

**OPERATING
ENGINEERS
LOCAL 66
ANNUITY AND
SAVINGS FUND**

Summary Plan
Description

REVISED 7-1-2023

**OPERATING ENGINEERS LOCAL 66
ANNUITY AND SAVINGS FUND**

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Introduction

The Board of Trustees is pleased to provide you with this revised booklet explaining the Operating Engineers Local 66 Annuity and Savings Fund. The Annuity and Savings Fund is intended to provide you with additional financial security in retirement by supplementing the pension you may receive from the Pension Fund.

Your employer has agreed to contribute to the Annuity and Savings Fund on your behalf under an agreement with the Union or the Board of Trustees. These contributions are held in an individual Account on your behalf, and you direct how your Account is invested. Your Account is payable upon your retirement, death, or termination of employment. In addition, to address any pressing, short-term financial needs, in-service withdrawals are available in the event of your financial hardship and annually for certain prior year contributions.

This booklet is the summary plan description for the Annuity and Savings Fund. It summarizes the Annuity and Savings Fund as amended through July 1, 2023 and illustrates how the Annuity and Savings Fund operates. You should read the booklet and refer to it whenever you have questions about the Annuity and Savings Fund. If you have questions after reading this, please write or call the Fund Office.

This booklet is not the plan and trust document. The plan and trust document contains all of the terms and conditions of the Annuity and Savings Fund and legally governs and controls its operation in the event of a conflict. You may examine or secure a copy of the plan and trust document by contacting the Fund Office.

Participation

Eligibility

You are eligible to participate in the Annuity and Savings Fund if your work is covered by a collective bargaining agreement with the Union that requires your employer to make contributions to the Fund on your behalf.

You are also eligible to participate in the Annuity and Savings Fund if your employer signs a participation agreement with the Board of Trustees that requires your employer to make contributions to the Fund on your behalf.

There are no minimum age or service requirements for participation.

Participation

Your participation in the Annuity and Savings Fund will begin when Employer Contributions are made to the Fund on your behalf. Your participation will continue for so long as you have an Account under the Annuity and Savings Fund.

Restrictions on Participation

If your work for an employer is not covered by a collective bargaining agreement, you may be ineligible to participate in the Annuity and Savings Fund unless your employer can meet certain requirements imposed by the Internal Revenue Code.

If you think that this may apply to you, you may contact the Fund Office for more information.

Contributions

Employer Contributions

Your employer is required to make Employer Contributions to the Annuity and Savings Fund on your behalf in the amount specified in the collective bargaining agreement with the Union or in the participation agreement entered into with the Board of Trustees.

Employee Contributions

You are not required or permitted to make any contributions to the Annuity and Savings Fund.

Reciprocal Contributions

If you work outside the jurisdiction of the Annuity and Savings Fund and are eligible to participate in another multiemployer, defined contribution plan, and if that defined contribution plan has

entered into a reciprocal agreement with the Annuity and Savings Fund, you may be able to elect to have the employer contributions made on your behalf to that defined contribution plan transferred to the Annuity and Savings Fund. The Fund Office can provide you with information on the defined contribution plans that have entered into a reciprocal agreement with the Annuity and Savings Fund.

Military Service

If you leave covered employment to enter qualified military service and later return to covered employment with reemployment rights under the Uniformed Services Employment and Reemployment Rights Act (USERRA), your Account will be credited with contributions for the eligible period of your qualified military service.

Contributions for a period of qualified military service will be determined by the number of hours of employer contributions made for the 12 consecutive month period preceding your military service and the average hourly rate for those contributions (regardless of whether you are in covered employment for the entire period). If your qualified military service begins within 12 months of the initial commencement of your covered employment, the contributions will be determined by an estimated number of hours based on the actual number of hours of contributions made for the period of your covered employment before your military service. The

estimated number of hours of contributions will not exceed the average number of hours of contributions for all participants in covered employment during the period of your qualified military service.

Covered employment is employment for which employer contributions are required to be made to the Annuity and Savings Fund on your behalf.

Note that these contributions are credited for your military service only if you satisfy all of the requirements of USERRA to be entitled to reemployment rights. Two of the key requirements are that you must be absent from covered employment because of your military service and you must timely return to, or make yourself available for, covered employment after completing your military service.

You may contact the Fund Office for additional information.

Accounts

Individual Accounts

The Employer Contributions made on your behalf are credited to an individual Account maintained on your behalf under the Annuity and Savings Fund.

Because of the Annual Withdrawal Option, your individual Account has subaccounts to record the

amounts attributable to Employer Contributions made in the current calendar year, the first preceding calendar year, the second preceding calendar year, the third preceding calendar year and all remaining preceding calendar years. For example, assuming Employer Contributions from 2010 through 2023, in 2023, you would have subaccounts for the 2023 contributions, the 2022 contributions, the 2021 contributions, the 2020 contributions, and the 2010-2019 contributions.

Vesting in Accounts

You are always 100 percent vested in your Account.

Account Values

The value of your Account is adjusted by:

- Adding the Employer Contributions made on your behalf;
- Adding and subtracting the net investment earnings and losses on your Account;
- Subtracting any directly chargeable administrative and recordkeeping fees; and
- Subtracting any distributions and withdrawals made from your Account.

