

# NEAP

## National Electrical Annuity Plan

### SUMMARY PLAN DESCRIPTION



2017

# INTRODUCTION

**T**he IBEW — District Ten — NECA Individual Equity Retirement Plan (often referred to as the “District Ten Plan”) was established in 1973 as the result of an agreement reached between the International Brotherhood of Electrical Workers (IBEW) and the National Electrical Contractors Association (NECA). Effective January 1, 1994, the name was changed to the National Electrical Annuity Plan (NEAP).

This booklet is a “Summary Plan Description” (SPD) and contains a summary of the Plan of Benefits for NEAP (the Plan) in effect as of January 1, 2017. As a summary, this SPD cannot cover all of the details of the Plan; it is an overview. The Plan governs all questions concerning benefits, rights, and responsibilities under the Plan. In the event of a conflict between the SPD and the Plan, the Plan will govern.

There have been many changes to the Plan since it was established. Your benefit is generally based on the rules of NEAP at the time you begin receiving a benefit. Therefore, before making any decision that could affect your rights or responsibilities under the Plan — such as a decision to retire — you should contact the NEAP office and ask about how the Plan applies to your situation. If you have any questions about NEAP, you should contact the NEAP office.

## CONTACTING NEAP

**W**e invite you to visit NEAP’s website at [www.neap.org](http://www.neap.org), where you can find all of the basic forms and documents used by NEAP and the latest information concerning NEAP.

You may also contact NEAP by writing to the address shown below. If you would like to speak to a Pension Services Representative, you may call between the hours of 8:00 a.m. and 5:00 p.m. (EST), Monday through Friday.

**National Electrical Annuity Plan**  
**2400 Research Boulevard, Suite 500**  
**Rockville, MD 20850-3266**  
**Telephone: 301-556-4300**  
**Fax: 301-556-0100**  
**[www.neap.org](http://www.neap.org)**

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## Section 1 – What Is NEAP?

The National Electrical Annuity Plan (NEAP) is a defined contribution plan that provides retirement and related benefits to employees in the electrical industry.

Participants are assigned an Individual Account. The balance of a Participant's Individual Account is the total amount of contributions received and adjustments due to NEAP's investment performance. A Participant's benefit amount is based upon the balance in the Participant's Individual Account at the time the application is approved.

### **What Is an Individual Account?**

NEAP establishes and maintains a separate account in your name. All contributions made on your behalf are credited to your Individual Account. The balance of your Individual Account is adjusted each month to reflect the result of its investment performance.

Quarterly, NEAP will mail a statement to you showing the balance of your Individual Account for the previous quarter. This statement will also show all contributions made to NEAP on your behalf and your Individual Account's investment performance. You can obtain an update of the balance of your Individual Account by submitting a signed request to NEAP.

### **How Are Contributions Made?**

Contributions are made each month by Covered Employers on behalf of employees who are covered by either:

- A collective bargaining agreement with the International Brotherhood of Electrical Workers (IBEW) or one of its local unions, *or*
- A signed participation agreement with NEAP.

In addition to contributions made by your employer, NEAP may also accept other contributions in the form of rollover contributions, asset transfers, and Reciprocal Transfers from other qualified plans.

### **How Much Does My Employer Contribute to NEAP?**

Covered Employers are required to contribute at least twenty-five cents (.25) per hour for each hour worked in Covered Employment. The collective bargaining agreement or participation agreement signed by your employer determines the amount your employer contributes to NEAP on your behalf.

### **Can I Contribute to NEAP?**

No. All contributions to NEAP are made by Covered Employers. Covered employees do not themselves make contributions to NEAP. However, rollover contributions approved by NEAP may be added into the balance of your Individual Account.



## Section 2 – Participating in NEAP

You become a Participant in NEAP when you have worked 160 hours in Covered Employment. These 160 hours must be accumulated during the period beginning with your first day of Covered Employment and ending on December 31 of the following year.

You remain a Participant as long as you have a balance greater than zero in your Individual Account. You are no longer a Participant when you take the entire balance of your Individual Account as a benefit. However, you are eligible to participate again in NEAP if you return to Covered Employment and meet the eligibility requirement.

## Section 3 – Becoming Vested

You are considered Vested when you have worked 160 hours in Covered Employment during the period beginning with your first day of Covered Employment and ending on December 31 of the following year.

### **Why Is It Important to Become Vested?**

It is important to become Vested because it gives you the right to a benefit from NEAP, and you cannot lose that right.

### **What Happens If I Do Not Become Vested?**

If you do not become Vested, the contributions made on your behalf are not credited to your Individual Account.

## Section 4 – Life Stage Fund Program

The Life Stage Fund program is a professionally designed and managed investment program with five diversified Life Stage Funds. These funds are designed to meet the needs of the five distinct age groups of Participants in NEAP — Under 30s, 30s, 40s, 50s, and 60s Plus. NEAP will enroll your Individual Account in the Life Stage Fund that matches your age group. As you move closer to your retirement and reach various age “milestones”, your Individual Account automatically will be moved to the Life Stage Fund best suited for your age group.

Generally, during the early years of your career, NEAP will invest your Individual Account in a Life Stage Fund with a more aggressive portfolio focused on growth. During the later years of your career, NEAP will invest your Individual Account in a Life Stage Fund with a more conservative portfolio geared toward the preservation of assets.

### **What Are the Different Life Stage Funds and How Do They Differ?**

There are five different Life Stage Funds. Each is briefly described in the table below.

<b>Under 30s Life Stage Fund</b>	This fund is the most aggressive Life Stage Fund and is focused primarily on growth. It is meant for Participants who will not retire for about 40 years.
<b>30s Life Stage Fund</b>	This fund is more conservative than the Under 30s Life Stage Fund but also provides growth opportunities. It is meant for Participants who will not retire for about 30 years.
<b>40s Life Stage Fund</b>	This fund is more conservative than the 30s Life Stage Fund and is designed for stability and growth. It is meant for Participants who will not retire for about 20 years.
<b>50s Life Stage Fund</b>	This fund is more conservative than the 40s Life Stage Fund and is designed for more predictable results and stable growth. It is meant for Participants who will not retire for about 10 years.
<b>60s Plus Life Stage Fund</b>	This fund is the most conservative Life Stage Fund and is designed primarily to preserve and protect benefits earned. It is meant for Participants who will retire in about 5 years.

### **Do I Have to Participate in the Life Stage Fund Program?**

Yes. You must participate in the Life Stage Fund program but may choose either the Automatic Option or the Select Option.

### **What Is the Difference Between the Automatic Option and the Select Option?**

The Automatic Option will enroll you in the appropriate Life Stage Fund depending upon your date of birth.

- When you reach a new age milestone (age 30, 40, 50, etc.), you **will** be automatically enrolled in the age appropriate Life Stage Fund. The enrollment date will be the first day of the quarter following your new age milestone.

The Select Option does not have automatic enrollment. You must specify the Life Stage Fund in which you want to be enrolled.

- When you reach a new age milestone (age 30, 40, 50, etc.), you **will not** be automatically enrolled in the next Life Stage Fund.

NEAP believes the best choice for most Participants is the Automatic Option. However, NEAP recognizes that some Participants may choose the Select Option and the Life Stage Fund which is the best fit for their investment need. If you do choose the Select Option, you are responsible for making sure that the target investment allocation of the Life Stage Fund you choose is appropriate for your particular needs — both now and in the future. The Trustees encourage you to consult with a financial advisor to make sure the Select Option is appropriate for you.

**What Happens If NEAP Does Not Have My Date of Birth?**

If NEAP does not have your date of birth on file, you will be enrolled in the 50s Life Stage Fund. You will remain there until you provide NEAP with your date of birth and choose the Automatic Option or the Select Option.

**How Do I Notify NEAP of My Choice of Either the Automatic Option or the Select Option?**

If your choice is the Automatic Option, you do not have to do anything. NEAP automatically enrolls you in the age appropriate Life Stage Fund.

If your choice is the Select Option, you must submit a signed request to NEAP that selects the Life Stage Fund into which you will be enrolled. The enrollment date will be the first day of the quarter following receipt of your signed request.

**Can I Change My Mind About the Option I Chose?**

You can change your mind at any time and as many times as you like. To change your investment election, you must submit a signed request to NEAP that chooses either the Automatic Option or a Life Stage Fund under the Select Option. Your new investment choice will take effect the first day of the calendar quarter following receipt of your signed request.

**Are the Trustees Liable for Losses in My Individual Account?**

NEAP is designed to be a plan described in Section 404(c) of ERISA (and applicable regulations). Thus, if you exercise control over your Individual Account by choosing the Select Option, the Trustees and other fiduciaries of NEAP may be relieved of liability for any losses which are the direct and necessary result of your investment. Currently, the Trustees may not be relieved of liability under the Automatic Option, but they may be relieved of such liability in the future, if the law changes.

