

**OPERATING ENGINEERS
LOCAL 66
ANNUITY AND
SAVINGS FUND**

Summary Plan
Description

REVISED 1-1-2009

BOOKLET 4

**OPERATING ENGINEERS LOCAL 66
ANNUITY AND SAVINGS FUND**

UNION TRUSTEES

James T. Kunz, Jr., *Chairman*

Thomas M. Durkin

EMPLOYER TRUSTEES

John Watkins, *Secretary*
McDonough

Terrence M.

FUND ADMINISTRATOR

Robert T. Jack, C.E.B.S.

**MAILING ADDRESS
FOR CLAIMS AND CORRESPONDENCE**

Operating Engineers Local 66
Annuity and Savings Fund
P.O. Box 38682
Pittsburgh, PA 15238-8682

FUND OFFICE

Operating Engineers Local 66
Annuity and Savings Fund
111 Zeta Drive
Pittsburgh, PA 15238

Phone (412) 968-9750
FAX (412) 968-9757
www.oe66.com

FUND ATTORNEY

Richard T. Kennedy
Meyer, Unkovic & Scott LLP

INVESTMENT CONSULTANT

Raulin Inc.

TABLE OF CONTENTS

Introduction	1
Participation	1
Eligibility	
Participation	
Restrictions on Participation	
Contributions	2
Employer Contributions	
Employee Contributions	
Reciprocal Contributions	
Military Service	
Accounts	3
Individual Accounts	
Vesting in Accounts	
Account Values	
Investment Options	4
Investment of Accounts	
Investment Decision	
Investment Election	
Distribution of Accounts	4
Retirement Distribution	
Termination of Employment Distribution	
Direct Rollover/Payment Election	
Distribution of Small Accounts	
Required Distribution	
In Service Withdrawals	5
Annual Withdrawal Option	
Financial Hardship Withdrawal	
Death Benefit	5
Eligibility	
Time and Form of Distribution	
Direct Rollover/Payment Election for Spouse Beneficiary	
Direct Rollover/Payment Election for Non-Spouse Beneficiary	

Designation of Beneficiary
Death of Your Beneficiary Before Distribution

Applications and Appeals	11
Application	
Required Information for Distribution	
Denied Application	
Appeal of Denied Application	
Review of Appeal	
Representative	
Beneficiaries	
Taxation of Distributions	14
Federal Income Taxation	
Additional 10% Income Tax on Distributions Before Age 59½	
Eligible Rollover Distributions and Direct Rollovers	
Spouse Beneficiary and Direct Rollovers	
Non-Spouse Beneficiary and Direct Rollovers	
Additional Information on Direct Rollovers to a Roth IRA	
Special Tax Notice	
Other Important Fund Information	18
Payment Only From Accounts	
Assignment of Benefits	
Qualified Domestic Relations Orders	
Limits on Allocations	
Plan Insurance	
Amendments and Termination	
Administrative Facts	19
Plan Name	
Plan Type/Identification	
Plan Sponsor and Administrator/Fund Office	
Contributions/Employers	
Collective Bargaining Agreement	
Plan and Trust Document	
Funding Medium/Plan Assets	
Plan Year	
Legal Process	
U.S. Department of Labor Statement of ERISA Rights	21
Receive Information About Your Plan and Benefits	

Prudent Actions by Plan Fiduciaries
Enforce Your Rights
Assistance with Your Questions

INTRODUCTION

The Board of Trustees is pleased to provide you with this revised booklet explaining the Operating Engineers Local 66 Annuity and Savings Fund. The Annuity and Savings Fund is intended to provide you with additional financial security in retirement by supplementing the pension you may receive from the Pension Fund.

Your employer has agreed to contribute to the Annuity and Savings Fund on your behalf under an agreement with the Union or the Board of Trustees. These contributions are held in an individual Account on your behalf, and you direct how your Account is invested. Your Account is payable upon your retirement, death, or termination of employment. In addition, to address any pressing, short-term financial needs, in-service withdrawals are available in the event of your financial hardship and annually for certain prior year contributions.

This booklet is the summary plan description for the Annuity and Savings Fund. It summarizes the Annuity and Savings Fund as amended through January 1, 2009, and illustrates how the Annuity and Savings Fund operates. You should read the booklet and refer to it whenever you have questions about the Annuity and Savings Fund. If you have questions after reading this, please write or call the Fund Office.

This booklet is not the plan and trust document. The plan and trust document contains all of the terms and conditions of the Annuity and Savings Fund and legally governs its operation. You may examine or secure a copy of the plan and trust document by contacting the Fund Office.

