



# PUGET SOUND ELECTRICAL WORKERS 401(k) Savings Plan

NECA PUGET SOUND  
CHAPTER

Effective June 1, 2022



# Puget Sound Electrical Workers 401(k) Savings Plan

Physical Address 7525 SE 24th Street, Suite 200, Mercer Island, WA 98040 • Mailing Address PO Box 34203, Seattle, WA 98124  
Phone (206) 441-4667 or (866) 314-4239 • Fax (206) 505-9727 • Website [www.psewtrusts.com](http://www.psewtrusts.com)

Administered by  
Welfare & Pension Administration Service, Inc.

**July 23, 2024**

**TO: All Eligible Plan Participants  
Puget Sound Electrical Workers 401(k) Savings Plan**

**RE: Updated Temporary Distributions for Financial Hardship**

***This is a Summary of Material Modification describing changes to your Annuity plan adopted by the Board of Trustees. Please be sure that you and your family read it carefully and keep this document with your Summary Plan Description Booklet.***

Effective immediately through September 30, 2024 the Board of Trustees have approved a temporary Plan change to allow distributions for financial hardship.

To be eligible for the hardship distribution you must have had at least 870 covered hours reported in either plan year of June 1, 2022 – May 31, 2023 or June 1, 2023 – May 31, 2024, and be on IBEW Local 46's "out-of-work" list at the time of application, and for the prior six months.

A hardship distribution may only be if you have an immediate and heavy financial need. The hardship distribution may not exceed the greater of \$50,000 or your account balance.

The following are considered immediate and heavy financial needs for the hardship distribution:

- Amounts necessary to obtain services for medical expenses for you, your spouse, your dependents or primary beneficiary that are not reimbursable or covered by your health plan;
- Costs directly related to the purchase (excluding mortgage payments) of your principal residence;
- Payment of tuition and related educational fees, and room and board expenses for the next twelve months of post-secondary education for yourself, your spouse, your or dependents;
- Payment to prevent the eviction from your principal residence or foreclosure on your primary mortgage;
- Payment for burial or funeral expenses for your deceased parent, spouse, or dependents;
- Expenses for repair of damage to your principal residence that would qualify for the IRS casualty loss deduction;
- Expenses and losses (including loss of income) incurred by you on account of a disaster declared by the Federal Emergency Management Administration (FEMA), provided your principal residence or your principal place of employment at the time of declaration was in the declaration area; and
- Such other events set forth by the IRS.

In order to apply for the hardship distribution, you must complete the required forms, receive spousal consent (if applicable), and self-attest that you have insufficient cash or other liquid assets to satisfy your immediate and heavy financial need. You may receive only one (1) hardship withdrawal in any given twelve (12) month period.

**Board of Trustees  
Puget Sound Electrical Workers 401(k) Savings Plan**

**Important Reminder** - You must advise the Administration Office of any changes in your basic demographic data, including changes in your name, marital status, dependents, other insurance coverage available, designated beneficiary, home address, email address and telephone number. Provide information changes by completing and sending a new Enrollment Form to the Administration Office. If you have a change in dependents: divorce requires a complete filed copy of your divorce decree along with any accompanying court orders including the parenting plan. Marriage requires a copy of your marriage certificate, the parenting plan for stepchildren and their birth certificates.

Failure to update your information on file may interfere with our ability to process your benefits and provide timely communication of important Plan information.

# Puget Sound Electrical Workers 401(k) Savings Plan

Physical Address 7525 SE 24th Street, Suite 200, Mercer Island, WA 98040 • Mailing Address PO Box 34203, Seattle, WA 98124  
Phone (866) 314-4239 • Fax (206) 505-9727 • www.psewtrusts.com

Administered by  
Welfare & Pension Administration Service, Inc.

**May 1, 2024**

**TO: All Eligible Plan Participants  
Puget Sound Electrical Workers 401(k) Savings Plan**

**RE: Temporary Distributions for Financial Hardship**

***This is a Summary of Material Modification describing changes to your Annuity plan adopted by the Board of Trustees. Please be sure that you and your family read it carefully and keep this document with your Summary Plan Description Booklet.***

Effective immediately through May 31, 2024 the Board of Trustees have approved a temporary Plan change to allow distributions for financial hardship.

To be eligible for the hardship distribution you must have had at least 870 covered hours reported in the previous plan year of June 1, 2022 – May 31, 2023, and be on IBEW Local 46's "out-of-work" list at the time of application, and for the prior six months.

A hardship distribution may only be if you have an immediate and heavy financial need. The hardship distribution may not exceed the greater of \$50,000 or your account balance.

The following are considered immediate and heavy financial needs for the hardship distribution:

- Amounts necessary to obtain services for medical expenses for you, your spouse, your dependents or primary beneficiary that are not reimbursable or covered by your health plan;
- Costs directly related to the purchase (excluding mortgage payments) of your principal residence;
- Payment of tuition and related educational fees, and room and board expenses for the next twelve months of post-secondary education for yourself, your spouse, your or dependents;
- Payment to prevent the eviction from your principal residence or foreclosure on your primary mortgage;
- Payment for burial or funeral expenses for your deceased parent, spouse, or dependents;
- Expenses for repair of damage to your principal residence that would qualify for the IRS casualty loss deduction;
- Expenses and losses (including loss of income) incurred by you on account of a disaster declared by the Federal Emergency Management Administration (FEMA), provided your principal residence or your principal place of employment at the time of declaration was in the declaration area; and
- Such other events set forth by the IRS.

In order to apply for the hardship distribution, you must complete the required forms, receive spousal consent (if applicable), and self-attest that you have insufficient cash or other liquid assets to satisfy your immediate and heavy financial need. You may receive only one (1) hardship withdrawal in any given twelve (12) month period.

## **Board of Trustees**

### **Puget Sound Electrical Workers 401(k) Savings Plan**

RP/CJ/EE: srw opeiu #8  
S:\Mailings\Individual Trust Fund Mailings (SMM, Benefit Changes, COBRA, etc.)\F33\F33-13 - Mailing - 2024 - 05.01 - SMM - Hardship Distributions.docx

**Important Reminder** - You must advise the Administration Office of any changes in your basic demographic data, including changes in your name, marital status, dependents, other insurance coverage available, designated beneficiary, home address, email address and telephone number. Provide information changes by completing and sending a new Enrollment Form to the Administration Office. If you have a change in dependents: divorce requires a complete filed copy of your divorce decree along with any accompanying court orders including the parenting plan. Marriage requires a copy of your marriage certificate, the parenting plan for stepchildren and their birth certificates.

Failure to update your information on file may interfere with our ability to process your benefits and provide timely communication of important Plan information.

# **Puget Sound Electrical Workers 401(k) Savings Plan**

**Effective June 1, 2022**

## **IMPORTANT CONTACTS**

### **Plan Record-keeper**

John Hancock  
200 Berkeley Street  
Boston, MA 02115  
(833) 388-6466

[www.myplan.johnhancock.com](http://www.myplan.johnhancock.com)

### **Administration Office**

Welfare & Pension Administration Service, Inc.  
7525 SE.24<sup>TH</sup> Street, Suite 200  
Mercer Island, WA 98040-2341

Mailing Address:

PO Box 34203  
Seattle, WA 98124-1203

(206) 441-4667

(866) 314-4239

### **Trust Website**

[www.PSEWTrusts.com](http://www.PSEWTrusts.com)

### **IBEW Local 46**

19802 62<sup>nd</sup> Avenue S, Suite 105  
Kent, WA 98032  
[www.ibew46.org](http://www.ibew46.org)  
(253) 395-6500

## **SAVINGS PLAN HIGHLIGHTS**

The following information contains highlights of the Plan.  
Please read the entire Summary Plan Description for more details.

