

**IBEW LOCAL UNION 351**

**WELFARE, PENSION AND SURETY FUNDS**

**Quick Reference Guide**

**January 1, 2010**

**Important Notice: This is an outline of the principal plan provisions of the IBEW Local Union 351 Welfare, Pension and Surety Plans and is not intended to completely describe the Plan provisions. In the event of any discrepancy between this outline and the Plans, the Plan Documents shall govern. For further information, please review your Summary Plan Description or contact the office of the Administrator, I. E. Shaffer & Co., at P. O. Box 1028, Trenton, NJ 08628. Telephone 1-800-792-3666.**

12/08/09

**IBEW LOCAL UNION 351 WELFARE FUND**  
**Effective January 1, 2009**

**Initial Eligibility**

You will become initially eligible for benefits on the first day of the second month following an employment period of not more than six consecutive months during which you have been credited with at least 300 hours of service. Upon satisfying this requirement, you will remain eligible for at least three months.

**You Will Become**

**Eligible On**

January 1  
February 1  
March 1  
April 1  
May 1  
June 1  
July 1  
August 1  
September 1  
October 1  
November 1  
December 1

**If You Have**

**300 Hours During the Prior**

June through November  
July through December  
August through January  
September through February  
October through March  
November through April  
December through May  
January through June  
February through July  
March through August  
April through September  
May through October

**Continued Eligibility and Termination**

To maintain your eligibility after satisfying the initial requirement, you must have at least 300 hours of service each calendar quarter. Your eligibility will terminate on the last day of the second month following the calendar quarter during which you fail to receive credit for at least 300 hours.

**Your Eligibility Will**

**Terminate On**

February 28  
May 31  
August 31  
November 30

**If You Do Not Have 300 Hours**

**During the Preceding**

October through December  
January through March  
April through June  
July through September

**Reserve Hours**

Hours of service in excess of the hours required to establish and maintain eligibility will be placed in a reserve and will accumulate up to a maximum of 900 hours. This reserve will be drawn upon to maintain your eligibility if you should fail to receive credit for at least 300 hours of service during a subsequent calendar quarter. You will also receive 150 service hours credited to a reserve for each full calendar year that you are eligible up to a maximum of 1,200 hours. This service hour reserve will be applied to maintain your eligibility upon your retirement or death. However, reserve hours may not be utilized to maintain your eligibility following your retirement if you continue to work at

the trade for a signatory or non-signatory employer in a position not requiring contributions to the Welfare Fund.

### **Disability Credit**

If you become disabled while eligible, you will be credited with 25 disability hours for each week that you are disabled up to a maximum of 600 hours for any one continuous period of disability.

### **Reinstatement**

Should your eligibility terminate, it will be reinstated provided you are credited with at least 300 hours of service during a calendar quarter and you are not out of employment with a contributing employer for more than 12 months. Your eligibility will reinstate on the first day of the second month following that calendar quarter during which you meet this 300 hour requirement. If you do not satisfy this reinstatement provision, you will be treated as a new employee and will be subject to the 300 hour requirement for initial eligibility outlined above.

### **Non-Bargaining Employees**

If you are a non-bargaining employee of an eligible participating employer, you will become eligible on the first day of the fourth month following your employment. Your eligibility will terminate on the last day of the month, which follows the month for which your employer last makes required contributions.

### **Retiree Eligibility**

Following your retirement, you will be eligible for retiree benefits provided all the following requirements are satisfied:

- You have been eligible for benefits under the Welfare Fund as an active employee for at least 60 of the 80 quarters prior to your retirement.
- You have attained age 55 or are totally disabled.
- You are entitled to receive a retirement benefit from the IBEW Local Union 351 Pension Fund except if you have been eligible as a non-bargaining employee.
- You make the required contributions in the amount established by the Trustees after exhausting your accumulated Reserve Hours. If you have attained age 62, or are totally disabled, the required contribution is \$100 per month. The required contribution for early retirees under age 62 is based upon the current monthly COBRA rates. Exception - if you retire on or after April 1, 2005 and after attaining age 58, and you do not elect the lump-sum form of payment under the IBEW Local 351 Pension Plan, the required contribution will be \$100 per month after you attain age 60 rather than after you attain age 62.