PARTICIPATION

Eligibility

You are eligible to participate in the Annuity and Savings Fund if your work is covered by a collective bargaining agreement with the Union that requires your employer to make contributions to the Fund on your behalf.

You are also eligible to participate in the Annuity and Savings Fund if your employer signs a participation agreement with the Board of Trustees that requires your employer to make contributions to the Fund on your behalf.

There are no minimum age or service requirements for participation.

Participation

Your participation in the Annuity and Savings Fund will begin when Employer Contributions are made to the Fund on your behalf. Your

participation will continue for so long as you have an Account under the Annuity and Savings Fund.

Restrictions on Participation

If your work for an employer is not covered by a collective bargaining agreement, you may be ineligible to participate in the Annuity and Savings Fund unless your employer can meet certain coverage requirements imposed by the Internal Revenue Code.

If you think that this may apply to you, you may contact the Fund Office for more information.

CONTRIBUTIONS

Employer Contributions

Your employer is obligated to make Employer Contributions to the Annuity and Savings Fund on your behalf in the amount specified in the collective bargaining agreement with the Union or in the participation agreement entered into with the Board of Trustees.

Employee Contributions

You are not required or permitted to make any contributions to the Annuity and Savings Fund.

Reciprocal Contributions

If you work outside the jurisdiction of the Annuity and Savings Fund and are eligible to participate in another defined contribution plan maintained for employees represented by the International Union of Operating Engineers, and if that defined contribution plan has entered into a reciprocal agreement with the Annuity and Savings Fund, you may be able to elect to have the employer contributions made on your behalf to that defined contribution plan transferred to the Annuity and Savings Fund. The Fund Office can provide you with information on the defined contribution plans that have entered into a reciprocal agreement with the Annuity and Savings Fund.

Military Service

If you leave covered employment to enter the military and later return to covered employment with reemployment rights under the Uniformed Services Employment and Reemployment Rights Act (USERRA), your Account will be credited with contributions for the eligible period of your military service.

These contributions will be determined by the number of hours of employer contributions made for the 12-month period preceding your

military service and the average hourly rate for those contributions. If your eligible military service begins within 12 months of the commencement of your covered employment, the contributions will be determined by an estimated number of hours (not exceeding the average number of hours of contributions for all participants during the period of military service).

Note that these contributions are credited for your military service only if you satisfy all of the requirements of USERRA to be entitled to reemployment rights. Two of the key requirements are that you must be absent from covered employment because of your military service and you must timely return to, or make yourself available for, covered employment after completing your military service. Contact the Fund Office for additional information.

ACCOUNTS

Individual Accounts

The Employer Contributions made on your behalf are credited to an individual Account maintained on your behalf under the Annuity and Savings Fund.

Because of the Annual Withdrawal Option, your individual Account has subaccounts to record the amounts attributable to Employer Contributions made in the current calendar year, the first preceding calendar year, the second preceding calendar year, the third preceding calendar year and all remaining preceding calendar years. For example, assuming Employer Contributions from 2000 to 2009, in 2009, you would have subaccounts for the 2009 contributions, the 2008 contributions, the 2007 contributions, the 2006 contributions, and the 2000-2005 contributions.

Vesting in Accounts

You are always 100 percent vested in your Account.

Account Values

The value of your Account is adjusted by:

- adding the Employer Contributions made on your behalf;
- adding and subtracting your proportionate share of investment earnings and losses; and
- subtracting any distributions and withdrawals made from your Account.

Benefits under the Annuity and Savings Fund are paid only from the value of your Account, which reflects investment gains and losses. There is no guarantee for the value of your Account.

Your Account is charged with a fixed monthly fee to pay for the expenses of administering and maintaining the Annuity and Savings Fund. The same fee is charged to all accounts. This fee may be changed from time-to-time by the Board of Trustees as necessary.

You will receive personal statements of the value of your Account. These statements will show the value of your Account, the amount of Employer Contributions, the investment performance of your Account and any chargeable fees.

INVESTMENT OPTIONS

Investment of Accounts

Individual Investment Funds have been established under the Annuity and Savings Fund for the investment of your Account. You are provided with a prospectus or description of each of the Investment Funds when your participation begins. Details on the investments and objectives of the Investment Funds are contained in the prospectuses and descriptions.

Any time you need a current prospectus or investment fund description for one or more of the Investment Funds, you may contact PNC Vested Interest at 1-800-374-4631. You may also contact the Fund Office.

