

SOUTHERN ILLINOIS ELECTRICAL RETIREE WELFARE PLAN

for EMPLOYEES
as Negotiated Between
INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS
LOCAL UNION NO. 702
and



ILLINOIS CHAPTER, NATIONAL ELECTRICAL
CONTRACTORS ASSOCIATION, Inc.

SUMMARY PLAN DESCRIPTION

3/1/2012

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ORIGINALLY ESTABLISHED BY
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL UNION
NO. 702
and
SOUTHERN ILLINOIS DIVISION, ILLINOIS CHAPTER, NATIONAL ELECTRICAL
CONTRACTORS ASSOCIATION

Summary Plan Description and Plan

March 1, 2012

Southern Illinois Electrical Retiree Welfare Plan

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INTRODUCTION

This Plan was established in 1995 by the Union and the Association to provide retiree medical and related benefits to employees working in the inside electrical construction industry and under a Union Agreement between the Union and the Association. This document is both the Summary Plan Description and the Plan Document (SPD). Effective July 1, 2009, employees working in the outside electrical construction industry and effective January 1, 2010 employees working in the line clearance industry started participation in the Plan. Effective August 1, 2010, in consultation with the Plan's Actuary, the Trustees established the Outside Benefit Program for employees working in the outside electrical construction industry and the line clearance industry. The Trustees have also authorized the participation of employers and employees in the electric utility industry. The Trustees intend that in the future after consultation with the Plan Actuary, the Trustees will establish a Utility Benefit Program with a separate schedule of benefits and eligibility rules from the two current Benefit Programs. This SPD states the Plan terms in effect as of March 2012. For Plan terms in effect before this date, such terms are provided in earlier SPDs, Benefit Programs, and Summaries of Material Modification.

ARTICLE I – DEFINITIONS

Section 1 – Association

Southern Illinois Division, Illinois Chapter, National Electrical Contractors Association, Inc.

Section 2 – Bargaining Unit Alumni

An Employee is a Bargaining Unit Alumni if in the past, he was a member of a bargaining unit covered by an Agreement with the Union and was an active Participant in this Plan, and his current employer is either currently party to an Agreement with the Union requiring contributions to this Plan or is the Union. To earn Future Service, a Bargaining Unit Alumni must be covered by an approved participation agreement between the Plan and the employer, or must have elected self-pay in compliance with the current Regulation on Self-Pay for Bargaining Unit Alumni.

Section 3 – Electrical Industry

Any and all types of work performed as an Employee, supervisor, owner, partner, officer, director, or adviser, involving or related to electrical construction, maintenance or repair of electricity or its apparatus, including but not limited to the trade jurisdiction of the IBEW as described in its Constitution of September, 2001, and as thereafter amended, work in the inside electrical construction, outside electrical construction, line clearance and electric utility industries, or the

holding of an active electrical license if used directly or by others. It does not include work as an electrical inspector for a government or as an instructor in an apprentice or other education program sponsored by parties to the Trust Agreement for this Plan or as an instructor in an outside construction industry or line clearance industry apprenticeship program jointly established by the Union and employers.

Section 4 – Employee

A person working under the terms of a Union Agreement. A person otherwise meeting the definition of Employee is not to be excluded because the person has an ownership interest in or a management position with an Employer. The term "Employee" may also include, with the consent of the Trustees, Employees of a Union; Employees of any trust fund established by a Union and the Association; Employees working in any field represented by the Union (for example, instructors in electricity at vocational schools, Employees performing electrical work at Government institutions); persons working under the terms of other Union Agreements; other persons for whom contributions are required under the terms of a written agreement with a Union or the Trustees (for example, a foreman who may work from time to time outside the terms of a Union Agreement for an Employer), and Bargaining Unit Alumni under conditions approved by the Board of Trustees.

Section 5 – Employer

An Employer that is party to, has assented to, or is otherwise bound by a Union Agreement requiring contributions to this Plan or who agrees in writing to make contributions to this Plan pursuant to a participation agreement with the Trustees.

Section 6 – Inside Benefit Program

Plan's schedule of benefits and eligibility rules for participants who earn Years of Service and Clock Hours under a Union Agreement defined in Article I, Section 11(a).

Section 7 – Outside Benefit Program

Schedule of benefits for participants who earn Years of Service and Clock Hours under a Union Agreement defined in Article I, Section 11(b).