Benefits under the Annuity and Savings Fund are paid only from the value of your Account, which

reflects investment gains and losses. There is no guarantee for the value of your Account.

You will receive quarterly statements for your Account. These statements will show the value of your Account, the amount of Employer Contributions, the investment performance, and the amount of any chargeable fees. You will also receive an annual notice with information on fees, expenses and investments.

Information on the current value of your Account is available at any time on the John Hancock website at www.myplan.johnhancock.com or by calling the John Hancock Call Center at 833-388-6466.

Investment Options

Investment of Accounts

Individual Investment Funds are available for the investment of your Account. You are provided with information on the investments and objectives of each of the Investment Funds when your participation begins. You will also receive an annual notice with comparative investment and fee information for the Investment Funds.

You may logon to the John Hancock website at www.myplan.johnhancock.com to review and download a current prospectus and/or additional information for one or more of the Investment Funds. You may also call the John Hancock Call

Center at 833-388-6466 or contact the Fund Office.

The Investment Funds may change from time-to-time. You will be provided with information on any changes in Investment Funds.

Investment Decision

The decision on how to invest your Account is solely your own. You may elect to invest in any one Investment Fund, or in any combination of the Investment Funds. You should carefully review all of the information for each Investment Fund in order to determine the investment alternative that best meets your objectives. If you wish, you may consult a professional investment advisor.

The Annuity and Savings Fund is intended to be a "section 404(c) plan" under ERISA, which means that the fiduciaries of the Fund may not have liability for any losses that are the direct and necessary result of your investment decisions.

Investment Election

You make your initial election for the investment of Employer Contributions when your participation in the Annuity and Savings Fund begins. If you fail to make an investment election, you are deemed to have elected to have all of the Employer Contributions invested in the default Investment Fund. A default Investment Fund is designated solely to provide for the

investment of accounts of participants and beneficiaries who fail to make an investment election. The default Investment Fund should not be considered to be an appropriate investment for your Account solely by reason of its designation as the default Investment Fund. The decision on how to invest your Account remains your own.

Your investment election will remain in effect until changed by you. You may at any time:

- Change your investment election for future Employer Contributions; and/or
- Transfer (or reallocate) the money already invested in the Investment Funds.

All investment elections, changes and transfers are made by logging onto the John Hancock website at www.myplan.johnhancock.com or by calling the John Hancock Call Center at 833-388-6466.

In the event of your death, your beneficiary will be responsible for the investment of your Account and will be able to transfer (or reallocate) the money already invested in the Investment Funds.

Distribution of Accounts

Retirement Distribution

You are eligible to receive a distribution of your Account if you retire and leave covered employment at or after age 55.

You must apply for the distribution on an application form available from the Fund Office. If you are married, your spouse must consent to your application on the application form.

Distribution will be made as soon as reasonably practicable following the date your application for distribution is approved. You may elect one of the following forms for the distribution of your Account:

- A total lump sum payment of the balance of your Account;
- Until the first calendar year distribution is required under the Internal Revenue Code, a partial lump sum payment of at least \$5,000, but not more frequently than once each calendar year, and only if the balance of your Account is expected to be at least \$5,000 after the partial lump sum payment is made; or
- If the balance of your Account is at least \$5,000 and payment begins before July 1, 2023, payment in 60, 120 or 180 monthly

installments, but not beyond December of the calendar year in which you attain age 85.

- If the balance of your Account is at least \$5,000 and payment begins on or after July 1, 2023, payment in 60, 120, 180 or 240 monthly installments.

If you elect monthly installments:

- The installments will be paid for the number of months you specify, or if payment begins before July 1, 2023, until December of the calendar year in which you attain age 85.
- The initial amount of the installment will be equal to the balance of your Account divided by the number of installments to be paid. The amount will be adjusted each month by dividing the then balance of your Account by the remaining number of installments to be paid.
- Under the required minimum distribution rules of the Internal Revenue Code, beginning with the calendar year in which you attain age 73 (age 72 if born before 1951 and age 70½ if born before July 1, 1949), the total amount of installments paid in each calendar year cannot be less than the amount required by the Internal Revenue Code. The amount of your monthly installments will be modified to the extent necessary to satisfy these rules.

- Payment of the installments could end earlier if the entire balance of your Account is distributed before the end of the installment payment period.
- Any balance remaining in your Account at the end of the installment payment period will be paid to you in a lump sum payment.
- If you die before the entire balance of your Account is distributed to you, the remaining balance is payable in a lump sum payment to your beneficiary.

You elect the form of distribution on the application for distribution filed with the Fund Office during the 180-day period before the date distribution of your Account is made or begins.

Termination of Employment Distribution

You are eligible to receive a distribution of your Account if you leave covered employment before retirement at age 55 by withdrawing from all employment in the construction industry within the geographic collective bargaining jurisdiction of the Union.