Investment Decision

The decision on how to invest your Account is solely your own. You may elect to invest in any one Investment Fund, or in any combination of the Investment Funds. You should carefully review the prospectus or investment fund description for each Investment Fund in order to determine the investment alternative that best meets your objectives. If you wish, you may consult a professional investment advisor.

The Annuity and Savings Fund is intended to be a "section 404(c) plan" under ERISA, which means that the fiduciaries of the Fund may not have liability for any losses that are the direct and necessary result of your investment decisions.

Investment Election

You make your initial election for the investment of Employer Contributions when your participation in the Annuity and Savings Fund begins. If you fail to make an initial investment election, you are deemed to have elected to have all of the Employer Contributions invested in the default Investment Fund. A default Investment Fund is designated solely to provide for the investment of accounts of participants and beneficiaries who

fail to make an investment election. The default Investment Fund should not be considered to be an appropriate investment for your Account solely by reason of its designation as the default Investment Fund. The decision on how to invest your Account remains your own.

Your initial investment election will remain in effect until changed by you. You may at any time:

- change your investment election for future Employer Contributions; and/or
- transfer (or reallocate) the money already invested in the Investment Funds.

All investment elections, changes and transfers are made by calling the PNC Vested Interest Response Line at 1-800-374-4631, or by internet at www.retirementdirections.com.

You will need your User ID. If you have never logged onto the website, your User ID will be your Social Security Number. You will also need your PNC issued PIN. If you do not have your PIN, call the Vested Interest Response Line and one will be mailed to you.

In the event of your death, your beneficiary may elect to transfer (or reallocate) the money already invested in the Investment Funds.

DISTRIBUTION OF ACCOUNTS

Retirement Distribution

You are eligible to receive a distribution of your Account if you retire and leave employment at or after age 55. Distribution will be made as soon as reasonably practicable following the date your application for distribution is approved. You may elect one of the following forms for the distribution of your Account:

- a lump sum payment of the total balance of your Account;
- a partial lump sum payment of at least \$5,000, but only before the calendar year in which you attain age 70½ and not more frequently than once each calendar year, and only if the balance of your Account is expected to be at least \$5,000 after the partial lump sum payment is made; or
- if the balance of the Account is at least \$5,000, payment in 60, 120 or

180 monthly installments, but not beyond December of the calendar year in which you attain age 85.

If you elect monthly installments, the installments will be paid for the number of months you specify (or, if less, the number of months until the end of the calendar year in which you attain age 85). The amount of the monthly installments will be adjusted each calendar year by dividing the then balance of your Account by the number of remaining installments. Any balance remaining at the end of the installment payment period will be paid in a lump sum payment.

You elect the form of distribution on the application for distribution filed with the Fund Office during the 180-day period before the date distribution of your Account is made or begins.

Termination of Employment Distribution

You are eligible to receive a distribution of your Account if you leave employment before retirement at age 55 by withdrawing from all employment in the construction industry within the geographic collective bargaining jurisdiction of the Union. You are considered to have left employment if:

- no Employer Contributions have been made or are due to the Annuity and Savings Fund on your behalf for at least 36 consecutive months;
- you are not working in the construction industry, including in supervisory positions; and
- you have not made yourself available for work, which requires you not to have been on the "out-of-work" list for the entire 36-month period.

Distribution will be made as soon as reasonably practicable following the date your application for distribution is approved. You may elect one of the following forms for the distribution of your Account:

- a lump sum payment of the total balance of your Account; or
- a partial lump sum payment of at least \$5,000, but only before the calendar year in which you attain age 70½ and not more frequently than once each calendar year, and only if the balance of your Account is expected to be at least \$5,000

after the partial lump sum payment
is made.

You elect the form of distribution on the application for distribution filed with the Fund Office during the 180-day period before the date distribution of your Account is made.

Direct Rollover/Payment Election

When you apply for the distribution of your Account, you also elect whether the distribution is to be made by direct payment to you and/or by direct rollover to your individual retirement account or an eligible employer plan if you elect one of the following forms of distribution:

- a lump sum payment;
- a partial lump sum payment; or
- fewer than 120 monthly installments.

If made for installments, your direct rollover/payment election will apply to each installment made, until you change your election. You may change your election at any time for future installments.

If a distribution eligible for direct rollover is made by direct payment to you, 20% mandatory federal income tax withholding will apply. See the "TAXATION OF DISTRIBUTIONS" section of the booklet.

The direct rollover/payment election does not apply if you elect 120 or more monthly installments. These installments are paid only by direct payment to you, and each installment is subject to voluntary federal income tax withholding at the rate specified by the IRS, unless you elect to waive or change the amount of the withholding.

