

IBEW LOCAL 126 VACATION BENEFITS

SUMMARY PLAN DESCRIPTION



Updated
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**IBEW LOCAL No. 126
VACATION
BENEFIT**

SUMMARY PLAN DESCRIPTION

This booklet summarizes the official provisions of the IBEW Local 126 Vacation Benefit. The benefits of the Vacation Benefit are provided to you under, and pursuant to, the terms and conditions of the International Brotherhood of Electrical Workers, Local Union No. 126, Health & Welfare Trust Fund (the Fund) and the rules and regulations adopted by the Trustees of your Health & Welfare Fund. Nothing in this Summary Plan Description (SPD) adds to or changes those documents. Should a conflict occur between this SPD and the Trust Fund, its rules and regulations, those documents, and not this booklet, will control.

You should read the booklet carefully. If you have any questions about the Plan, please contact the Fund Office.

Sincerely,

BOARD OF TRUSTEES

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IBEW LOCAL No. 126

**VACATION
BENEFIT**

BOARD OF TRUSTEES

Employer Trustees

Jeff Scarpello
Randy Roberts
Harry Miller, III

Union Trustees

Richard Muttik, Chairman
Chris Wentzel
Patrick Casey

FUND OFFICE

(Administrative Manager for the Plan)

IBEW L.U.126

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OFFICE HOURS

Monday through Friday
8:00 a.m. to 4:30 p.m.

LEGAL COUNSEL

**Cleary, Josem &
Trigiani, LLP**

HOW THIS VACATION BENEFIT OPERATES

This Vacation Benefit provides you with a convenient way to save for special purposes, like your vacation. The money for this benefit is deducted from your wages and deposited into the IBEW Local No. 126 Vacation Benefit account. Only Employers who have a signed contract with the Union are required to remit to this benefit on your behalf.

The amount of money an Employer must remit on your behalf is spelled out in the collective bargaining agreement. All of your contributions go directly into the Vacation Benefit account to provide benefits to you and to pay the administrative costs of the benefit.

A Board of Trustees, appointed in equal numbers by IBEW Local No. 126 and the Penn-Del-Jersey Chapter of the National Electrical Contractors Association (NECA), operates your Vacation Benefit (and the Health & Welfare Fund under which it is established). The Trustees administer this Benefit in the best interest of all Benefit participants. The Trustees are responsible for maintaining the Benefit in a sound financial condition and for providing vacation benefits to you. As part of their duties, the Trustees make the rules which regulate the Benefit's operation. The Benefit will continue as long as it is perpetuated by collective bargaining agreement(s). The Board of Trustees has the power, in its discretion, to amend or modify the Benefit at any time consistent with its purpose of providing vacation benefits by formal written action executed by all of the Trustees. In addition, the Board of Trustees has the power, in its discretion, to amend or modify the Benefit at any time.

The Benefit is administered by the Board of Trustees. A Benefit attorney advises the Trustees to assure the Benefit (and the Health & Welfare Fund under which it is established) complies with all federal and state laws. An independent Certified Public Accountant annually audits the Benefit's (and the Health & Welfare Fund's) books and records.

DEFINITIONS: For purposes of the Vacation Benefit:

BENEFICIARY means the person who is, or may become, eligible to receive vacation benefits from this Plan in the event of your death.

EMPLOYEE means a person who performs work covered under a collective bargaining agreement and works for an Employer who is required to remit a vacation benefit contribution on the Employee's behalf.

EMPLOYER means a company or person, who is party to a collective bargaining agreement or other written agreement, which requires vacation benefit contributions to this Plan on behalf of Employees. The Union is also an Employer if vacation benefit contributions are made to the Plan for their employees and officers.

EMPLOYER REMITTANCES means the payments, for purposes of providing vacation benefits, which must be paid by the Employers to the Plan on behalf of the Employees. This amount is established by the collective bargaining agreement between your Employer and your local union.

ERISA means the Employee Retirement Income Security Act of 1974, its amendments and regulations ("ERISA").

PARTICIPANT means any Employee or Former Employee who is or may become eligible to receive vacation benefits from this Plan or whose Beneficiary may be eligible to receive benefits.

PLAN means the IBEW Local 126 Health & Welfare Fund.

TRUSTEES means the Trustees of the Health & Welfare Fund and persons appointed to succeed them.

UNION means the IBEW Local 126 participating in the Plan.