You are considered to have left employment only if:

- No Employer Contributions have been made or are due to the Annuity and Savings Fund on your behalf for at least 36 consecutive months;

- You are not working in the construction industry, including in supervisory positions; and
- You have not made yourself available for work, which requires you not to have been on the "out-of-work" list for the entire 36-month period.

You must apply for the distribution on an application form available from the Fund Office. If you are married, your spouse must consent to your application on the application form.

Distribution will be made as soon as reasonably practicable following the date your application for distribution is approved. You may elect one of the following forms for the distribution of your Account:

- A total lump sum payment of the balance of your Account; or
- Until the first calendar year distribution is required under the Internal Revenue Code, a partial lump sum payment of at least \$5,000, but not more frequently than once each calendar year, and only if the balance of your Account is expected to be at least \$5,000 after the partial lump sum payment is made.

You elect the form of distribution on the application for distribution filed with the Fund Office during the 180-day period before the date distribution of your Account is made.

Direct Rollover/Payment Election

When you apply for distribution of your Account, you will elect whether the distribution is to be made by direct payment to you and/or by direct rollover to your individual retirement account or an eligible employer plan if you elect one of the following forms of distribution:

- A total lump sum payment;
- A partial lump sum payment; or
- 60 monthly installments.

If made for 60 monthly installments, your direct rollover/payment election will apply to each installment made, until you change your election. You may change your direct rollover/payment election at any time for future installments.

If a distribution eligible for direct rollover is made by direct payment to you, the distribution will be subject to mandatory 20% federal income tax withholding.

You will be provided with additional information on the direct rollover/payment election when you apply for a distribution of your Account.

Distribution of Small Accounts

If the balance of your Account does not exceed \$5,000, your Account will be distributed only in a total lump sum payment. In such case, except for

amounts that are less than the minimum amount specified by the IRS for the election (currently \$200), you will be provided with an opportunity to elect a direct rollover for this distribution.

Required Distribution

Under the Internal Revenue Code, regardless of whether you have applied for distribution of your Account, the distribution must be made or begin by April 1 following the later of:

- the calendar year in which you attain age 73; or
- the calendar year in which you retire from employment under the Annuity and Savings Fund, so long as you are not a 5%-owner with respect to the Fund in the calendar year in which you attain age 73.

However, if you attained age 72 before January 1, 2023 (born before 1951), the required time for the distribution of your Account is determined by using age 72, and if you attained age 70½ before January 1, 2020 (born before July 1, 1949), the required time for the distribution of your Account is determined by using age 70½.

In-Service Withdrawals

Annual Withdrawal Option

In January of each calendar year, if Employer Contributions were made on your behalf in the third preceding calendar year, you will be given a withdrawal election for those Employer Contributions and the earnings and losses thereon. You have three options under this election:

- Option 1 - Withdraw 100 percent of the available amount;
- Option 2 - Withdraw 50 percent of the available amount, with the remaining 50 percent left in the Annuity and Savings Fund for later distribution at retirement, termination of employment, financial hardship or death; or
- Option 3 - Leave 100 percent of the available amount in the Annuity and Savings Fund for later distribution at retirement, termination of employment, financial hardship or death.

For example, in January 2023, you may make this election for the amount of Employer Contributions made in 2020 as adjusted for earnings and losses (as credited to your 2020 subaccount).

The election form will typically be sent to you in January of each year, and it will specify the deadline for its return. If you fail to make an

election by the deadline, you will be deemed to have elected Option 3.

If you elect a withdrawal, you also elect whether the withdrawal is to be made by direct payment to you or by direct rollover to your individual retirement account or an eligible employer plan. If made by direct payment to you, the withdrawal will be subject to mandatory 20% federal income tax withholding.

Financial Hardship Withdrawal

You may make a withdrawal from your Account (but excluding the amount credited to the subaccount for the current calendar year) for one of the following financial needs:

- Non-reimbursable expenses incurred for, or necessary to obtain, medical care (as defined for federal income tax purposes) for you or your spouse or dependents;
- Costs directly related to the purchase of your principal residence (excluding mortgage payments);
- Payment of tuition and related educational fees and room and board for up to the next 12 months of post-secondary education for you or your spouse, children or dependents;
- Payments necessary to avoid eviction from your principal residence or to prevent

foreclosure on the mortgage on your principal residence;

- Payment of burial and/or funeral expenses for your deceased parent (including your father or mother-in-law for this purpose), spouse, child or dependent; or
- Payments necessary to continue coverage for you and your spouse or dependents under the Operating Engineers Local 66 Welfare Fund.

The amount of a hardship withdrawal cannot be more than the amount necessary to satisfy your financial need plus an additional amount you estimate is necessary to pay federal, state, and local income taxes and penalties reasonably expected to result from the withdrawal. The minimum amount of a hardship withdrawal is \$500. However, this minimum does not apply to a hardship withdrawal necessary to continue coverage under the Operating Engineers Local 66 Welfare Fund.

You are eligible for a hardship withdrawal only if you do not have any other reasonably available assets to satisfy your financial need. You will be required to certify in writing that you have no other assets that can be used to satisfy your financial need. The Board of Trustees has the authority to request documentation of your financial need and assets.

You must apply for a hardship withdrawal on an application form available from the Fund Office. If you are married, your spouse must consent to your application on the application form.

