

OPERATING ENGINEERS LOCAL 318 SUPPLEMENTAL RETIREMENT PLAN

New Individual Account Plan Established Effective April 1, 2022

Following is a brief description of the Operating Engineers Local 318 Supplemental Retirement Plan. The plan became effective April 1, 2022 and is intended generally to supplement the pension benefits provided by the Central Pension Fund of the International Union of Operating Engineers under which you may already be participating.

The new Supplemental Retirement Plan will provide a lump sum benefit, upon your retirement, termination as defined by the Plan, disability or death, equal to the contributions that have been credited under the Plan in your behalf, adjusted for investment earnings and Plan expenses.

The provisions that follow represent only a brief summary of the terms of the Supplemental Retirement Plan. These provisions are not complete. The Trustees of the Plan will be providing a more detailed description of Plan provisions in the future. In the meantime, if you should have absolutely any questions regarding your Supplemental Retirement Plan, please do not hesitate to contact the office of the Plan at the address and phone number listed below.

ADDRESS OF PLAN OFFICE/PLAN ADMINISTRATOR:

Plan office contact information:

Operating Engineers Local 318 Supplemental Retirement Plan
P.O. Box 1449
Goodlettsville, Tennessee 37070-1449
Phone: (615) 859-0131
Toll-Free: (800) 831-4914
Fax (615) 855-6168

The Plan is administered by the Board of Trustees. The Trustees of the Plan are:

Union Trustees:

Mr. Dee Stahlhut
IUOE Local 318
3310 Water Tower Road
Marion, Illinois 62959

Employer Trustees:

Mr. Brian Rehbein
Egyptian Contractors Association
P.O. Box 879
Carbondale, Illinois 62903

Mr. Jay Elders
IUOE Local 318
3310 Water Tower Road
Marion, Illinois 62959

Mr. Stephen W. Boyd
Sierra Bravo Contractors
7038 State Highway 154
Sesser, Illinois 62884

Alternate Trustee:

Mr. James Dillow
IUOE Local 318
3310 Water Tower Road
Marion, Illinois 62959

Alternate Trustee:

Mr. Justin Raines
1500 North Oakland Avenue
Carbondale, Illinois 62901

The contract administrator for the Plan is Southern Benefit Administrators, Incorporated. Southern Benefit can be contacted at the address and telephone number listed herein.

CONTRIBUTIONS TO THE PLAN:

When you work in employment covered by the collective bargaining agreement, your employer will make a monthly contribution to the Plan in your behalf based on the number of hours you have worked in covered employment in each month. Employee contributions are not allowed.

BECOMING A PLAN PARTICIPANT:

You shall have an account established under the Plan in your name as of the first day of the first plan year for which an employer contribution is paid into the Fund in your behalf.

VESTING AND FORFEITURE:

When contributions are credited to your account in accordance with the provisions outlined herein, your interest in your account balance shall become and remain fully vested and the balance of your account as of each succeeding Valuation Date shall be nonforfeitable. This means that, once you become a Plan participant, the amounts credited to your account cannot be forfeited.

VALUING YOUR ACCOUNT AND ISSUING ANNUAL STATEMENTS:

At the end of each Plan Year (March 31st), the value of your individual account will be calculated by adding to your beginning account balance the employer contributions received and credited in your behalf during the year. You will also be credited with a pro

rata share of the Plan's investment earnings for the year, net of operating expenses incurred by the Plan during the year.

Once the value of all participant accounts has been calculated, you will receive an annual Plan statement outlining the experience of your individual account during the year, including your ending account balance. However, please note your annual statement may only be issued once the fund auditor has completed work on the annual audit.

ELIGIBILITY FOR BENEFITS:

Normal Retirement - You will be eligible to receive a Normal Retirement Benefit upon attaining age 62 and ceasing work in covered employment (generally work covered by the collective bargaining agreement).

Early Retirement - You will be eligible to receive an Early Retirement Benefit upon attaining age 55 and ceasing work in covered employment (generally work covered by the collective bargaining agreement) and industry employment. Early Retirement Benefits are limited to one per lifetime.

Termination Cash-Out – You will be eligible to receive a Termination Cash-Out Benefit upon the last day of three consecutive Plan Years during which you fail to work any hours of Covered Employment for any Employer. The maximum amount to be distributed shall be equal to the lesser of: your entire account balance, or \$5,000.

Disability Retirement – You will be eligible to receive a Disability Retirement Benefit upon receiving an award of disability benefits from the Social Security Administration. Of course, you must be unable to engage in any regular occupation or employment for pay in order to be considered disabled.

Death Benefits - If you should die before receiving a benefit, your surviving spouse, if any, will be eligible to receive a Death Benefit equal to your account balance. If you are unmarried at the time of your death, the Death Benefit will be payable to your beneficiary. If you do not designate a beneficiary, the benefit will be paid to your surviving spouse, or your estate, in that priority, as your beneficiary.

You may request a form to be used for designating a beneficiary from the Plan office.

HOW BENEFITS ARE PAID:

All benefits are paid in the form of a single lump sum or one or more annual partial lump sums. The lump sum benefit is equal to the balance in your individual account as of the end of the latest Plan year, plus any employer contributions received in your behalf after

that date. Please contact the fund office for more information regarding the partial lump sum benefit.

At the time you receive a benefit, you may be eligible to defer taxation of all or part of your benefit by rolling it over into an IRA or another qualified plan that accepts rollovers. You will receive detailed information regarding your rollover rights when you apply for a benefit.

HOW TO APPLY FOR BENEFITS:

If you want to apply for a benefit, call the office of the Plan at (800) 831-4914 to request the proper application form. The Plan's administrative staff will explain the application process and will provide you with all the necessary forms. If you are applying for a retirement benefit, you will need to furnish proof of your age. If applying for a disability benefit, you will be required to provide an award of disability benefits from Social Security. An application for a death benefit must be accompanied by a certified copy of your death certificate.

ACCEPTANCE OF ROLLOVERS:

This Plan accepts rollovers of lump sum benefits from other qualified plans, subject to certain conditions. Please contact the office of the Plan for additional information regarding rollovers into the Plan.