Distribution of Small Accounts

If the balance of your Account does not exceed \$5,000, your Account will be distributed only in a lump sum payment. In such case, except for amounts that are less than the minimum amount specified by the IRS for the election (currently \$200), you will be provided with an opportunity to elect a direct rollover for this distribution.

Required Distribution

Under the Internal Revenue Code, distribution of your Account must be made or begin by April 1 following the later of the calendar year in which you attain age 70½, or (if not a 5% owner) the calendar year in which you retire (whether or not you apply for the distribution).

IN-SERVICE WITHDRAWALS

Annual Withdrawal Option

In January of each calendar year, if Employer Contributions were made on your behalf in the third preceding calendar year, you will be given a withdrawal election for those Employer Contributions and the earnings and losses thereon. You have three options under this election:

- Option 1 - Withdraw 100 percent of the available amount;
- Option 2 - Withdraw 50 percent of the available amount, with the remaining 50 percent left in the Annuity and Savings Fund for later distribution at retirement, termination of employment, financial hardship or death; or
- Option 3 - Leave 100 percent of the available amount in the Annuity and Savings Fund for later distribution at retirement, termination of employment, financial hardship or death.

For example, in January 2009, you may make this election for the amount of Employer Contributions made in 2006 and adjusted for earnings and losses (as credited to your 2006 subaccount).

The election form will typically be sent to you in January of each year, and it will specify the deadline for its return. If you fail to make an election by the deadline, you will be deemed to have elected Option 3.

If you elect a withdrawal, you also elect whether the withdrawal is to be made by direct payment to you or by direct rollover to your individual retirement account or an eligible employer plan. If made by direct payment to you, 20% mandatory federal income tax withholding will apply. See the "TAXATION OF DISTRIBUTIONS" section of the booklet.

Financial Hardship Withdrawal

You may make a withdrawal from your Account (but excluding the amount credited to the subaccount for the current calendar year) for one of the following financial hardships:

- non-reimbursable medical expenses incurred by you or your spouse or dependents, or necessary to obtain medical care for you or your spouse or dependents;

- costs directly related to the purchase of your principal residence (excluding mortgage payments);
- payment of tuition and related education fees and room and board for the next 12 months of post-secondary education for you or your spouse, children or dependents;
- payment necessary to avoid eviction from your principal residence or to prevent foreclosure on the mortgage on your principal residence; or
- payment of burial and/or funeral expenses for your deceased parent, spouse, child or dependents.

The amount withdrawn cannot be less than \$500 and cannot be more than the amount necessary to satisfy the financial hardship plus the amount necessary to pay federal, state, and local income taxes and penalties reasonably expected to result from the withdrawal. You cannot have any other reasonably available assets to satisfy your financial hardship. You will be required to prove or certify in writing that you have no other assets that can be used to satisfy your financial hardship.

A hardship withdrawal is not eligible for rollover to an individual retirement account or an eligible employer plan, and 20% mandatory federal income tax withholding does not apply to the withdrawal. See the "TAXATION OF DISTRIBUTIONS" section of the booklet.

DEATH BENEFIT

Eligibility

If you die before the balance of your Account is distributed to you, your beneficiary will be eligible to receive a distribution of the balance of your Account.

Time and Form of Distribution

Distribution of your Account to your beneficiary on account of your death will be made in a lump sum payment as soon as reasonably practicable following the date your beneficiary's application for distribution is approved. The application for distribution is available from the Fund Office.

However, under the Internal Revenue Code, regardless of whether your beneficiary has applied for distribution of your Account:

- if your beneficiary is your spouse, the distribution must be made by the end of the calendar year in which you would have attained age 70½ (or if you die in that calendar year, by the end of the following calendar year); and
- if your beneficiary is not your spouse, the distribution must be made by the end of the calendar year in which falls the fifth anniversary of your death.

Direct Rollover/Payment Election for Spouse Beneficiary

If your beneficiary is your spouse, when your spouse applies for the distribution of your Account, your spouse also elects whether the distribution is to be made by direct payment to your spouse and/or by direct rollover to your spouse's individual retirement account or an eligible employer plan.

If made by direct payment to your spouse, 20% mandatory federal income tax withholding will apply. See the "TAXATION OF DISTRIBUTIONS" section of the booklet.

Direct Rollover/Payment Election for Non-Spouse Beneficiary

If your beneficiary is not your spouse, when your beneficiary applies for the distribution of your Account, your beneficiary also elects whether the distribution is to be made by direct payment to your beneficiary and/or by direct rollover to your beneficiary's (inherited) individual retirement account.