### **Joining the Plan**

You will become a participant in the Plan on the first day that your employer is required to contribute to the Plan on your behalf under the terms of the Collective Bargaining Agreement or Special Agreement between your employer and the Trustees.

### **Employer Contributions**

Your employer is required to make contributions to the Plan on your behalf based on the Collective Bargaining Agreement or other Special Agreement with the Trustees. The amount contributed is determined by that Agreement

### **Employee Contributions**

You may elect hourly wage deferral contributions in \$1 per hour increments up to \$8 per hour if you are less than age 50 by the year end in which your deferrals are made or up to \$10 per hour if you are age 50 or older. If you do not make an election, \$0 will be assumed.

### **Managing Your Investments**

Under the Plan, you may direct the manner by which your account is invested. For this purpose, the Plan offers a range of investment options.

### **Vesting**

The amounts credited to your account under the Plan are always 100% vested.

### **Accessing Your Account**

The Plan allows you to borrow against your account balance as outlined under **Loans**.

### **Retirement**

When you retire or otherwise cease covered employment, your account balance will be available to you when you meet the requirements as outlined under **When Benefits Will Be Paid**.



## **IMPORTANT NOTE**

This is a Summary Plan Description, which is intended to give you a summary of the major features of the Plan. If there is any inconsistency between the contents of this summary and the Plan Document, your rights will be determined from the Plan Document and not from this summary.

You, your beneficiaries or legal representative may examine the Plan Document and other documents relating to the Plan during regular business hours or by appointment at the Administration Office.

Participants and beneficiaries should not rely upon any oral description of the Plan because the written terms of the Plan document will always govern.

*Notice: The Trustees have the full and absolute discretion and authority to interpret and apply the provisions of the Plan, including its rules for eligibility. Only the full Board of Trustees is authorized to interpret the Plan. No employer or local union, no representative of any employer or local union, and no individual Trustee is authorized to interpret the Plan nor can any such person act as an agent of the Trustees to guarantee benefit payments. No agreement between an employer and a union may change, override or otherwise affect the Plan in any way, except as the Trustees may permit expressly by resolution. The Administration Office represents the Trustees in administering the Plan and are authorized to answer questions regarding eligibility and benefits.*

*The Trustees have the sole and exclusive right to amend, suspend, modify or terminate the Plan in whole or in part.*

Telephone contact with the Record-keeper or Administration Office does not guarantee eligibility for benefits or benefit payments. Eligibility for benefits and benefit payments will be determined only when a claim is submitted to the Administration Office.

## TABLE OF CONTENTS

|   |           |
|---|-----------|
| <b>INTRODUCTION</b> .....   | <b>1</b>  |
| <b>MYPLAN</b> .....   | <b>1</b>  |
| <b>IMPORTANT DEFINITIONS</b> .....  | <b>1</b>  |
| <b>ELIGIBILITY</b> .....  | <b>2</b>  |
| <b>CONTRIBUTIONS</b> .....  | <b>2</b>  |
| <b>MANAGING YOUR INVESTMENTS</b> .....                                    | <b>3</b>  |
| <b>ACCESSING YOUR ACCOUNT</b> .....                                       | <b>5</b>  |
| <b>LOANS</b> .....  | <b>5</b>  |
| <b>VESTING</b> .....  | <b>6</b>  |
| <b>WHEN BENEFITS WILL BE PAID</b> .....                                   | <b>6</b>  |
| <b>HOW BENEFITS WILL BE PAID</b> .....                                    | <b>7</b>  |
| <b>DEATH BENEFIT</b> .....  | <b>8</b>  |
| <b>EFFECT ON OTHER BENEFITS</b> .....                                     | <b>8</b>  |
| <b>OTHER IMPORTANT FACTS</b> .....  | <b>8</b>  |
| <b>STATEMENTS OF YOUR ACCOUNT</b> .....                                   | <b>11</b> |
| <b>ERISA HIGHLIGHTS</b> .....   | <b>11</b> |
| <b>APPENDIX A</b> .....   | <b>14</b> |
| SECTION 1. INTRODUCTION .....   | 14        |
| SECTION 2. DEFINITIONS.....   | 14        |
| SECTION 3. AUTHORIZED REPRESENTATIVE.....                                 | 15        |
| SECTION 4. CLAIM FOR A BENEFIT. ....                                      | 15        |
| SECTION 5. DECISION ON CLAIM .....  | 15        |
| SECTION 6. NOTICE OF ADVERSE BENEFIT DETERMINATION.....                   | 16        |
| SECTION 7. APPEAL OF ADVERSE BENEFIT DETERMINATION.....                   | 17        |
| SECTION 8. BENEFIT DETERMINATION ON REVIEW; NOTICE OF DETERMINATION ..... | 18        |
| SECTION 9. HEARING .....  | 19        |

## INTRODUCTION

Chances are, you're hoping for a long and fulfilling retirement. A significant part of how rewarding your retirement experience will be, depends on how well you have planned for it.

The Puget Sound Electrical Workers 401(k) Savings Plan (the "Plan") will help you achieve your planned goals by providing a vehicle for you to accumulate funds for your retirement. The Plan is a way for you to accomplish this goal since it provides a basic retirement contribution on your behalf, which will not be subject to income tax until distributed to you following your retirement or other termination of employment. The investment earnings on your account will also accumulate tax-free until distributed from the Plan.

Your personal financial security is one of life's most important objectives. The Union and Contributing Employers share your concern and offer the Plan to help you build a strong financial future.

## MYPLAN

To help with your retirement planning, many features of the Plan are available to you 24 hours a day, seven days a week, over an automated telephone system 1-833-38-UNION (1-833-388-6466) or via the Internet ([myplan.johnhancock.com/login](http://myplan.johnhancock.com/login)), through John Hancock at [myplan.johnhancock.com](http://myplan.johnhancock.com). There is also a mobile app available to access your account information from your smartphone.

The automated telephone system also allows you access to a Participant Service Representative if you call between the hours of 5:00 AM and 7:00 PM Pacific Time (PT) on any business day the New York Stock Exchange (NYSE) is open ("NYSE business day"). *John Hancock* enables you to obtain information about your Plan account, request an account statement, and make changes to your investment elections.

You may access *John Hancock* through [myplan.johnhancock.com](http://myplan.johnhancock.com) once you have provided your date of birth to the Trustees. You will receive separate instructions for using [myplan.johnhancock.com](http://myplan.johnhancock.com). However, you should contact the Trustees if you have any questions about using this service.

## IMPORTANT DEFINITIONS

First, let's define the following terms to be used in this summary.

**Administration Office:** means Welfare & Pension Administration Service, Inc. (WPAS) a third-party administration organization hired by the Trustees to assist in the administration of the Plan.

