 842-0202**

No benefit payments will be due before the next first day of the month which is at least one month subsequent to the date a signed application is received at the Plan Office.

## **SECTION 4: CLAIM DENIAL APPEAL PROCEDURE**

### **A. INITIAL ADVERSE BENEFIT DETERMINATIONS**

If your claim for benefits is denied in whole or in part for any reason, then within 90 days after this Plan receives your claim, 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 following an adverse benefit determination on review.

### **B. APPEAL OF ADVERSE BENEFIT DETERMINATIONS**

If you are not satisfied with the reason or reasons why your claim was denied, then you may appeal to the 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

## **B. APPEAL OF ADVERSE BENEFIT DETERMINATIONS (Continued)**

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

## **C. 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 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 not later than five days after the determination is made.

If your appeal is denied, the Plan's written notice of the Trustees' 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 statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all

### **C. DETERMINATIONS ON APPEAL (Continued)**

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.

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 commence a legal action to challenge that decision. No legal action of any type may be commenced or maintained against this Plan more than six months after the date of the Plan's written letter notifying the claimant of the Trustees' decision on appeal.

## **SECTION 5: YOUR ERISA RIGHTS**

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

As a participant in this 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:

1. Examine, without charge, at the Plan Office all plan documents, including insurance contracts, collective bargaining agreements and copies of all documents filed by the plan with the U.S. Department of Labor, such as detailed annual reports and plan descriptions.
2. Obtain copies of all plan documents and other plan information upon written request to the Plan Office. The Trustees may make a reasonable charge for the copies, but no more than \$.25 per page.
3. Receive a summary of the plan's annual financial report. The Trustees are required by law to furnish each participant with a copy of such summary annual report.
4. Submit written comments about the plan to the Plan Secretary.
5. Obtain a statement, free of charge from the Trustees, telling you whether you have a vested right to receive a pension at age 65 and, if so, what your benefits would be at your Normal Pension Date if you stopped working under the plan now. If you do not have a vested right to a pension, the statement will tell you how many more years you have to work to earn a vested right to a pension. This statement must be requested by you in writing and it is not required to be given to you more than once a year.

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the plan. The people who operate your plan, called fiduciaries of the plan, have a duty

## **A. YOUR RIGHTS UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (ERISA) [Continued]**

to do so prudently and in the interest of you and the other plan participants.

No one, including your employer, your union, or any other person, may terminate your employment (or otherwise discriminate against you in any way) to prevent you from obtaining a benefit or exercising your rights under ERISA.

If your claim for a benefit is denied, in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the plan review and reconsider your claim.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may order the Plan Secretary to provide the materials, unless the materials were not sent because of reasons beyond the control of the Plan Secretary. If you have a claim for benefits, which is denied or ignored, in whole or in part, you may file suit in federal or state 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 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. If you have any questions about your plan, you should contact the Plan Secretary.

If you have any questions about this statement or about your rights under ERISA, you may contact the nearest Regional Office of the Employee Benefits Security Administration, U.S. Department of Labor. This office is located at 33 Whitehall Street, Suite 1200, New York, NY 10004; the phone number is (212) 607-8600; the fax number is (212) 607-8681.

You may also contact the Office of Participant Assistance, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Suite N-5623, Washington, DC 20210; the phone number is (202) 693-8635; the fax number is (202) 219-8141.

## **SECTION 6: TECHNICAL DETAILS**

**PLAN NAME:** METRO-ILA Pension Fund Plan.

**EDITION DATE:** January 1, 2008.

**PLAN SPONSOR:** The Board of Trustees of the METRO-ILA Pension Fund Plan.

**PLAN SPONSOR'S EMPLOYER IDENTIFICATION NUMBER (EIN):**

131939129.

**PLAN NUMBER:** 001.

**TYPE OF PLAN:** Defined benefit pension plan.

**PLAN YEAR ENDS:** December 31st.

**PLAN ADMINISTRATOR:** The Board of Trustees of the METRO-ILA Pension Fund Plan.

**AGENT FOR THE SERVICE OF LEGAL PROCESS:** Trustees of the METRO-ILA Pension Fund Plan, 301 Route 17N, 7th Floor, Rutherford, NJ 07070-2575. Phone #: (201) 842-0202.