Section 8 – Participant

Any Employee or former Employee who is or may become eligible to receive any benefit under the terms of the Plan or whose surviving spouse may be eligible to receive any benefit. An Employee becomes an eligible Participant

when Employer contributions attributable to wages paid to the Employee by such Employer are first received by the Plan pursuant to a Union Agreement.

Section 9 – Trust Agreement

The Southern Illinois Electrical Retiree Welfare Plan Trust Agreement, as restated September 1, 1995 and as it may be amended thereafter.

Section 10 – Union

Local No. 702, International Brotherhood of Electrical Workers or any other union which, with consent of the Trustees, agrees to participate in this Plan.

Section 11 – Union Agreement

a. Inside Benefit Program: For the Inside Benefit Program, a Union Agreement is: (1) On and after August 1, 1995, a collective bargaining agreement with the Union and the Association, or any other collective bargaining agreement between the Union and an employer in the inside electrical construction industry which requires contributions to this Plan at the same contribution rate as the then current Union Agreement between the Union and the Association; and (2) Prior to August 1, 1995, a collective bargaining agreement between the Union and the Association covering the inside electrical construction industry.

b. Outside Benefit Program. For the Outside Benefit Program, a Union Agreement is: (1) On and after July 1, 2009 in the case of Lineman Participants and on and after January 1, 2010 in the case of Tree Trimmer/Line Clearance Participants, a collective bargaining agreement with the Union and the American Line Builders Chapter of the National Electrical Contractors Association or any other collective bargaining agreement between the Union and an employer in either the outside electrical construction industry or the line clearance industry which requires contributions to this Plan at the same rate as the then current Union Agreement between the Union and the American Line Builders Chapter of the National Electrical Contractors Association; and (2) Prior to July 1, 2009 in the case of Lineman Participants and prior to January 1, 2010 in the case of Tree Trimmer/Line Clearance Participants, a collective bargaining agreement between the Union and the American Line Builders Chapter of the National Electrical Contractors Association or an employer in the outside electrical construction industry or the line clearance industry.

c. Utility Benefit Program. For Utility Benefit Program, a Union Agreement is a collective bargaining agreement with the Union and employers in the electric utility industry (including REA cooperatives) which provide for contributions to this Plan on or after August 1, 2010.

Section 12 – Utility Benefit Program

The schedule of benefits and eligibility rules to be adopted by the Trustees in the future after consultation with the Plan actuary for participants who earn Years of Service and Clock Hours under a Union Agreement between the Union and employers in the electric utility industry.

ARTICLE II – RETIREE WELFARE BENEFITS AND ELIGIBILITY RULES

Section 1 – Inside Retiree Welfare Benefits

The following monthly payment will be made to a medical welfare plan or insurance company on behalf of an Eligible Inside Benefit Program Retiree or the lesser amount that the medical welfare plan or insurance company may require for coverage of the Eligible Retiree and his dependents:

- a. Age 60 through 61: \$600.
- b. Age 62 through 64: \$400.
- c. Age 65 until death of the Eligible Retiree: \$325.

Section 2 – Outside Retiree Welfare Benefits

The following monthly payment will be made to a medical welfare plan or insurance company on behalf of an Eligible Outside Benefit Program Retiree or the lesser amount that the medical welfare plan or insurance company may require for coverage of the Eligible Retiree and his dependents:

- a. Retiree under age 65 (not married): \$275.
- b. Retiree 65 and over (not married): \$120.
- c. Retiree and spouse under age 65: \$550.
- d. Retiree age 65 and over/spouse under age 65: \$395.
- e. Retiree under age 65 and spouse age 65 and over: \$395.
- f. Retiree and spouse both age 65 and over: \$240.

Section 3 – Utility Retiree Welfare Benefits

[This Section is intentionally reserved and left blank.]

Section 4 –Initial Eligibility Rules For Inside Retiree Welfare Benefits

a. General. To be an Eligible Retiree for Inside Retiree Welfare Benefits, a Participant must meet all of the following requirements:

1. Age and Retirement

A Participant must be at least 60 and retired from any type of work in the Electrical Industry after August 31, 1996.

2. 20 Inside Years of Service

A Participant must have completed twenty (20) Inside Years of Service with Private Employers in the Inside Construction Electrical Industry as described in Article II, Section 4(b) below, or with Public Employers as described in Article II, Section 7 below.