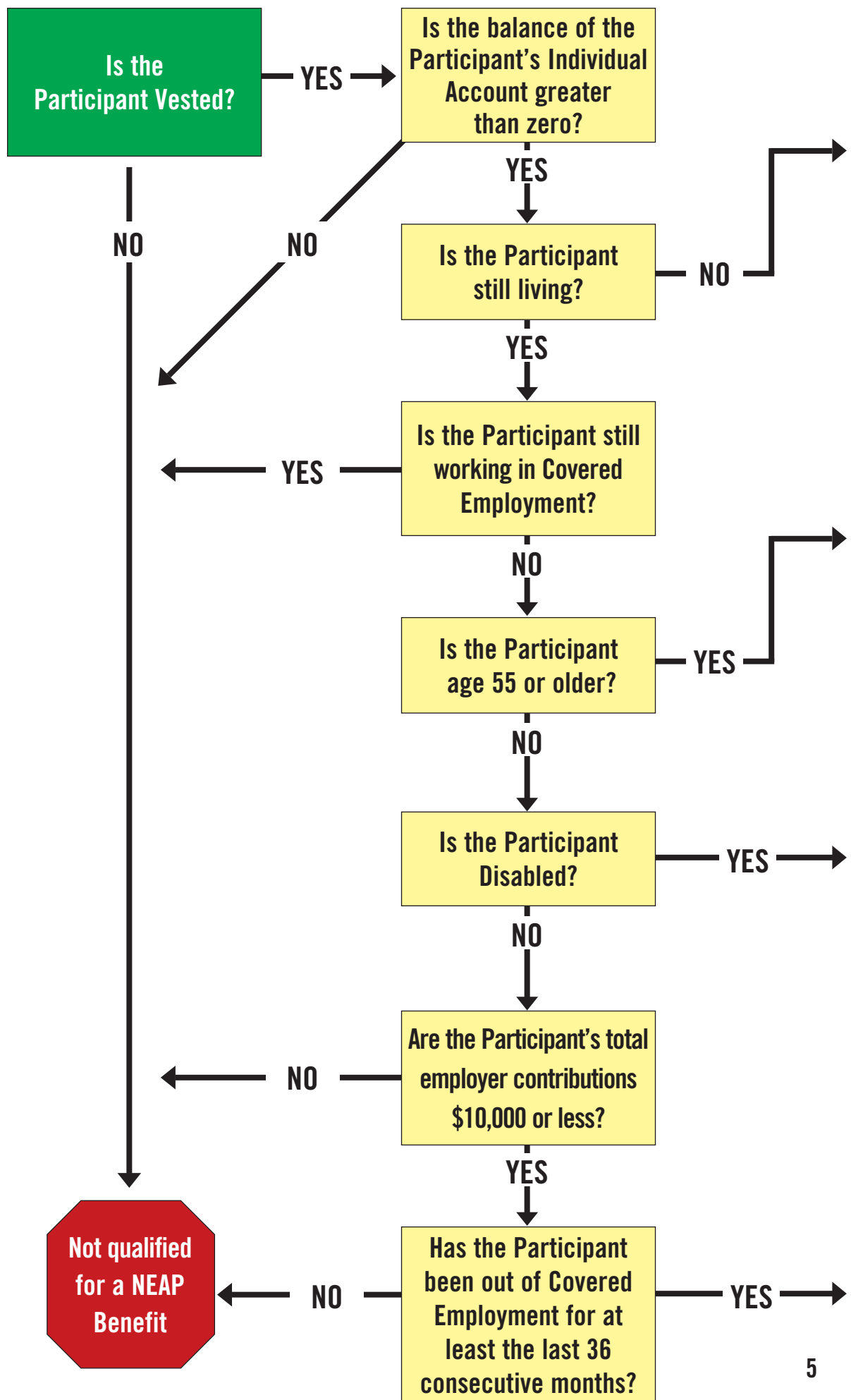
## **Section 5 – Types of Benefits**

NEAP provides four types of benefits:

- Withdrawal Benefit
- Disability Benefit
- Retirement Benefit
- Death Benefit

Benefits are available to eligible Participants who submit an application. Each of the benefit types and its eligibility requirements are discussed in the section.

You can use the chart on the next page to quickly determine the NEAP benefit type you are eligible to receive. The descriptions can be easily located using the “color coded” tabs printed along the right hand side of the page.



## Section 5.1 – Withdrawal Benefit

A Withdrawal Benefit is generally for Participants who spent a relatively short time in Covered Employment and left either Covered Employment or the electrical industry.

A Withdrawal Benefit allows an eligible Participant to withdraw the entire balance of their Individual Account prior to qualifying for either a Disability Benefit or a Retirement Benefit. There are, however, very specific eligibility requirements that a Participant must meet in order to be eligible for this type of benefit.

### Eligibility Requirements

You are eligible to receive a Withdrawal Benefit when you meet the following requirements:

- You are Vested, **and**
- You are no longer working in Covered Employment and have not worked in Covered Employment for at least 36 consecutive months, **and**
- You are less than age 55, **and**
- The contributions made to the balance of your Individual Account are \$10,000 or less.

If you do not meet the above requirements, you will not be eligible to receive the balance of your Individual Account from NEAP until you meet them or meet the requirements for a Disability Benefit or a Retirement Benefit.

Your balance will continue to reflect NEAP's investment performance as long as it remains in NEAP. Remember that once you are Vested, you have a right to a benefit from NEAP. You cannot lose that right once you have earned it.

#### **Can I Take Out a Part of the Balance of My Individual Account?**

No. You must withdraw the entire balance of your Individual Account. NEAP does not permit partial withdrawals.

### Options for a Withdrawal Benefit

There are two options available for you to choose how to receive the balance of your Individual Account: Lump-Sum and Joint and Survivor. Which options are available to you will depend on your marital status and the balance of your Individual Account when you apply for a benefit.

#### **What Is the Lump-Sum Option?**

The Lump-Sum Option provides you with a one-time payment, called a Lump-Sum Distribution, of your entire Individual Account balance. This option can be paid directly to you and/or paid as a direct rollover to another Eligible Retirement Plan, such as an IRA. This option is available to you regardless of the balance of your Individual Account.



### **What Is the Joint and Survivor Option?**

The Joint and Survivor Option has two benefits. The Joint Benefit provides you with a reduced monthly benefit for your lifetime. At your death, the Survivor Benefit provides your spouse with a lifetime monthly benefit that is 50% of the amount you were receiving.

When you choose the Joint and Survivor Option, you are really electing the Joint and Survivor Annuity Benefit, which is discussed below. This option is available to you if the balance of your Individual Account is more than \$5,000.

### **When Do I Choose an Option?**

You must choose an option prior to receiving the balance of your Individual Account. To help you make your choice, the Pension Services Department will provide you with an explanation of the options available to you.

### **Can I Change My Option?**

Prior to receiving your benefit, you may change the option chosen. You will need your spouse's consent if you change your option to the Lump-Sum Option.

In addition, prior to receiving your benefit, your spouse can revoke his or her consent to the Lump-Sum Option.

## **Joint and Survivor Annuity Benefit**

The Joint and Survivor Annuity Benefit provides you with a reduced monthly benefit for your lifetime and at your death provides your spouse with a further reduced monthly benefit for your spouse's lifetime. This benefit will be funded by the purchase of an appropriate insurance contract, unless the Trustees decide otherwise.

If you are married when you apply for a benefit, you will receive your balance as the Joint and Survivor Option unless you elect with your spouse's consent to receive your balance as the Lump-Sum Option.

## **Eligibility Requirements for a Joint and Survivor Annuity Benefit**

If you apply for a Withdrawal Benefit, you must meet the following requirements:

- The balance of your Individual Account is more than \$5,000, **and**
- You were married to your spouse at the time you apply for a benefit.

## **Determining Which Option Applies to Your Benefit**

Your Withdrawal Benefit is based on the balance of your Individual Account and your marital status when you apply.

## Individual Account Balance Is \$5,000 or Less

If you are eligible for a Withdrawal Benefit and the balance in your Individual Account is \$5,000 or less, your marital status is not considered. You will receive your benefit as a Lump-Sum Distribution.

## Individual Account Balance Is More Than \$5,000

If you are eligible for a Withdrawal Benefit and the balance in your Individual Account is more than \$5,000, your marital status is considered. You will receive your benefit as either A, B, or C below:

**A**

If you are married and choose the Joint and Survivor Option, you will receive the Joint Benefit for your lifetime. At your death, your spouse will receive the Survivor Benefit for your spouse's lifetime.

**OR**

**B**

If you are married and choose the Lump-Sum Option, with your spouse's consent, you will receive your benefit as a Lump-Sum Distribution.

**OR**

**C**

If you are not married, you will receive your benefit as a Lump-Sum Distribution.

