SUMMARY PLAN DESCRIPTION

PENSION PLAN FOR HOSPITAL AND HEALTH CARE EMPLOYEES – PHILADELPHIA AND VICINITY

Sponsored by
The Board of Trustees of
The Pension Fund for Hospital and Health Care Employees –
Philadelphia and Vicinity

For the Plan Amended and Restated Effective as of
January 1, 2014

NOTE TO FORMER EMPLOYEES. If you are a vested participant but you have left Covered Employment, your benefits (including, but not limited to, your service, the applicable benefit formula, your vested status, breaks in service, and your eligibility for retirement benefits) are determined by the terms of the Plan in effect when you left Covered Employment, which may differ from the benefits described in this booklet. However, if your benefit payments have not started, some of the information contained in this booklet does apply to you, such as how and when your benefits can be paid, and how to apply for benefits. Also, some general information regarding the Plan, its administration, and your rights, will generally apply to all participants. If you have any questions about any part of this booklet and whether it applies to you, please contact the Fund Office (see page 25).

REMEMBER: Always keep the Fund Office informed of any changes in your name, address, or marital status. <u>Benefits cannot be paid if you cannot be located</u>!

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Introduction

About the Plan. The Board of Trustees of the Pension Fund for Hospital and Health Care Employees – Philadelphia and Vicinity is the sponsor of the Pension Plan (the "Plan") described here. Your pension from the Plan works together with Social Security and your personal savings to provide you with income after you retire or become disabled, and may provide survivor benefits to your Spouse or other beneficiary after your death, if applicable.

About this Booklet. This booklet includes these two parts:

- Part I - Summary of Plan Provisions
- Part II - Plan Document ("Plan Document" means the Plan including any amendments)

About this Summary. Part I is the "summary plan description," which provides you with an overview of the Plan. Please review the entire summary because if you take parts of it out of context, it could be misleading. The Plan is detailed and not every rule that may apply to you can be summarized here. This summary applies to general situations and not to your particular circumstances. **<u>The benefits described in this summary generally apply to participants who leave Covered Employment after December 31, 2013</u>.** If you left Covered Employment before January 1, 2014, earlier versions of the summary may apply to you (but see the note on the cover).

Ask About Changes. This booklet is updated periodically, but it may not always reflect all of the recent amendments or changes in law applicable to the Plan. **Before you finalize your retirement plans, please contact the Fund Office to be sure that you are aware of any changes**.

Plan In Effect Governs. Your rights under the Plan are determined solely by the Plan Document, as interpreted by the Trustees, and by applicable federal law. Benefits and other rules are generally determined under the provisions of the Plan in effect on the applicable date, such as the date your Credited Service ends or the date your employment with a Contributing Employer ends (unless the Plan Document or applicable law requires otherwise). If there are any discrepancies between this summary and the Plan Document, the Plan Document, as interpreted by the Trustees will control. If you need more detailed information about a Plan provision, see the Plan Document in Part II.

Oral Descriptions Not Binding. No individuals (other than the Board of Trustees) have the authority to interpret the Plan Document, this summary, or other official Plan documents. No oral description or promise relating to the terms of the Plan can supersede the terms of the written Plan Document.

Burden of Proof Regarding Plan Records. The Plan's records regarding your work history, employment status, service, earnings, Employer contributions, and all other matters affecting your eligibility for and amount of pension benefits are controlling in all cases. If you do not believe the Plan has full and accurate records for you regarding these matters, the burden of proof is on you to provide written documentation satisfactory to the Trustees (in their sole and absolute discretion) of the additional information that you believe is relevant. If you fail to provide such satisfactory proof supporting your claim, the Trustees will be unable to override the Plan's official records. You can review the Plan's records that apply to you at the Fund Office during normal business hours, or request a copy by calling the Fund Office.

Questions. If you have any questions about the Plan after reading this booklet, please contact the Fund Office, see "Plan Administration," page 25.

Part I
SUMMARY OF PLAN PROVISIONS

Section 1:
PARTICIPATION IN THE PLAN

How and when can I become a participant in the Plan?

If you were a participant in the Prior Plan, you automatically became a participant in the Plan described here on January 1, 1991.

In all other cases, you automatically become a participant in the Plan on the first day that a Contributing Employer is required to contribute to the Plan on your behalf.

Does it cost anything to participate?

No. Contributions to the Plan are made only by Contributing Employers (not by employees).

When does my coverage under the Plan end?

Your coverage may end if you stop working under Covered Employment. For more information about the provisions regarding your coverage following an absence from Covered Employment, see "Changes in Employment / Breaks in Service," page 18.

Section 2:
VESTING SERVICE AND CREDITED SERVICE

When am I Vested in my Benefits?

You become 100% vested in your Benefits when you have earned either 5 years of Vesting Service or 5 years of Credited Service. If you are vested, you remain entitled to a benefit from the Plan, regardless of whether you continue to work in Covered Employment until retirement.

You may also be vested if you are working in Covered Employment at the later of age 65 or the 5th anniversary of your participation in the Plan.

> **Note that if you are *<u>not</u>* a member of a collective bargaining unit, you must earn 5 years of Vesting Service to become 100% vested in your Benefits (regardless of how many years of Credited Service you have earned).**

What is Vesting Service?

Vesting Service is the total number of Plan Years that is used to determine your eligibility for the different types of benefits offered by the Plan.

For all Plan Years beginning on or after January 1, 1991, you receive one year of Vesting Service for each Plan Year in which you work in Covered Employment for at least 1,000 hours.

> *Note*: Covered Employment is employment with a Contributing Employer for which contributions are required to be made to the Plan. A Contributing Employer is an employer that has a collective bargaining agreement with the Union or a participation agreement with the Trustees requiring contributions to be made to the Plan.

Hours that you work in non-covered employment for a Contributing Employer also count toward the 1,000-hour requirement if your non-covered employment immediately precedes or follows your Covered Employment and you were not discharged or did not quit or retire between your Covered Employment and non-covered employment. However, you might not be entitled to Vesting Service for any period before your employer was required to contribute to the Plan for any of its employees.

If you became a participant in the Plan on January 1, 1991, your Vesting Service also includes the Vesting Service you earned under the Prior Plan (see page 32) before December 31, 1990.

Starting December 15, 1997, your Vesting Service also includes Approved Absences (see "What is an Approved Absence?" page 4). You should inform the Fund Office if you have an Approved Absence.

> For example, suppose you started working for your employer on January 1, 2004 and you work at least 1,000 hours each year until you stop working on December 31, 2013. Also suppose that your employer was required to make contributions for your work the entire time. You would have earned 10 years of Vesting Service as of December 31, 2013.

What if I transfer to a position with my employer that is <u>not</u> Covered Employment?

If you are employed in a position that is not covered by the Plan immediately before or immediately after your Covered Employment (with no termination of employment), that might be considered "contiguous non-covered employment." The Plan might recognize that employment as Vesting Service (but not Credited Service). However, non-covered employment can be recognized by the Plan only if you inform the Fund Office of that service. If you think this might apply to you, please contact the Fund Office.

What is Credited Service?

Credited Service is the total number of years and months of your employment that is used both in the calculation of your pension and in the determination of your eligibility for the different types of benefits offered by the Plan. Your Credited Service is the sum of your Credited Past Service and your Credited Future Service. See below for more information.

What is Credited Past Service and how is it determined?

Credited Past Service applies only to employees of certain employers that joined the Plan prior to January 1, 2000.

If this applies to you, your Credited Past Service refers to the time, if any, that you worked for your employer <u>before</u> your employer first became obligated to contribute to the Plan. If you were hired by your employer <u>after</u> your employer was already contributing to the Plan, you have <u>no</u> Credited Past Service.

Here is an example of how Credited Past Service worked. Assume that:

- You began working for your employer on January 1, 1997; and
- Your employer became obligated to contribute to the Plan on January 1, 1999.

You would have received two years of Credited Past Service for the service you earned with your employer during the period beginning January 1, 1997 and ending December 31, 1998.

Am I eligible for Credited Past Service?

You are eligible to receive Credited Past Service if you were employed in a covered job category by a non-contributing employer on the date that employer first became a Contributing Employer, but only if that date was prior to January 1, 2000.