The direct rollover rules for a non-spouse beneficiary are different than the direct rollover rules for a spouse beneficiary. Among other things, if distribution to your non-spouse beneficiary is made by direct payment before January 1, 2010, 20% mandatory federal income tax withholding does not apply. See the "TAXATION OF DISTRIBUTIONS" section of the booklet.

Designation of Beneficiary

You should designate a primary beneficiary (or beneficiaries) to receive a distribution of your Account in the event you die before you receive a distribution of the balance of your Account. You may also designate a contingent beneficiary (or beneficiaries) to receive the distribution in the event your primary beneficiary (or beneficiaries) dies before you.

Your beneficiary designation must be made on the beneficiary designation form available from the Fund Office and will be effective only

upon receipt of a completed and signed form by the Fund Office. You may change your beneficiary designation at any time by filing another completed and signed form with the Fund Office.

If you are married, your spouse is automatically your sole primary beneficiary under the terms of the Annuity and Savings Fund. If you wish to designate a different or additional primary beneficiary, your spouse must consent to your beneficiary designation on the beneficiary designation form. This spousal consent is also required for any future changes you make to this designation (unless the change is to designate your spouse as the sole primary beneficiary). Your spouse's consent must be witnessed by a notary public, and it is effective only with respect to the spouse granting the consent.

If you are married and have designated your spouse as your beneficiary, your later divorce will not revoke or change your beneficiary designation. In such case, your former spouse will continue to be your beneficiary until you change your beneficiary designation by filing another completed and signed beneficiary designation form with the Fund Office.

If you are not married when you designate your beneficiary, and you later marry and have a spouse at your death, your designation of a primary beneficiary other than your spouse will not be effective unless your spouse consents to the designation.

If there is no primary beneficiary or contingent beneficiary at your death, your beneficiary will be deemed to be the following in the order named: (1) surviving spouse; (2) surviving children; (3) surviving parents; and (4) estate or intestate heirs.

Death of Your Beneficiary Before Distribution

After your death, your designated beneficiary entitled to receive a distribution of your Account under the Annuity and Savings Fund should designate his or her own beneficiary (or beneficiaries) to receive a distribution of the balance of your Account in the event he or she dies before distribution is made. Your designated beneficiary may obtain the required form from the Fund Office.

If there is no such beneficiary at your beneficiary's death, the beneficiary designated by your beneficiary will be deemed to be your beneficiary's estate or intestate heirs.

APPLICATIONS AND APPEALS

Application

You must apply for a distribution (or withdrawal) from your Account. To apply, contact the Fund Office for the application form.

Required Information for Distribution

The Internal Revenue Code generally requires that certain information regarding the distribution of your Account be provided to you no less than 30 days before the date of distribution. You may waive the 30-day period by applying for the distribution within that period.

The Internal Revenue Code also requires that this information be provided to you no more than 180 days before the date your Account is distributed. Thus, if after you are provided with the information, you do not then apply for your distribution early enough to permit the distribution to be made within 180 days of the date you are provided with the information, the information must be provided to you again, and you must reapply for the distribution.

Denied Application

If your application is denied, within 60 days of its receipt by the Fund Office, you will receive a written explanation setting forth:

- the reasons for the denial;
- the plan provisions that support those reasons;
- any additional material or information you must provide to support your application and an explanation of why it is necessary;
- the appeal procedures for further review of your application; and
- a statement of your right to bring a lawsuit under ERISA in the event of an adverse decision upon review of the denial.

Appeal of Denied Application

You have a right to appeal any denial of your application to the Board of Trustees by submitting a written request of appeal to the Fund Office within 60 days of the date you receive the denial. If you do not file a timely appeal, you will forfeit your right to have your denial reviewed on appeal and your right to file a lawsuit in court.

Your appeal should set forth the reasons why you believe your application should not have been denied. Your appeal should also identify and include all of the issues related to your application. Your right to file a lawsuit in court after an adverse decision on appeal is limited to the reasons and issues you raise for review by the Board of Trustees. You may submit any documents, records or other information you believe have a bearing on

your application. In preparing your appeal, you may review relevant documents and receive copies free of charge.

Review of Appeal

The Board of Trustees has the authority and discretion to interpret and apply the terms of the Annuity and Savings Fund and to resolve all legal and factual issues regarding the Fund and the administration and distribution of Accounts.