### **If My Individual Account Balance Is More Than \$5,000, Can I Choose the Lump-Sum Option Without My Spouse's Consent?**

No. If you are married and choose the Lump-Sum Option without your spouse's consent, your benefit will not be paid as a Lump-Sum Distribution. Your benefit will be paid as the Joint and Survivor Option. ERISA rules only permit NEAP to pay your benefit as a Joint and Survivor Annuity Benefit if you do not have your spouse's consent. Therefore, you must have your spouse's consent before you can receive your benefit as a Lump-Sum Distribution.

### **Will Income Taxes Be Withheld from My Benefit?**

Depending on the type of benefit you receive, your benefit may be taxable. NEAP is required by Federal tax laws to withhold income taxes from some of the benefits it pays. NEAP will send you information about the income tax withholding laws when it sends you an application. The Federal laws about benefit distributions, penalties, and taxes are very complex. Therefore, you should contact your tax advisor to discuss your personal tax situation before submitting your application.

## Section 5.2 – Disability Benefit

A Disability Benefit is available to an eligible Participant who is less than age 55 and who becomes Disabled.

Eligible Participants who are Disabled can get a Disability Benefit if they have a Disability Award from the Social Security Administration showing that they are currently receiving a Social Security Disability Benefit.

If you are not receiving a Disability Benefit from the Social Security Administration, you may still qualify for a Disability Benefit if a bodily injury, sickness, or disease prevents you from engaging in your job classification in Covered Employment. The Trustees will require proof to determine if you are eligible for a Disability Benefit.

The requirements for a NEAP Disability Benefit differ from the National Electrical Benefit Fund (NEBF) disability benefit which does require that a Participant is totally Disabled and unable to engage in any gainful employment.

### **What Does It Mean to Be Disabled?**

You will be considered Disabled if you have become incapacitated by bodily injury, sickness, or disease that prevents you from engaging in your job classification in Covered Employment.

### **Eligibility Requirements**

You are eligible to receive a Disability Benefit when you meet the following requirements:

- You are Vested, ***and***
- You are less than age 55, ***and***
- You are Disabled, ***and***
- You have not been approved for a Retirement Benefit, ***and***
- You are no longer working for a Covered Employer.

If you do not meet the above requirements, you will not be eligible to receive the balance of your Individual Account from NEAP until you meet them or meet the requirements for a Withdrawal Benefit or a Retirement Benefit.

You are not required to apply for a Disability Benefit if you become Disabled. You may choose to leave your Individual Account with NEAP. Your balance will continue to reflect NEAP's investment performance as long as it remains in NEAP. Remember that once you are Vested, you have a right to a benefit from NEAP. You cannot lose that right once you have earned it.

## Options for a Disability Benefit

There are three options available for you to receive the balance of your Individual Account: Lump-Sum, Joint and Survivor, and Fixed Monthly. The options available to you will depend on your marital status and the balance of your Individual Account when you apply for a benefit.

### **What Is the Lump-Sum Option?**

The Lump-Sum Option provides you with a one-time payment called a Lump-Sum Distribution of your entire Individual Account balance. This option can be paid directly to you and/or paid as a direct rollover to another Eligible Retirement Plan, such as an IRA. This option is available to you regardless of the balance of your Individual Account.

### **What Is the Joint and Survivor Option?**

The Joint and Survivor Option has two benefits. The Joint Benefit provides you with a reduced monthly benefit for your lifetime. At your death, the Survivor Benefit provides your spouse with a lifetime monthly benefit that is 50% of the amount you were receiving.

When you choose the Joint and Survivor Option, you are really electing the Joint and Survivor Annuity Benefit, which is discussed below. This option is available to you if the balance of your Individual Account is more than \$5,000.

### **What Is the Fixed Monthly Option?**

The Fixed Monthly Option allows you to receive any portion of your Individual Account as a Fixed Monthly Benefit. You may elect to receive your benefit over a period of 5, 10, 15, or 20 years. While you are receiving a Fixed Monthly Benefit, your Individual Account will continue to reflect NEAP's investment performance. The benefit amount you receive will be calculated initially (and quarterly) so that the total benefits you receive over the period of years you elected will be the exact amount of your Individual Account balance as adjusted quarterly to reflect NEAP's investment performance. This option is available to you if the balance of your Individual Account is more than \$10,000.

### **When Do I Choose an Option?**

You must choose an option prior to receiving the balance of your Individual Account. To help you make your choice, the Pension Services Department will provide you with an explanation of the options available to you.

### **Can I Change My Option?**

Prior to receiving your benefit, you may change the option chosen. You will need your spouse's consent if you change your option to the Lump-Sum Option or the Fixed Monthly Option.

In addition, prior to receiving your benefit, your spouse can revoke his or her consent to the Lump-Sum Option or the Fixed Monthly Option.

## Joint and Survivor Annuity Benefit

The Joint and Survivor Annuity Benefit provides you with a reduced monthly benefit for your lifetime and at your death provides your spouse with a further reduced monthly benefit for your spouse's lifetime. This benefit will be funded by the purchase of an appropriate insurance contract, unless the Trustees decide otherwise.

If you are married when you apply for a benefit, you will receive your balance as the Joint and Survivor Option unless you elect with your spouse's consent to receive your balance as the Lump-Sum Option.

### Eligibility Requirements for a Joint and Survivor Annuity Benefit

If you apply for a Disability Benefit, you must meet the following requirements:

- The balance of your Individual Account is more than \$5,000, *and*
- You were married to your spouse at the time you apply for a benefit.

### Determining Which Option Applies to Your Benefit

Your Disability Benefit is based on the balance of your Individual Account and your marital status when you apply.

#### Individual Account Balance Is \$5,000 or Less

If you are eligible for a Disability Benefit and the balance in your Individual Account is \$5,000 or less, your marital status is not considered. You will receive your benefit as a Lump-Sum Distribution.

#### Individual Account Balance Is Between \$5,000 and \$10,000

If you are eligible for a Disability Benefit and the balance in your Individual Account is between \$5,000 and \$10,000, your marital status is considered. You will receive your benefit as either A, B or C below:

**A**

If you are married and choose the Joint and Survivor Option, you will receive the Joint Benefit for your lifetime. At your death, your spouse will receive the Survivor Benefit for your spouse's lifetime.

**OR**

**B**

If you are married and choose the Lump-Sum Option, with your spouse's consent, you will receive your benefit as a Lump-Sum Distribution.

**OR**

**C**

If you are not married, you will receive your benefit as a Lump-Sum Distribution.

#### **If My Individual Account Balance Is Between \$5,000 and \$10,000, Can I Choose the Lump-Sum Option Without My Spouse's Consent?**

No. If you are married and choose the Lump-Sum Option without your spouse's consent, your benefit will not be paid as a Lump-Sum Distribution. Your benefit will be paid as the Joint and Survivor Option. ERISA rules only permit NEAP to pay your benefit as a Joint and Survivor Annuity Benefit if you do not have your spouse's consent. Therefore, you must have your spouse's consent before you can receive your benefit as a Lump-Sum Distribution.



## Individual Account Balance Is More Than \$10,000

If you are eligible for a Disability Benefit and the balance in your Individual Account is more than \$10,000, your marital status is considered. You will receive your benefit as either A, B, C, D, or E below:

**A**

If you are married and choose the Joint and Survivor Option, you will receive the Joint Benefit for your lifetime. At your death, your spouse will receive the Survivor Benefit for your spouse's lifetime.

**OR**

**B**

If you are married and choose the Lump-Sum Option, with your spouse's consent, you will receive your benefit as a Lump-Sum Distribution.

**OR**

**C**

If you are married and choose the Fixed Monthly Option, with your spouse's consent, you will receive your benefit as a Fixed Monthly Benefit.

**OR**

**D**

If you are not married, you will receive your benefit as a Lump-Sum Distribution.

**OR**

**E**

If you are not married, you will receive your benefit as a Fixed Monthly Benefit.

### **If My Individual Account Balance Is More Than \$10,000, Can I Choose the Lump-Sum Option and/or Fixed Monthly Option Without My Spouse's Consent?**

No. If you are married and choose the Lump-Sum Option or the Fixed Monthly Option without your spouse's consent, your benefit will not be paid as a Lump-Sum Distribution or as a Fixed Monthly Benefit. Your benefit will be paid as the Joint and Survivor Option. ERISA rules only permit NEAP to pay your benefit as a Joint and Survivor Annuity Benefit if you do not have your spouse's consent. Therefore, you must have your spouse's consent before you can receive your benefit as a Lump-Sum Distribution or as a Fixed Monthly Benefit.

### **Will Income Taxes Be Withheld from My Benefit?**

Depending on the type of benefit you receive, your benefit may be taxable. NEAP is required by Federal tax laws to withhold income taxes from some of the benefits it pays. NEAP will send you information about the income tax withholding laws when it sends you an application. The Federal laws about benefit distributions, penalties, and taxes are very complex. Therefore, you should contact your tax advisor to discuss your personal tax situation before submitting your application.