YOUR RESPONSIBILITIES AS A PARTICIPANT

- NOTIFY THE FUND OFFICE IMMEDIATELY IF YOU CHANGE YOUR ADDRESS

If you move, you must notify the Fund Office of your new address. Important information about your Plan and your vacation benefit check may be sent to you by mail. For you to receive these important materials, the Fund Office must have your correct address on file.

- NOTIFY THE FUND OFFICE IMMEDIATELY IF YOU WANT TO CHANGE YOUR BENEFICIARY

If you want to name a new Beneficiary for your vacation benefits in case of your death, notify the Fund Office, in writing, immediately. If you die, the Fund Office can pay benefits **only** to the person that you have designated in writing as your Beneficiary or as defined in the Plan. The status of a Participant's spouse as Beneficiary shall terminate immediately upon the entry of a judgment or decree of divorce between the Participant and the Participant's spouse. The former spouse shall be recognized as a Beneficiary following the entry of such judgment or decree only if designated by a Qualified Domestic Relations Order or if designated by the Participant as Beneficiary after the entry of the judgment or decree on either of the forms described above.

AMOUNT OF YOUR VACATION BENEFITS

You will receive the total amount of payments your Employer has made to the Fund Office on your behalf, minus any applicable administrative costs and/or service fees.

The Trustees' determination of the amount of Plan benefits payable to you is final, except in cases where clerical errors were made.

The amount your Employer remits on your behalf for vacation benefits to the Plan is included in your gross salary. Social Security, federal, and state taxes have already been paid on your vacation pay by the time you receive your vacation benefit.

SERVICE FEES

It is required that a service fee be paid by a short-term participant to defray a portion of the expense incurred by the Fund in establishing a Vacation Benefit account for such a participant. A participant for whom Vacation contributions have been made for less than 500 hours in each of two consecutive years shall have deducted from his or her Vacation benefit account a service fee in the amount of \$25.00. For purposes of this provision, a "year" is defined as the work period from April 1 through March 31 (for a June Vacation Benefit distribution).

A Participant who is enrolled as an apprentice in the Northeastern Apprenticeship Training Program will not be assessed the \$25.00 service fee.

PAYMENT DATES

Participants are paid annually via check. A member can choose to come into the Collegetown Union Office or to have their checks mailed to the address on file. The amounts due to Participants through the current year are paid out during the first week of June. The payment dates are subject to change at the discretion of the Trustees. You will be notified in advance of any changes to the payment date.

The Plan only governs when vacation benefit checks are distributed. It does not dictate when you actually may take your vacation.

METHOD OF PAYMENT

You may choose to receive your vacation benefit from the following options:

- Receive your vacation benefit via check annually by picking the payment up at the IBEW LU 126 Union Office located at 3455 Germantown Pike, Collegetown PA 19426 **on the first full week of June, Monday through Friday 8:00 am- 4:30 pm.**

- Receive your vacation benefits via check mailed to you automatically after the first full week of June but no later than the first full week of July. A current address must be on file at the Fund Office in order to be eligible for this delivery method. It is the participant's responsibility to keep all records and current address information up to date. In the event the mailed vacation benefit disbursement is returned to the Fund Office, the member or participant has ninety days to pick up the payment. If the participant fails to retrieve their vacation benefit payment after this ninety day period, their check is null and void and the balance of the check is deposited into the Fund's Reserve Account. The member or participant is no longer eligible to receive the past accumulated vacation benefit. The Reserve Account will be used for operation costs and administrative fees associated with the Plan.

SPECIAL CIRCUMSTANCES

Vacation Benefit Payments in the Event of your Death

If you die before receiving a vacation benefit, the amount you would have been eligible to receive, based on Employer Remittances made up to the time of your death, is paid to your designated Beneficiary. Your Beneficiary for the vacation benefit is the same person you name as Beneficiary of Death Benefits under the IBEW Local 126 Retirement Plan or, if the Participant is not a participant in the IBEW Local 126 Retirement Plan, then to the Participant's surviving spouse, but if none, the Participant's surviving child(ren), but if none, the Participant's surviving parent(s), but if none, to his or her estate. If the Participant becomes mentally incompetent before receiving vacation benefits, the Participant's accumulated vacation benefits will be paid to his or her guardian.

If a Participant retires permanently from work as an Employee, said Participants will be required to wait until the prescribed period of time for distribution of their benefits.

Early Distribution of Vacation Benefit Checks

The Plan will distribute vacation benefits before the next regular distribution date only:

- Upon your death, if your Beneficiary or executor of your estate sends a written request along with a copy of a death certificate, for early payment to the Fund Office; or
- If you are inducted into the armed forces of the United States or are recalled to active duty for more than 31 days.