If your employer was already contributing to the Plan when you were hired, you have no Credited Past Service. Also, if your employer first contributed to the Plan after December 31, 1999, you have no Credited Past Service.

For example, assume that:

- You began working for your employer on January 1, 1997; and
- Your employer became obligated to contribute to the Plan on January 1, 1996.

You would have no Credited Past Service because your employer was already contributing to the Plan when you were hired.

What is Credited Future Service and how is it determined?

Your Credited Future Service is the number of months you have worked during which a Contributing Employer was required to contribute to the Plan on your behalf.

For example, assume that:

- You began working for your employer on January 1, 2001;
- You stopped working for your employer on June 30, 2013; and
- Your employer was required to make contributions for your work during your entire period of employment.

You would have 12.5 years (12 years and 6 months) of Credited Future Service.

What happens to my Credited Service under the Prior Plan?

If you were a participant in the Prior Plan, see page 32, any Credited Service you earned under the Prior Plan before January 1, 1991 has been transferred to the Plan described here.

What is an Approved Absence?

An Approved Absence is a leave of absence granted to you by your Contributing Employer for maternity, paternity, family, or medical reasons. In many cases, Approved Absences also include the first six months of a layoff if you return to work as scheduled.

Approved Absences also include most periods of qualified military service if you become an employee again during the time that your re-employment is protected by law. For more information about whether periods of military service qualify as Approved Absences, contact the Fund Office.

Section 3:
NORMAL RETIREMENT PENSION

When do I qualify for a normal retirement pension?

You are eligible for a normal retirement pension on the date you reach age 65 and have completed at least five years of Credited Service or Vesting Service. This date is referred to as your Normal Retirement Date.

Do I have to retire when I qualify for my normal retirement pension or at any specific age (like age 65)?

The Plan has no mandatory retirement age; however, the Plan does not govern your employment relationship with your employer and so cannot affect how long your employment continues.

Under the Plan, you may continue to work past your Normal Retirement Date and there is no specific age by which you must retire. As long as you continue to work in Covered Employment, you will continue to earn Credited Service under the Plan. However, your benefit start date must be no later than the April 1 following the calendar year in which you reach age 70½, regardless of whether you are working at the time.

> For example, assume that you were born on March 1, 1943 and that you began working in Covered Employment in 1995 and you are still working in Covered Employment.
>
> You reached age 70½ on September 1, 2013 and you are required to start receiving your pension benefits by April 1, 2014, regardless of whether you continue to work.

How is my Accrued Monthly Pension calculated?

Your Accrued Monthly Pension is $1/12^{th}$ of the sum of the following:

- Your Average Final Pay, multiplied by your Future Service Multiplier; and
- The larger of $66 or 1.6% of your Past Service Pay, multiplied by your Credited Past Service.

> For example, assume the following information:
>
> - You started working for your employer on January 1, 1991 and you became a participant in this Plan on January 1, 1994 when your employer began contributing to the Fund).
> - You remained an active participant through December 31, 2013.
> - You earned 3 years of Credited Past Service (1991-1993) and 20 years of Credited Future Service (1994-2013) for a total of 23 years of Credited Service.
> - Your Future Service Multiplier is 48.7%.

- Your Average Final Pay is $40,000.
- Your Past Service Pay is $15,000.

Your Accrued Monthly Pension is equal to 1/12th of:

(Avg Final Pay x Future Service Multiplier) + (1.6% x Past Service Pay x Credited Past Service)

= ($40,000 x 48.7%) + (1.6% x $15,000 x 3)

= $19,480 + $720

= $20,200

So your Accrued Monthly Pension = $20,200 ÷ 12 = $1,683.33.

Your Accrued Monthly Pension is reduced for early retirement and for optional forms of payment as explained below.

How is my normal retirement pension calculated?

Your monthly normal retirement pension is equal to your Accrued Monthly Pension, however, your normal retirement pension will not be less than any of the following:

- $125;
- Your 2003 Grandfathered Benefit which is payable under the terms of the Plan as of December 31, 2003;
- Your 2012 Grandfathered Benefit which is payable under the terms of the Plan as of December 31, 2012; or
- The highest early retirement pension that you could have been eligible to receive at any time before your actual retirement.

The $125 minimum monthly pension is divided if you have more than one beneficiary, or if your benefit is split, such as with a former Spouse under a qualified domestic relations order (QDRO); that is, the $125 minimum does not apply separately to each recipient.

Federal law limits the amount of benefit that can be paid to you from the Plan. You will be notified if you are affected by the limits.

How is my Future Service Multiplier calculated?

Your Future Service Multiplier is the sum of your years of Future Service, multiplied by the accrual rate in effect for the Plan Year during which that service was earned. Different Plan Years have different accrual rates as shown below:

Time Period	Accrual Rate
Prior to 1/1/2004	2.60%
1/1/2004 – 12/31/2012	2.30%
1/1/2013 – 12/31/2013	2.00%
1/1/2014 – 12/31/2015	0.00%
1/1/2016 – 12/31/2017	0.50%
1/1/2018 – 12/31/2019	1.00%

Time Period	**Accrual Rate**
1/1/2020 – 12/31/2021	1.50%
1/1/2022 and later	2.00%

For example, assume that you work in Covered Employment continuously from January 1, 2001 through December 31, 2013. Your Future Service Multiplier would be calculated as follows:

2.6% x 3 years from 1/1/01 through 12/31/03	7.8%
2.3% x 9 years from 1/1/04 through 12/31/12	20.7%
2.0% x 1 year from 1/1/13 through 12/31/13	2.0%
Total	30.5%

Your Future Service Multiplier would be 30.5%.

How is my Average Final Pay calculated?

Your Average Final Pay is your average Gross Pay during all Plan Years of Credited Future Service after December 31, 2000. Gross Pay is your total wages during Credited Future Service only. Wages during Credited Past Service do not count towards Gross Pay or Average Final Pay.

For example, assume that you have worked in Covered Employment from January 1, 2001 through December 31, 2013. Your Average Final Pay as of December 31, 2013 would be calculated as follows:

If your Gross Pay was:	**Then your Average Final Pay would be:**
2001 – $33,000 2002 – $34,000 2003 – $35,000 2004 – $36,100 2005 – $37,100 2006 – $38,200 2007 – $39,400 2008 – $40,600 2009 – $41,800 2010 – $43,000 2011 – $44,300 2012 – $45,600 2013 – $47,000	The sum of all your Gross Pay earned after December 31, 2000, divided by your Credited Future Service earned after December 31, 2000. Therefore, the Average Final Pay would be: ($33,000 + $34,000 + $35,000 + $36,100 + $37,100 + $38,200 + $39,400 + $40,600 + $41,800 + $43,000 + $44,300 + $45,600 + $47,000) ÷ 13 = $515,100 ÷ 13 = $39,623

Your Average Final Pay would be $39,623.

Your Average Final Pay is calculated differently if you left Covered Employment prior to January 1, 2010:

If you left Covered Employment…	…then your Average Final Pay is the average of your Gross Pay during the…
Prior to January 1, 2006	5 consecutive Plan Years within the last ten consecutive Plan Years of Credited Future Service for which the average is highest
During 2006	6 consecutive Plan Years within the last ten consecutive Plan Years of Credited Future Service for which the average is highest
During 2007	7 consecutive Plan Years within the last ten consecutive Plan Years of Credited Future Service for which the average is highest
During 2008	8 consecutive Plan Years within the last ten consecutive Plan Years of Credited Future Service for which the average is highest
During 2009	9 consecutive Plan Years within the last ten consecutive Plan Years of Credited Future Service for which the average is highest

Please contact the Fund Office if you left Covered Employment prior to January 1, 2010 and you need information on how to calculate your Average Final Pay.

What is Past Service Pay?

Your Past Service Pay is your annualized rate of gross pay in effect on the last (most recent) full year of pensionable earnings and discounted back to January 1, 1970. For more information about your Past Service Pay, contact the Fund Office.

How is my 2003 Grandfathered Benefit calculated?

Your 2003 Grandfathered Benefit is the amount of monthly pension that you earned *as of December 31, 2003*. This Accrued Monthly Pension is based on your Average Final Pay and years of Credited Service *as of December 31, 2003*.