**Contributing Employer:** means (i) an employer that is required to contribute to the Plan pursuant to the terms of a collective bargaining agreement with the Union, and (ii) the Union or other employer that is required to contribute to the Plan on behalf of its employees pursuant to the terms of a special agreement with the Trustees. If you would like to know if an employer or other organization is a contributing employer to the Plan, you may request that information in writing from the Administration Office.

**Disability:** means a disability resulting from a medically determined physical or mental condition which has continued for a period of at least six consecutive months and which can be expected to be of long, continued or indefinite duration and which will render you incapable of continuing in covered employment or in any comparable employment. It is your responsibility to submit proof of disability satisfactory to the Trustees and the Trustees may require you to be examined by a physician of the Trustees' choice in order to determine whether you are eligible for Disability retirement under the Plan. Disability may be considered established prior to the expiration of six consecutive months if, at the discretion of the Trustees, you have a life-threatening impairment or serious disabling ailment from which you are not expected to ever recover.

**Fiscal Year:** means June 1 through May 31 of each year.

**Normal Retirement Age:** means the date you reach age 65.

**Plan:** means Puget Sound Electrical Workers 401(k) Savings Plan.

**Plan Administrator:** means the Trustees.

**Plan Year:** means the period in which administrative and financial records of the Plan are maintained. The Plan Year is the 12-month period beginning June 1 and ending May 31.

**Plan Record-keeper:** means John Hancock Retirement Plan Services, hired by the Trustees to be the Plan Record-keeper to track account balances, invest contributions and pay plan benefits.

**Trustees:** means the Board of Trustees of the Puget Sound Electrical Workers 401(k) Savings Plan Trust, the members of which are appointed by the Union and the Contributing Employers.

**Working in the Electrical Industry:** Working in the Electrical Industry means performing any work of any kind coming under the International Brotherhood of Electrical Workers in the geographical jurisdiction of this Plan or any reciprocal plan either for compensation or gratis, including, but not by way of limitation, performing work in the following segments of the Electrical Industry: original electrical installation and maintenance on all industrial plants, commercial buildings and residences, line construction, electrical motor winding, shipyard electrical work, electrical sign installations, sound and communications and electrical alarms and surveillance systems; and the term "Working in the Electrical Industry" also includes work performed as an estimator or supervisor for any employer who has any work of any kind which is within a category under the International Brotherhood of Electrical Workers' jurisdiction.

**Union:** means International Brotherhood of Electrical Workers, Local No. 46.

## **ELIGIBILITY**

If you are working for a Contributing Employer, you will automatically become a participant in the Plan as of the date contributions are required to be made to the Plan on your behalf by the Contributing Employer under the terms of the collective bargaining agreement or your employer's special agreement with the Trustees.

You should contact the Administration Office if you have any questions concerning your eligibility to participate in the Plan.

## **CONTRIBUTIONS**

**Employer Contributions:** Each Contributing Employer employing you during the Plan Year will make a contribution to the Plan on your behalf in an amount determined under the applicable collective bargaining agreement or special agreement between the Trustees and the Contributing Employer. Annuity contributions received via incoming reciprocity will be deposited to the John Hancock account if you have elected IBEW Local 46 Annuity Trust as your blanket authorization designation for defined contribution. Employer contributions received for employees that have designated another Defined Contribution trust in ERTS will be reciprocated accordingly on the next outgoing reciprocity transmission.

**Employee Contributions:** The Plan allows voluntary tax-deferred contributions pursuant to the terms of the applicable agreement. When you are eligible to receive Employer Contributions, you may elect to have hourly wage or salary deferral contributions withheld from your pay in \$1 per hour increments up to \$8 per hour if you are less than age 50 by the year end in which your deferrals are made or up to \$10 per hour if you are age 50 or older. No Employee Contribution will be made unless you make an election. For salaried Employees participating under a special agreement, Contributions shall be made for 173 hours for each month the Employee has at least one hour of service, regardless of actual hours worked. Employee contributions made into this Plan cannot be reciprocated to another IBEW trust.

You should contact the Administration Office if you have any questions concerning the calculation of any contributions made on your behalf.

**SPECIAL NOTE FOR WORKING OUTSIDE OF LOCAL 46'S JURISDICTION:** If you perform covered work for an employer signatory to a collective bargaining agreement with an International Brotherhood of Electrical Workers Local Union that is not Local 46, and you would like your contributions earned outside of Local 46's jurisdiction to be transferred to your home funds, you must request to have your contributions transferred. You must complete the **Electronic Reciprocal Transfer System (ERTS)** form(s) to have your 401(k) funds transferred to the Trust Office. The transfer is not automatic. The enrollment and transfer of funds from one jurisdiction to another is time-sensitive, therefore if you intend to work in another jurisdiction, you should contact the Trust Office immediately. If you have any questions about the forms necessary for the transfer of contributions earned outside your home jurisdiction, please contact Local 46 or the Trust Office.

**Rollover Contributions:** In certain circumstances, you may elect to have benefits earned under another eligible retirement plan transferred or rolled over to your account under this Plan. You should contact the Administration Office if you are interested in making a rollover contribution.

#### **Electing to Make or Change Employee Contributions**

To elect hourly wage or salary deferral contributions, you must complete and return an Application for 401(k) Deferral Contributions during open enrollment or upon your initial hire for an employer covered by this Plan. Application forms can be obtained from the Union. All copies of the application must be returned to the Union. Once the Union office has received and approved your application, a copy will be sent to your covered employer and a copy will be returned to you.

If you do not elect wage or salary deferral contributions, no deferral will be assumed and you will not be eligible to defer until the next open enrollment period. If you are participating under the terms of a collective bargaining agreement and you change covered employers, your election level will automatically roll over from your prior covered employer to your new covered employer.

You may change your wage or salary deferral annually during open enrollment. You can only change your wage or salary deferral election outside of open enrollment as follows:

- A newly hired Local 46 member may make a first time election
- to \$0 at any time.

To change or terminate your wage or salary deferral, complete the Termination of Deferrals section of the application and return it to the Union.

**SPECIAL NOTE FOR PUBLIC EMPLOYEES:** The Internal Revenue Code generally prohibits public employees from making wage or salary deferral contributions to a 401(k) plan. This Plan is a profit sharing 401(k) plan. Therefore, if you are employed by a state or local governmental entity or its political subdivision, agency or instrumentality, for example, the Port of Seattle, you will not be able to make wage or salary deferral contributions to the Plan. However, your public employer may continue to make Employer Contributions on your behalf to this Plan, as required under the terms of the collective bargaining agreement or special agreement.

#### **MANAGING YOUR INVESTMENTS**

The Plan provides you with a range of investment options. Once you have provided the Administration Office with your date of birth, you may make your initial investment election among the individual investment options in 1% increments, and any subsequent changes may be made in 1% increments or in

any specified dollar amount through *MyPlan*. Different investment options may be offered from time to time and you will be informed in advance of any changes.

Additional information concerning the available investment options is provided separately. You will receive the most recent prospectus for a mutual fund option you initially select. Additional copies are available through *John Hancock* at [myplan.johnhancock.com](http://myplan.johnhancock.com). You should be aware that the terms of any such prospectus may limit your investment election(s) with respect to the underlying mutual fund option.