The Board of Trustees will review your appeal of a denied application by the date of its next meeting if the Fund Office receives your written appeal at least 30 days before the meeting. If filed within 30 days of a meeting, the Board of Trustees will review your appeal by the date of the second meeting following the receipt of your written appeal by the Fund Office. The Board of Trustees will issue a written decision on your appeal. This decision is final and binding on all interested parties. If adverse, the decision will include:

- the reasons for the decision;
- the provisions on which the decision is based;
- a statement of your right to examine documents that are relevant to your application and to receive copies free of charge; and
- a statement of your right to bring a lawsuit under ERISA (on issues raised and considered in the appeal).

Representative

You may designate a duly authorized representative to file an application on your behalf and/or to appeal a denial to the Board of Trustees on your behalf. You will generally be required to provide a written statement of the designation, along with an authorization to release information to your representative.

Beneficiaries

The above application and review procedures apply to your spouse or designated beneficiary who wishes to apply for a distribution of your Account after your death.

TAXATION OF DISTRIBUTIONS

Federal Income Taxation

When you or your beneficiary receive a distribution (including a withdrawal) from the Annuity and Savings Fund, the amount received will be subject to federal income tax.

You and your spouse beneficiary may be able to elect special favorable tax treatment for the distribution or to postpone taxes on the distribution by making a rollover to an individual retirement account ("IRA") or an eligible employer plan. Your non-spouse beneficiary may be able to postpone taxes on the distribution by electing a direct rollover to an (inherited) IRA for the distribution.

Because of the complexity of the taxation of a distribution from the Annuity and Savings Fund and the number of options available, you and your beneficiary should consider consulting a professional tax advisor before the distribution is made.

Additional 10% Income Tax on Distributions Before Age 59½

An additional 10% income tax is generally imposed on distributions made to you from the Annuity and Savings Fund before you attain age 59½. However, this additional tax is not imposed if:

- the distribution is attributable to your total and permanent disability within the meaning of the Internal Revenue Code;
- the distribution is made to you because of your separation from service within the meaning of the Internal Revenue Code under the Annuity and Savings Fund during or after the calendar year in which you attain age 55;
- the distribution is eligible for and rolled over into an IRA or an eligible employer plan;
- the distribution does not exceed the amount allowable as a federal income tax deduction for medical care; or
- the distribution is paid directly to the government to satisfy a federal tax levy.

It is your responsibility to determine whether an additional 10% income tax is due on a distribution. There is no federal income tax withholding for this tax.

This additional 10% income tax does not apply to a distribution made to your (spouse or non-spouse) beneficiary after your death or to a distribution made to an alternate payee under a qualified domestic relations order.

Eligible Rollover Distributions and Direct Rollovers

You will be provided with the following options for an "eligible rollover distribution" made to you:

- You may elect to have the distribution rolled over directly to your IRA or an eligible employer plan.
- You may elect to have the distribution paid directly to you.
- You may elect to have part of the distribution rolled over directly to your IRA or an eligible employer plan (current \$500 minimum) and have the balance of the distribution paid directly to you.

Most distributions under the Annuity and Savings Fund will be an "eligible rollover distribution," and thus, eligible for the above election. The primary exceptions are:

- installments paid for 120 or more months;
- financial hardship withdrawals; and
- the amount of the required minimum distribution under the Internal Revenue Code made to participants age 70½ and older.

A direct rollover of an "eligible rollover distribution" can be made to your IRA or an eligible employer plan. The IRA can be a Traditional IRA or (if eligible) a Roth IRA. If made to an eligible employer plan or a Traditional IRA, the direct rollover is not subject to federal income taxation at the time of the rollover. If made to a Roth IRA, the direct rollover is subject to federal income taxation at the time of the rollover. If you elect a direct rollover to an IRA, it is important that you properly designate the type of IRA to receive the direct rollover. The Annuity and Savings Fund will rely on this designation in reporting the direct rollover distribution to the IRS.

A direct payment of an "eligible rollover distribution" to you is subject to federal income taxation when made, and 20% mandatory federal income

tax withholding will apply to the amount of the direct payment. You can postpone the federal income taxation of a direct payment by rolling over all or part of the direct payment to a traditional IRA or an eligible employer plan within 60 days of the date of the direct payment. You can rollover up to 100% of the "eligible rollover distribution," including an amount equal to the 20% mandatory federal income tax withholding (but you will have to find another source of funds for a rollover of the amount of the mandatory 20% withholding). It is your responsibility to determine the extent to which this rollover may be made.