For example, assume the following information:

- You started working for your employer on January 1, 1991 and you became a participant in this Plan on January 1, 1994 when your employer began contributing to the Fund).
- You remained an active participant through December 31, 2013.
- You earned 3 years of Credited Past Service (1991-1993) and 20 years of Credited Future Service (1994-2013) for a total of 23 years of Credited Service. However, only 10 of those years of Credited Future Service were earned as of December 31, 2003.
- Your Future Service Multiplier as of December 31, 2003 is 26.0%.
- Your Average Final Pay as of December 31, 2003 is $35,000.
- Your Past Service Pay as of December 31, 2003 is $14,000.

Your 2003 Grandfathered Benefit is equal to 1/12th of:

(Avg Final Pay x Future Service Multiplier) + (1.6% x Past Service Pay x Credited Past Service)

= ($35,000 x 26.0%) + (1.6% x $14,000 x 3)

= $9,100 + $672

= $9,772

So your 2003 Grandfathered Benefit = $9,772 ÷ 12 = $814.33.

If you are vested, you can never receive less than your 2003 Grandfathered Benefit, reduced for retirement prior to age 62, regardless of whether you are eligible to retire on your last day of Covered Employment. This amount is payable at age 62. If you retire earlier, this benefit would be reduced for early commencement. Remember that your Accrued Monthly Pension, payable at age 62, cannot be any less than your accrued benefit as of December 31, 2003. See the Section below on Early Retirement Pensions for additional information.

How is my 2012 Grandfathered Benefit calculated?

Your 2012 Grandfathered Benefit is the amount of monthly pension that you earned *as of December 31, 2012*. This Accrued Monthly Pension is based on your Average Final Pay and years of Credited Service *as of December 31, 2012*.

For example, assume the following information:

- You started working for your employer on January 1, 1991 and you became a participant in this Plan on January 1, 1994 when your employer began contributing to the Fund).
- You remained an active participant through December 31, 2013.
- You earned 3 years of Credited Past Service (1991-1993) and 20 years of Credited Future Service (1994-2013) for a total of 23 years of Credited Service, however, only 19 of those years of Credited Future Service were earned by December 31, 2012.
- Your Future Service Multiplier as of December 31, 2012 is 46.7%.
- Your Average Final Pay is as of December 31, 2012 $38,000.
- Your Past Service Pay is as of December 31, 2012 $14,500.

Your 2012 Grandfathered Benefit is equal to $1/12^{th}$ of:

(Average Final Pay x Future Service Multiplier) + (1.6% x Past Service Pay x Credited Past Service)

= ($38,000 x 46.7%) + (1.6% x $14,500 x 3)

= $17,746 + $696

= $18,442

So your 2012 Grandfathered Benefit = $18,442 ÷ 12 = $1,536.83.

If you are eligible to retire on your last day of Covered Employment, you can never receive less than your 2012 Grandfathered Benefit, reduced for retirement prior to age 62. See the Section below on Early Retirement Pensions for additional information.

Section 4:
EARLY RETIREMENT PENSION

When do I qualify for an early retirement pension?

You can be eligible for an early retirement pension if you have both reached age 55 while in Covered Employment and have at least ten years of Credited Service or Vesting Service.

You also can be eligible for an early retirement pension if you have both reached age 62 while in Covered Employment and have at least five years of Credited Service or Vesting Service.

Your Early Retirement Date is the first day of the month following the earlier of the above two dates. You can begin receiving your early retirement pension if you are eligible to retire and elect to receive benefits at that time.

How is my early retirement pension calculated?

Your early retirement pension is your Accrued Monthly Pension based on your Average Final Pay and Credited Service at the time you leave Covered Employment. However, your early retirement pension will be reduced because it is expected that you will receive your pension for a longer time than if you had waited until your Normal Retirement Date.

How much is my early retirement pension reduced?

Your early retirement pension is reduced by one-half of a percent (½%) for each month by which your benefit start date precedes your Normal Retirement Date.

> For example, if you retire at age 60, you are retiring 60 months (5 years) prior to your Normal Retirement Date and your pension would be reduced by ½% x 60 months = 30% for early commencement.
>
> If your Accrued Monthly Pension is $2,000, then your early retirement pension would be reduced by $2,000 x 30% = $600. Your early retirement pension would be equal to $2,000 - $600 = $1,400.

However, because you were eligible to retire on your last day of Covered Employment, your early retirement monthly pension can never be less than any of the following:

- $125.
- Your 2003 Grandfathered Benefit, reduced by one-half of a percent (½%) for each month by which your benefit start date precedes the first of the month following your 62nd birthday.
- Your 2012 Grandfathered Benefit, reduced by one-half of a percent (½%) for each month by which your benefit start date precedes the first of the month following your 62nd birthday.

> For example, assume that you are eligible for early retirement benefits and:
>
> - Your Accrued Monthly Benefit is $1,700.
> - Your 2003 Grandfathered Benefit is $800.

- Your 2012 Grandfathered Benefit is $1,500.

If you retire at age 60, your monthly early retirement benefit will be the greatest of:

- Your Accrued Monthly Benefit, reduced from age 65
  The reduction would be ½% x 60 months = 30% for early commencement. The benefit would be reduced by $1,700 x 30% = $510, so the reduced benefit amount would be $1,700 – $510 = $1,190.
- Your 2003 Grandfathered Benefit, reduced from age 62
  The reduction would be ½% x 24 months = 12% for early commencement. The benefit would be reduced by $800 x 12% = $96, so the reduced benefit amount would be $800 – $96 = $704.
- Your 2012 Grandfathered Benefit, reduced from age 62
  The reduction would be ½% x 24 months = 12% for early commencement. The benefit would be reduced by $1,500 x 12% = $180, so the reduced benefit amount would be $1,500 – $180 = $1,320.
- $125

So, your monthly early retirement benefit will be $1,320.

What if I am eligible to retire but I want to delay the start of my pension?

If you leave Covered Employment after age 55 and are eligible to retire, but *delay* the start of your pension until a later date, the amount of your pension will be based on your Credited Service and Average Final Pay at the time you leave Covered Employment. However, your early retirement pension will be reduced based on your age as of your benefit start date.

Because you were eligible to retire when you left Covered Employment, your benefit will be reduced for early retirement as shown under the above section, "How much is my early retirement pension reduced?", however, the reduction will be based on your age on your benefit start date.

For example, if you leave Covered Employment at age 56 but decide not to receive your pension until you reach age 61, your pension will be based on your pay and service at age 56; but will be reduced for benefit commencement at age 61.

Section 5:
DISABILITY RETIREMENT PENSION

How do I become eligible for a disability retirement pension?

If you become disabled after December 31, 2012, you will not be eligible for a disability retirement pension. You will need to meet the requirements for a normal, early or deferred vested retirement pension before you will be eligible for retirement benefits from the Plan.

You are eligible for a disability retirement pension if you satisfy ***all*** of the following requirements:

- You became totally and permanently disabled ***prior to January 1, 2013*** while you were in Covered Employment;
- You have at least ten years of Vesting Service or Credited Service; and
- You have been awarded disability benefits by the Social Security Administration.

If you have not received a disability award from the Social Security Administration but believe that you might be eligible for one, you should contact the Social Security Administration.

How is my disability retirement pension calculated?

Your disability retirement pension is your Accrued Monthly Pension based on your Average Final Pay and Credited Service as of the date your Covered Employment ends. The amount of this pension is not reduced for commencement prior to your Normal Retirement Date regardless of your age at the time you begin to receive your disability retirement pension.

Your monthly disability retirement pension will not be reduced below $125, and can never be less than your 2003 Grandfathered Benefit.

What are the optional forms of payment under a disability retirement pension?

If you have *reached age 55* and you have been married to your Spouse throughout the year prior to the effective date of your disability retirement pension, your form of payment is a joint and 50% survivor annuity or, if you choose, a joint and 75% survivor annuity, with your Spouse as the beneficiary. You may elect payment in the form of a life annuity only if you have your Spouse's written and notarized consent. If you are unmarried or you are married less than one year, then your form of payment is a life annuity. The form of your payment cannot be changed at a later date.