3. Final Two Years

At least two (2) Inside Years of Service during the last five (5) years before a Participant becomes eligible for benefits under this Plan must meet the requirements for Inside Years of Service with Private Employers as described in Article II, Section 4(b) below.

If a Participant is Totally and Permanently Disabled, as defined in Article III, Section 3 below throughout any one or more years during such last five (5) years, each such year of disability may be counted to meet this Final Two Inside Years of Service requirement.

Example: A Participant reaches age 60 in 2005 with more than 20 Inside Years of Service and last worked when age 56. He was Totally and Permanently Disabled before he became injured at age 57; such disability continued for one year. He meets the requirements of Final Two Inside Years of Service during the last five (5) years before age 60 because he had one year of service while age 56 and the year that he was Totally and Permanently Disabled counts as the second required year.

b. Inside Years of Service with Private Employers in the Inside Construction Electrical Industry Defined: An Inside Year of Service with Private Employers in the Inside Construction Electrical Industry (Inside Year of Service) is a calendar year during which a Participant meets the following requirement for hours worked under a Union Agreement as defined in Article I, Section 11(a) (Inside Clock Hours).

1. Service Prior to 1965. Prior to 1965, any year during which a Participant performed any work under a Union Agreement as defined in Article I, Section 11(a) will count as one (1) Inside Year of Service.

2. Service from 1965 through 1995. From 1965 through 1995, a Participant will be credited with one (1) Inside Year of Service for each 1,000 Inside Clock Hours, disregarding Inside Clock Hours during any year when the Participant had less than 300 Inside Clock Hours. The total number of Inside Years of Service credited may not exceed the number of years during which the person worked 300 or more Inside Clock Hours. Example: Fox worked 21,000 Inside Clock Hours during a 20 year period from 1976 through 1995 under Union Agreements as defined in Article I, Section 11(a). In 15 of those years he worked at least 300 Inside Clock Hours. In five of those years he worked only 200 Inside Clock Hours a year; therefore, these 1,000 Inside Clock Hours are not counted. This leaves 20,000 Inside Clock Hours, potentially equal to 20 Inside Years of Service [20,000 divided by 1,000], but Fox is entitled only to 15 Inside Years of Service because that is the number of years during which he worked more than 300 Inside Clock Hours.

3. Service from 1996 Forward-Future Service.

From 1996 forward, a Participant will be credited with one (1) Inside Year of Service for each 1,400 Inside Clock Hours, disregarding Inside Clock Hours during any year when the person had less than 300 Inside Clock Hours. The total number of Inside Years of Service credited may not exceed the number of years during which the Participant worked 300 or more Inside Clock Hours. Example: Fox worked these Inside Clock Hours: 200 in 1996, 800 in 1997, 2,200 in 1998, 1,900 in 1999, 1,200 in 2000, and 900 in 2001. The 200 in 1996 do not count. The remaining 7,000 Inside Clock Hours are divided by 1,400 producing five. Since Fox had five years with more than 300 Inside Clock Hours, he is entitled to the five Inside Years of Service.

Section 5 – Initial Eligibility For Outside Retiree Welfare Benefits

a. General. To be an Eligible Retiree for Outside Retiree Welfare Benefits, a Participant must meet all of the following requirements:

1. Age, Retirement and Initial Participation. A Participant must be at least 60, retired from any type of work in the Electrical Industry on or after July 1, 2009 for linemen participants and January 1, 2010 for tree trimmer/line clearance participants, and have earned at least 1,400 Outside Clock Hours under a Union Agreement defined in Article II, Section 11(b)(1) [Outside Union Agreements requiring contributions to this Plan].

2. 20 Outside Benefit Program Years of Service. A Participant must have completed twenty (20) Outside Years of Service with Private

Employers in the Outside Construction/Line Clearance Electrical Industry as described in Article II, Section 5(b) below, or with Public Employers as described in Article II, Section 7 below.

3. Final Two Years. At least two (2) Outside Years of Service during the last five (5) years before a Participant becomes eligible for benefits under this Plan must meet the requirements for Outside Years of Service with Private Employers in the Outside Construction/Line Clearance Electrical Industry as described in Article II, Section 5(b) below.

If a Participant is Totally and Permanently Disabled, as defined in Article III, Section 3 throughout any one or more years during such last five (5) years, each such year of disability may be counted to meet this Final Two Outside Years of Service requirement.