Spouse Beneficiary and Direct Rollovers

Your spouse beneficiary will be provided with the following options for a (lump sum payment) distribution, except for any amount that is a required minimum distribution under the Internal Revenue Code:

- Your spouse may elect to have the distribution rolled over directly to his or her IRA or an eligible employer plan.
- Your spouse may elect to have the distribution paid directly to him or her.
- Your spouse may elect to have part of the distribution rolled over directly to his or her IRA or an eligible employer plan (current \$500 minimum) and have the balance of the distribution paid directly to him or her.

A direct rollover of an "eligible rollover distribution" can be made to your spouse's IRA or an eligible employer plan. The IRA can be a Traditional IRA or (if eligible) a Roth IRA. If made to an eligible employer plan or a Traditional IRA, the direct rollover is not subject to federal income taxation at the time of the rollover. If made to a Roth IRA, the direct rollover is subject to federal income taxation at the time of the rollover. If your spouse elects a direct rollover to an IRA, it is important that your spouse properly designate the type of IRA to receive the direct rollover. The Annuity and Savings Fund will rely on this designation in reporting the direct rollover distribution to the IRS.

A direct payment of the distribution to your spouse is subject to federal income taxation when made, and 20% mandatory federal income tax withholding will apply to the amount of the direct payment. Your spouse can postpone the federal income taxation of a direct payment by rolling over all or part of the direct payment to a traditional IRA or an eligible employer plan

within 60 days of the date of the direct payment. Your spouse can rollover up to 100% of the distribution, including an amount equal to the 20% mandatory federal income tax withholding (but your spouse will have to find another source of funds for a rollover of the amount of the mandatory 20% withholding). Your spouse has the responsibility to determine the extent to which this rollover may be made.

Non-Spouse Beneficiary and Direct Rollovers

Your non-spouse beneficiary will be provided with the following options for a (lump sum payment) distribution, except for any amount that is a required minimum distribution under the Internal Revenue Code:

- Your beneficiary may elect to have the distribution rolled over directly to his or her "inherited" IRA.
- Your beneficiary may elect to have the distribution paid directly to him or her.
- Your beneficiary may elect to have part of the distribution rolled over directly to his or her "inherited" IRA (current \$500 minimum) and have the balance of the distribution paid directly to him or her.

A direct rollover must be made to an "inherited" IRA. The inherited IRA can be a Traditional IRA or (if eligible) a Roth IRA. If a Traditional IRA, the direct rollover is not subject to federal income taxation at the time of the rollover. If a Roth IRA, the direct rollover is subject to federal income taxation at the time of the rollover. If your non-spouse beneficiary elects a direct rollover to an IRA, it is important that your beneficiary properly designate the type of IRA to receive the direct rollover. The Annuity and Savings Fund will rely on this designation in reporting the direct rollover distribution to the IRS.

Under current IRS rules, the balance of the inherited IRA established by a direct rollover may have to be distributed to your non-spouse beneficiary by December 31 of the calendar year in which falls the fifth anniversary of your death, unless the direct rollover to the IRA is made by December 31 of the calendar year following the calendar year of your death. Your non-spouse beneficiary has the responsibility to determine the extent to which distributions must be made from the inherited IRA.

Also, under current IRS rules, a distribution paid directly to your non-spouse beneficiary cannot be rolled over to an IRA by your non-spouse beneficiary after it is made, and 20% mandatory federal income tax

withholding does not apply to the direct payment of a distribution made to your non-spouse beneficiary before January 1, 2010.

Additional Information on Direct Rollovers to a Roth IRA

There are specific eligibility requirements for a direct rollover to a Roth IRA (for example, prior to January 1, 2010, adjusted gross income cannot exceed \$100,000, and if married, a separate income tax return cannot have been filed). It is your, or your spouse or non-spouse beneficiary's, responsibility to determine the eligibility to make a direct rollover to a Roth IRA.

Special Tax Notice

At the time of an eligible distribution, you or your beneficiary will be provided with a Special Tax Notice with the Internal Revenue Service's explanation of the 20% mandatory federal income tax withholding and the direct rollover/payment election.

OTHER IMPORTANT FUND INFORMATION

Payment Only From Accounts

Benefits may be paid under the Annuity and Savings Fund only from Accounts. The value of your Account reflects investment earnings and losses, and the value of your Account is not guaranteed.

Assignment of Benefits

You and your beneficiary cannot assign, sell or transfer your Account under the Annuity and Savings Fund. Nor is the Account subject to the claims of creditors. However, there are certain exceptions, such as for qualified domestic relations orders and certain tax liens.