A hardship withdrawal will be paid in a lump sum payment as soon as reasonably practicable following the date your application for a hardship withdrawal is approved. A hardship withdrawal is paid only by direct payment to you, except that (as discussed below) you have the option to elect that a hardship withdrawal necessary to continue coverage under the Operating Engineers Local 66 Welfare Fund be paid directly to the Welfare Fund.

A hardship withdrawal is not eligible for rollover to an individual retirement account or an eligible employer plan and is not subject to mandatory 20% federal income tax withholding. You will be provided with a federal income tax withholding election when you apply for a hardship withdrawal. The default withholding rate is 10%, but you can elect no withholding or a different rate.

There is an optional direct payment election for a hardship withdrawal necessary to continue coverage under the Operating Engineers Local 66 Welfare Fund:

- Voluntary Contributions to continue coverage under the Welfare Fund must be paid within 60 days of the end of a Work Period under the Welfare Fund. The payment due dates

are March 31, June 30, September 30 and December 31.

- In order to make sure that you meet the deadline for the payment of the Voluntary Contributions, you have the option to elect that your hardship withdrawal be paid directly to the Welfare Fund. If you elect this direct payment option, you will be deemed by the Welfare Fund to have paid the Voluntary Contributions on the date you apply for the hardship withdrawal under the Annuity and Savings Fund.

- If you elect the direct payment option, the Annuity and Savings Fund will send the hardship withdrawal directly to the Welfare Fund, rather than sending the payment to you. For this reason, the hardship withdrawal must be equal to the exact amount of the Voluntary Contributions necessary to continue coverage under the Welfare Fund, and you may not include an additional amount to pay expected federal, state and local income taxes and penalties. However, you may withdraw an additional amount to pay federal income taxes by electing federal income tax withholding for the hardship withdrawal. This is discussed in the next paragraph.

- As noted above, you may elect federal income tax withholding for a hardship withdrawal or to have no amount withheld. If you elect the

direct payment option and also elect federal income tax withholding, the amount of your hardship withdrawal will be increased by the amount necessary to pay for the income tax withholding. In that case, the total amount of the hardship withdrawal will be equal to the amount of the Voluntary Contributions required to continue coverage under the Welfare Fund plus the amount required for the federal income withholding. For example, assume the amount of Voluntary Contributions required for coverage under the Welfare Fund is equal to \$1,000 and you elect 10% federal income tax withholding. In that case, the total hardship withdrawal will be equal to \$1,111. Of that amount, \$1,000 will be sent to the Welfare Fund to pay for coverage under the Welfare Fund, and \$111 will be sent to the Internal Revenue Service as federal income tax withholding.

- You may change your election of the direct payment option before the payment is made to the Welfare Fund.

Death Benefit

Eligibility

If you die before the entire balance of your Account is distributed to you, your beneficiary will be eligible to receive a distribution of the balance of your Account.

Time and Form of Distribution

Your beneficiary must apply for the distribution of your Account on an application form available from the Fund Office. Distribution to your beneficiary will be made in a lump sum payment as soon as reasonably practicable following the date your beneficiary's application for distribution is approved.

Under the Internal Revenue Code, regardless of whether your beneficiary has applied for distribution of your Account:

- If your beneficiary is your spouse, the distribution must be made by the end of the calendar year in which you would have attained age 73 (age 72 for participants born before 1951 and age 70½ for participants born before July 1, 1949). However, if you die in the calendar year in which you attain age 73 (age 72 for participants born before 1951 and age 70½ for participants born before July 1, 1949), or if you would continue to be employed under the Annuity and Savings Fund and die in a later year before your retirement, the distribution must be made to your spouse beneficiary by the end of the calendar year following the calendar year of your death.
- If your beneficiary is not your spouse, but is an individual, the distribution must be made

by the end of the calendar year in which falls the tenth anniversary of your death.

- If your beneficiary is not an individual (e.g., your estate or a charity), the distribution must be made by the end of the calendar year in which falls the fifth anniversary of your death. (However, for deaths occurring in 2016, 2017, 2018, or 2019, the distribution must be made by the end of the calendar year in which falls the sixth (instead of the fifth) anniversary of death.)

Different rules apply to the non-spouse beneficiaries of participants who died before January 1, 2022. Additional information is available from the Fund Office.

Direct Rollover/Payment Election for Spouse Beneficiary

If your beneficiary is your spouse, when your spouse applies for the distribution of your Account, your spouse will elect whether the distribution is to be made by direct payment to your spouse and/or by direct rollover to your spouse's individual retirement account or an eligible employer plan.

If made by direct payment to your spouse, the distribution will be subject to mandatory 20% federal income tax withholding.

Your spouse will be provided with additional information on the direct rollover/payment election

when your spouse applies for a distribution of your Account.

Direct Rollover/Payment Election for Non-Spouse Individual Beneficiary

If your beneficiary is not your spouse and is an individual, when your beneficiary applies for the distribution of your Account, your beneficiary will elect whether the distribution is to be made by direct payment to your beneficiary and/or by direct rollover to your beneficiary's (inherited) individual retirement account.