## Section 5.3 – Retirement Benefit

A Retirement Benefit is available to an eligible Participant who is age 55 or older and is retired from Covered Employment.

### Eligibility Requirements

You are eligible to receive a Retirement Benefit when you meet the following requirements:

- You are Vested, **and**
- You are age 55 or older, **and**
- You are retired from Covered Employment with Covered Employers.

If you do not meet the above requirements, you will not be eligible to receive the balance of your Individual Account from NEAP until you meet them or meet the requirements for a Withdrawal Benefit or a Disability Benefit.

Your balance will continue to reflect NEAP's investment performance as long as it remains in NEAP. Remember that once you are Vested, you have a right to a benefit from NEAP. You cannot lose that right once you have earned it.

### Options for a Retirement Benefit

There are three options available for you to receive the balance of your Individual Account: Lump-Sum, Joint and Survivor, and Fixed Monthly. The options available to you will depend on your marital status and the balance of your Individual Account when you apply for a benefit.

#### **What Is the Lump-Sum Option?**

The Lump-Sum Option provides you with a one-time payment, called a Lump-Sum Distribution, of your entire Individual Account balance. This option can be paid directly to you and/or paid as a Direct Rollover to another Eligible Retirement Plan, such as an IRA. This option is available to you regardless of the balance of your Individual Account.

#### **What Is the Joint and Survivor Option?**

The Joint and Survivor Option has two benefits. The Joint Benefit provides you with a reduced monthly benefit for your lifetime. At your death, the Survivor Benefit provides your spouse with a lifetime monthly benefit that is 50% of the amount you were receiving.

When you choose the Joint and Survivor Option, you are really electing the Joint and Survivor Annuity Benefit, which is discussed on the next page. This option is available to you if the balance of your Individual Account is more than \$5,000.

**What Is the Fixed Monthly Option?**

The Fixed Monthly Option allows you to receive any portion of your Individual Account as a Fixed Monthly Benefit. You may elect to receive your benefit over a period of 5, 10, 15, or 20 years. While you are receiving a Fixed Monthly Benefit, your Individual Account will continue to reflect NEAP's investment performance. The benefit amount you receive will be calculated initially (and quarterly) so that the total benefits you receive over the period of years you elected will be the exact amount of your Individual Account balance as adjusted quarterly to reflect NEAP's investment performance. This option is available to you if the balance of your Individual Account is more than \$10,000.

**When Do I Choose an Option?**

You must choose an option prior to receiving the balance of your Individual Account. To help you make your choice, the Pension Services Department will provide you with an explanation of the options available to you.

**Can I Change My Option?**

Prior to receiving your benefit, you may change the option chosen. You will need your spouse's consent if you change your option to the Lump-Sum Option or the Fixed Monthly Option.

In addition, prior to receiving your benefit, your spouse can revoke his or her consent to the Lump-Sum Option or the Fixed Monthly Option.

**Joint and Survivor Annuity Benefit**

The Joint and Survivor Annuity Benefit provides you with a reduced monthly benefit for your lifetime. At your death, it provides your spouse with a further reduced monthly benefit for your spouse's lifetime. This benefit will be funded by the purchase of an appropriate insurance contract, unless the Trustees decide otherwise.

If you are married when you apply for a benefit, you will receive your balance as the Joint and Survivor Option unless you elect with your spouse's consent to receive your balance as the Lump-Sum Option.

**Eligibility Requirements for a Joint and Survivor Annuity Benefit**

If you apply for a Retirement Benefit, you must meet the following requirements:

- The balance of your Individual Account is more than \$5,000, *and*
- You were married to your spouse at the time you apply for a benefit.

**Determining Which Option Applies to Your Benefit**

Your Retirement Benefit is based on the balance of your Individual Account and your marital status when you apply.

**Individual Account Balance Is \$5,000 or Less**

If you are eligible for a Retirement Benefit and the balance in your Individual Account is \$5,000 or less, your marital status is not considered. You will receive your benefit as a Lump-Sum Distribution.

### Individual Account Balance Is Between \$5,000 and \$10,000

If you are eligible for a Retirement Benefit and the balance in your Individual Account is between \$5,000 and \$10,000, your marital status is considered and you will receive your benefit as either A, B, or C below:

**A**

If you are married and choose the Joint and Survivor Option, you will receive the Joint Benefit for your lifetime. At your death, your spouse will receive the Survivor Benefit for your spouse's lifetime.

**OR**

**B**

If you are married and choose the Lump-Sum Option, with your spouse's consent, you will receive your benefit as a Lump-Sum Distribution.

**OR**

**C**

If you are not married, you will receive your benefit as a Lump-Sum Distribution.

### If My Individual Account Balance Is Between \$5,000 and \$10,000, Can I Choose the Lump-Sum Option Without My Spouse's Consent?

No. If you are married and choose the Lump-Sum Option without your spouse's consent, your benefit will not be paid as a Lump-Sum Distribution. Your benefit will be paid as the Joint and Survivor Option. ERISA rules only permit NEAP to pay your benefit as a Joint and Survivor Annuity Benefit if you do not have your spouse's consent. Therefore, you must have your spouse's consent before you can receive your benefit as a Lump-Sum Distribution.

### Individual Account Balance Is More Than \$10,000

If you are eligible for a Retirement Benefit and the balance in your Individual Account is more than \$10,000, your marital status is considered and you will receive your benefit as either A, B, C, D, or E below:

**A**

If you are married and choose the Joint and Survivor Option, you will receive the Joint Benefit for your lifetime. At your death, your spouse will receive the Survivor Benefit for your spouse's lifetime.

**OR**

**B**

If you are married and choose the Lump-Sum Option, with your spouse's consent, you will receive your benefit as a Lump-Sum Distribution.

**OR**

**C**

If you are married and choose the Fixed Monthly Option, with your spouse's consent, you will receive your benefit as a Fixed Monthly Benefit.

**OR****D**

If you are not married, you will receive your benefit as a Lump-Sum Distribution.

**OR****E**

If you are not married, you will receive your benefit as a Fixed Monthly Benefit.

**If My Individual Account Balance Is More Than \$10,000, Can I Choose the Lump-Sum Option and/or the Fixed Monthly Option Without My Spouse's Consent?**

No. If you are married and choose the Lump-Sum Option or the Fixed Monthly Option without your spouse's consent, your benefit will not be paid as a Lump-Sum Distribution or as a Fixed Monthly Benefit. Your benefit will be paid as the Joint and Survivor Option. ERISA rules only permit NEAP to pay your benefit as a Joint and Survivor Annuity Benefit if you do not have your spouse's consent. Therefore, you must have your spouse's consent before you can receive your benefit as a Lump-Sum Distribution or as a Fixed Monthly Benefit.

**Will Income Taxes Be Withheld from My Benefit?**

Depending on the type of benefit you receive, your benefit may be taxable. NEAP is required by Federal tax laws to withhold income taxes from some of the benefits it pays. NEAP will send you information about the income tax withholding laws when it sends you an application. The Federal laws about benefit distributions, penalties, and taxes are very complex. Therefore, you should contact your tax advisor to discuss your personal tax situation before submitting your application.



## Section 5.4 – Death Benefit

The Death Benefit is the balance in a Participant's Individual Account on the date of the Participant's death.

### If You Die Before Receiving a Benefit and You Are Married

If you are a Participant and die before receiving a benefit and you are married at the time of your death, the balance of your Individual Account will be paid as a Death Benefit to either A, B, or C below:

**A**

To your spouse as a pre-retirement spouse benefit through the purchase of a Single-Life Annuity payable each month to your spouse for your spouse's lifetime, if your spouse chooses.

**OR**

**B**

To your spouse as a Lump-Sum Distribution, if your spouse chooses.

**OR**

**C**

To your designated Beneficiary as a Lump-Sum Distribution, if your spouse has consented to the designation.

### If You Die Before Receiving a Benefit and You Are Not Married

If you are a Participant and die before receiving a benefit and you are not married at the time of your death, the balance of your Individual Account will be paid as a Death Benefit to either A or B below:

**A**

To your designated Beneficiary as a Lump-Sum Distribution.

**OR**

**B**

To the following individuals in the indicated order, if there is no Beneficiary:

- Your children in equal shares, *or if none;*
- Your parents in equal shares, *or if none;*
- Your estate.

### If You Die While Receiving a Benefit

If you are a Participant and die while receiving a benefit, the balance of your Individual Account will be paid as the Death Benefit to either A, B, C, or D below:

**A**

To your spouse as the Survivor Benefit, if you chose the Joint and Survivor Option. Your spouse will begin receiving the Survivor Benefit the month following your death.

**OR**

**B**

To your spouse as a Lump-Sum Distribution.

OR

**C**

To your designated Beneficiary as a Lump-Sum Distribution if you are not married or if your spouse has consented to the designation.