If you *have not yet reached age 55* when you become eligible for a disability retirement pension, your form of payment is a life annuity. If you are married to your Spouse throughout the year prior to the date you reach age 55, your form of payment will be converted to a joint and 50% survivor annuity or, if you choose, a joint and 75% survivor annuity, with your Spouse as the beneficiary. You may elect to continue to receive a life annuity only if you have your Spouse's written and notarized consent. If you are unmarried or you are married less than one year when you reach age 55, then your form of payment continues as a life annuity and cannot be changed at a later date.

There are no other optional forms of payment available to you if you are receiving a disability retirement pension.

If your benefit is paid as either a joint and 50% or 75% survivor annuity, your monthly benefit amount will be the reduced actuarial equivalent of your life annuity. See "Forms of Payment," page 14, for additional information.

When will my disability retirement pension begin?

If you have met the requirements for a disability retirement pension, your benefits will begin on the latest of the following dates:

- The effective date of your Social Security disability benefits,
- The first of the month following the expiration date of your weekly disability benefits from the Benefit Fund (if applicable), or
- Two years prior to the date that you complete and file an application with the Fund Office.

A disability retirement pension cannot be paid unless you file an application with the Fund Office so please file your application as soon as possible.

If you are at least age 55, you may be eligible to receive an early retirement pension during the months between the date you become disabled and the date that you are notified of your Social Security disability award. The Trustees will convert this early retirement pension to a disability retirement pension when you submit proof that you have been approved for Social Security disability benefits as long as you have met the other requirements for a disability retirement pension.

If you become disabled after December 31, 2012, you will not be eligible for a disability retirement pension. You will need to meet the requirements for a normal, early or deferred vested retirement pension before you will be eligible for retirement benefits from the Plan.

When will my disability retirement pension end?

You will continue to receive a disability retirement pension as long as you are totally and permanently disabled and are receiving disability benefits from the Social Security Administration. You are required to notify the Fund Office if you are no longer receiving Social Security disability benefits (other than because you reach Social Security retirement age).

If you stop receiving Social Security disability benefits before age 65, your disability retirement pension will end but you may be eligible to have your pension converted to a reduced early retirement pension if you are at least age 55.

If you are receiving a disability retirement pension when you reach age 65, your pension will continue for the remainder of your life.

Section 6:
DEFERRED VESTED PENSION

How do I become eligible for a deferred vested pension?

You become eligible for a deferred vested pension if your Covered Employment under the Plan ends after you have earned at least five years of Credited Service or Vesting Service but before you become eligible for a normal, early, or disability retirement pension.

When will my deferred vested pension begin?

If you are vested, you may elect to begin receiving your deferred vested pension on the first of the month following the date on which you reach:

- Age 55 with at least 10 years of Credited or Vesting Service
- Age 62 with at least 5 years of Credited or Vesting Service
- Age 65

How is my deferred vested pension calculated?

Your deferred vested pension is your Accrued Monthly Pension based on your Average Final Pay and Credited Service at the time you leave Covered Employment. However, if you elect to begin receiving your deferred vested pension prior to age 65, your benefits will be reduced because it is expected that you will receive your pension for a longer time than if you had waited until your Normal Retirement Date.

If you begin to receive your pension between ages 55 and 65, your payment amounts will be reduced to reflect the longer expected period of payment. The amount of this reduction will be one-half of a percent (½%) for each month by which your benefit start date precedes your Normal Retirement Date. However, your deferred vested pension can never be less than any of the following:

- $125.
- Your 2003 Grandfathered Benefit, reduced by one-half of a percent (½%) for each month by which your benefit start date precedes the first of the month following your 62nd birthday.
- Your 2012 Grandfathered Benefit, reduced by one-half of a percent (½%) for each month by which your benefit start date precedes the first of the month following your 65th birthday.

For example, assume that you are eligible for a deferred vested pension and:

- Your Accrued Monthly Benefit is $1,700.
- Your 2003 Grandfathered Benefit is $800.
- Your 2012 Grandfathered Benefit is $1,500.

If you retire at age 60, your monthly deferred vested pension will be the greatest of:

- Your Accrued Monthly Benefit, reduced from age 65
  The reduction would be ½% x 60 months = 30% for early commencement. The benefit would be reduced by $1,700 x 30% = $510, so the reduced benefit amount would be $1,700 – $510 = $1,190.
- Your 2003 Grandfathered Benefit, reduced from age 62
  The reduction would be ½% x 24 months = 12% for early commencement. The benefit would be reduced by $800 x 12% = $96, so the reduced benefit amount would be $800 – $96 = $704.
- Your 2012 Grandfathered Benefit, reduced from age 65
  The reduction would be ½% x 60 months = 30% for early commencement. The benefit would be reduced by $1,500 x 30% = $450, so the reduced benefit amount would be $1,500 – $450 = $1,050.
- $125

So, your monthly deferred vested pension will be $1,190.

Section 7:
FORMS OF PAYMENT

How will my pension be paid to me?

If you have been **married** for at least one year on your benefit start date, you will automatically receive your pension in the form of a joint and 50% survivor annuity with your Spouse as your beneficiary. If you want to elect an optional form of payment described below, you must have your Spouse's written and notarized consent.

If you are **not married** or have not been married for at least one year on your benefit start date, you will automatically receive your pension in the form of a life annuity unless you elect one of the optional forms of payment described below.

What are the optional forms of payment?

If you retire with a **normal, early or deferred vested pension**, you may choose to have your benefit paid under one of the following payment options (subject to spousal consent, if applicable):

- a life annuity
- a joint and 100% survivor annuity
- a joint and 75% survivor annuity
- a joint and 50% survivor annuity, or
- a lifetime pension with 120 payments guaranteed.

If you retire with a **disability retirement pension**, at age 55 (or when your disability retirement pension begins, if later) you may be eligible to choose to have your benefit paid under one of the following payment options depending upon your marital status:

- a life annuity (with spousal consent, if you are married)
- a joint and 75% survivor annuity with your Spouse as beneficiary, or
- a joint and 50% survivor annuity with your Spouse as beneficiary.

Under a disability retirement pension, no beneficiary other than your Spouse is permitted and no other payment options are available. See "Disability Retirement Pension", page 11, for more information.

What is a life annuity?

Under a life annuity, you receive monthly pension payments for life. After your death, no further benefits are paid.

What is a joint and survivor annuity?

Under a joint and survivor annuity, you receive a reduced monthly pension for life. After your death, your beneficiary receives all or a portion of that reduced monthly pension for his or her life, as follows:

- If you elect a joint and 100% survivor annuity, your beneficiary's monthly pension will be the <u>same</u> as the reduced monthly pension you were receiving when you died.
- If you elect a joint and 75% survivor annuity, your beneficiary's monthly pension will be equal to <u>three-quarters</u> of your reduced monthly pension amount.
- If you elect a joint and 50% survivor annuity, your beneficiary's monthly pension will be equal to <u>half</u> of your reduced monthly pension amount.

The amount of the reduction in your monthly pension is based upon your age and your beneficiary's age when payments begin, and on which survivor percentage you choose. The reduction is greater if your beneficiary is younger, and/or if you choose a higher survivor percentage.

Federal rules and Plan rules may limit the joint and survivor option that you can elect if your beneficiary is not your Spouse and is substantially younger than you are.

What is the lifetime pension with 120 payments guaranteed?

Under this option, you receive a reduced pension throughout your lifetime. The first 120 payments (payments for ten years) are guaranteed.

If you die before you have received 120 monthly payments (payments for ten years), your beneficiary will receive the remainder of the 120 payments. After you have received 120 or more monthly payments, you continue to receive benefits for life, but after your death, no survivor benefits will be payable. If your beneficiary dies before you have received 120 monthly payments, you may name a new beneficiary. If both you and your beneficiary die before 120 monthly payments are made, the remaining payments are converted to a lump sum and paid to the estate of the last to die.

If you elect this option and you have more than one beneficiary, and if the $125 minimum monthly pension applies, the $125 minimum will be divided among your beneficiaries so that the total monthly pension paid to all your beneficiaries is $125 – they do not each receive $125.

Section 8:
PRE-RETIREMENT SURVIVING SPOUSE BENEFITS

Does my Spouse receive a pension benefit if I die before I retire?