Example: A Participant reaches age 60 in 2015 with more than 20 Outside Years of Service and last worked when age 56 in 2011. He was Totally and Permanently Disabled before he became injured at age 57; such disability continued for one year. He meets the requirements of Final Two Years of Service during the last five (5) years before age 60 because he had one year of service while age 56 and the year that he was Totally and Permanently Disabled counts as the second required year.

b. Outside Years of Service with Private Employers in the Outside Construction/Line Clearance Electrical Industry Defined: An Outside Year of Service with Private Employers in the Outside Construction/Line Clearance Electrical Industry (Outside Year of Service) is a calendar year during which a Participant meets the following requirement for hours worked under a Union Agreement as defined in Article I, Section 11(b) (Outside Benefit Program) (Outside Clock Hours).

1. Service Prior to 1965. Prior to 1965, any year during which a Participant performed any work under a Union Agreement as defined in Article I, Section 11(b) will count as one (1) Outside Year of Service.

2. Service from 1965 through and before July 1, 2009 in the case of Linemen Participants, and before January 1, 2010 in the case of Tree Trimmer/Line Clearance Participants. From 1965 through 1995, a Participant will be credited with one (1) Outside Year of Service for each 1,000 Outside Clock Hours, disregarding Outside Clock Hours during any year when the Participant had less than 300 Outside Clock Hours. From 1996 and before July 1, 2009 in the case of Linemen Participants and before January 1, 2010 in the case of Tree Trimmer/Line Clearance Participants, a Participant will be credited with one (1) Outside Year of Service for each 1,400 Outside Clock Hours worked, disregarding Outside Clock Hours during any year when the Participant had less than 300 Outside Clock Hours. The total number of Outside Years of Service

credited may not exceed the number of years during which the person worked 300 or more Outside Clock Hours. Example: Fox worked 29,000 Outside Clock Hours during a 20 year period from 1996 through 2015 under Union Agreements as defined in Article I, Section 11(b). In 15 of those years he worked at least 300 Outside Clock Hours. In five of those years he worked only 200 Outside Clock Hours a year; therefore, these 1,000 Outside Clock Hours are not counted. This leaves 28,000 Outside Clock Hours, potentially equal to 20 Outside Years of Service [28,000 divided by 1,400], but Fox is entitled only to 15 Outside Years of Service because that is the number of years during which he worked more than 300 Outside Clock Hours.

3. Service on and after July 1, 2009 in the case of Lineman Participants and on and after January 1, 2010 in the case of Tree Trimmer/Line Clearance Participants-Future Service.

On and after July 1, 2009 in the case of Lineman Participants and on and after January 1, 2010 in the case of Tree Trimmer/Line Clearance Participants forward, a Participant will be credited with one (1) Outside Year of Service for each 1,400 Outside Clock Hours worked, disregarding Outside Clock Hours during any year when the person had less than 300 Outside Clock Hours. The total number of Outside Years of Service credited may not exceed the number of years during which the Participant worked 300 or more Outside Clock Hours. Example: Fox worked these Outside Clock Hours: 200 in 2016, 800 in 2017, 2,200 in 2018, 1,900 in 2019, 1,200 in 2020, and 900 in 2021. The 200 in 2016 do not count. The remaining 7,000 Clock Hours are divided by 1,400 producing five. Since Fox had five years with more than Outside 300 Clock Hours, he is entitled to the five Outside Years of Service.

Section 6 – Initial Eligibility Rules for Utility Benefit Program

[This Section is intentionally reserved and left blank]

Section 7 – Service with Public Employers (Both Inside and Outside Benefit Programs)

If a Participant has at least five Years of Service under either Article II, Sections 4(b) or 5(b) [Years of Service with Private Employers] and is performing work in the Electrical Industry for a Public Employer where he is represented by the Union in dealing with the Public Employer, such Public Employer work may be counted in computing the remaining Years of Service required to meet the 20 Years of Service requirement of Article II, Section 4(a) (2) or Article II, Section 5(a)(2) (the 20 Year of Service Rule), on the following basis:

a. Service Prior to 1965. Prior to 1965 any year during which a Participant performed any work under an Agreement between the Union and a

Public Employer, or in a Public Employer bargaining unit represented by the Union will count as one (1) Year of Service.