*NOTE: The Plan is intended to constitute a Plan described in Section 404(c) of the Employee Retirement Income Security Act of 1974 ("ERISA"). Section 404(c) is a provision providing special rules for participant-directed plans, like ours, that permit participants to exercise control over the assets in their accounts. If a Plan complies with Section 404(c), the Plan's fiduciaries will not be liable for poor investment performance or losses resulting directly from participant-directed investment decisions. This means you are responsible for your investment decisions under the Plan.*

You have the right to receive the following information upon request:

1. A description of the annual operating expenses of each standard investment option and the aggregate amount of such expenses expressed as a percentage of average net assets.
2. Copies of any updated prospectuses, financial statements and reports and other information furnished to the Plan relating to each such investment option.
3. A semi-annual listing of assets comprising the portfolio of each standard investment option, the value of such assets (or the proportion of the investment option which it comprises) and, with respect to each asset which is a fixed rate investment contract issued by a bank, savings and loan association or insurance company, the name of the issuer of the contract, the term of the contract and the rate of return of the contract.
4. Information concerning the value of shares or units in each investment option, as well as the past and current investment performance of each investment option.
5. Information concerning the value of shares or units in each investment option held in your account.

The Plan Record-keeper will provide the foregoing information. The contact information for the Plan Record-keeper is set forth in the "Other Important Facts" section of the booklet. However, the above information can also be obtained from John Hancock through [myplan.johnhancock.com/login](http://myplan.johnhancock.com/login).

For more information about your investment options, including fees and expenses, please consult the prospectuses.

### **Changing Investment Elections**

Once you have provided the Administration Office with your date of birth, you will be permitted to change your investment election for future contributions allocated to your account, and/or your investment election for your existing account balance, through John Hancock at [myplan.johnhancock.com](http://myplan.johnhancock.com). Any such investment election changes made and confirmed before 1:00 PM PT on any NYSE business day will generally be effective as of the close of that day. A change confirmed on or after 1:00 PM PT, or on weekends or holidays, will generally be effective as of the close of the next NYSE business day. In the event the NYSE closes prior to 1:00 PM PT on any business day, a change made and confirmed before the time the NYSE closes will generally be effective as of the close of that day. A change made or confirmed on or after such closing time will generally be effective as of the close of the next NYSE business day. In the event an investment option does not have sufficient liquidity to meet same day redemption requests, your change will be effective as soon as administratively possible thereafter.

*NOTE: There may be limitations on your ability to direct the investment of your account under the Plan. Policies established by mutual funds may impose redemption fees on certain transactions and also may*

*impose restrictions or limitations on frequent or excessive trading. The Plan Record-keeper will enforce the funds' policies on redemption fees and trading restrictions or limitations as Plan rules. As a result, if your investment direction violates a fund's trading restriction or limitation, your action may result in redemption fees being assessed to your account or your investment directions may be declined. In some circumstances, your ability to make additional investments in a fund may be suspended or terminated. Please refer to the underlying prospectus(es) and other fund information for further details on the funds' policies on redemption fees and trading restrictions or limitations. You may also obtain related information through John Hancock at [myplan.johnhancock.com](http://myplan.johnhancock.com).*

The Plan Record-keeper will mail to you written confirmation of each change to your investment election. If you change your investment election with respect to future contributions and your existing account balance, the Plan Record-keeper will mail separate confirmation(s) to you. The Plan Record-keeper will mail a confirmation statement to you within two business days of your transaction. You should expect to receive the confirmation within five to seven business days, depending on the U.S. Postal Service. If you fail to receive a confirmation within seven business days, please call John Hancock at 1-(833)38UNION or 1-833-388-6466 and speak with a Participant Service Representative or visit [myplan.johnhancock.com](http://myplan.johnhancock.com).

## **ACCESSING YOUR ACCOUNT**

One of the most commonly asked questions about the Plan is, "Can I get my money out of the Plan?" Since the primary purpose of the Plan is to encourage long-term retirement savings, distribution of your vested account normally cannot be made before your retirement or other termination of employment within the Electrical Industry (Union or non-Union). The Plan **does not** permit hardship withdrawals of any contributions to the Plan. However, while you remain employed by a Contributing Employer, you may borrow from your vested account, under certain circumstances. Please note that loans under the Plan may be subject to limitations, in addition to those described below, established by the Plan Record-keeper in order to anticipate changes in the value of your account due to market fluctuations.

## **LOANS**

The Plan allows you to borrow against the value of your vested account balance. It's a way for you to borrow your own money. The interest you pay on your loan goes back into your own Plan account. You can model your repayment schedule and apply for a loan through John Hancock at [myplan.johnhancock.com](http://myplan.johnhancock.com). Loan documentation and processing instructions will be mailed to you. A loan setup fee of \$50.00 will be deducted from your account each time you initiate a Plan loan.

You may only have one loan outstanding at any time. The interest rate is fixed and will be equal to the Prime Rate (as published in The Wall Street Journal on the day the loan is initiated), plus 1%.

The maximum loan amount available to you will be determined by your vested account balance. You may borrow up to the lesser of (i) 50% of your vested account balance or (ii) \$50,000, provided that the amount of all loans outstanding to you from all qualified plans of an Employer at any time may not exceed \$50,000, reduced by your highest outstanding loan balance (aggregating all loans from all qualified plans of the Employer) during the 12-month period ending on the date before the loan is made.

Loans must normally be repaid over a period of not more than five years. Loans may be prepaid in full or in part at any time without penalty. Failure to repay a loan in accordance with its terms will constitute default. If you default on your Plan loan, under the federal tax laws, you will be considered to be in taxable receipt of your unpaid loan balance. As a result, you will have to pay income taxes on the amount of your unpaid loan and, if you are under age 59½, you will also have to pay an additional 10% penalty tax. In addition, interest will generally continue to accrue (for purposes of determining your eligibility for any subsequent loan) until the loan is repaid or you separate from service.

If you are on an authorized leave of absence without pay or with a rate of pay that is less than your required loan repayment amount, your loan repayment may be suspended for a period equal to the lesser of one year or the duration of the leave of absence. The loan's repayment period does not increase, however, so the loan must be repaid by the latest possible term of the loan and the installments may not be less than the amount required under the original terms of the loan. In the event of certain military service, your loan may be suspended for a longer period.

If you request a distribution from the Plan prior to repaying your loan, your outstanding balance will be deducted from your account before it is distributed to you. Once again, that outstanding loan balance will be treated as a taxable distribution to you.

You should also be aware that if you are married, you must obtain your spouse's written and notarized consent in order to obtain a loan from the Plan.

### **VESTING**

Vesting means ownership. You are always 100% vested (in other words, you have complete ownership) in your account under the Plan (adjusted for administrative fees and investment gains and losses).

### **WHEN BENEFITS WILL BE PAID**

When you retire or otherwise cease covered employment, your account balance will be paid to you, or you may elect to have your account transferred directly to an IRA or to another eligible retirement plan. Under certain circumstances, you may also elect to defer distribution of your account.