Forfeited Vacation Pay

Vacation pay is forfeited permanently if:

- You do not cash your vacation benefit check (or ask for your check to be reissued) within 12 months after it is first issued;
- The Fund Office cannot send you your vacation benefit check because it does not have a current address for you or your vacation benefit check is not deliverable (the Fund Office will hold the check for you for ninety days (90) following the date of distribution); or
- In case of your death, if your Beneficiary or executor of your estate does not apply for your vacation pay within twelve months of the date of your death.

Amounts forfeited by Participants and the interest earned are deposited into the Fund for administrative and other authorized expenses.

Disqualifications from Receipt of Benefits

The vacation benefit is based upon deductions made from wages of participants and accumulated for the participants' benefit. The Plan shall not pay any benefits to a participant:

- Where the Employer has failed or refused to deduct the required amounts from the participant's wages, or
- Where, although a deduction has been made, the Employer fails or refuses to remit the sums deducted to the Fund.

REVIEW AND APPEAL OF A BENEFIT DECISION

If, for any reason, you are denied Vacation Benefits, in whole or in part, the Fund Office will provide you with a written notice containing the information listed below within 90 days (or 180 days under special circumstances) of the date your application is received:

- The reason(s) why your benefits or a portion of them were denied;
- Reference to Plan provision(s) on which the denial was based;
- What additional information, if any, is required to reconsider the denial;
and
- What steps you must take if you wish to appeal the decision.

If you believe the Fund made a mistake about your entitlement to benefits or the amount you are owed, you should immediately ask the Fund Office to review your case with you. The Fund Office may request additional information from you to enable it to re-evaluate its decision.

If, after review by the Fund Office, you still do not agree with how your claim for benefits was decided, you may appeal that decision to the Board of Trustees (or a Committee of the Trustees). Here's how you appeal:

Within 60 days after you receive a denial notice which you believe is incorrect, you must notify the Fund Office *in writing* that you wish to have your case reviewed by the Board of Trustees.

- Your written request for a review should include all information regarding your claim for Vacation Benefits and the reason(s) you believe the original decision is wrong. Upon request, the Fund Office will assist you in gathering any information from the Funds records, which you reasonably believe might support your claim. Copies of your Fund records regarding your benefit claim will be provided to you, at no cost, upon request.
- If approved by the Trustees, you may appear in person or you can choose a representative to appear on your behalf before the Board of Trustees (or a Committee of the Trustees) as determined by the Board.
- If you are not granted or do not wish to make a personal appearance before the Board of Trustees, the Administrative Manager will present your written statement and other pertinent information to the Board of Trustees.
- The Trustees will review your appeal. The Fund Office generally will notify you of the Trustees decision following the next quarterly meeting that is at least 30 days after your appeal is filed or following the second quarterly meeting that is at least 30 days after you file your appeal if you also sought a personal appearance.

You will receive notice of the Trustees' decision in writing. The notice will include: (a) the reasons for the decision and (b) reference to the specific Plan provision(s) on which the decision is based.

You may not begin any legal action, including proceedings before administrative agencies, until you have followed the procedures and exhausted the opportunities described here.

If you have any questions about the review procedures described above, please contact the Fund Office in writing at the following address:

The Board of Trustees
IBEW Local 126 Health & Welfare Fund
3455 Germantown Pike
Collegeville, PA 19426

YOUR PARTICIPANT RIGHTS UNDER ERISA

In 1974, ERISA became law.

ERISA, which sets forth certain minimum standards for the design and operation of privately sponsored trust plans, regulates this Vacation Benefit. ERISA also spells out your rights and protections as a Participant of this Plan.

Specifically, you have the following federally protected rights:

- You will automatically receive a Summary Plan Description (this booklet). The purpose of this booklet is to describe all pertinent information about the Benefit.
- If any substantial changes are made in the Benefit, you will be notified in writing within the time limits required by ERISA.
- Each year you will automatically receive a summary of the Benefit's latest annual financial report. A copy of the full report is also available upon written request.
- You may examine, without charge, all documents relating to this Benefit. These documents include: the plan documents, collective bargaining agreements, and copies of all documents filed by the Plan with the Department of Labor or the Internal Revenue Service, such as annual reports and Plan descriptions.

The Trustees have adopted certain procedures that you must follow to assure that your request to examine Plan documents is handled completely and promptly. Specifically:

- your request should be in writing;
- it should specify what materials you wish to review; and
- it should be received at the Fund Office at least five working days before you want to review the materials at the Fund Office.