OR

**D**

To the following individuals in the indicated order, if there is no spouse or Beneficiary:

- Your children in equal shares, *or if none;*
- Your parents in equal shares, *or if none;*
- Your estate.

## Section 6 – Applying for a Benefit

You must apply for a benefit by submitting an application. The application must be approved before any benefit can be paid. Benefits from NEAP are generally not paid until you stop working in Covered Employment.

### **When Should I Apply for a Retirement Benefit?**

You should apply for a Retirement Benefit at least three months prior to your intended retirement date.

Advanced planning for your retirement can make applying for your benefits easier. It is recommended that you contact NEAP at least three months before your anticipated retirement. This will allow you and other sources time to gather and submit any required documents and information and will allow NEAP the necessary time to have your benefit ready for your intended retirement date.

### **When Should I Apply for a Disability Benefit?**

If you are applying for a Disability Benefit, you should apply as soon as possible. However, you are not required to apply for a Disability Benefit if you are either Disabled or become Disabled. You may choose to leave your Individual Account in NEAP where it will continue to reflect NEAP's investment performance. You may later apply for a Disability Benefit or a Retirement Benefit at any time, as long as you meet the eligibility requirements.

### **When Must NEAP Begin Paying My Benefit?**

The NEAP rules regarding the commencement of benefits for Participants who attain age 70½ changed, effective February 27, 2002, so as not to permit in-service benefit distributions. When NEAP must begin paying your benefit depends on when you reach age 70½, as follows:

- If you attain age 70½ **prior** to February 27, 2002, NEAP must begin paying your benefit by April 1 of the year following the year in which you reach age 70½.

- If you attain age 70½ **on or after** February 27, 2002, NEAP must begin paying your benefit by the later of the April 1 of the year following the year in which:

- You reach age 70½, **or**
- You actually retire from the electrical industry and are approved for a benefit.

An exception to the 70½ rule applies if you are a 5% owner of a Covered Employer and continue to work in Covered Employment past age 70½. If that is the case, NEAP will be required to begin paying your benefit by April 1 of the year following the year in which you reach age 70½.

#### **When Should My Spouse or Beneficiary Apply for a Death Benefit?**

NEAP understands that your death will be a difficult time for your spouse, family, and friends. A Pension Services Representative will be available to help your spouse or Beneficiary with any questions about a Death Benefit and provide them with the appropriate application.

#### **How Long Does It Take NEAP to Process an Application?**

Federal laws governing NEAP allow 90 days to process an application for a Withdrawal Benefit, Retirement Benefit, or Death Benefit, and 45 days to process an application for a Disability Benefit.

NEAP's goal is to process an application within 30 days from the date it is received. NEAP's Pension Services Representatives make every effort to process your application in a timely manner so that you can begin receiving benefits the month following the month in which your application is received.

There may be instances when an application takes longer to process, especially if we need to contact you for additional information. Please refer to Section 11 for a complete discussion of Benefit Application Processing and Appeal Procedures.

#### **How Will I Know When My Application Has Been Approved?**

If you are eligible for a benefit, you will receive an approval letter from NEAP.

If you are not eligible for a benefit, you will receive a letter explaining why you are not eligible. Should you disagree with NEAP's explanation, you have the right to appeal. Please refer to Section 11 for a complete discussion of Benefit Application Processing and Appeal Procedures.

### **Applying for a Benefit**

You apply for a benefit by submitting a completed and signed application to NEAP. You may obtain an application by contacting the NEAP office. When you contact NEAP to request an application, provide your full name, Social Security number, date of birth, and current mailing address.

## Required Documents for a Benefit

When you submit an application for a benefit, the following documents are required:

- A copy of your birth certificate. If you do not have a birth certificate, you may request one from the state or country where you were born, **and**
- A copy of your Social Security card, **and**
- If you have ever used a different name, you will need to submit documentation supporting the change in your name (for example: adoption papers or a court order).

If you have ever been divorced, Federal law provides that a former spouse may have a right to receive some portion of a Participant's benefit. Therefore, the following documents may also be required:

- Complete copies of all of your signed divorce decrees, **and**
- Any Qualified Domestic Relations Orders (QDROs), **or**
- Any marital settlement agreements, **or**
- Any other relevant information.

If you are presently married, and the balance of your Individual Account is more than \$5,000, the following document is also required:

- A copy of your marriage certificate.

If you are presently married and have chosen the Joint and Survivor Option, the following documents are also required:

- A copy of your spouse's birth certificate, **and**
- A copy of your spouse's Social Security card, **and**
- If your spouse's name on your marriage certificate is different from the one on the birth certificate, you will need to submit proof of the name change (such as a copy of the court order, adoption papers, or divorce decree).

If you are applying for a Disability Benefit, the following information is also required:

- A complete copy of your signed Social Security Disability Award showing that you are receiving a Disability Benefit and your date of entitlement, **or**
- Such other proof as the Trustees may require.

**NOTE:** If your Social Security Disability Award is more than two years old, you will need to send NEAP proof from the Social Security Administration that (1) lists the date(s) of your entitlement to a Social Security Disability Benefit, and (2) certifies that you are currently receiving a Disability Benefit.

### **What If I Don't Qualify for a Social Security Disability Award?**

If you don't qualify for a Social Security Disability Award, you will need to include with your application any medical records and other documentation supporting your claim that you are unable to engage in your job classification in Covered Employment. These records will be used to determine your eligibility for a Disability Benefit.

### **Can I Send the Above Required Documents at Any Time?**

You do not have to wait to provide these documents with your application. You may provide them at any time. This will allow you and other sources the time to submit any additionally required documents or information and will allow NEAP the time necessary to process your application and have your benefit ready for your intended retirement date.

### **What If I Do Not Have All of the Above Required Documents?**

If you have not provided the required documents in advance, they should accompany your application. However, if all of the required documents are not available when you are filling out your application, such as a Social Security Disability Award, just send whatever documents you have available. Do not delay sending your application. Send the remainder of the documents to NEAP when they are available. Keep in mind that your application cannot be approved until all documentation has been received.

## **Applying for a Joint and Survivor Annuity Benefit**

If you had chosen the Joint and Survivor Option when you applied, your spouse does not need to apply for the Survivor Benefit of the Joint and Survivor Annuity Benefit.

## **Required Documents for a Joint and Survivor Annuity Benefit**

Your spouse may need to submit the following documents:

- A copy of your death certificate, *and*
- A copy of your spouse's Social Security card, *and*
- A copy of your marriage certificate, if not provided at the time you applied for benefits.

## **Applying for a Death Benefit**

NEAP understands that your death will be a difficult time for your spouse, family, and friends. A Pension Services Representative will be available to help your spouse or Beneficiary with any questions about a Death Benefit and provide them with the appropriate application.

## **Required Document for a Death Benefit**

Your spouse or Beneficiary may need to submit the following documents:

- A copy of your death certificate, *and*
- A copy of your marriage certificate.



## Section 7 – Receiving a Benefit

Benefits are processed on the last business day of the month.

### **How Will I Receive My Withdrawal Benefit?**

If you applied for a Withdrawal Benefit, your benefit amount will be sent directly to the address provided on your application.

### **How Will I Receive My Retirement Benefit?**

If you chose the Lump-Sum Option when you applied, your benefit amount will be sent directly to the address provided on your application.

However, if you chose the Fixed Monthly Option when you applied, your benefit will be electronically deposited into your bank account on the last business day of the month.

### **Is Direct Deposit Required If I Am Receiving a Fixed Monthly Benefit?**

Yes. All Fixed Monthly Benefits are processed for direct deposit only. NEAP provides direct deposit into your personal checking or savings account or a joint account with an immediate family member. A direct deposit may not be made into a business account, another person's account, or a trust account.

There are many advantages to having direct deposit. Direct deposit will not cause a delay in you receiving your benefit. Direct deposit is safe, reliable, and helps guard against identity theft.

## Section 8 – Suspension or Termination of a Benefit

If you are receiving a Retirement Benefit as a Fixed Monthly Benefit and return to work in Covered Employment, your benefit may be suspended. If you are receiving a Disability Benefit as a Fixed Monthly Benefit and return to work in Covered Employment, your benefit will be terminated.

### **Suspension of a Retirement Benefit**

If you are receiving a Retirement Benefit as a Fixed Monthly Benefit, your benefit may be suspended for any calendar month you work 40 or more hours in Covered Employment.

### **May I Return to Work and Still Receive a Retirement Benefit?**

Your Retirement Benefit will not be suspended if you return to work for a Covered Employer and:

- You are working less than 40 hours in a calendar month, **or**
- You are working as an instructor in an IBEW/NECA apprenticeship program where such instructors are not covered by NEAP, **or**
- You are working as an electrical inspector for a governmental authority where such inspectors are not covered by NEAP.