You may elect to receive distribution of your Plan account:

- in the event of your Permanent Total Disability;
- in the event that you attain age 65;
- if you have attained age 55 and no contributions have been made to the Plan on your behalf for at least 6 consecutive months;
- if you have attained age 55 and you qualify for and have retired under "Special Early retirement" under the Puget Sound Electrical Workers Pension Plan;
- if, regardless of your age, no contributions have been made to your account under the Plan for at least 12-consecutive months and you are no longer Working in the Electrical Industry;
- if, regardless of your age, there have been less than 250 hours of contributions made to the Plan on your behalf in each of two consecutive fiscal years (June 1 - May 31) and you are no longer Working in the Electrical Industry; or
- if, regardless of your age, no contributions have been made to the Plan on your behalf for a period of 24 consecutive months whether or not you continue Working in the Electrical Industry (amount distributable is limited to contributions based on hours worked prior to September 1, 2016, plus investment earnings and less administrative expenses applied thereto to the date of distribution). This rule cannot be used for hours worked on or after September 1, 2016.

You should be aware, however, that distribution of your account must be made or commence no later than April 1 following the year you attain age 70½ (age 72 if you turned 70½ after 2019) or, if later, following the year you cease covered employment. However, if you are at least a 5% owner as defined in Section 416(i) of the Internal Revenue Code, you nevertheless must take a distribution of your account no later than April 1 following the year you attain age 70½ (age 72 if you turned 70½ after 2019).



## HOW BENEFITS WILL BE PAID

If you are not married and do not make another form of benefit election, distribution of your account will be made in the form of a life annuity, which will provide equal monthly payments for your life. If you are married and do not make another form of benefit election, you will normally receive 75% joint and survivor annuity. Under this form of annuity, you will receive monthly payments for your life, and upon your death, your spouse, if he or she survives you, will receive monthly payments for his or her life equal to 75% of the monthly payments you were receiving at your death. If you prefer, however, you may elect a 50% or 100% joint and survivor annuity for you and your spouse, or a single life annuity if your spouse provides notarized consent.

If you are married, and you wish to waive the annuity, you may do so not more than 90 days, nor less than 7 days, before the annuity would begin and you must obtain your spouse's notarized consent to receive a benefit other than a joint and survivor annuity for you and your spouse. The Trustees will provide you with the necessary forms to make this election. Because your spouse participates in this election, you must immediately inform the Trustees of any change in your marital status.

If you do not waive the annuity, the amount of your annuity will depend upon the value of your account, your marital status on the date distribution begins and, if you are married, the form of annuity selected. The Plan will purchase an annuity contract from an insurance company with your account balance to provide this annuity.

You may also elect to waive the annuity and receive your account in the form of a single-sum payment. Alternatively, you can choose a partial distribution payment and/or Installment payments. A partial distribution payment must be at least \$10,000 and you are limited to one partial distribution payment each plan year (June 1 – May 31).

You may also waive the annuity and receive Installment payments which are regular payments that you elect to receive monthly, quarterly or annually ("frequency") based on the amount of your account you designate for payments under this distribution option. You can choose to receive these regular payments as (1) a set amount and/or (2) in an annually changing amount over a period (not exceeding 20 years) that you designate. If your account runs out before the designated period ends, no further payments will be made. If you should die with a remaining balance, the remainder will be paid to your beneficiary(ies) in one lump sum. You will be permitted to change the frequency of payments, the set amount you designate under option (1) above, or the period under option (2) above by calling John Hancock at 1-833-38UNION.

Whenever you receive a distribution from the Plan, it will normally be subject to income taxes. If you elect to receive a lump sum distribution your distribution may be subject to mandatory 20% federal income tax withholding and may also be subject to any applicable state income tax withholding. . However, you may be able to defer income taxes on your distribution by electing to have your distribution paid directly to an eligible IRA or to another eligible retirement plan.

If you are younger than age 59½ when you receive your distribution, any amount you receive may be subject to a 10% federal excise tax (penalty tax) in addition to any applicable federal and state income taxes. However, the 10% penalty tax will not apply to distributions made in the form of a lifetime annuity or Installments, or to your beneficiary in the event of your death or if you transfer your distribution directly to an eligible IRA or to another eligible retirement plan.

If you are eligible to receive a distribution under Plan rules, you may obtain a distribution election form from the Administration Office. You will be provided with more information concerning your distribution options when you apply for benefits under the Plan. However, you should contact a tax advisor prior to making your distribution election. You can also obtain more information on the taxation of benefits from the Internal Revenue Service.

## **DEATH BENEFIT**

If you die before distribution of your account has commenced, your beneficiary will be entitled to receive the full value of your account.

You may choose anyone to be your beneficiary under the Plan. You make your designation by filing an Enrollment/Beneficiary Designation Form with the Administration Office. However, under federal law, if you are married and wish to name someone other than your spouse as your beneficiary, you may do so only with your spouse's written consent which is notarized or witnessed by a Plan representative. If you fail to designate a beneficiary, or if your designated beneficiary dies before you do, the Plan provides that your beneficiary will automatically be your surviving spouse. If no spouse, the plan maintains a payout sequence for distributing any remaining payments to your next-of-kin using the following order:

- Children(whether natural or adopted)
- Grandchildren
- Parents
- Siblings (whether whole or half-sibling)
- Estate

If none of the above listed individuals survive you, or you do not have an Estate, no benefits will be payable, except in a case where the Board may reimburse those persons who have paid reasonable funeral and burial expenses.

Distribution of any death benefit under the Plan will normally be made, in the form of a lump-sum payment, as soon as administratively possible following your death. However, if you are married as of the date of your death, and if your spouse is your beneficiary, your account balance may be used to purchase an annuity for your surviving spouse. Thus, under the annuity purchase form, your surviving spouse would receive monthly payments for his or her lifetime paid to them by a private insurance company. The amount of those monthly payments will depend upon the value of your account at the time of your death. Your surviving spouse may, elect to waive the annuity and receive your account in a lump-sum payment.

## **EFFECT ON OTHER BENEFITS**

Contributions to the Plan will not affect other salary-related benefits, such as life insurance and disability benefits. Also, contributions will not change the amount of your Social Security benefits or the Social Security taxes that are withheld from your pay.

## **OTHER IMPORTANT FACTS**

### **Plan Name**

The name of the Plan is the Puget Sound Electrical Workers 401(k) Savings Plan.

### **Plan Number**

The number assigned to the Plan by the Trustees is 001.

### **Type of Plan**

This Plan is a multiemployer defined contribution profit sharing and 401(k) plan. The Plan is intended to satisfy the qualification requirements of section 401(a) of the Internal Revenue Code.

### **Plan Year**

The Plan Year is June 1 through May 31.

**Description of Collective Bargaining Agreements**

This Plan is maintained pursuant to one or more collective bargaining agreements. Copies of such agreements may be obtained by participants and beneficiaries upon written request to the Trustees. Further, such agreements are available for examination by participants and beneficiaries at the Administration Office, and at local union offices, upon 10 days’ advance written request. The Trustees may impose a reasonable charge to cover the cost of furnishing the agreements. Participants and beneficiaries may wish to inquire as to the amount of the charges before requesting copies.

**Source of Contributions**

The Plan is funded through Employer Contributions and Wage or Salary Deferral Contributions by Employees, as specified in the Collective Bargaining Agreements or Special Agreements. Wage or Salary Deferral Contributions by Employees are voluntary.