If you or your dependent loses eligibility, self-pay continuation of coverage is available under COBRA.

**Types of Plan Benefits**

- Life Insurance and Accidental Death and Dismemberment
- Temporary Disability
- Medical
- Dental
- Vision
- Employee Assistance Program - pre-certification required for all treatment associated with mental/nervous and substance abuse treatment

**Overview of AmeriHealth Administrators & Beech Street PPO Benefits**

	<b><u>In-Network</u></b>	<b><u>Out-of-Network</u></b>
In-patient Hospital	100%	80% after deductible
Out-patient Hospital	100% after \$50 co-pay	80% after deductible and \$50 co-pay
Physician Services		
In-hospital services	100% after \$15 co-pay	80% after deductible
Office or home services	100% after \$15 co-pay	80% after deductible
Diagnostic X-ray and Lab	100%	80% after deductible

**IBEW LOCAL UNION 351 WELFARE FUND**

**Schedule of Benefits  
Effective January 1, 2007**

**AMERIHEALTH ADMINISTRATORS & BEECH STREET PPO NETWORKS**

**Life Insurance** (Active Employees Only) - \$30,000

**Accidental Death & Dismemberment** (Active Employees Only) - \$30,000

**Temporary Disability Benefits** (Active Employees Only)

Weekly Benefit - \$150 - first 13 weeks of disability; \$250 - next 13 weeks of disability

Waiting Period - 7 days if due to illness; none if due to accidental injury

Maximum Benefit Period - 26 weeks

**Major Medical Benefits**

Annual Deductible - \$200/person or \$500/family

Annual Coinsurance Limits - \$1,500/person or \$3,000/family (medical expenses only)

Inpatient Hospital - Semiprivate rate

In-Network - 100% no deductible

Out-of-Network - 80% after deductible

Outpatient Hospital - Preadmission Testing and Surgery

In-Network - 100% no deductible

Out-of-Network - 80% after deductible

Other Outpatient Hospital Services:

In-Network - 100% after \$50 emergency room co-payment (waived if admitted)

Out-of-Network - 80% after deductible and \$50 emergency room co-payment (co-payment waived if admitted)

Physician Surgical and In-hospital Services:

In-Network - 100% no deductible

Out-of-Network - 80% after deductible

Physician Office or Home Visits:

In-Network - 100% after \$15 copayment

Out-of-Network - 80% after deductible

Laboratory and Radiology Services:

In-Network - 100% no deductible

Out-of-Network - 80% after deductible

Well Baby Visits and Immunizations to Age 2 (age 18 for immunizations):

In-Network - 100% no copayment  
Out-of-Network - 100% no deductible

Routine Annual Physical Examinations (\$500 annual maximum)

In-Network - 100% no co-payment  
Out-of-Network - 100% no deductible

Mammograms and Pap Smear:

In-Network - 100% after \$15 copayment  
Out-of-Network - 80% after deductible

Shingles Vaccine (age 60 and over)

In-Network - 100% no co-payment  
Out-of-Network - 100% no deductible

All Other Medical Services:

Medical - 80% after deductible

**Dental Benefits (provided through Delta Dental)**

Annual Deductible - 50/person or \$150/family  
Preventative and diagnostic services – 100% after deductible  
Basic services – 80% after deductible  
Major services – 50% after deductible  
Orthodontia services – 50%

**Prescription Card Program**

Generic Drugs - \$0 copayment, Preferred Brand Name Drugs - \$15 copayment, Premium Brand Name Drugs - \$30 copayment

**Mail Order Prescription Program**

Generic Drugs - \$0 copayment, Preferred Brand Name Drugs - \$15 copayment, Premium Brand Name Drugs - \$30 copayment

**Vision Benefits** (payable per calendar year)

Examination - \$75  
Lens, pair  
    Single - \$75  
    Bifocal - \$75  
    Trifocal - \$75  
    Lenticular - \$75  
    Contacts - \$100  
Frames - \$50