**NOTE:** NEAP's general rules regarding the commencement of benefits for Participants who attain age 70½ changed, effective February 27, 2002, so as not to permit in-service benefit distributions. As a result, if you attain age 70½ on or after February 27, 2002, and you continue to work or return to work for 40 or more hours in any month, NEAP still will be required to suspend your benefit for that month. However, an exception applies if you have a 5% or greater ownership interest in a Covered Employer and continue to work in Covered Employment past age 70½. If that is the case, no suspension will occur and NEAP will be required to begin paying your benefit by April 1 of the year following the year in which you reach 70½.

#### **What Do I Need to Do When I Return to Work?**

When you return to work in Covered Employment, you must notify NEAP. Failure to notify NEAP of your return to work in Covered Employment may result in an overpayment of benefits. You will be required to return any overpayment you receive to NEAP.

#### **What Do I Need to Do When I Stop Working?**

When you stop working in Covered Employment, it is your responsibility to notify NEAP in writing so that you may resume receiving your benefit.

The total amount of contributions made on your behalf during the suspension period will be added to your Individual Account.

### **Termination of a Disability Benefit**

If you are receiving a Disability Benefit as a Fixed Monthly Benefit and return to work in Covered Employment, your benefit will be terminated. Unlike a Retirement Benefit that allows you to work less than 40 hours in a calendar month in Covered Employment, you cannot work at all when receiving a Disability Benefit.

Failure to notify NEAP of your return to work in Covered Employment may result in an overpayment of benefits. You will be required to return any overpayment you receive to NEAP.

#### **What Do I Need to Do When I Return to Work?**

When you return to work in Covered Employment, you must notify NEAP. Failure to notify NEAP of your return to work in Covered Employment may result in an overpayment of benefits. You will be required to return any overpayment you receive to NEAP.

#### **What Do I Need to Do When I Stop Working?**

When you stop working in Covered Employment, it is your responsibility to notify NEAP in writing.

Any new contributions made on your behalf will be added to your Individual Account. To receive the unpaid balance of your Individual Account, you will need to re-apply when you become eligible for any type of NEAP benefit.

## Section 9 – Benefits Available in the Event of a Divorce

Beginning on January 1, 1985, Federal law provides that in the event of a divorce, a former spouse may have a right to receive some portion of a Participant's benefit directly from NEAP. In connection with a divorce or property settlement agreement, a court may direct that a portion of a Participant's benefit be paid to a former spouse. ***Such payment cannot be made to a former spouse before the Participant is eligible for either a Withdrawal, Disability, or Retirement benefit. The eligibility requirements for each benefit type are located in the color coded sections.***

NEAP will recognize such a court order and make direct payments to a former spouse only if there is a Qualified Domestic Relations Order (QDRO) as required by Federal law. You will need to provide NEAP with a complete copy of any and all signed divorce decrees and QDROs.

NEAP has written procedures for notifying you of our receipt of a court order affecting your benefit and for determining if the court order is an acceptable QDRO. A copy of the QDRO procedures may be obtained from NEAP upon written request.

NEAP also has model QDRO provisions to assist you in obtaining an acceptable QDRO. These too may be obtained from NEAP upon written request.

## Section 10 – Benefits Available in the Event of Death

### **Is There a Death Benefit?**

Yes. The Death Benefit is the balance in your Individual Account on the date of your death. The Death Benefit is fully described in Section 5.4.

### **When Should NEAP Be Notified of My Death?**

It is important that NEAP be notified of your death and receive a copy of your death certificate as soon as possible.

NEAP understands that your death will be a difficult time for your spouse, family, and friends. A Pension Services Representative will work with the person submitting your death certificate to help us determine if and when any benefits are due.

### **If You Die Before Receiving a Benefit**

If you are a Participant and die before receiving a benefit, the balance of your Individual Account will be paid as the Death Benefit. The Death Benefit is described in Section 5.4.

### **If You Die While Receiving a Benefit**

If you are a Participant and die while receiving a benefit, the balance of your Individual Account will be paid as the Death Benefit. The Death Benefit is described in Section 5.4.

## **Section 11 – Benefit Application Processing and Appeal Procedures**

### **Withdrawal Benefit and Retirement Benefit**

#### **Application Processing**

When NEAP receives a completed application, the Executive Secretary-Treasurer will decide whether you are eligible for a Withdrawal Benefit or Retirement Benefit and the amount of benefit to be paid. This decision will be made within 90 days if possible.

If this decision cannot be made within 90 days, you will be notified that an extension of time is necessary. The notice will explain the circumstances requiring the extension and will give you a date a decision can be expected. NEAP will have an additional 90 days in which to make a decision. If, at the end of the total 180 day period, NEAP still has not made a decision, NEAP will continue to process your application and make a decision as soon as possible. However, if you so desire, you may consider that your application has been denied and submit an appeal.

#### **Denial of Application**

If your application for a Withdrawal Benefit or a Retirement Benefit is wholly or partially denied by the Executive Secretary-Treasurer, you will receive a written notice. The notice, in layman's terms, will:

- State the specific reason or reasons for the denial and will reference the specific Plan provisions on which the denial is based.
- Describe any additional material or information necessary for you to complete the application and explain why it is necessary.
- Explain the time limits and procedures for appealing the denial of a Withdrawal Benefit or a Retirement Benefit.
- Include a statement of your right to bring a civil action under Section 502(a) of ERISA following a denial on review.

#### **Appeal Procedures**

You (or a designated representative) shall be entitled to request that the Trustees reconsider your NEAP application by submitting a written request within 60 days after the denial of your Withdrawal Benefit or Retirement Benefit. The appeal should contain a written statement of the reasons why you believe your application should be approved and any other additional information you believe may be helpful. All appeals should be submitted to the Trustees at the business address of NEAP's administrative offices.

Upon written request and free of charge, you (or a designated representative) will receive reasonable access to and copies of all NEAP documents relating to the denial of your application or the amount of your Withdrawal Benefit or Retirement Benefit.

### **Decision on Appeal**

The review will be conducted by the Trustees and will take into account all comments, documents, records, and other information submitted by you (or a designated representative) relating to the appeal without regard to whether such information was submitted or considered in the initial benefit determination. A final decision as to the approval or denial of the appeal shall be made by the Trustees no later than the date of the first Trustees' meeting that follows receipt of the appeal, unless the appeal is received within the 30 days before that meeting.

When an appeal is received within the 30 days before a Trustees' meeting, a final decision as to the approval or denial of the appeal will be made no later than the date of the second Trustees' meeting following the Trustees' receipt of the appeal.

If special circumstances require an extension of time for processing, a final decision will be made no later than the third Trustees' meeting following the Trustees' receipt of the appeal. The Trustees will notify you in writing prior to the beginning of the extension and will describe the special circumstances and the date by which a final decision will be made.

The Trustees will notify you in writing of their final decision no later than 5 days after the final decision is made. The decision approving or denying your appeal shall include, in layman's terms:

- Specific reasons for the decision.
- References to the specific Plan provisions that support approval or denial.
- A statement that you are entitled to receive, upon written request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the application and appeal.
- A statement describing your right to bring a civil action under Section 502(a) of ERISA.

The decision of the Trustees shall be final and binding.

## **Disability Benefit**

### **Application Processing**

When NEAP receives a completed application, the Executive Secretary-Treasurer will decide whether you are eligible for a Disability Benefit and the amount of benefit to be paid. This decision will be made within 45 days if possible.

If this decision cannot be made within 45 days, you will be notified that an extension of time is necessary. The notice will explain the circumstances requiring the extension and will give you a date a decision can be expected. NEAP will have an additional 30 days in which to make a decision.



If a decision cannot be made within the first 30 day extension, you will again be notified in writing of the circumstances requiring an additional 30 day extension and the date a decision can be expected. If, at the end of the total 105 day period, NEAP still has not made a decision, NEAP will continue to process your application and make a decision as soon as possible. However, if you so desire, you may consider that your application has been denied and submit an appeal.

Each notice of extension will, in layman's terms, also specifically explain:

- The Plan's standards on which entitlement to a benefit is based.
- The unresolved issues that prevent NEAP from reaching a decision.
- The additional information needed to resolve the issues. If additional information is required to process an application, you will have at least 45 days in which to provide such information.

### **Denial of Application**

If your application for a Disability Benefit is wholly or partially denied by the Executive Secretary-Treasurer, you will receive a written notice. The notice, in layman's terms, will:

- State the specific reason or reasons for the denial with references to the specific Plan provisions on which the determination is based.
- If your application is denied based on an internal rule, guideline, protocol, or other similar provision, the notice will indicate copies of the above are available upon written request and free of charge.
- If your application is denied based on an exclusion or limit (such as a medical necessity requirement or experimental treatment exclusion), the notice will indicate that an explanation of the above is available upon written request and free of charge.
- Describe any additional material or information necessary for you to complete the application and explain why it is necessary.
- Explain the time limits and procedures for appealing the denial of a Disability Benefit.
- Include a statement of your right to bring a civil action under Section 502(a) of ERISA following a denial on review.