If made by direct payment to your beneficiary, the distribution will be subject to mandatory 20% federal income tax withholding.

Your beneficiary will be provided with additional information on the direct rollover/payment election when your beneficiary applies for a distribution of your Account.

Designation of Beneficiary

You should designate a primary beneficiary (or beneficiaries) to receive a distribution of your Account in the event you die before distribution of the entire balance of your Account to you. You may also designate a contingent beneficiary (or beneficiaries) to receive the distribution in the event your primary beneficiary (or beneficiaries) dies before you.

Your beneficiary designation must be made on the beneficiary designation form available from the Fund Office and will be effective only upon receipt of a completed and signed form by the Fund Office. You may change your beneficiary designation at any time by filing another completed and signed form with the Fund Office.

As required by federal law, if you are married, your spouse is automatically your sole primary beneficiary. If you are married and wish to designate a different or additional primary beneficiary, your spouse must consent to your beneficiary designation on the beneficiary designation form. This spousal consent is also required for any future changes you make to this designation unless the change is to designate your spouse as the sole primary beneficiary. Your spouse's consent must be witnessed by a notary public (or by a person who may be designated for this purpose by the Board of Trustees), and it is effective only with respect to the spouse granting the consent.

If you are married and have designated your spouse as your beneficiary, your later divorce will not revoke or change your beneficiary designation. In such case, your former spouse will continue to be your beneficiary until you change your beneficiary designation by filing another completed and signed beneficiary designation form with the Fund Office.

If you are not married when you designate your beneficiary, and you later marry and have a spouse at your death, your designation of a primary beneficiary other than your spouse will not be effective unless your spouse has consented to the designation.

If there is no primary beneficiary or contingent beneficiary at your death, your beneficiary will be deemed to be the following in the order named: (1) surviving spouse; (2) surviving children; (3) surviving parents; (4) surviving brothers and sisters; and (5) estate.

Death of Your Beneficiary Before Distribution

After your death, your (spouse or non-spouse) designated beneficiary entitled to receive a distribution of your Account under the Annuity and Savings Fund should designate his or her own beneficiary (or beneficiaries) to receive a distribution of your Account in the event he or she dies before distribution is made. Your designated beneficiary may obtain the required form from the Fund Office. If there is no such beneficiary at your beneficiary's death, the estate of the beneficiary you designated will be deemed to the beneficiary.

Applications and Appeals

Application

You must apply for a distribution (including a withdrawal) from your Account. To apply, contact the Fund Office for the application form.

Required Information for Distribution

The Internal Revenue Code generally requires that certain information regarding the distribution of your Account be provided to you no less than 30 days before the date of distribution. You may waive the 30-day period by applying for the distribution within that period.

The Internal Revenue Code also requires that this information be provided to you no more than 180 days before the date your Account is distributed. Thus, if after you are provided with the information, you do not then apply for your distribution early enough to permit the distribution to be made within 180 days of the date you are provided with the information, the information must be provided to you again, and you must reapply for the distribution.

Decision on Application

A decision on your application will be made within 60 days of its receipt.

Denied Application

If your application is denied, you will receive a written explanation setting forth:

- The reasons for the denial;
- The plan provisions on which the denial is based;
- Any additional material or information you must provide to support your application and an explanation of why it is necessary;
- The appeal procedures for further review of your application; and
- A statement of your right to bring a lawsuit under ERISA in the event of an adverse decision upon review of the denial.

Appeal of Denied Application

You have the right to appeal any denial of your application to the Board of Trustees by submitting a written request of appeal to the Fund Office within 60 days of the date you receive the denial. If you do not file a timely appeal, you will forfeit your right to have your denial reviewed on appeal and your right to file a lawsuit in court.

Your appeal should set forth all of the reasons why you believe your application should not have been denied. Your appeal should also identify and include all of the issues related to your

application. Your right to file a lawsuit in court after an adverse decision on appeal is limited to the reasons and issues you raise for review by the Board of Trustees. You may submit any documents, records or other information you believe have a bearing on your application. In preparing your appeal, you may review all documents, records and other information relevant to your application and receive copies free of charge.

Review of Appeal

The Board of Trustees has the authority and discretion to interpret and apply the terms of the Annuity and Savings Fund and to resolve all legal and factual issues regarding the Fund and the administration and distribution of Accounts.

Provided that regularly scheduled meetings are held at least quarterly, the Board of Trustees will review and decide your appeal of a denied application by the date of its next meeting if the Fund Office receives your written appeal at least 30 days before the meeting. If filed within 30 days of a meeting, the Board of Trustees will review your appeal by the date of the second meeting following the Fund Office's receipt of your written appeal. If there are not regularly scheduled quarterly meetings, the Board of Trustees will review your appeal within 60 days of the Fund Office's receipt of your written appeal.

The Board of Trustees will issue a written decision on your appeal. This decision is final and binding on all interested parties. If adverse, the written decision will include:

- The reasons for the decision;
- The plan provisions on which the decision is based;
- A statement of your right to examine documents that are relevant to your application and to receive copies free of charge; and
- A statement of your right to bring a lawsuit under ERISA.