**Benefit Maximums**

Home Health Care - 120 visits per year

Outpatient Mental/Nervous and Substance Abuse Treatment – 50 visits per calendar year

Chiropractic Care Limits:

Maximum Covered Expense - \$30 per visit

Maximum Covered Visits per year - 30

Maximum Benefit for X-Rays per year - \$100

Annual Dental Maximum - \$2,000/family (not including orthodontia)

Lifetime Dental Orthodontia Maximum - \$1,000/person

Hearing Aids - \$2,000/person every 36 months

Lifetime Major Medical Maximum - unlimited

**Pre-Certification Requirements**

All inpatient hospital stays must be pre-certified by **AmeriHealth at 1-800-952-3404**.

Emergency admissions must be certified within 72 hours after hospital admission. There is a \$200 penalty for failure to pre-certify.

All treatment relative to mental/nervous and substance abuse conditions must be pre-certified by the **Employee Assistance Program at 1-800-527-0035** rather than AmeriHealth. No benefits will be paid for treatment that is not pre-certified.

## **IBEW LOCAL UNION 351 PENSION FUND**

Effective January 1, 2010

### **Important Terms**

- Plan Year - January 1<sup>st</sup> to December 31<sup>st</sup>
- Credited Service
  - ◊ For service after 1/1/96, 1/12<sup>th</sup> year of credit for each 100 hours of service up to a maximum of 1 year of credit for 1,200 hours.
  - ◊ For service from 10/1/95 to 12/31/95, 1/12<sup>th</sup> year of credit for each 100 hours of service up to a maximum of .25 year of credit for 300 hours.
  - ◊ For service prior to 10/1/95, credit is based upon provisions of prior plans 211, 439 and 592.
- Vested Service - 1 year of credit for 1,000 hours of service (no partial credit).
- Vesting - 100% after 5 years vested service if employed after 1/1/99.
- Forfeiture - occurs if prior to becoming vested you incur a period of at least 5 consecutive 1 year breaks in service, which equals or exceeds your vested service.
- Break in Service - any plan year during which you do not earn any credited service.

### **Types of Pension Benefits**

- Normal Retirement – payable at age 60 with 10 years of credited service or age 62 with 5 years of participation.
- Early Retirement – payable at age 55 with 5 years of credited service.
- Disability Retirement – payable at any age, with Social Security Disability, and 8 years of credited service.

### **Normal Retirement Benefits**

A lifetime monthly benefit payable for life starting at normal retirement age equal to:

- \$1.10 per month for each full \$50 of contributions from 10/1/95 to 12/31/98, plus,
- \$1.00 per month for each full \$50 of contributions from 1/1/99 to 12/31/02, plus,
- \$1.00 per month for each full \$100 of contributions from 1/1/03 to 12/31/04, plus,
- \$1.00 per month for each full \$110 of contributions from 1/1/05 to 12/31/05, plus,
- \$1.00 per month for each full \$135 of contributions from 1/1/06 to 12/31/06, plus,
- \$1.00 per month for each full \$180 of contributions from 1/1/07 to 12/31/07, plus,
- \$1.00 per month for each full \$200 of contributions from 1/1/08 to 12/31/09, plus,
- \$1.00 per month for each full \$210 of contributions after 1/1/10, plus,
- 110% of the monthly benefit earned under the Local 211, 439 and 592 Pension Plans.

### **Early Retirement Benefits**

Same as Normal Retirement amount reduced by 1/2% for each month that you retire prior to age 60 and 1/3% for each month that you retire prior to age 56. For example, at age 58 your benefit would be reduced by 12%. At age 56 your benefit would be reduced by 24%. At age 55 your benefit would be reduced by 28%. There is no reduction in your benefit if the total of your age and years of credited service is at least 83 (“Rule of 83”). Plus, a supplement payable until age 62 for employees with at least 20 years of credited service equal to your early retirement benefit determined above.

### **Disability Retirement Benefits**

Same as Normal Retirement amount with no reduction for early retirement and no supplemental benefit.