Although all pertinent Plan documents are on file at the Fund Office, arrangements can be made, upon written request, to make Plan documents that you want to examine available at any worksite or union location at which 50 or more Participants report to work. You should contact the Fund Office if you want this done.

You may obtain copies of any Plan document upon written request to the Trustees, addressed to the Fund Office. ERISA provides that the Trustees may make a reasonable charge for the actual cost of reproducing any document you request; however, you are entitled to know what the charge will be in advance. Please direct inquiries to the Fund Office.

No one may prevent or interfere with you obtaining a benefit or exercising any right to which you are entitled under ERISA.

In accordance with Section 503 of ERISA and related regulations, the Trustees have adopted certain procedures to protect your rights if you are not satisfied with the action taken on your request for information.

Basically, the procedures provide that:

If your claim for a vacation benefit is denied, in whole or in part, you will receive a written explanation for the reason(s) for the denial then if you are still not satisfied with the action on your claim, you have the right to have the Trustees review and reconsider your application in accordance with the Plan's Benefit Appeals Procedures.

In addition to creating rights for Plan Participants, ERISA also defines the obligation of people involved in operating employees benefit plans.

Persons, known as "fiduciaries", have the duty to operate your Plan prudently and to look out for the best interests of the Plan Participants. 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, welfare) benefit or exercising your rights under ERISA.

Under ERISA, you may take certain actions to enforce the rights listed above. For instance, if you request materials that you are entitled to from the Plan and do not receive them within 30 days, you may file suit in federal court. Of course, before taking such action, you should check again with the Fund Office to make sure that:

- the request was actually received,
- the material was mailed to the right address, or
- the failure to send the material was not due to circumstances beyond the Trustees' control.

If you decide to take legal action, the Court may require the Trustees to promptly provide any materials that you are entitled and or to pay a fine of up to \$110.00 for each day's delay until you actually receive these materials (unless the delay was caused by reasons beyond the control of the Trustees).

Although the Trustees will try to resolve any disputed Claims with Participants fairly and promptly, there always is the possibility differences cannot be resolved. You may file suit in a state or federal court if you believe that you have been improperly denied a benefit. However, before exercising this right, you must take advantage of all the benefit appeal procedures which are provided under the Plan (See pages 9 and 10).

If it should happen that Plan fiduciaries misuse the Plan's money or discriminate against you for asserting your rights, you may seek assistance from the U.S. Department of Labor or you may file suit in a federal court. If you file a lawsuit, the court will decide who should pay the court costs and legal fees. For example, if you are successful, the court may order the person you have sued to pay these costs and fees. If you are not successful, the court may order you to pay these costs and fees. For example, if the court finds your claim frivolous, you may have to pay the Fund's legal costs and fees.

If you have any questions about your Benefit, you should contact the Trustees by writing to:

**IBEW Local 126 Health & Welfare Fund
Board of Trustees
3455 Germantown Pike
Collegeville, PA 19426**

If you have questions about your rights under ERISA, you may 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.

OTHER IMPORTANT REFERENCE INFORMATION ABOUT THE PLAN

Fund's EIN and Plan Number: 23-6395223/501

The Name and Address of Plan Administrator

The Plan is administered and maintained by the Board of Trustees. The Administrative Office of the Fund is located at:

IBEW Local 126 Health & Welfare Fund
3455 Germantown Pike
Collegeville, PA 19426

Legal process may be served to the Board of Trustees at the Fund's Administrative Office.

Parties to the Collective Bargaining Agreement

The Plan is maintained according to collective bargaining agreements between the Local Union and the various participating Employers.

Participants and Beneficiaries may obtain, upon written request to the Fund Office, a list of parties to the collective bargaining agreements.

Sources of Trust Fund Income

Vacation benefits are held in a trust fund. Sources of Fund income include Employer Remittances and Fund investment earnings. All Employer Remittances are paid to the Fund subject to provisions in the collective bargaining agreements between the Union and Employer Associations and those Employers who are not members of or represented by an association but which execute individual collective bargaining agreements or other written agreements with the Union.

Method of Funding Benefits

Employer Remittances and net earnings from investments are available to pay benefits. However, the Trustees must pay Fund operating costs and administrative expenses from income and are authorized to maintain an operating reserve to assure that these costs and expenses will be paid.

If a loss results from the investments in the Fund or from the payment of expenses, you may receive less than the total contributions made to the Plan on your behalf.

Fiscal Year of the Plan

The Plan's fiscal year begins January 1 and ends the following December 31.