

VACATION BENEFITS

Vacation benefits provide 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 for 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.

DEFINITIONS: For purposes of the Vacation Benefit:

BENEFICIARY means the person who is, or may become, eligible to receive vacation benefits from the 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 vacations 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 on 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 IBEW Local 126 Occupational Safety & Health Education Fund 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 Collegeville 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, Collegeville PA 19426 on the first full week of June, Monday through Friday 8:00 am- 5:00 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.

SPECIALCIRCUMSTANCES

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 Fund or, if the Participant is not a participant in the IBEW Local 126 Retirement Fund, 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 that it 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

Your 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.