### **Appeal Procedures**

You (or a designated representative) shall be entitled to request that the Trustees reconsider your NEAP application by submitting a written request for appeal within 180 days after the denial of your Disability Benefit. The appeal should contain a written statement of the reasons why you believe your application should be approved and any other additional information you believe may be helpful. All appeals should be submitted to the Trustees at the business address of NEAP's administrative offices.

Upon written request and free of charge, you (or a designated representative) will receive reasonable access to and copies of all NEAP documents relating to the denial of your application or the determination of the amount of your Disability Benefit.

### **Decision on Appeal**

The review will be conducted by the Trustees and will take into account all comments, documents, records and other information submitted by you (or a designated representative) relating to the appeal without regard to whether such information was submitted or considered in the initial benefit determination. The review will identify the medical or vocational experts, if any, whose advice was obtained on behalf of the Plan.

If the original denial of the application was based on a medical judgment, the Trustees must consult with an appropriate healthcare professional. This professional must not have been consulted in the original application nor have worked for someone who was consulted.

A final decision as to the approval or denial of the appeal shall be made by the Trustees no later than the date of the first Trustees' meeting that follows receipt of the appeal, unless the appeal is received within the 30 days before that meeting.

When an appeal is received within the 30 days before a Trustees' meeting, a final decision as to the approval or denial of the appeal will be made no later than the date of the second Trustees' meeting following the Trustees' receipt of the appeal.

If special circumstances require an extension of time for processing, a final decision will be made not later than the third Trustees' meeting following the Trustees' receipt of the appeal. The Trustees will notify you in writing prior to the beginning of the extension and will describe the special circumstances and the date by which a final decision will be made.

The Trustees will notify you in writing of their final decision no later than 5 days after the final decision is made. The decision approving or denying your appeal shall, in layman's terms, include:

- Specific reasons for the decision.
- References to the specific Plan provisions that support the approval or the denial.
- If the appeal denial is based on an internal rule, guideline, protocol, or other similar provision, the notice will indicate copies of the above are available upon written request and free of charge.
- If the appeal is denied based on an exclusion or limit (such as a medical necessity requirement or experimental treatment exclusion), the notice will indicate that an explanation of the above is available upon written request and free of charge.
- A statement that you are entitled to receive, upon written request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the application and appeal.
- A statement describing your right to bring a civil action under Section 502(a) of ERISA.
- The following statement: "You and the 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 or your State insurance regulatory agency."

The decision of the Trustees shall be final and binding.

## Section 12 – Your Rights Under the Employee Retirement Income Security Act of 1974 (ERISA)

As a Participant in NEAP, you have certain rights and protections under ERISA. ERISA provides that all plan Participants be entitled to:

- Examine, without charge, at the Plan Administrator's office, all Plan documents, including Collective Bargaining Agreements and copies of all documents filed by the Plan with the U.S. Department of Labor, such as detailed annual reports and plan descriptions.
- Obtain, on written request to the Plan Administrator, copies of all Plan documents governing the operation of the Plan, copies of the latest annual report (Form 5500), which is also available for examination at the Public Disclosure Room of the Employee Benefits Security Administration, and the 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 right to receive a pension at Normal Retirement Age (age 55) and if so, what your benefits would be at Normal Retirement Age, if you stop working under the Plan now. If you currently do not have a right to a pension, the statement will tell you how much longer you have to work to get a right to a pension. You may request this statement once every 12 months. Your request for this statement must be made in writing to the Plan Administrator. NEAP must provide the statement free of charge.

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 your Plan are called "fiduciaries" of the Plan. They have a duty to operate in the interest of 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 pension benefit or exercising your rights under ERISA.

If your application for a pension benefit is denied or ignored, or if the amount you will receive is smaller than you expected, you have a right to know why this was done, and to obtain, without charge, copies of documents relating to the decision 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 information and pay you up to \$110 a day until you receive the information, unless the information was not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits that is denied or ignored, or if the amount you will receive is smaller than you expected, you may file suit in a state or Federal court. If you disagree with the Plan's decision about the qualified status of a Domestic Relations Order, you may file suit in Federal court. If you believe that Plan fiduciaries have misused 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.

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about your rights under ERISA, or if you need help getting 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 Inquires, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, NW, Washington, DC 20210.

You may also obtain publications about your rights and responsibilities under ERISA by calling the publication hotline of the Employee Benefits Security Administration.

## Section 13 - Important Information About Your Plan

<b>Plan Name:</b>	<b>National Electrical Annuity Plan (NEAP)</b>	
<b>Employer Identification Number (EIN):</b>	52-6132372	
<b>Plan Identification No:</b>	001	
<b>Plan Year:</b>	January 1 through December 31	
<b>Type of Plan:</b>	Defined Contribution Plan	
<b>Administration:</b>	The Plan is self-administered by the Trustees.	
<b>Trustees:</b>	<p>Lonnie R. Stephenson International President International Brotherhood of Electrical Workers 900 Seventh Street NW Washington, DC 20001</p> <p>Salvatore (Sam) J. Chilia International Secretary-Treasurer International Brotherhood of Electrical Workers 900 Seventh Street NW Washington, DC 20001</p>	<p>John M. Grau Chief Executive Officer National Electrical Contractors Association 3 Bethesda Metro Center Bethesda, MD 20814</p> <p>Dennis F. Quebe National Electrical Contractors Association 1985 Founders Drive Dayton, OH 45420</p>
<b>Plan Administrator:</b>	<p>Lawrence J. Bradley Executive Secretary-Treasurer National Electrical Annuity Plan 2400 Research Boulevard, Suite 500 Rockville, MD 20850</p>	
<b>Sponsoring Parties:</b>	National Electrical Contractors Association and International Brotherhood of Electrical Workers	
<b>General Counsel:</b>	<p>David Potts-Dupre Potts-Dupre, Hawkins &amp; Kramer 900 Seventh Street, NW, Suite 1020 Washington, DC 20001</p>	
<b>Agent for Legal Process:</b>	<p>Lawrence J. Bradley Executive Secretary-Treasurer National Electrical Annuity Plan 2400 Research Boulevard, Suite 500 Rockville, MD 20850</p>	

In addition, service of legal process may be made upon either of the NEAP Trustees or of the General Counsel.

**Authority of the Trustees** – The Trustees administer the Plan. They have the right to administer the Plan according to the Plan Documents and to make any changes that are within their discretion. They may interpret the rules and terms of the Plan and determine all questions of coverage, eligibility, methods of providing or arranging for the benefits specified in the Plan, and all other related matters to ensure proper administration of NEAP.

**Plan Amendment** – The Trustees and the National Retirement Board are generally authorized to amend the Plan, prospectively and retroactively, although no such amendment may have the effect of retroactively depriving Participants or beneficiaries of rights already accrued under the Plan.

**Termination** – In the event of termination or partial termination of NEAP, as defined by law, a Participant's rights to benefits accrued to the date of termination or partial termination shall be non-forfeitable. NEAP generally may be terminated: (1) if, in the opinion of the Trustees and the National Retirement Board, and upon advice of NEAP's actuary, NEAP cannot carry out its intent and purposes or it is inadequate to meet the payments due under the Plan; (2) by written action of the IBEW and NECA; or (3) as may be otherwise provided by law. In the event of termination, Plan assets will be used first to pay obligations and expenses of the Plan and the remaining assets will be distributed among Participants and beneficiaries in accordance with applicable law.

**Insurance** – Since NEAP is a defined contribution plan, each Participant has an Individual Account and the benefits are not eligible for insurance from the Pension Benefit Guaranty Corporation. However, all investments are made under guidelines to assure the security of your pension benefits.

**Assignment of Benefits** – You may not ask NEAP to pay your benefit to any other person or organization. Your benefit is only paid to you. However, NEAP may be directed by a court through an approved Qualified Domestic Relations Order (QDRO) to pay a portion of your benefit to a former spouse. You may obtain a copy of the QDRO procedures by writing to NEAP.

**Top Heavy Plans** – Special rules apply if the Plan becomes "Top Heavy". If that happens, the Plan Administrator will let you know about your rights under the Top Heavy rules.

**Reciprocity** – NEAP is a participating fund in the Electrical Industry Pension Reciprocal Agreement.

## Section 14 - Glossary

**Beneficiary/Beneficiaries** – A person or persons other than the Participant who is or may become entitled to receive a benefit from NEAP.

**Covered Employer** – An employer who has agreed, through a collective bargaining agreement with the International Brotherhood of Electrical Workers or an IBEW Local Union, to make contributions to NEAP on behalf of the employees in its bargaining unit. Also, other eligible employers such as IBEW Local Unions, NECA Chapters, and certain employee benefit funds are considered covered if they sign a participation agreement. A complete list of the employers and employee organizations sponsoring the Plan may be obtained by Participants and Beneficiaries upon written request to the Plan Administrator and is available for examination by Participants and Beneficiaries.