b. Service from 1965 through 1995. From 1965 through 1995, a Participant will be credited with one (1) Year of Service for each 1,000 hours worked under an Agreement between the Union and a Public Employer, or in a Public Employer bargaining unit represented by the Union (Clock Hours), disregarding Clock Hours during any year when the person had less than 300 Clock Hours; the total number of years credited may not exceed the number of years during which the person worked 300 or more Clock Hours.

c. 1996 Forward. From 1996 forward, a Participant will be credited with one (1) Year of Service for each 1,400 Clock Hours worked under an Agreement between the Union and a Public Employer, or in a Public Employer bargaining unit represented by the Union, disregarding Clock Hours during any year when the Participant had less than 300 Clock Hours. The total number of years credited may not exceed the number of years during which the Participant worked 300 or more Clock Hours.

Section 8 – Continuation of Medical Welfare Benefits Coverage (Both Inside and Outside Benefit Programs)

The Participant must be eligible for continuation of medical welfare benefits coverage with an employment-related plan, such as the NECA-IBEW Welfare Trust Fund (located at Decatur, Illinois) or the Line Construction Benefit Fund (Lineco); or the Participant must provide proof of eligibility for continuation coverage with a medical benefits insurance company.

Example: A Participant who does not maintain eligibility with an employment-related plan may be eligible for this benefit by securing medical welfare coverage with an insurance company. The Participant must provide this Plan with documentation sufficient to issue the benefit payment to the employment-related plan or the insurance company.

Section 9 – General Conditions for All Retiree Medical Benefits (Both Inside and Outside Benefit Programs)

a. Direct payment to medical plan. This Plan will pay the Retiree Welfare Benefit directly (unless other arrangements have been made) to the retiree medical plan or insurance company providing retiree medical benefits to an eligible participant or beneficiary. Any remaining balance due for coverage must be promptly paid by the Eligible Retiree to the medical welfare plan or insurance company.

b. Advance submission of benefit application required. An application should be submitted to this Fund at least 60 days before the first medical benefit payment is required for continued coverage of the Eligible Retiree.

c. Limitation on monthly benefit payment made by Plan. Notwithstanding the above, no Retiree Welfare Benefits provided by this Plan will exceed the applicable premium charged by the medical welfare plan or insurance company providing medical benefits to the Eligible Retiree.

d. Exclusion if eligible for benefits under a retiree medical plan. No benefit will be payable to an Eligible Retiree if that Eligible Retiree is eligible for any type of retiree medical benefit from any employer sponsored medical plan or by an employer.

e. Exclusion if Retiree returns to work in the Electrical Industry or becomes employed and covered by an employment based group medical plan. If an Eligible Retiree returns to work in the Electrical Industry or works elsewhere and becomes eligible as an active employee for medical welfare benefit coverage, while so eligible the benefit from this Plan is forfeited; otherwise benefits from this Plan will continue during such employment. The Eligible Retiree must notify the Plan Office when he becomes covered as an active employee and when such coverage stops.

Example: A Participant retires at age 60 and begins to receive the Retiree Welfare Benefit. He returns to work 12 months later and becomes eligible for medical welfare benefits 15 months later with his new Employer and such coverage continues to the 25th month when he stops work again. Medical welfare benefits from this Plan are forfeited during the ten-month period (from the 15th month through the 25th month, while he is covered by the medical welfare plan where he was employed). Benefits from this Plan resume starting with the 26th month.

Section 10 – Bargaining Unit Alumni

An employee who meets the Plan's definition of Bargaining Unit Alumni may resume or continue participation in the Plan under either an approved bargaining unit alumni participation agreement between the Board of Trustees and the employee's employer or under the Plan's bargaining unit alumni self pay regulation. Contact the Fund Office for further details.

ARTICLE III – DISABLED EMPLOYEE BENEFIT

Section 1 – Benefit Amount

a. Inside Benefit Program. If an Employee becomes Totally and Permanently Disabled, any self-pay premium required for coverage of the

Employee and his dependents up to \$600 monthly shall be payable to the medical welfare plan or insurance company covering the Employee from the time that he became disabled. This Benefit shall be payable for a maximum of 36 months or the date the Trustees determine that the Employee is no longer Totally and Permanently Disabled, whichever is earlier.

b. Outside Benefit Program. If an Employee becomes Totally and Permanently Disabled, any self-pay premium required for coverage of the Employee and his dependents up to \$275 monthly for a Participant under age 65 and \$120 monthly for a Participant age 65 and older shall be payable to the medical welfare plan or insurance company covering the Employee from the time that he became disabled. This Benefit shall be payable for a maximum of 36 months or the date the Trustees determine that the Employee is no longer Totally and Permanently Disabled, whichever is earlier.