**TYPE OF PLAN ADMINISTRATION:** Direct employees of the Trustees.

**TYPE OF FUNDING:** Self-administered.

**SOURCES OF CONTRIBUTIONS TO PLAN:** Employers required to contribute to the METRO-ILA Pension Fund Plan.

**COLLECTIVE BARGAINING AGREEMENTS:** This plan is maintained in accordance with collective bargaining agreements. A copy of a pertinent agreement may be obtained by you upon written request to the Plan Secretary and is available for examination by you at the Plan Office.

**PARTICIPATING EMPLOYERS:** You may receive from the Plan Secretary, upon written request, information as to whether a particular employer participates in the sponsorship of the plan. If so, you may also request the employer's address.

**PLAN BENEFITS PROVIDED BY:** The METRO-ILA Pension Fund Plan.

## **ELIGIBILITY REQUIREMENTS, BENEFITS AND TERMINATION**

**PROVISIONS OF THE PLAN:** See Section 1 of this booklet.

**HOW TO FILE A CLAIM:** See Section 3 of this booklet.

**REVIEW OF CLAIM DENIAL:** See Section 4 of this booklet.

**PENSION BENEFIT GUARANTY CORPORATION (PBGC) INSURANCE:** Benefits under this plan are insured by the Pension Benefit Guaranty Corporation (PBGC) if the plan becomes insolvent and is unable to pay guaranteed benefits when due. Generally, the PBGC guarantees some vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions.

However, PBGC does not guarantee all types of benefit protection under covered plans, and the amount of benefit protection is subject to certain limitations.

If the plan has been in effect less than five years, or if the benefits have been increased within five years before plan insolvency, the plan's vested benefits or the benefit increases are not guaranteed.

For more information on the PBGC insurance protection and its limitations, ask the Trustees or the PBGC. Inquiries to the PBGC should be addressed to the Office of Coverage and Inquiries, Pension Benefit Guaranty Corporation, Communications and Public Affairs Department, 1200 K Street, N.W., Washington, DC 20005-4026. The PBGC may also be reached by calling (202) 326-4000.

**THE BOARD OF TRUSTEES:** The Plan Sponsor and Plan Administrator is the Board of Trustees of the METRO-ILA Pension Plan. The following are the individual Trustees that make up the Board as of January 1, 2008 are:

**J. Randolph Brown**

METRO-ILA Pension Fund Plan  
301 Route 17N, 7th Floor  
Rutherford, NJ 07070-2575

**J. Kenneth O'Connor**

METRO-ILA Pension Fund Plan  
301 Route 17N, 7th Floor  
Rutherford, NJ 07070-2575

**John Atkins**

METRO-ILA Pension Fund Plan  
301 Route 17N, 7th Floor  
Rutherford, NJ 07070-2575

**Louis Pernice**

METRO-ILA Pension Fund Plan  
301 Route 17N, 7th Floor  
Rutherford, NJ 07070-2575

**LOSS OF BENEFITS:** Under certain circumstances you may lose all or part of your accrued benefits. Some situations are:

1. If you break your service before you are vested (and do not reinstate it), your entitlement to any benefit associated with the lost service ceases;
2. If you return, after retiring, to prohibited employment, your Pension benefit for such months of work will be forfeited under certain circumstances;
3. Under certain circumstances, in accordance with federal guidelines, the Trustees may retroactively reduce benefits;
4. If any detail regarding your participation under the plan has been misstated, or a clerical error occurs, which causes a higher benefit to be paid you than that which you are entitled, an adjustment in your benefit will be made, based on the facts;
5. Because current federal legislation places a maximum on how much retirement benefit an employee is permitted to receive from one or more qualified retirement plans, it is possible, in unusual circumstances, that a reduction may take place in your benefit accrued under this plan; and
7. If the plan terminates and there are not enough assets to provide your benefit and the Pension Benefit Guaranty Corporation does not make up the difference, there may be a reduction in your accrued benefit.

**DISTRIBUTION ON TERMINATION:** In the event of the termination of the plan, the Trustees shall distribute the assets of the plan at the time of distribution in such manner as shall best effectuate the plan's intent and **DISTRIBUTION ON TERMINATION (Continued):** in accordance with applicable law.

**DISCLAIMER:** This summary plan description is not a complete statement of the plan's contents. For a full statement of the plan, you may want to review the Collective Bargaining Agreement under which you work, the Agreement and Declaration of Trust of the METRO-ILA Pension Fund Plan, and the METRO-ILA Pension Fund Plan Document. All of those documents are available for your review at the Plan Office, and you may obtain copies of such documents for a reasonable charge.