**Plan Sponsor and Plan Administrator**

The Participants, retirees and employers are represented in the administration of this Plan through a joint Board of Trustees. The Board of Trustees is the Plan Sponsor and the Plan Administrator. The address and telephone number for the Board of Trustees is:

Board of Trustees  
Puget Sound Electrical Workers 401(k) Savings Plan Trust  
7525 SE 24<sup>th</sup> Street, Suite 200  
PO Box 34203  
Mercer Island, WA 98040-2341

Mailing Address:  
PO Box 34203  
Seattle, WA 98124-1203  
(206) 441-4667 or (866) 314-4239  
[www.PSEWTrusts.com](http://www.PSEWTrusts.com)

*The names and addresses of the Employer Trustees are:*

Barry Sherman, Chairman  
Puget Sound Chapter, NECA  
16001 Aurora Avenue N., Suite 200  
Seattle, WA 98133

LeAnn Cochran  
Cochran Electric  
12500 Aurora Avenue N.  
Seattle, WA 98133-8097

James E. Mackey  
Evergreen Power Systems  
3623 E. Marginal Way S.  
Seattle, WA 98134-1131

*The names and addresses of the Labor Organization Trustees are:*

Erick Lee, Secretary  
Local 46, International Brotherhood of Electrical Workers  
Pacific Gateway Building  
19802 62<sup>nd</sup> Avenue S, Suite 105  
Kent, WA 98032

Sean Bagsby  
Local 46, International Brotherhood of  
Electrical Workers  
Pacific Gateway Building  
19802 62<sup>nd</sup> Avenue, S, Suite 105  
Kent, WA 98032

Steve Murphy  
Local 46, International Brotherhood of  
Electrical Workers  
Pacific Gateway Building  
19802 62<sup>nd</sup> Avenue S, Suite 105  
Kent, WA 98032

A complete list of the employers and employee organizations sponsoring the Plan may be obtained by Participants and beneficiaries upon written request to the Trustees. This list is available for examination at the Trust office. The Trustees may impose a reasonable charge for the cost of furnishing these lists. You may also make a written request as to whether a particular employer or employee organization is a Plan sponsor, and if so, the sponsor's address.

**Employer Identification Number**

The employer identification number assigned to the Plan by the Internal Revenue Service is 91-6180326.

**Type of Administration**

The Plan is governed by the Trustees. The Trustees have contracted with Welfare and Pension Administration Service, Inc., to provide administration services.

Welfare & Pension Administration Service, Inc.  
7525 SE 24<sup>th</sup> Street, Suite 200  
Mercer Island, WA 98040-2341  
Mailing Address:  
PO Box 34203  
Seattle, WA 98124-1203  
(206) 441-4667 or (866) 314-4239  
[www.PSEWTrusts.com](http://www.PSEWTrusts.com)

The Trustees have contracted with John Hancock to provide recordkeeping services.

John Hancock  
200 Berkeley Street  
Boston, MA 02115  
1-833-38-UNION (1-833-388-6466)  
[myplan.johnhancock.com](http://myplan.johnhancock.com)

**Name and Address of Agent for Service of Legal Process**

For the purposes of accepting service of legal process on behalf of the Trust, the Trustees have designated the law firm of:

Barlow Coughran Morales & Josephson, P.S.  
1325 Fourth Avenue, Suite 910  
Seattle, WA 98101

Each Trustee also is an agent for purposes of accepting service of legal process on behalf of the Plan.

*The following information is required to be communicated to you under the Pension Protection Act of 2006. Please read this information carefully.*

**Importance of Diversification**

To help achieve long-term retirement security, you should give careful consideration to the benefits of a well-balanced and diversified investment portfolio. Spreading your assets among different types of investments can help you achieve a favorable rate of return, while minimizing your overall risk of losing

money. This is because market or other economic conditions that cause one category of assets, or one particular security, to perform very well often cause another asset category, or another particular security, to perform poorly. If you invest more than 20% of your retirement savings in any one company or industry, your savings may not be properly diversified. Although diversification is not a guarantee against loss, it is an effective strategy to help you manage investment risk.

In deciding how to invest your retirement savings, you should take into account all of your assets, including any retirement savings outside of the Plan. No single approach is right for everyone because, among other factors, individuals have different financial goals, different time horizons for meeting their goals, and different tolerances for risk.

It is also important to periodically review your investment portfolio, your investment objectives, and the investment options under the Plan to help ensure that your retirement savings will meet your retirement goals

You may access the Department of Labor's website at [www.dol.gov/ebsa/investing.html](http://www.dol.gov/ebsa/investing.html) to obtain other sources of information on individual investing and diversification.

## **STATEMENTS OF YOUR ACCOUNT**

To help you keep up-to-date on the status of your account, the Record-keeper will send you a statement at the end of each calendar quarter showing the:

- amount contributed to the Plan on your behalf;
- investment options you have selected;
- earnings on your account balance;
- expenses deducted from your account balance;
- current value of your account (including any rollover contributions); and
- amount of loans, if any.

You may also request a statement at any time through John Hancock at [myplan.johnhancock.com](http://myplan.johnhancock.com).

## **ERISA HIGHLIGHTS**

### **What are my rights under the Employee Retirement Income Security Act of 1974?**

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 are entitled to:

#### **Receive Information About Your Plan and Benefits**

- examine, without charge, at the Trustees' 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 US Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- obtain, upon written request to the Trustees, 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 Trustees may make a reasonable charge for the copies.
- receive a summary of the Plan's annual financial report. The Trustees are required by law to furnish

each participant with a copy of this summary annual report.

- obtain quarterly statements telling you (a) the amounts credited to your account under the Plan and (b) what your benefits would be under the Plan if you stop working as of that statement date. The Trustees must provide these statements 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 the 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 under the Plan 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 the 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 Trustees to provide the materials and pay you up to \$147 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Trustees. 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 or a medical child support 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 the Plan, you should contact the Administration Office. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Trustees, 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.

### **How Do I Make A Claim For Benefits?**

We hope there will never be a disagreement as to the amount owed to you under the Plan. However, if there is a disagreement, you must follow the Plan’s claims procedure, or you may forfeit certain legal rights to contest the decision. You must file any request for benefits in writing. Before filing your request, you or your legal representative may wish to examine any Plan records regarding your claim. This examination may occur only during regular working hours.

If your request is denied, the Trustees will provide you with a written response detailing the reasons for its decision. After receiving this decision, you have 180 days within which you or your legal representative

may file such additional exhibits or written arguments with the Trustees as you deem appropriate. Based upon these materials, the Trustees will review their earlier decision and issue a final written decision.

If your claim relates to a determination as to whether you are disabled, the Trustees must make their initial claim decision within 45 days, with a possible 30-day extension. If your claim cannot be decided because additional information is needed from you, you will be notified and will have 45 days to provide the additional information. After receiving the initial adverse claims decision, you will have 180 days to appeal the denial. In deciding an appeal based in whole or in part on medical judgment, the Plan will consult with a health care professional who was not involved with the initial claims determination and who is not a subordinate of such an individual

The decision of the Plan Administrator, which has the discretionary authority to interpret the Plan and make factual determinations in connection with matters arising under the Plan, is final and binding.