Qualified Domestic Relations Orders

As required by federal law, part or all of your Account under the Annuity and Savings Fund may be segregated and distributed to your spouse, former spouse, child or other dependent in accordance with a qualified domestic relations order. This order is a judgment, decree or order made pursuant to a state domestic relations law which provides child support, alimony payments or marital property rights to your spouse, former spouse, child or other dependent. You will be notified of the receipt of a qualified domestic relations order with respect to your Account.

Under procedures adopted for qualified domestic relations orders, your eligibility to receive a distribution or withdrawal from your Account may be suspended while a qualified domestic relations order received with respect to your Account is being reviewed and for a reasonable period after notice has

been provided that a qualified domestic relations order is being sought with respect to your Account. By filing a written request with the Fund Office, you (or your spouse or former spouse) may obtain a copy of these procedures without charge.

Your Account will be reduced by any segregation and/or distribution made pursuant to a qualified domestic relations order.

Limits on Allocations

The Internal Revenue Code limits the total amount of contributions that can be allocated to your Account. You will be notified if affected.

Plan Insurance

Because benefits under the Annuity and Savings Fund are provided by individual participant accounts, the benefits under the Fund are not insured by the Pension Benefit Guaranty Corporation. The PBGC is a government corporation that insures certain benefits provided by eligible defined benefit pension plans.

Amendments and Termination

The Board of Trustees has the general right to amend or terminate the Annuity and Savings Fund at any time. Upon termination, assets of the Annuity and Savings Fund will be distributed to the participants (and beneficiaries of deceased participants).

ADMINISTRATIVE FACTS

Plan Name

Operating Engineers Local 66 Annuity and Savings Fund

Plan Type/Identification

The Annuity and Savings Fund is a multiemployer, defined contribution plan. It is identified by the following numbers:

- 25-6271522 - the employer identification number assigned to the Board of Trustees by the Internal Revenue Service; and
- 001 - the plan number assigned to the Fund by the Board of Trustees.

Plan Sponsor and Administrator/Fund Office

The Board of Trustees is the plan sponsor and the plan administrator of the Annuity and Savings Fund, with offices located at 111 Zeta Drive, Pittsburgh, PA 15238. The members of the Board of Trustees are:

Union Trustees

James T. Kunz, Jr., Chairman
Thomas M. Durkin

Employer Trustees

John Watkins, Secretary
Terrence M. McDonough

The Fund is administered through the Fund Office, Operating Engineers Local 66 AFL-CIO and Construction Industry Combined Funds, Inc.

Contributions/Employers

Contributions to the Annuity and Savings Fund are made by employers in accordance with collective bargaining agreements with the International Union of Operating Engineers, Local 66, and participation agreements with the Trustees. Upon written request, the Fund Office will provide information as to whether an employer is contributing to the Annuity and Savings Fund.

Collective Bargaining Agreement

The Annuity and Savings Fund is maintained pursuant to collective bargaining agreements with the International Union of Operating Engineers, Local 66. You may examine or secure a copy by contacting the Union.

Plan and Trust Document

The booklet summarizes the main provisions of the Annuity and Savings Fund in non-technical language. Some features, particularly those that apply to few employees, are not described in the booklet.

The booklet is not part of the plan document for the Annuity and Savings Fund and does not modify the plan document. The plan and trust document for the Annuity and Savings Fund contains all of the terms and conditions of the Annuity and Savings Fund and legally governs its operation. The plan and trust document may be interpreted only by the Board of Trustees, and no other person has the authority to interpret the Annuity and Savings Fund or make any representations regarding the Annuity and Savings Fund.

Funding Medium/Plan Assets

Assets used to provide benefits under the Annuity and Savings Fund are held in trust by the Board of Trustees under the terms and conditions of a trust agreement. The trust assets are held in custody by PNC Bank, N.A. and invested as directed by participants and beneficiaries in investment funds selected by the Board of Trustees.

Plan Year

The plan year for the Annuity and Savings Fund is the calendar year.

Legal Process

Legal process may be served upon Robert T. Jack, Fund Administrator, at the Fund Office's address, or upon a Trustee.

U.S. Department of Labor Statement of ERISA Rights

As a participant in the Annuity and Savings Fund you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

Examine, without charge, at the plan administrator's office and at any other specified locations, all documents governing the plan, collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.

Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.

Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

Obtain a statement telling you whether you have a vested right to your Account, and if so, the value of your Account. You are automatically provided with this statement under the Annuity and Savings Fund. If you do not receive the statement, you may write to the plan administrator for the statement. This statement is not required to be given more than once every twelve (12) months. The plan must provide the statement 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 employee benefit plan. The people who operate your 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 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 a 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 plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. 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, 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 your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, 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.