If you have earned at least five years of Credited Service or Vesting Service, you die before your benefit start date, and you and your Spouse have been married to each other for at least one year prior to your death, pension protection for your Spouse is provided by the pre-retirement surviving Spouse benefit described below.

If you had been receiving a disability retirement pension and you had not yet reached age 55 at the time of your death, and you and your Spouse had been married to each other for at least one year prior to your death, your surviving Spouse would be eligible for the pre-retirement surviving Spouse benefit described below. (If you had been receiving a disability retirement pension and you have reached age 55, this pre-retirement surviving Spouse benefit does not apply. Any survivor benefits for your Spouse, if applicable, will depend upon the form of payment in effect.)

What does the pre-retirement surviving Spouse benefit provide?

If you die while you and your Spouse are eligible for this benefit, your Spouse will receive a pension as follows:

If you die *after* your Early Retirement Date (the earlier of age 55 with at least ten years of Credited Service or Vesting Service, or age 62 with at least five years of Credited Service or Vesting Service), your Spouse's pension can begin as of the month following your death. The amount of your Spouse's pension will be equal to 50% of the pension you would have received if you had retired on the date of your death and had begun receiving your pension in the form of a joint and 50% annuity.

If you die *before* your Early Retirement Date, your Spouse's pension can begin on what would have been your Early Retirement Date if you had survived. The amount of your Spouse's pension will be equal to 50% of the pension you would have received if you had:

- Left Covered Employment on the earlier of the date you actually left Covered Employment or the date of your death;
- Survived until the earliest date on which you would be eligible to retire (your earliest retirement date);
- Retired on your earliest retirement date and immediately began receiving your pension in the form of a joint and 50% survivor annuity; and
- Died on the day after your earliest retirement date.

The pre-retirement surviving Spouse benefit is payable no earlier than what would have been your earliest retirement date had you survived. If payments start before what would have been your Normal Retirement Date, they are reduced for early commencement.

Your Spouse has the option to defer receipt of the pre-retirement surviving Spouse benefit until any month up to what would have been your Normal Retirement Date. The benefit payable at this later date would be adjusted for later commencement.

Is there a charge for the pre-retirement surviving Spouse benefit?

No, this benefit is subsidized by the Plan. This means it is free of charge to you and your Spouse, so your monthly benefits are not reduced to provide for this coverage.

Does a minimum pension apply to surviving Spouses?

Yes, if eligible, your surviving Spouse will receive a minimum pension of $125.

Section 9:
CHANGES IN EMPLOYMENT / BREAKS IN SERVICE

What happens if I stop working or change my job before I retire?

If you leave Covered Employment to stop working, or to work for an employer who does not contribute to the Plan, but you have at least five years of Vesting Service or Credited Service, you are eligible to receive your Accrued Monthly Pension at your Normal Retirement Date.

For more information, see "Deferred Vested Pension", page 13.

Will I lose my Credited Service if I go from one Contributing Employer to another?

No. You would continue to earn Credited Service as long as you continue to work for an employer that is required to contribute to the Plan on your behalf.

What if I leave the Union, but continue to work for the same employer?

You will not earn additional Credited Service after you leave the bargaining unit. However, you may be eligible to continue to earn Vesting Service under what are called "contiguous service" rules. For information about contiguous service, contact the Fund Office.

What is a break in service?

A break in service is any Plan Year in which you have 500 or fewer hours of Vesting Service. However, if you have 500 or fewer hours in a Plan Year because of pregnancy, or birth or adoption of a child, you will not have a break in service during that Plan Year or the following year. You will be credited with enough hours to assure that you do not have a break in service.

Starting December 15, 1997, Approved Absences do not count as breaks in service. Also, starting in 1995, periods of qualified military service will not cause a break in service. (See "What is an Approved Absence?" page 4.)

If I have a break in service and I am not vested, can I protect my prior service?

If you have less than five years of Credited Service or Vesting Service at the time you leave Covered Employment and your break in service is **less than five years**, you will retain your prior service.

If you have less than five years of Credited Service or Vesting Service, but your break is **five years or longer**, the Vesting Service and Credited Service that you earned prior to the break will be cancelled.

If you have more than five years of Credited Service or Vesting Service (and any Vesting Service under the Plan after January 1, 1992), you will retain your prior Vesting Service and Credited Service regardless of how long your break in service lasts.

If you have at least five but less than ten years of Vesting Service or Credited Service, and your absence began prior to January 1, 1992, you will retain your service as long as your break in service is less than your years of Credited Service or Vesting Service prior to January 1, 1992. If did not lose your prior service and you returned to employment on or after January 1, 1992, you will be entitled to a fully vested pension.

What happens if I return after I lose my prior service?

You will be treated as a new participant in the Plan and will have to start earning Vesting Service and Credited Service again.

If I leave altogether, can I continue to participate by making contributions?

No. This is a non-contributory plan. All the contributions to the Plan are made by Contributing Employers.

Section 10: HOW TO APPLY FOR A PENSION

How do I apply for a pension?

You should call the Fund Office at the phone numbers on page 25 to arrange for an appointment for your pension interview. The application process will be explained during your pension interview. The Fund Office will provide you with election forms and instructions.

When should I apply for my pension?

You should file your application for benefits **at least three months** before the date your pension is to begin, to give the Fund Office time to calculate your benefit estimates. If you do not give sufficient notice, benefit payments may be delayed.

How do I elect a form of payment?

On your election form, you choose the form and time of your benefit payments. To be valid, your election (and your Spouse's consent, if applicable) must be made within the 180-day period immediately before your benefit start date under the Plan.

If you elect a joint and survivor annuity option, you must furnish proof of your beneficiary's age within 90 days of filing your application. If you are married at the time of your retirement, you will automatically receive your pension in the form of a joint and 50% survivor annuity with your Spouse as your beneficiary. If you want to elect a form of payment other than a joint and survivor annuity with your Spouse as beneficiary, you must have your Spouse's written and notarized consent.

Can I change my election?

You may revoke your election and make a new one any time before your benefit start date, subject to the spousal consent rules if you are married. For a change to be effective, you must complete a new election form and it must be received by the Fund Office before your benefit start date.

You cannot change your election after your benefit start date, *even if your marital status changes*.

However, if your benefit is being paid as a lifetime pension with 120 payments guaranteed, and your beneficiary dies before you receive 120 payments, you may name a new beneficiary.

What if I die or my Spouse or beneficiary dies before payments begin?

If you elect an option and you or your beneficiary dies before your benefit start date, your election is automatically cancelled.

If you elect a lifetime pension with 120 payments guaranteed and the designated beneficiary dies before your benefit start date, you may cancel that option or name a new beneficiary within 60 days (subject again to spousal consent, if applicable).

In the following narrow circumstance, your election can effect how the pre-retirement surviving Spouse benefit is calculated. If you have already completed and returned your election of a joint and 75% or 100% survivor annuity with your Spouse as beneficiary during the Plan's 180-day election period applicable to you, and you die during that election period but before your benefit start date, your election of the higher survivor percentage will apply for purposes of calculating pre-retirement surviving Spouse benefits. Pre-retirement survivor benefits are payable only if your surviving Spouse is otherwise eligible, for example, you were married to that Spouse for at least one year prior to your death.

When do my pension payments start?

Your pension cannot be paid until you have satisfied all the conditions for entitlement to a retirement benefit and have filed an application for your benefit in which you specify a date your pension is to begin.

If you are eligible, your pension begins on the first day of the month that is as soon as administratively possible after the Fund Office processes your completed application for benefits. If your employment with all Contributing Employers has ended, benefit payments are due on your Normal Retirement Date. If your employment has ended but you do not apply for benefits until after your Normal Retirement Date, your benefit will be increased to reflect the period of the delay after your Normal Retirement Date (or after the period of any benefit suspension, if later) but the Plan generally cannot make retroactive payments.

If you do not apply, you will be treated as if you had chosen to delay payment of your benefits until you later apply, or until the Plan is required to begin payments to you.

Generally, no benefits can be paid before you terminate employment with all Contributing Employers. However, benefits must begin no later than April 1 following the end of the calendar year in which you reach age 70½, even if you are still employed by a Contributing Employer at that time. These benefit payments are called "required minimum distributions." If your pension payments do not begin by that date (or your termination of employment, if later), IRS penalties may apply to you.