See Appendix A for the Plan's Claims and Appeals Procedures.

### **What Happens If The Plan Is Amended Or Terminated?**

The Trustees reserve the right to amend the Plan or to terminate it. However, no amendment can reduce the amount in your account. If the Plan terminates, your account will remain 100% vested, that is, non-forfeitable. The Plan is for the exclusive benefit of its participants and, therefore, money cannot go back to the Contributing Employers or the Union because of the Plan's termination.

Upon termination of the Plan, the Trustees will generally liquidate assets and distribute the value of your account to you (subject to IRS requirements).

### **Is There Any Way I Can Lose Plan Benefits?**

Yes, there are a few ways in which you could lose expected benefits such as the following, among others:

- **If investments go down in value**

The value of your account depends on the performance of the investments under the Plan. Your account balance is subject to both gain and loss due to investment results. If you receive a distribution at a time when the value of your investments has declined, you may not receive a distribution that is as large as you had hoped. Also, certain administrative expenses of the Plan may be paid from the Plan's trust fund or, in some cases, may be charged directly to your account.

- **If a "Qualified Domestic Relations Order" is received**

In general, your account cannot be attached or paid to creditors or to anyone other than yourself. However, under federal law, the Trustees are required to obey a Qualified Domestic Relations Order (QDRO). This is a decree or order issued by a court that satisfies certain requirements under the Internal Revenue Code. A QDRO may require that all or a portion of your account be paid to your spouse, former spouse, child or other dependent. The Trustees, in accordance with procedures set forth in the law, will determine the validity of any order received and will inform you upon the receipt of any such order affecting you. You may obtain a copy of such procedures, without charge, from the Trust Office.

### **Should I Be Aware Of Any Other Aspects Of The Plan?**

You should also be aware that the Pension Benefit Guaranty Corporation, a federal agency that insures defined benefit plans, does not insure this type of plan. The government has exempted plans like ours from such insurance because all contributions go directly to your account and you will remain 100% vested in your account if the Plan is ever terminated.

# **Appendix A**

## **Puget Sound Electrical Workers 401(k) Savings Plan**

### **Claims Procedure**

#### **Section 1. Introduction**

Section 503 of the Employee Retirement Security Act of 1974, as amended (“ERISA”), requires an employee benefit plan to:

- provide adequate notice in writing to any participant or beneficiary whose claim for benefits under the plan has been denied, setting forth the specific reasons for such denial, written in a manner calculated to be understood by the participant, and
- afford a reasonable opportunity to any participant whose claim for benefits has been denied for a full and fair review by the appropriate named fiduciary of the decision denying the claim.

Department of Labor regulations under section 503 require an employee benefit plan to establish and maintain reasonable procedures governing the filing of benefit claims, notification of benefit determinations, and appeal of adverse benefit determinations.

This Claims Procedure is intended to satisfy, and to be construed in accordance with, ERISA section 503 and the regulations thereunder.

#### **Section 2. Definitions**

“Administration Office” means the contract administrator organization hired by the Trustees in the administration of the Plan.

“Adverse benefit determination” means any of the following: a denial, reduction, or termination of, or a failure to provide or make payment (in whole or in part) for, a benefit, including any such denial, reduction, termination, or failure to provide or make payment that is based on a determination of a participant's or beneficiary's eligibility to participate in the Plan.

“Claimant” means any Plan participant or beneficiary who files a claim or is treated as having filed a claim under this Procedure, or who is adversely affected by an adverse benefit determination.

“Disability Benefit” means a benefit that is available to a Claimant only upon a showing of disability. A benefit is not a Disability Benefit, however, if the finding of disability is made by a party other than the Administration Office or the Trustees for purposes other than making a benefit determination under the Plan (for example, if the Plan provides that pension benefits shall be paid to a person who has been determined to be disabled by the Social Security Administration).

“Plan” means the Puget Sound Electrical Workers 401(k) Savings Plan.

“Trustees” means the Board of Trustees of the Puget Sound Electrical Workers 401(k) Savings Plan Trust, or any committee of members of the Board to whom the Board, under the governing provisions of the Plan or Trust Agreement, has delegated the Board's responsibilities in this Procedure.

“Working in the Electrical Industry” means performing any work of any kind coming under the International Brotherhood of Electrical Workers in the geographical jurisdiction of this Plan or any reciprocal plan either for compensation or gratis, including, but not by way of limitation, performing work in the following segments of the Electrical Industry: original electrical installation and maintenance on all industrial plants, commercial buildings and residences, line construction, electrical motor winding, shipyard electrical work, electrical sign installation, sound and communications and electrical alarms and



surveillance systems, and work performed as an estimator or supervisor for any employer who has any work of any kind which is within a category under the International Brotherhood of Electrical Workers' jurisdiction.

### **Section 3. Authorized Representative**

A Claimant may authorize a representative to act on Claimant's behalf in pursuing a benefit claim or request for review of an adverse benefits determination. To authorize a representative, the Claimant must file a written authorization with the Administration Office at the following address:

**Attention: Authorized Representative**  
Puget Sound Electrical Workers 401(k) Savings Plan  
PO Box 34203  
Seattle, WA 98124-1203

The written authorization must contain the Plan's name, the Claimant's name, address and telephone number, and the authorized representative's name, address, telephone number and fax number (if available). The written authorization must be signed and dated by the Claimant and the authorized representative. The authorization may include the following text:

"I, the Claimant named below, authorize the person named below to represent me in pursuing my claim for benefits under the Puget Sound Electrical Workers 401(k) Savings Plan, including any appeal of an adverse benefits determination. I authorize the Plan's Administration Office and the Board of Trustees of the Puget Sound Electrical Workers 401(k) Savings Plan Trust to provide my representative upon request all information and documents that I am entitled to request."

### **Section 4. Claim for a Benefit.**

- (a) **No Claim Necessary When an Application Filed.** A Claimant's application for benefits under the provisions the Plan is considered a claim for benefits under this Procedure.
- (b) **Filing a Claim.** A Claimant may file a claim for benefits with the Administration Office as follows. The claim must be in writing. The claim must contain the name of this Plan, the Claimant's name, the Claimant's address, telephone number and fax number (if available) and a description of the benefit claimed. If the claim is submitted by Claimant's authorized representative, the claim must contain the authorized representative's name, address, telephone number and fax number (if available). The claim must be addressed to the Administration Office at the address below, which must appear on the claim itself and on any envelope that contains the claim.

**Attention: Benefit Claim**  
Puget Sound Electrical Workers 401(k) Savings Plan  
PO Box 34203  
Seattle, WA 98124-1203

### **Section 5. Decision on Claim**

- (a) **Time Limits for Decision on Claim (other than for a Disability Benefit); Extension.** If the Administration Office wholly or partially denies a claim that is not a claim for a Disability Benefit, the Administration Office shall notify the Claimant in accordance with Section 6 of the adverse benefit determination within a reasonable period of time, not to exceed ninety (90) days after the Administration Office receives the claim, unless the Administration Office determines that special

circumstances require an extension of time for processing the claim. If the Administration Office determines that an extension of time for processing is required, then the Administration Office shall furnish written notice of the extension before the initial 90- day period expires. The extension may not exceed a period of 90 days from the end of the initial 90-day period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the Administration Office expects to render its decision on the claim.