Limitation on Legal Actions

You cannot bring a lawsuit against the Annuity and Savings Fund or the Board of Trustees more than three years after a claim for benefits has been made. For this purpose, a "claim for benefits" is considered to have been made on:

- The date an application for a distribution is denied upon appeal, if the claim is for a distribution not paid by the Annuity and Savings Fund; or
- The date of a benefit statement provided to you, if the claim pertains to the hours, employer contributions, investments or other information reported on the statement.

Representative

You may designate a duly authorized representative to file an application on your behalf and/or to appeal a denial to the Board of Trustees on your behalf. You will generally be required to provide a written statement of the designation, along with an authorization to release information to your representative.

Beneficiaries

The above application and review procedures apply to your (spouse or non-spouse) beneficiary who wishes to apply for a distribution of your Account after your death.

Taxation of Distributions

Federal Income Taxation

When you or your (spouse or non-spouse) beneficiary receive a distribution (including a withdrawal) from the Annuity and Savings Fund, the amount received will be subject to federal income tax.

You and your spouse beneficiary may be able to elect special favorable tax treatment for the distribution or to postpone taxes on the distribution by making a rollover to an individual retirement account ("IRA") or an eligible employer plan. Your non-spouse individual beneficiary may be able to

postpone taxes on the distribution by electing a direct rollover to an (inherited) IRA.

This is only a summary of the federal income taxation of distributions and is provided for your convenience and information. You (and not the Annuity and Savings Fund) are responsible for determining the taxation of a distribution. Because of the complexity of the taxation of a distribution from the Annuity and Savings Fund and the number of options available, you and your beneficiary should consider consulting a professional advisor before the distribution is made.

Additional 10% Income Tax on Distributions Before Age 59½

An additional 10% income tax is generally imposed on a distribution (including a withdrawal) made to you from the Annuity and Savings Fund before you attain age 59½. However, this additional tax is not imposed if:

- The distribution is attributable to your total and permanent disability within the meaning of the Internal Revenue Code;
- The distribution is made to you after your separation from service within the meaning of the Internal Revenue Code under the Annuity and Savings Fund during or after the calendar year in which you attain age 55;

- The distribution is eligible for and rolled over to an IRA or an eligible employer plan;
- The distribution does not exceed the amount allowable to you as a federal income tax deduction for amounts paid for medical care (without regard to whether you itemize deductions for a taxable year);
- The distribution is paid directly to the government to satisfy a federal tax levy;
- The distribution is an eligible payment made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days;
- The distribution is a coronavirus-related distribution made in 2020 to a qualified individual within the meaning of the Internal Revenue Code; or
- The distribution is an in-service distribution that meets the requirements of a qualified birth or adoption distribution within the meaning of the Internal Revenue Code.

It is your responsibility to determine whether an additional 10% income tax is due on a distribution. Up-to-date information is on the Internal Revenue Service's website. There is no federal income tax withholding for this tax.

This additional 10% income tax does not apply to a distribution made to your (spouse or non-spouse) beneficiary after your death or to a distribution made to an alternate payee under a qualified domestic relations order.

Eligible Rollover Distributions and Direct Rollovers

You will be provided with the following options for an "eligible rollover distribution" payable to you:

- You may elect to have the distribution paid directly to you.
- You may elect to have the distribution rolled over directly to your IRA or an eligible employer plan.
- You may elect to have part of the distribution rolled over directly to your IRA or an eligible employer plan (current \$500 minimum) and have the balance of the distribution paid directly to you.

Most distributions (and withdrawals) under the Annuity and Savings Fund will be an "eligible rollover distribution," and thus, eligible for the above election. The primary exceptions are:

- Monthly installments paid for 120, 180 or 240 months;
- A financial hardship withdrawal; and

- The amount of the required minimum distribution under the Internal Revenue Code made to participants age 73 (age 72 for participants born before 1951 and age 70½ for participants born before July 1, 1949) and older.

A direct rollover of an eligible rollover distribution can be made to a traditional or Roth IRA or to an eligible employer plan. If made to a traditional IRA or an eligible employer plan, the direct rollover is not subject to federal income taxation at the time of the rollover. If made to a Roth IRA, the direct rollover is subject to federal income taxation at the time of the rollover.

A direct payment of an eligible rollover distribution to you is subject to federal income taxation when made, and mandatory 20% federal income tax withholding will apply to the amount of the direct payment. You can postpone the federal income taxation of a direct payment by rolling over all or part of the direct payment to a traditional IRA or an eligible employer plan within 60 days of the date of the direct payment. You can rollover up to 100% of the eligible rollover distribution, including an amount equal to the mandatory 20% federal income tax withholding (but you will have to find another source of funds for a rollover of the amount of the mandatory 20% withholding). It is your responsibility to determine the extent to which this rollover may be made.

Spouse Beneficiary and Direct Rollovers

Your spouse beneficiary will be provided with the following options for the lump sum distribution of the death benefit, except for any amount that is a required minimum distribution under the Internal Revenue Code:

- Your spouse may elect to have the distribution paid directly to him or her.
- Your spouse may elect to have the distribution rolled over directly to his or her IRA or an eligible employer plan.
- Your spouse may elect to have part of the distribution rolled over directly to his or her IRA or an eligible employer plan (current \$500 minimum) and have the balance of the distribution paid directly to him or her.