If you are receiving weekly disability benefits from the Benefit Fund, your pension will be effective no earlier than the first of the month following the expiration date of the weekly disability benefits.

What happens if I return to work after I begin receiving my pension?

If you return to work, your pension may be suspended depending on how many hours per month you work in Covered Employment and your age when you work those hours.

If you return to work, your pension will be suspended in any month that you work more than 40 hours in Covered Employment if you have not yet reached age 70½.

If you return to work and you work 40 or fewer hours per month in Covered Employment, your benefits will not be suspended regardless of what your age is when you work those hours.

If you return to work and you are over age 70½, your benefits will not be suspended regardless of how many hours you work.

What happens if the Fund Office cannot locate me or my beneficiary or if I or my beneficiary refuse to cash a pension check?

If after conducting a diligent search and exhausting its procedures, the Fund Office cannot locate you, your spouse or your beneficiary, or if you, your spouse or your beneficiary refuse to cash the pension check(s), the Plan may forfeit the pension benefit.

If you, your spouse or your beneficiary is located and later makes a claim for any benefits under the Plan after forfeiture, the Plan will reinstate the forfeited benefit, unadjusted for earnings and losses, in accordance with the Plan's procedures.

Section 11:
OTHER IMPORTANT INFORMATION

Am I permitted to assign my benefits to another person?

You may not assign your benefits to another person, use your benefits as collateral for a loan, or receive any part of your benefits before your normal, early or disability retirement date.

Generally, your pension payments under the Plan will be made directly to you (or to your Spouse or other beneficiary after your death) and cannot be made to any other person except in the case of incapacity as described below, or to an alternate payee under a qualified domestic relations order as described below.

What happens if I get divorced?

The Plan will honor any qualified domestic relations order (QDRO) directed to the Plan. A QDRO is issued by a State court and must be approved by the Fund Office. It may require your pension to be used to satisfy child support, alimony, or settlement of marital property rights. A QDRO could require the Plan to pay all or part of your pension to an alternate payee. An "alternate payee" is usually your former Spouse. A QDRO will result in a reduction of your benefits, and may reduce survivor benefits for any new Spouse if you later remarry.

There are requirements that a domestic relations order must meet to be "qualified." For example, a domestic relations order cannot provide benefits to an alternate payee in a form or amount or at a time not otherwise provided under the Plan. The Fund Office decides whether an order is "qualified." A copy of the Plan's QDRO procedures is available from the Fund Office upon request.

For convenience, the Plan has a model QDRO that meets federal and Plan requirements in most circumstances. The model QDRO provides only the most common and easy-to-understand option for dividing pensions. You should be aware that other types of QDROs are available that might better suit your situation. Consult your lawyer for more information. A draft of any QDRO (even if it follows the Plan's model QDRO) should be sent to the Fund Office before it is filed in court to assure that it will qualify.

If you are divorced before your payments begin, your former Spouse will not be treated as your surviving Spouse for Plan purposes, unless a QDRO provides otherwise. If you become divorced after your payments begin, the form of payment cannot change. For example, if you were receiving a joint and 50% survivor annuity with your former Spouse as beneficiary, the survivor benefit would still be payable to your former Spouse after your death, even if you are remarried to a different Spouse at the time of your death.

What happens if my beneficiary is a minor or a recipient is incapacitated?

If the Board of Trustees finds that any person is incapable of receiving benefits to which he or she is entitled (because of incompetence or status as a minor), it will direct payments to the person's duly appointed guardian or other legal representative.

Under what circumstances, if any, can my benefits be lost or delayed?

Under certain circumstances, your benefits may be lost, reduced or suspended, some of which are noted below. Other sections of this booklet describe these and other such circumstances in more detail. Other circumstances could apply which we cannot anticipate (such as law changes).

- If you have less than five years of Credited Service or Vesting Service and you sustain a break in service that is longer than five years.
- If you have a right to a deferred vested pension but die before payment begins and with no surviving Spouse, or a Spouse who does not qualify for the pre-retirement death benefits, no benefits will be paid to a beneficiary.
- If you became disabled prior to January 1, 2013 but you fail to make a timely application for disability retirement pension. (If you became disabled after December 31, 2012 you are not eligible for a disability retirement pension.)
- All or a portion of your benefits are directed to be paid to your Spouse, former Spouse or child pursuant to a qualified domestic relations order (QDRO).
- Your benefits are reduced or lost due to limitations under the Internal Revenue Code or the imposition of income, penalty, and excise taxes.
- You fail to make proper application for benefits or fail to provide necessary information. If you apply late, you will not receive retroactive payments, and you will forfeit any benefits for which you might have been eligible had you applied earlier.
- Your benefits are suspended due to periods of reemployment after benefits have commenced.
- Your monthly benefits are reduced under a joint and survivor annuity option or the life annuity with 120 payments guaranteed option, to provide for payments to your beneficiary following your death.
- If your beneficiary under a joint and survivor annuity option dies before you do, your benefits remain the same, and no payments will be made after your death, even if you remarry.
- If your benefit start date is before you reach your Normal Retirement Date, your monthly payments are reduced to account for the potentially longer payout period.
- Your monthly benefit could change if there is any mistake in the amount of your pension. If this happens, later payments may be adjusted to correct the error. If you were overpaid, your later payments would be reduced so that the Plan can recoup the overpayment.
- Failure to furnish current addresses may prevent or delay payment of benefits. (Information about the Plan and all benefit payments are sent to the last known address we have on file for you or your beneficiary. You must keep your address and the address of your beneficiary current with the Fund Office.)
- If after conducting a diligent search and exhausting its procedures, the Fund Office cannot locate you, your spouse or your beneficiary, or if you, your spouse or your beneficiary refuse to cash the pension check(s), the Plan may forfeit the pension benefit.

Section 12:
CLAIMS FOR BENEFITS AND APPEALS PROCEDURES

Is there a time limit for correcting errors in the calculation of my benefit?

To challenge a determination regarding the calculation of your benefits, you (or your representative) must take action in writing within certain time limits:

- When you receive a benefit statement, please check it for any errors. If you believe that there are any errors, you must notify the Fund Office in writing within 180 days after you receive the benefit statement.
- If a benefit application is approved, in whole or in part, but you believe you are entitled to a different benefit, a written claim to correct any error must be sent to the Fund Office within 180 days after you receive payment or your monthly payments begin.
- If you are notified that you are ineligible for benefits before you submit a benefit application and you disagree with that determination, you must send a written claim to the Fund Office within 180 days after you receive the notice or denial.

Any written claim to the Trustees should include the participant's name and social security number (and, if applicable, the beneficiary's name and social security number), an explanation of the perceived error, and copies of any documentation in support of the claim.

What can I do if I think that my pension application has been unfairly denied?

Review of Claim. When you file your pension application, you are making a claim for your pension benefits. The Trustees will review your written claim within 90 days after the date the Trustees receive the claim, unless the Trustees determine that special circumstances require an extension of up to 90 additional days due to circumstances beyond the control of the Plan. The Trustees will notify you in writing of any extension before the end of the period that is being extended.

If Your Claim Is Denied. If the Trustees deny or make an adverse determination on your written claim, the Trustees will provide you with a written statement that contains the following information:

- Specific reason(s) for the denial or adverse determination.
- Reference to the Plan provision(s) on which the denial or adverse determination was based.
- A description of additional information needed to perfect your application or claim, and why that information is necessary.
- A description of the Plan's review procedures and time limits applicable to those procedures, including your right to bring a civil action under ERISA section 502(a) following a denial or an adverse benefit determination on appeal, provided that such action must be brought in a court of competent jurisdiction in the Commonwealth of Pennsylvania within the time period described in the appeal section below.
- An offer to provide you, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to your claim.

If You Wish to Appeal – Deadline. If the Trustees deny or make an adverse determination on your claim, you may write to the Trustees for a review of that decision. (This is your "appeal.")

Your appeal must be received by the Trustees within 60 days after the date that you receive your initial written denial or adverse determination from the Trustees. If you do not submit a written appeal within the 60-day period, you will have no further right to appeal. The original decision made by the Trustees will be final.