Section 2 – Eligibility

a. Inside Benefit Program. The Employee must have five (5) Inside Years of Service, as defined in Article II, Section 4(b), with at least one (1) Inside Year of Service during the two calendar years immediately preceding the date of the Employee's disability.

b. Outside Benefit Program. The Employee must have five (5) Outside Years of Service, as defined in Article II, Section 5(b), with at least one (1) Outside Year of Service during the two calendar years immediately preceding the date of the Employee's disability. In addition, the Employee must have earned at least 1,400 Outside Clock Hours under a Union Agreement defined in Article II, Section 11(b)(1) [Outside Union Agreements requiring contributions to this Plan] and the disability must commence after the participant earned these 1,400 Outside Clock Hours.

Section 3 – Totally and Permanently Disabled (Both Inside Benefit Program and Outside Benefit Program)

Totally and Permanently Disabled means the inability because of accident or illness to perform the duties of the job classifications of the last Union Agreement under which the Employee was working before the injury or illness causing his disability. The Trustees may require an examination of the Participant by a physician selected by the Trustees. The Trustees may accept the disability determination made by the Social Security Administration as sufficient evidence of being Totally and Permanently Disabled or the determination of the Employee's physician.

Section 4 – Disability Benefit Limitation (Both Inside Benefit Program and Outside Benefit Program)

Notwithstanding the above, no benefit provided by this Plan to an Employee will exceed the applicable premium charged by the medical welfare plan or insurance company providing medical benefits to the Employee.

ARTICLE IV - SURVIVING SPOUSE BENEFITS

Section 1 – Death of An Eligible Retiree Receiving Benefits

a. Benefit under Inside Benefit Program: If an Eligible Retiree dies while receiving Retiree Welfare Benefits under the Inside Benefit Program from this Plan that are payable to a plan where his surviving spouse is a covered dependent, the payments will be continued to that plan on behalf of the surviving spouse, as a Surviving Spouse Benefit, for up to 36 months in the following amounts (based upon the age and Medicare eligibility of the Surviving Spouse):

1. Age 60 through 61 (up to 62nd birthday): \$600;
2. Age 62 through 64: \$400; or
3. If eligible for Medicare: \$325

b. Benefit Under Outside Benefit Program: If an Eligible Retiree dies while receiving Retiree Welfare Benefits under the Outside Benefit Program from this Plan that are payable to a plan where his surviving spouse is a covered dependent, the payments will be continued to that plan on behalf of the surviving spouse, as a Surviving Spouse Benefit, for up to 36 months in the following amounts (based upon the age of the Surviving Spouse):

1. Under age 65: \$275;
2. Age 65 and older: \$120

c. Exclusion if Surviving Spouse covered by another employer based welfare plan (Both Inside Benefit Program and Outside Benefit Program): No Surviving Spouse Benefit is payable if the surviving spouse is covered by a welfare plan sponsored by her employer.

d. Exclusion if Surviving Spouse Remarries (Both Inside Benefit Program and Outside Benefit Program): This Surviving Spouse Benefit will cease at the end of any month during which the surviving spouse remarries.

e. Limitation of monthly payment (Both Inside Benefit Program and Outside Benefit Program): Notwithstanding the above, no benefit provided by this

Plan to a surviving spouse will exceed the applicable premium charged by the medical welfare plan or insurance company providing medical benefits to the surviving spouse.