A direct rollover of an eligible rollover distribution by your spouse can be made to a traditional or Roth IRA or to an eligible employer plan. If made to a traditional IRA or an eligible employer plan, the direct rollover is not subject to federal income taxation at the time of the rollover. If made to a Roth IRA, the direct rollover is subject to federal income taxation at the time of the rollover. If your spouse makes a rollover to a traditional or Roth IRA, your spouse has the option to treat the IRA as his or her IRA or as an "inherited" IRA.

A direct payment of the distribution to your spouse is subject to federal income taxation when made,

and mandatory 20% federal income tax withholding will apply to the amount of the direct payment. Your spouse can postpone the federal income taxation of a direct payment by rolling over all or part of the direct payment to a traditional IRA or an eligible employer plan within 60 days of the date of the direct payment. Your spouse can rollover up to 100% of the distribution, including an amount equal to the mandatory 20% federal income tax withholding (but your spouse will have to find another source of funds for a rollover of the amount of the mandatory 20% withholding). Your spouse has the responsibility to determine the extent to which this rollover may be made.

Non-Spouse Individual Beneficiary and Direct Rollovers

Your non-spouse individual beneficiary will be provided with the following options for the lump sum distribution of the death benefit, except for any amount that is a required minimum distribution under the Internal Revenue Code:

- Your beneficiary may elect to have the distribution paid directly to him or her.
- Your beneficiary may elect to have the distribution rolled over directly to his or her "inherited" IRA.
- Your beneficiary may elect to have part of the distribution rolled over directly to his or her "inherited" IRA (current \$500 minimum) and

have the balance of the distribution paid directly to him or her.

A direct rollover must be made to an "inherited" IRA. The inherited IRA can be a traditional IRA or a Roth IRA. If a traditional IRA, the direct rollover is not subject to federal income taxation at the time of the rollover. If a Roth IRA, the direct rollover is subject to federal income taxation at the time of the rollover.

A direct payment of the distribution to your non-spouse beneficiary is subject to federal income taxation when made, and mandatory 20% federal income tax withholding will apply to the amount of the direct payment. Under current IRS guidance, a distribution paid directly to your non-spouse beneficiary cannot be rolled over to an IRA by your beneficiary after it is made.

Under current IRS guidance, the balance of the inherited IRA established by a direct rollover may have to be distributed to your non-spouse beneficiary by December 31 of the calendar year in which falls the fifth, sixth or tenth anniversary of your death (depending upon your age and year of death), unless the direct rollover to the IRA is made by December 31 of the calendar year following the calendar year of your death. (However, for deaths occurring in 2019, a non-spouse beneficiary had until December 31, 2021 to make the direct rollover.) Your beneficiary will owe an excise tax to the IRS if the required distribution is not made. Your beneficiary has the

responsibility to determine the extent to which distributions must be made from the inherited IRA.

Special Tax Notice

At the time of an eligible distribution, you or your beneficiary will be provided with a Special Tax Notice with the Internal Revenue Service's explanation of the mandatory 20% federal income tax withholding and the direct rollover/payment election.

Coronavirus-Related Distribution

In response to the Coronavirus pandemic, the Annuity and Savings Fund implemented a coronavirus-related distribution option in 2020. This option was in addition to the existing in-service withdrawal options and permitted a "qualified individual" to receive a coronavirus-related distribution of up to \$10,000 in each calendar month from April 2020 through December 2020.

Special federal income tax rules apply to a coronavirus-related distribution. These rules also apply to any distribution you receive from the Annuity and Savings Fund from January 1, 2020 through December 31, 2020 that otherwise qualifies as a coronavirus-related distribution.

A coronavirus-related distribution is a distribution made in 2020 to a "qualified individual." A "qualified individual" is defined in Section 1.B. of IRS Notice 2020-50 (available at

www.irs.gov/pub/irs-drop/n-20-50.pdf). Briefly, an individual is a qualified individual if the individual or individual's spouse or dependent is diagnosed with COVID-19 or the individual experiences adverse financial consequences as a result of a number of specified reasons related to COVID-19. The total amount of distributions that can be treated as a coronavirus-related distribution is limited to \$100,000.

As addressed in Section 4 of IRS Notice 2020-50 (available at www.irs.gov/pub/irs-drop/n-20-50.pdf), a coronavirus-related distribution is eligible for the following favorable tax treatment:

- The additional 10% tax for distributions made to an individual before age 59½ does not apply to a coronavirus-related distribution.
- A coronavirus-related distribution is included in federal taxable income ratably over a three-year period, unless the qualified individual elects otherwise for a taxable year.
- A qualified individual who receives a coronavirus-related distribution may repay the distribution to an eligible retirement plan that permits rollover contributions. Repayment may be made in one or more payments over the three-year period following receipt of the coronavirus-related distribution. Any such repayment is treated as a rollover contribution and reduces the amount of a coronavirus-related distribution subject to federal income

tax. (The Annuity and Savings Fund does not permit rollover contributions and repayment cannot be made to the Annuity and Savings Fund.)