- (b) **Time Limits for Decision on Claim for a Disability Benefit; Extensions.** If the Administration Office wholly or partially denies a claim for Disability Benefit, the Administration Office shall notify the Claimant in accordance with Section 6 of the adverse benefit determination within a reasonable period of time, not to exceed forty-five (45) days after the Administration Office receives the claim, unless the Administration Office determines that special circumstances require an extension of time for processing the claim. If the Administration Office determines that an extension of time for processing is required, then the Administration Office shall furnish written notice of the extension before the initial 45-day period expires. The extension may not exceed a period of 30 days from the end of the initial 45-day period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the Administration Office expects to render its decision on the claim. If, before the end of the first 30-day extension period, the Administration Office determines that, due to matters beyond the control of the Administration Office, a decision cannot be rendered within that extension period, the Administration Office may extend the period for making the determination for up to an additional 30 days, provided that the Administration Office notifies the Claimant, before the first 30-day extension period expires, of the circumstances requiring the extension and the date as of which the Administration Office expects to render its decision on the claim. In the case of any extension under this Section, the notice of extension shall specifically explain the standards on which entitlement to a Disability Benefit is based, the unresolved issues that prevent a decision on the claim, and the additional information needed to resolve those issues, and the Claimant shall be afforded at least 45 days from the Claimant's receipt of the notice within which to provide the specified information. In the event that a period of time is extended as permitted pursuant to this Section due to a Claimant's failure to submit information necessary to decide a claim, the period for deciding the claim shall be tolled (suspended) from the date on which the notification of the extension is sent to the Claimant until the date on which the Claimant responds to the request for additional information.

#### **Section 6. Notice of Adverse Benefit Determination**

The Administration Office shall provide a Claimant with written notice of any adverse benefit determination. The notice shall set forth, in a manner calculated to be understood by the Claimant:

- (1) Specific reason or reasons for the adverse benefit determination;
- (2) reference to the specific Plan provisions on which the determination is based;
- (3) a description of any additional material or information necessary for the Claimant to perfect the claim and an explanation of why such material or information is necessary;
- (4) a description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the Claimant's right to bring a civil action under ERISA section 502(a) following an adverse determination on review; and
- (5) if the adverse benefit determination relates to a Disability Benefit:
  - (i) if an internal rule, guideline, protocol, or other similar criterion was relied upon in denying the claim, either the specific rule, guideline, protocol, or other similar

criterion; or a statement that such a rule, guideline, protocol, or other similar criterion was relied upon in making the determination and that a copy of such rule, guideline, protocol, or other criterion will be provided free of charge to the Claimant upon request; and

- (ii) if the adverse determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the Claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request.

### **Section 7. Appeal of Adverse Benefit Determination**

- (a) **Appeal.** A Claimant has the right to appeal an adverse benefit determination to the Trustees. An appeal must be in writing and must be addressed to the Trustees at the address below, which must appear on the appeal itself and on any envelope that contains the appeal.

**Attention: Appeal of Adverse Benefit Determination**

Board of Trustees of the  
Puget Sound Electrical Workers 401(k) Savings Plan  
PO Box 34203  
Seattle, WA 98124-1203

- (b) **Time Limits for Submitting Appeal.** A Claimant must submit an appeal of an adverse benefit determination within 60 days (180 days in the case of a claim for a Disability Benefit) after he or she receives notification of the adverse benefit determination (the "Appeal Period"). The Trustees have no obligation to review any appeal, unless the appeal is submitted within the Appeal Period. If the appeal is not submitted within the Appeal Period, the Claimant loses the right to appeal (and may lose the right to file suit in court to challenge the adverse benefit denial).

- (c) **Procedure**

- (1) The Claimant may submit to the Trustees written comments, documents, records, and other information relating to his or her claim for benefits.
- (2) Upon written request by the Claimant, the Claimant shall be provided, free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to his or her claim for benefits.
- (3) The Trustees' review will take into account all comments, documents, records, and other information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.
- (4) If the claim is for a Disability Benefit:
  - (i) the Trustees' review will not afford deference to initial adverse benefit determination and no individual who is either the individual who made the adverse benefit determination that is the subject of the appeal, nor the subordinate of such individual, shall conduct the review;
  - (ii) in deciding an appeal of any adverse benefit determination that is based in whole or in part on a medical judgment, the Trustees shall consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment;

- (iii) the health care professional engaged for purposes of a consultation under paragraph (ii) above shall be an individual who is neither an individual who was consulted in connection with the adverse benefit determination that is the subject of the appeal, nor the subordinate of any such individual; and
- (iv) the Trustees shall identify medical or vocational experts whose advice was obtained on behalf of the Plan in connection with the Claimant's adverse benefit determination, without regard to whether the advice was relied upon in making the determination.

#### **Section 8. Benefit Determination on Review; Notice of Determination**

- (a) **Time Limits for Benefit Determination on Review; Extension.** The Trustees shall notify the Claimant, in accordance with subsection (b) below, of the Trustees' benefit determination on review within a reasonable period of time, not to exceed 60 days after receipt of the Claimant's request for review by the Trustees, unless the Trustees determine that special circumstances require an extension of time for processing the claim. If the Trustees determine that an extension of time for processing is required, the Trustees shall furnish written notice of the extension to the Claimant before the initial 60-day period expires. The extension shall not exceed a period of 60 days from the end of the initial 60-day period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the Trustees expect to render the determination on review. If the claim is for a Disability Benefit, a period of 45 days, rather than 60 days, applies for purposes of this Section.
- (b) **Notice of Benefit Determination on Review.** The Trustees shall provide a Claimant with notice of its benefit determination on review. In the case of an adverse benefit determination, the notice shall set forth, in a manner calculated to be understood by the Claimant:
  - (1) the specific reason or reasons for the Trustees' determination;
  - (2) reference to the specific Plan provisions on which the benefit determination is based;
  - (3) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's claim for benefits;
  - (4) a statement describing any voluntary appeal procedures offered by the Plan and the Claimant's right to obtain the information about such procedures, and a statement of the Claimant's right to bring an action under ERISA section 502(a);
  - (5) if the adverse benefit determination relates to a Disability Benefit:
    - (i) if an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol, or other similar criterion; or a statement that such rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination and that a copy of the rule, guideline, protocol, or other similar criterion will be provided free of charge to the Claimant upon request;
    - (ii) if the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the Claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request; and

(iii) the following statement: "You and your plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your State insurance regulatory agency."

(c) **Furnishing Documents.** In the case of an adverse benefit determination on review, the Trustees shall provide such access to, and copies of, documents records and other information described in subsection (b)(3), (b)(4) or (b)(5) above as is appropriate.

### **Section 9. Hearing**

If the Trustees deem it necessary or desirable in the conduct of its review of a denied claim, the Trustees may hold a hearing or hearings, under such terms and conditions as it may prescribe, to receive evidence and to which it may invite the Claimant to attend.

\* \* \* \*



[www.PSEWTrusts.com](http://www.PSEWTrusts.com)

(206) 441-4667

(866) 314-4239