As part of the appeal procedure, you will be allowed to:

- submit additional documents, records, and information relating to the claim;
- request in writing access to and copies (free of charge) of all documents, records and other information relevant to your claim; and
- have someone act as your representative in the appeal procedure.

Review of Your Written Appeal. The Trustees will review your written appeal no later than the date of the next regularly-scheduled meeting of the Trustees after the Trustees receive your appeal, unless your appeal is received within 30 days before that next meeting. In that case, a decision will generally be made at the second regularly-scheduled meeting after the Trustees receive your appeal.

If special circumstances require a further extension of time, the Trustees will decide no later than the third meeting of the Trustees after the Trustees receive your appeal. Written notice of the extension will be furnished to you before the extension.

The Trustees' review of your appeal will take into account all comments, documents, records, and other information you submit, without regard to whether that information was submitted or considered in the initial benefit determination.

If Your Written Appeal Is Denied. If the Trustees deny your appeal, the Trustees will provide you with a written statement that contains the following information:

- Specific reason(s) for the denial.
- Reference to the Plan provision(s) on which the denial was based.
- A statement regarding your right to bring a civil action under ERISA section 502(a), provided that such action must be brought in a court of competent jurisdiction in the Commonwealth of Pennsylvania within the time period described in the appeal section below..
- Offer to provide you, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to your claim for benefits.

The decision of the Trustees is final and binding on all persons.

Additional Information. When deciding claims, the Trustees are using their full discretionary authority as explained below under "Authority of Trustees."

This claims procedure applies to you and your surviving Spouse or beneficiary. If you need any assistance with this procedure, contact the Fund Office. If you wish to preserve any rights you may have to benefits from the Plan, you must follow this claims procedure within the deadlines as described above. You must exhaust this claims procedure before you file any lawsuit. If you challenge the Trustees' decision in federal court, a review by a court of law will be limited to the facts, evidence, and issues presented during the claims procedure described above.

Judicial Appeals. If you are dissatisfied with the Trustees' appeal determination, you have a right to appeal the matter to a court. You must file any judicial claim against the Plan, the Board of Trustees or a Plan fiduciary in a court of competent jurisdiction in the Commonwealth of Pennsylvania.

Time Limit for filing Judicial Appeal. The deadline for filing a judicial claim is no later than 24 months after the applicable date that you are put on notice that you may have a claim. Your notice date is the earlier of the date of payment of your benefit in a lump sum (or the date payment was allegedly due), the date of your first installment payment (or the date payment was allegedly due), the date that you receive written notice from the Plan that you are not entitled to benefits, or the date that you receive a written benefits statement from the Plan. However, if you commence a claim with the Board of Trustees prior to the 24-month period, the deadline for filing a claim in court is the later of the 24-month period or 90 days after you have exhausted the Plan's claims and appeals procedures. Any judicial claim filed after this deadline will be time barred.

Section 13:
PLAN ADMINISTRATION

How is the plan administered?

Board of Trustees. The Plan is administered by the Board of Trustees (sometimes called the "Trustees" in this summary). The Trustees include ten members, five of whom are appointed by District 1199C, National Union of Hospital and Health Care Employees, AFSCME, AFL-CIO, and five of whom are appointed by Contributing Employers.

Authority of Trustees. Your rights under the Plan are determined solely by the Plan Document, as interpreted by the Trustees, and by applicable federal law. The Trustees have complete authority, in their absolute discretion, to interpret and apply the terms of the Plan (including any and all related or underlying documents or policies including, without limitation, this summary plan description), and to determine all questions as to eligibility for, and the amount of, benefits under the Plan. All such interpretations and determinations shall be final and binding. The Trustees reserve the right to amend, modify, or terminate the Plan (in whole or in part) at any time.

Trust Fund. The assets of the Plan are held in a Trust Fund under the Trust Agreement. The Board may in its discretion delegate management of certain fund assets to an investment manager.

Collective Bargaining Agreements. The Plan is maintained and contribution amounts are determined according to the provisions of Collective Bargaining Agreements between the Union and Contributing Employers. Copies of the Collective Bargaining Agreements are available in the Fund Office.

Day-to-Day Administration. The Plan is self-administered. The actual day-to-day administration of the Plan is carried out at the Fund Office, which was established for this purpose.

Fund Office Address

Pension Fund for Hospital and Health Care Employees – Philadelphia and Vicinity
1319 Locust Street
Philadelphia, PA 19107

Fund Office Phone Numbers

In Philadelphia: (215) 735-5720
Outside Philadelphia: (800) 531-1199

Fund Office Hours

The Fund Office is open for business Monday through Friday from 9:00 a.m. through 5:00 p.m., except holidays.

Plan Administrator

The Board of Trustees administers the Plan and acts as the Plan fiduciary. The day-to-day operation of the Plan is carried out by a Plan Administrator selected by the Trustees. The Trustees can be reached at the Fund Office address and telephone numbers. (Do not send correspondence to individual trustees.)

Plan Name

The Plan name is the Pension Fund for Hospital and Health Care Employees – Philadelphia and Vicinity.

Type of Plan

The Plan is a multiemployer defined benefit plan designed to provide certain pension, disability, and survivor benefits. The Plan is intended to comply in all respects with the requirements of applicable federal law, including ERISA.

Plan Identification Numbers (EIN/PN)

The Internal Revenue Service has assigned an Identification Number to the Fund. The Identification Number is 23-2627428. The Pension Plan Identification Number is 001.

Plan Year

January 1 through December 31

Agent for Service of Legal Process

Legal process on matters relating to the Plan may be served in the name of the Plan on the Plan Administrator or the Plan Trustees at the address for the Fund Office, above.

Contributing Employers

A current list of Contributing Employers is available for your review at the Fund Office. As of January 1, 2014, Contributing Employers included:

1199C Legal Services Plan
1199C Training and Upgrading Fund (Staff)
1199C Training and Upgrading Fund (Students)
1199C Union (District)
1199C AFSCME (National)
Aramark at Presbyterian
Benefit Fund for Hospital and Health Care Employees
Children's Hospital of Philadelphia
Crothall at Hahnemann
Crothall Transportation at Hahnemann
Crozer Chester Medical Center
Episcopal Hospital
Inglis House
Inglis House LGPN Unit
Local 1319
Sodexho at Hahnemann
Sodexho at Presbyterian
Sodexho at Presbyterian II (D)
Pension Fund for Hospital and Health Care Employees
Temple University Hospital (Service & Maintenance)
Temple University (Service & Maintenance)
Tenet/Hahnemann University
Thomas Jefferson University & Hospital

Board of Trustees

Individual Trustees change from time to time, and their addresses may change. This SPD cannot always be updated whenever these changes occur. Please contact the Trustees by writing to them at the address for the Fund Office, above. As of January 1, 2014, the Trustees were as follows:

<u>Union Trustees</u>

Henry Nicholas (co-Chair)
President, District 1199C
National Union of Hospital and Health
Care Employees, AFSCME, AFL-CIO
1319 Locust Street
Philadelphia, PA 19107-5405

Chris Woods
Executive Vice President, District 1199C
National Union of Hospital and Health
Care Employees, AFSCME, AFL-CIO
1319 Locust Street
Philadelphia, PA 19107-5405

Peter Gould
Executive Vice President, District 1199C
National Union of Hospital and Health
Care Employees, AFSCME, AFL-CIO
1319 Locust Street
Philadelphia, PA 19107-5405

Marguerite Stanford
Secretary-Treasurer, District 1199C
National Union of Hospital and Health
Care Employees, AFSCME, AFL-CIO
1319 Locust Street
Philadelphia, PA 19107-5405

John Hundzynski, Vice President
District 1199C
National Union of Hospital and Health
Care Employees, AFSCME, AFL-CIO
1319 Locust Street
Philadelphia, PA 19107-5405

<u>Employer Trustees</u>

Paul A. Csigi (co-Chair)
Director, Benefits & Pension Admin.
Temple University Health System
Human Resources Dept., Benefits
2450 West Hunting Park Ave., Rm. 4-151
Philadelphia, PA 19129-1302

Hakim W. Berry
Director, Labor & Employee Relations
Tenet Healthcare
3663 Woodward Ave., Orchestra Pl.
Suite 200, Floor 4
Detroit, MI 48201-2445

Kevin S. Kelly
Vice President, Chief Financial Officer
Inglis Foundation
2600 Belmont Avenue
Philadelphia, PA 19131-2713

Elizabeth G. Bilotta
Vice President, Human Resources
Crozer-Keystone Health System
100 West Sproul Road
Healthplex II, floor 3
Springfield, PA 19064-2033

Debra Packel
Manager, Employee Benefits
Thomas Jefferson University & Hospital
Human Resources Department
833 Chestnut Street, Suite 900
Philadelphia, PA 19107-4414

Section 14:
YOUR RIGHTS UNDER THE PLAN

What are my rights under ERISA?