**Covered Employment** – Work for a Covered Employer who is obligated to contribute to NEAP on your behalf.

**Disabled** – A Participant is considered Disabled when becoming incapacitated by bodily injury, sickness, or disease that prevents the Participant from engaging in their job classification in Covered Employment.

**Eligible Retirement Plan** – You may be able to rollover a Lump-Sum Distribution to a qualified retirement plan. Those plans include certain individual retirement arrangements (IRAs); Section 401(a) qualified plans, certain Section 403 annuity plans, and governmental Section 457(b) plans.

**ERISA** – The Employee Retirement Income Security Act of 1974. This is the basic law covering qualified plans and incorporates both the pertinent Internal Revenue Code provisions and labor law provisions. ERISA is the basic law designed to protect the right of Participants and Beneficiaries of employee benefit plans offered by employers, unions, and the like.

**Fixed Monthly Benefit** – A benefit received over a period of 5, 10, 15, or 20 years.

**Individual Account** – An account established in your name and maintained by NEAP in which all contributions are credited.

**IBEW** – International Brotherhood of Electrical Workers

**Joint and Survivor Annuity Benefit** – The Joint and Survivor Annuity Benefit provides you with a reduced monthly benefit for your lifetime and at your death provides your spouse with a further reduced monthly benefit that is 50% of the amount you were receiving for your spouse's lifetime.

**Lump-Sum Distribution** – A one-time payment of the entire Individual Account balance.

**NECA** – National Electrical Contractors Association

**National Retirement Board** – The National Retirement Board, among other things, reviews NEAP's operations and the administration of the Plan. Its members are appointed by the IBEW and NECA in equal number.



**Normal Retirement Age** – Age 55.

**Participant** – Any person who has completed the requirements for a Vested pension. Other eligible Participants may include: employees of the IBEW and its Local Unions, employees of NECA and its chartered chapters, employees of National, State or Local Labor Federations, and employees of jointly administered IBEW/NECA organizations such as Joint Apprenticeship and Training Committees, Jointly Administered Trust Funds, etc.

**Reciprocal Transfers** – An arrangement in which the amount of money equal to all contributions received is transferred to the Participant's NEAP Individual Account by a participating fund on behalf of a traveling Participant.

**Single-Life Annuity** – A monthly benefit payable to your spouse each month after your death for your spouse's lifetime.

**Vested** – Your right to a pension is protected and cannot be taken away.

## Section 15 – Forms and Website

To ensure that you receive important benefit information by mail, it is important that you notify NEAP if you change your address. You can easily change your address via the NEAP Online Benefits Portal\*, or you can find an electronic copy of the Change of Address form on the NEAP website, [www.neap.org](http://www.neap.org). For your convenience, the Designation of Beneficiary and Life Stage Investment Change forms are available on the following pages of this booklet as well as on our website. Simply remove these forms from this booklet or print them from the website as needed and mail them to the address below:

**National Electrical Annuity Plan**  
2400 Research Boulevard, Suite 500  
Rockville, MD 20850-3266

We encourage you to visit NEAP's website at [www.neap.org](http://www.neap.org) where you can find the latest information concerning NEAP. NEAP's website also provides you with additional forms and documents used by NEAP that can be downloaded and information on the Life Stage Fund program.

In addition, our website is home to our **Online Benefits Portal**, which allows you to safely and securely register and login to receive important communications and documents about the plan online. Once logged in you will have the opportunity to choose to receive electronic notifications via email or text when plan documents become available. These documents include but are not limited to required annual notices, plan documents, this Summary Plan Description, and other important information. You can also change your address through the online portal.

### WHY SHOULD YOU ENROLL?

Because the **NEAP Online Benefits Portal** is...

- **Convenient** — Members have access 24 hours a day 7 days a week via mobile or internet browser to view documents, request statements, or update their information.
- **Easy-to-Use** — Members are notified by email or text when new information is made available, and documents are easily accessible online.
- **Cost-Effective** — Electronic online benefits information eliminates the high cost of printing, storage, and distribution. This allows more plan assets to be utilized for the benefit of our members and their families.
- **Educational** — Electronic online communication improves document distribution and heightens participant awareness.

\*Visit [www.neap.org](http://www.neap.org), click on Online Benefits, register, and login to a better service experience.



# Designation of Beneficiary

## National Electrical Annuity Plan

**NOTE:** If you do not designate a beneficiary, your death benefits will be paid in the following order.

1. To your spouse, or if none;
2. To your children in equal shares, or if none;
3. To your parents in equal shares, or if none;
4. To your estate.

**If above sequence is acceptable to you, do not complete or return this form.**

### A PARTICIPANT INFORMATION

Participant SSN

 -  - 

Participant Date of Birth

 /  / 

- ☐ Single  
☐ Married  
☐ Divorced

Participant Name (first, middle, last) \_\_\_\_\_

Participant Signature \_\_\_\_\_

Address Line 1

Address Line 2 ( If Needed )

City

State

Zip

### B BENEFICIARY INFORMATION

If you are married and designate that your spouse will receive **less than 100%** of your account balance, then your spouse must consent by completing Section C in the presence of a notary.

Beneficiary 1

SSN  -  -

Date of Birth  /  /

Percentage of Account  %

Name(Please Print): \_\_\_\_\_ Relationship to participant: \_\_\_\_\_

Beneficiary 2

SSN  -  -

Date of Birth  /  /

Percentage of Account  %

Name(Please Print): \_\_\_\_\_ Relationship to participant: \_\_\_\_\_

### C SPOUSE CONSENT (Required only if spouse is not the sole primary beneficiary)

I am the legal spouse of the above named participant in the National Electrical Annuity Plan. I give my consent to the beneficiary designations above and understand that my share will be \_\_\_\_%. My spouse may not change the beneficiary designations above, during the time we are married to one another, without my consent on a form similar to this one.

Spouse's Name (Please Print) \_\_\_\_\_

Spouse's Signature \_\_\_\_\_

County of: \_\_\_\_\_

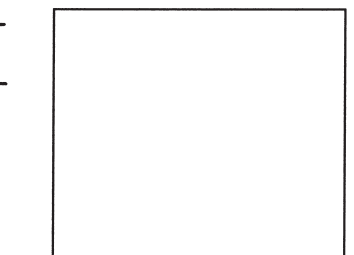
State of: \_\_\_\_\_

Sworn and subscribed to before me this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

Notary Name: \_\_\_\_\_

Notary Signature: \_\_\_\_\_

My Commision Expires: \_\_\_\_\_



(Seal, Stamp, or Certificate Required)



# NEAP Life Stage Investment Form

National Electrical Annuity Plan

Please write your responses in PRINTED CAPITAL LETTERS without touching the sides.

A B C 1 2 3

## SECTION A - LIFE STAGE OPTION

In completing this form, you will need to use black or dark blue ink and fill in the circle completely.

Example: ● RIGHT    ⊗    ✓    ● WRONG

### Select Life Stage Program

☐ Automatic Life Stage Program

*or*

### Select one Life Stage Fund

Only one choice permitted:

☐ Life Stage Fund -- Under 30s

☐ Life Stage Fund--30s

☐ Life Stage Fund--40s

☐ Life Stage Fund--50s

☐ Life Stage Fund--60s +

### Participant's Signature

/   /

Date (mm/dd/yyyy)

(    ) -    -

Telephone Number

## SECTION B - DATE OF BIRTH AND SOCIAL SECURITY NUMBER

### Participant's Date of Birth

/   /

Corrected Date of Birth (If Necessary)

### Participant's SSN

-   -

Corrected SSN (If Necessary)

## SECTION C - FULL NAME AND CHANGE OF ADDRESS

### First Name

MI

### Last Name

### Change of Address, Line1

### Change of Address, Line2 (If Needed)

### City

### State

### Zip

14987



# NEAP Life Stage Investment Form

## ***Instructions:***

Section A -- **Life Stage Option** -- select either the Automatic Life Stage Program or one (1) of the Life Stage Funds. Also in Section A, provide your signature and date you signed this form and your phone number.

Section B -- **Date of Birth and Social Security Number** --carefully print your date of birth in the boxes provided if the date of birth on the form is incorrect or blank. Also, verify your social security number and if it is incorrect, print it correctly in the boxes provided.

Section C --**Name and Address** -- carefully print any corrections to your name or address in the boxes provided.

**Further Information:** If you would like to talk to someone concerning your election, or if you wish to ask for additional information regarding operating expenses of the funds, further investment materials for the funds, and asset, account and performance materials, please contact the NEAP Call Center at (301) 556-4300.

National Electrical Annuity Plan 2400 Research Blvd, Suite 500 Rockville, MD 20850-3266





**Please consider opting in to receive future communications like this electronically.**

Because it's simple, secure, safe,  
and more cost-effective, please log on to  
[www.neap.org](http://www.neap.org) and click 'Online Benefits'  
to opt in to receive electronic communications!