Other Important Fund Information

Assignment of Benefits

You and your (spouse or non-spouse) beneficiary cannot assign, sell or transfer your Account under the Annuity and Savings Fund. Nor is the Account subject to the claims of creditors. However, there are certain exceptions, such as for qualified domestic relations orders and certain tax liens.

Qualified Domestic Relations Orders

As required by federal law, part or all of your Account under the Annuity and Savings Fund may be segregated and distributed to your spouse, former spouse, child or other dependent in accordance with a qualified domestic relations order. This order is a judgment, decree or order made pursuant to a state domestic relations law which provides child support, alimony payments or marital property rights to your spouse, former spouse, child or other dependent. You will be notified of the receipt of a qualified domestic relations order with respect to your Account.

Under procedures adopted for qualified domestic relations orders, your eligibility to receive a distribution (including a withdrawal) from your Account may be suspended while a qualified domestic relations order received with respect to your Account is being reviewed and for a reasonable period after notice has been provided that a qualified domestic relations order is being sought with respect to your Account. By filing a written request with the Fund Office, you (or your spouse or former spouse) may obtain a copy of these procedures without charge.

Your Account will be reduced by any segregation and/or distribution made pursuant to a qualified domestic relations order.

Plan and Trust Document

The booklet summarizes the main provisions of the Annuity and Savings Fund in non-technical language. Some features, particularly those that apply to few participants, are not described in the booklet.

The booklet is not part of the plan document for the Annuity and Savings Fund and does not modify the plan document. The plan and trust document contains all of the terms and conditions of the Annuity and Savings Fund and legally governs and controls its operation in the event of a conflict. The plan and trust document may be interpreted only by the Board of Trustees, and no other person has the authority

to interpret the Annuity and Savings Fund or make any representations regarding the Annuity and Savings Fund.

Internal Revenue Code Limitations

The Internal Revenue Code limits the total amount of contributions that can be allocated to your Account. You will be notified if affected.

Amendments and Termination

The Board of Trustees has the general right to amend or terminate the Annuity and Savings Fund at any time. Upon termination, assets of the Annuity and Savings Fund will be distributed to the participants (and beneficiaries of deceased participants).

Plan Insurance

Because benefits under the Annuity and Savings Fund are provided by individual participant accounts, the benefits under the Fund are not insured by the Pension Benefit Guaranty Corporation. The PBGC is a government corporation that insures certain benefits provided by eligible defined benefit pension plans.

Administrative Facts

Plan Name

Operating Engineers Local 66 Annuity and Savings Fund

Plan Type/Identification

The Annuity and Savings Fund is a multiemployer, defined contribution plan. It is identified by the following numbers:

- 25-6271522 - the employer identification number assigned to the Board of Trustees by the Internal Revenue Service; and
- 001 - the plan number assigned to the Fund by the Board of Trustees.

Plan Sponsor and Administrator/Fund Office

The Board of Trustees is the plan sponsor and the plan administrator of the Annuity and Savings Fund, with offices located at 111 Zeta Drive, Pittsburgh, PA 15238. The members of the Board of Trustees (as of July 1, 2023) are:

Union Trustees

Thomas C. Melisko, Jr., Chairman
Jesse DiRenna

Employer Trustees

Gary Hartman, Secretary
David Daquelente

The Fund is administered through the Fund Office, Operating Engineers Local 66 AFL-CIO and Construction Industry Combined Funds, Inc.

Contributions/Employers

Contributions to the Annuity and Savings Fund are made by employers in accordance with collective bargaining agreements with the International Union of Operating Engineers, Local 66, and participation agreements with the Trustees. Upon written request, the Fund Office will provide information as to whether an employer is contributing to the Annuity and Savings Fund.

Collective Bargaining Agreement

The Annuity and Savings Fund is maintained pursuant to collective bargaining agreements with the International Union of Operating Engineers, Local 66. You may examine or secure a copy by contacting the Union.

Funding Medium/Plan Assets

The assets of the Annuity and Savings Fund are held in trust by the Board of Trustees. John Hancock Trust Company LLC is the custodian and John Hancock Retirement Plan Services

LLC is the recordkeeper for the Annuity and Savings Fund.

Plan Year

The plan year for the Annuity and Savings Fund is the calendar year.

Legal Process

Legal process may be served upon M. Scott Anderson, Fund Administrator, at the Fund Office's address, or upon a Trustee.

U.S. Department of Labor Statement of ERISA Rights

This statement is provided in accordance with U.S. Department of Labor Regulations. As a participant in the Annuity and Savings Fund 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 any other specified locations, such as worksites and union halls, all documents governing the plan, collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the

plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and 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 vested right to your Account, and if so, the value of your Account. You are automatically provided with this statement under the Annuity and Savings Fund. If you do not receive the statement, you may write to the plan administrator for the statement. This statement is not required to be given more than once every 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 employee benefit plan. The people who operate your plan,

called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the 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. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file

suit in Federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your plan, you should contact the 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.