### **Forms of Payment**

- Life Annuity with 60 payments guaranteed
- Life Annuity with 120 payments guaranteed
- Life Annuity with 180 payments guaranteed
- Life Annuity with 240 payments guaranteed
- Spouse's Joint and 50%, 75% or 100% to Survivor (with pop-up)
- Lump sum (for benefit accrued through 12/31/02)

### **Pre-Retirement Death Benefits**

#### **Non Vested Employee With 2 But Less than 5 Years of Credited Service – (including 2 years during the 5 years prior to death)**

- ◇ Lump sum benefit equal to \$1,000 times years of credited service.

#### **Non-Vested Employee With 5 But Less than 10 Years of Credited Service – (including 2 years during the 5 years prior to death)**

- ◇ Lump sum benefit equal to 30 times your accrued normal retirement monthly benefit.

#### **Vested Employee**

- ◇ Lifetime benefit payable to your spouse equal to ½ your accrued normal retirement monthly benefit. This benefit commences immediately provided you are over age 50 or have at least 20 years of credited service, or when you would have attained age 50 if you have less than 20 years of credited service, or
- ◇ Lump sum benefit equal to 60 times your accrued normal retirement monthly benefit.

### **Post Retirement Death Benefits**

- Continuation of monthly benefit based upon form of payment elected at retirement.

## **IBEW LOCAL UNION 351 SURETY FUND**

Effective September 1, 2009

### **Your Account Balance is Equal to:**

- Employer Contributions, plus
- Investment Earnings, less
- Withdrawals, less
- Expenses

### **Types of Surety Benefits**

- Retirement – payable if age 55 and retired from the Industry.
- Disability – payable if totally and permanently disabled.
- Full Termination – payable if no covered employment over 3 consecutive months.
- Partial Termination – 25% of your account balance payable if no covered employment over 15 consecutive days, but not more than two times in a calendar year.
- Death - payable upon death.
- Financial Hardship - available to participants for the following purposes:
  - ◇ Medical expenses of at least \$500 incurred by you, your spouse, dependent child, parent or grandchild that have not been reimbursed by insurance.
  - ◇ Educational expenses for yourself, your spouse or dependent child to attend an educational institution above the high school level or a school for handicapped children.
  - ◇ Purchase of a home, cooperative or condominium apartment for your principal residence for which you have incurred down payment, contract or title expenses.
  - ◇ Funeral expenses incurred due to the death of your spouse, child or parent.
  - ◇ Home improvement of at least \$5,000 or to prevent foreclosure or eviction from principal residence.

### **Forms of Payment**

- Lump Sum
- Monthly installments over a period not to exceed your life expectancy
- Combination lump sum and monthly installments
- Joint and survivor annuity

### **Federal and State Income Taxes**

- Surety benefits are subject to federal and state income taxes.
- Mandatory 20% withholding applies to all payments made over less than 10 years.
- 10% IRS penalty applies if you are not 59½ or 55 and retired.
- May qualify for rollover treatment.

### **Investment Choices:**

- Prudential Guaranteed Deposit Fund
- Oppenheimer Capital Intermediate Fixed Income Fund
- Dreyfus Founders Balanced Fund
- AllianceBernstein 2010, 2020, 2030, 2040 and 2050 Retirement Strategy (default choice)
- Prudential/Lazard LifeStyle 60, 50, 40, 30 and 20 Funds
- Dryden S&P 500 Index Fund
- Lingleaf Partners Fund
- Janus Fund Strategy
- Fidelity Contrafund
- Vanguard Mid Cap Fund
- Thornburg Core Growth Fund
- Vanguard Small Cap Fund
- LSV International Large Cap Value Fund
- Thornburg International Value Fund
- Prudential Retirement Real Estate Fund

Investment earnings credited daily. Investment elections may be changed daily. Access to your account with your PIN 24 hours a day, 7 days a week – [www.ieshafter.com](http://www.ieshafter.com) or (877) 742-3373 (toll-free).

Participants may take an asset allocation course provided by Prudential Retirement at [www.prudential.com/signature/th](http://www.prudential.com/signature/th). The password is “351”. Please visit <http://www3.prudential.com/signature/taft/local351.htm> for quarterly investment updates.