Regulations of the U.S. government require that this summary plan description include the statement that appears below. Neither the Employers, nor the Union, nor the Trustees, nor the Fund Office, can take any responsibility for the accuracy or completeness of this statement. This statement is made to you by the federal government, not by the Plan. As permitted by the regulations, portions of the statement that are not applicable to the Plan have been omitted and outdated information has been updated.

ERISA Rights Statement

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:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, 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. For 2009 and subsequent plan years, you may obtain an electronic copy of the plan's annual report by going to www.efast.dol.gov and using the Form 5500 search function.

- Obtain, upon written request to the Plan Administrator, 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 Plan Administrator 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 (generally age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a pension 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 the 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 Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court after exhausting the Plan's claims and appeals procedures described above. 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 after exhausting the Plan's claims and appeals procedures described above. If it should happen that the plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in 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 Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

What happens if the Plan is under-funded?

New funding rules enacted in a federal law called the Pension Protection Act of 2006 may supersede certain provisions of this summary and the Plan Document. Affected participants are provided with notices describing the Plan's funded status, and any applicable benefit changes. The benefits described in this summary and in the Plan Document can be changed or reduced if required or permitted by applicable federal law, as described in those notices. You cannot rely on this summary or the Plan Document without looking at any required funding notices which explain temporary or permanent benefit changes that may apply. If you would like to know whether any such notices apply to you, or if you would like copies of any such notices that apply to you, please contact the Fund Office.

What happens if the Plan is terminated?

The Trustees intend to continue the Plan indefinitely. However, they reserve the right to amend or terminate the Plan at any time. If the Plan is terminated, and you are employed by a Contributing Employer at that time, you will be entitled to any benefit you have accrued to the extent then funded.

Generally, if the Plan is terminated, and there are unfunded vested benefits, the Contributing Employers would be responsible for contributing some or all of the amount needed to fund the benefits. This obligation is referred to as Withdrawal Liability.

- If there is enough money in the Plan to provide retirement benefits earned to the date of termination, Plan assets will be used to pay expenses and buy annuities, payable at retirement, for each participant. Small benefits may be cashed out in a lump sum if annuities are not otherwise available.

- If the assets are not sufficient to provide these annuities and cashouts, Plan money will be used, as provided by law, to pay expenses and provide for benefits generally in the following order (subject to certain limitations): first to retirees, then to participants eligible to retire, then to participants with vested benefits prior to termination, then to all other participants. If Plan assets are not sufficient to fully provide the accrued benefits for all participants in one of the above categories, each participant in that category will receive a pro-rata share of available Plan assets and participants in the lower categories may not receive any benefits at all. If the assets are not sufficient to provide all these benefits, the Pension Benefit Guaranty Corporation may pay certain benefits as described below.

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Statement by the Pension Benefit Guaranty Corporation

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

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

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

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

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

For more information about the PBGC and the benefits it guarantees, ask your Plan Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street, N.W., Suite 930, Washington, D.C. 20005-4026 or call (800) 400-7242. TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at http://www.pbgc.gov.

Section 15
GLOSSARY OF CERTAIN TERMS

Why Are Some Words Capitalized? Words are capitalized to remind you that they have special meanings under the Plan. Some of these words are explained below. Some others are explained where they are used in this summary. However, not all of the words with special meanings are capitalized. Also, because this is only a summary, the words used here (whether or not capitalized) do not necessarily match the corresponding terms in the Plan.

Accrued Monthly Pension

The amount of monthly pension that you have earned so far. Your Accrued Monthly Pension is based on your Average Final Pay and your years of Credited Service. Your Accrued Monthly Pension is equal to 1/12th of the sum of the following:

- Your Average Final Pay, multiplied by your Future Service Multiplier; and
- The larger of $66 or 1.6% of your Past Service Pay, multiplied by your Credited Past Service.

Average Final Pay	Your Average Final Pay is your average Gross Pay during all Plan Years of Credited Future Service after December 31, 2000. Your Average Final Pay is calculated differently if you left Covered Employment prior to January 1, 2010. Please contact the Fund Office if you left Covered Employment prior to January 1, 2010 and you need information on how to calculate your Average Final Pay.
Beneficiary	The person or persons you designate to receive payments under the optional forms of payment. See "Forms of Payment", page 14, for additional information.
Contributing Employer	An employer that has a collective bargaining agreement with the Union and is required to make contributions to the Plan. This also includes the Union, the Pension Fund, or any other employer that contributes to the Plan for its own employees. See the "Plan Administration" section which starts on page 25 for a list of the Contributing Employers as of the date of this summary.
Covered Employment	Employment in an institution in a job category for which a Contributing Employer is required to make contributions to the Plan.
Disability	Total and permanent disability for which you are awarded a certificate of disability from the Social Security Administration.
Credited Future Service	The number of months you have worked during which a Contributing Employer was required to contribute to the Plan on your behalf.
Credited Past Service	The number of months, if any, that you worked for your employer in a job category covered by the Plan before your employer first became obligated to contribute to the Plan. You are only eligible for Credited Past Service if your employer both joined the Plan prior to January 1, 2000 and was eligible for Credited Past Service. If you had Credited Past Service as of January 1, 2000, you will retain that service. If your employer joined the Plan after January 1, 2000, you will not be eligible for Credited Past Service.
Future Service Multiplier	Different Plan Years have different accrual rates. Your Future Service Multiplier is the sum of your years of Future Service, multiplied by the accrual rate in effect for the Plan Year during which that service was earned. See "Normal Retirement Pension", page 5, for additional information.
2003 Grandfathered Benefit	The amount of monthly pension that you earned as of December 31, 2003. This Accrued Monthly Pension is based on your Average Final Pay and years of Credited Service as of December 31, 2003. If you are vested, you cannot receive less than your 2003 Grandfathered Benefit, reduced for retirement prior to age 62, regardless of whether you were eligible to retire on your last day of Covered Employment (but see the question on how benefits can be lost or delayed, page 22).
2012 Grandfathered Benefit	The amount of monthly pension that you earned as of December 31, 2012. This Accrued Monthly Pension is based on your Average Final Pay and years of Credited Service as of December 31, 2012. If you are vested, you cannot receive less than your 2012 Grandfathered Benefit, reduced for retirement prior to age 62, ***if*** you were eligible to retire on your last day of Covered Employment (but see the question on how benefits can be lost or delayed, page 22).
Gross Pay	Your total wages for a Plan Year based upon which a Contributing Employer is required to contribute to the Plan on your behalf. Your Gross Pay also includes Gross Pay that you would have received during a period of qualified military service if you are reemployed by a Contributing Employer within the time that your re-employment rights are protected by law.

Past Service Pay Your annualized rate of gross pay in effect on the last (most recent) full year of pensionable earnings and discounted back to January 1, 1970. For more information about your Past Service Pay, contact the Fund Office.

Prior Plan The Pension Plan of the National Pension Fund for Hospital and Health Care Employees as that plan was in effect from January 1, 1970 through December 31, 1990.

Spouse The person to whom you are legally married for federal law purposes (including a person of the same sex to whom you are legally married in accordance with the laws of any domestic or foreign jurisdiction) on the date your benefits commence, or your former spouse designated under a qualified domestic relations order. However, you and your spouse must have been married for at least one year:

- For your spouse to be covered under the pre-retirement spouse benefit. See "Pre-Retirement Surviving Spouse Benefits," page 16, for additional information.
- For a disability retirement pension payable after age 55 to be paid as either the joint and 50% survivor annuity or the joint and 75% survivor annuity (as you elect), with your spouse as the beneficiary. See "Disability Retirement Pension," page 11, for additional information.