Section 2 – Death Of An Employee Before Benefits Begin

a. Initial Eligibility Rules Under Inside Benefit Program

The surviving spouse of a participant in the Inside Benefit Program who dies before starting to receive Retiree Welfare Benefits under this Plan, may be eligible for a Surviving Spouse Benefit under the terms of this Subsection. The participant must have met one of these eligibility requirements at the time of his death:

1. The participant must have had five (5) Inside Years of Service and met the requirements of Article II, Section 4(a)(3) on Final Two Years, except that the required two (2) Inside Years of Service must be within the last five (5) years before the Employee's death; or

2. An apprentice indentured in the Local 702 Inside Wireman's JATC who has completed his probationary period, so long as he remains as an indentured apprentice. After completion of apprenticeship, eligibility will be continued for one year for each year during apprenticeship that the Employee worked less than 1,400 Inside Clock Hours - -provided that the former apprentice is continuously working for a Private or Public Employer referred to in this Plan.

b. Initial Eligibility Rules Under Outside Benefit Program

The surviving spouse of a participant in the Outside Benefit Program who dies before starting to receive Retiree Welfare Benefits under this Plan, may be eligible for a Surviving Spouse Benefit under the terms of this Subsection. A participant must have earned at least 1,400 Outside Clock Hours under a Union Agreement defined in Article II, Section 11(b)(1) [Outside Union Agreements requiring contributions to this Plan] and the participant's death must have occurred after the participant earned these 1,400 Outside Clock Hours. In addition, the participant must have met one of these eligibility requirements at the time of his death:

1. The participant must have had five (5) Outside Years of Service and met the requirements of Article II, Section 5(a)(3) on Final Two Years, except that the required two (2) Outside Years of Service must be within the last five (5) years before the Employee's death; or

2. An apprentice indentured in an outside construction industry or line clearance industry apprenticeship program jointly established by the Union and employers, who has completed his probationary period, so long as he

remains as an indentured apprentice. After completion of apprenticeship, eligibility will be continued for one year for each year during apprenticeship that the Employee worked less than 1,400 Outside Clock Hours - -provided that the former apprentice is continuously working for a Private or Public Employer referred to in this Plan.

c. Benefit under Inside Benefit Program

A Surviving Spouse Benefit of the lesser of \$600 payable or the applicable amount provided for in Article IV, Section 1(a) for a maximum of 36 months to the medical welfare plan or insurance company covering the surviving spouse provided that:

1. the surviving spouse was a covered dependent of the Employee at the time of his death;
2. the surviving spouse is not covered by a welfare plan sponsored by her employer;
3. the surviving spouse is and remains eligible for continuation coverage under the plan covering the deceased Employee; and
4. the Surviving Spouse Benefit will terminate if the surviving spouse remarries or becomes eligible for Medicare.

Notwithstanding the above, no benefit provided by this Plan to a surviving spouse will exceed the applicable premium charged by the medical welfare plan or insurance company providing medical benefits to the surviving spouse.

d. Benefit under Outside Benefit Program

A Surviving Spouse Benefit of a monthly payment of \$275 if the Surviving Spouse is under age 65, and \$120 if the Surviving Spouse is age 65 or older for a maximum of 36 months to the medical welfare plan or insurance company covering the surviving spouse provided that:

1. the surviving spouse was a covered dependent of the Employee at the time of his death;
2. the surviving spouse is not covered by a welfare plan sponsored by her employer;
3. the surviving spouse is and remains eligible for continuation coverage under the plan covering the deceased Employee; and

4. the Surviving Spouse Benefit will terminate if the surviving spouse remarries or becomes eligible for Medicare.

Notwithstanding the above, no benefit provided by this Plan to a surviving spouse will exceed the applicable premium charged by the medical welfare plan or insurance company providing medical benefits to the surviving spouse.

ARTICLE V – GENERAL INFORMATION

Section 1 – Claim and Appeal Procedures

a. Applying for Benefits

A Participant should contact the Fund Office or his Union office to secure an application for benefits and submit the completed application to the Fund Office at least two months before the first month for which he is seeking a benefit.

The application must clearly identify the medical welfare plan or insurance company where you are eligible to self-pay for continuation coverage (such as the NECA-IBEW Welfare Trust Fund at Decatur, Illinois or the Line Construction Benefit Fund).

b. Loss of Monthly Benefits for Late Applications

If a Participant is otherwise eligible and fails to timely file an application for benefits with the Fund Office, he will lose benefits for the months before his application is filed and processed. Those benefits will be forfeited; benefits are not paid retroactively.

No benefits are payable to an individual. Benefits are payable only to a medical welfare plan or insurance company for future continuation of medical benefits.

c. Claim Processing

If a properly-completed application is denied, in whole or in part, a claimant will be notified within 90 days (normally within 45 days) after receipt of the written claim. In some cases additional time may be needed; if so, the claimant will be advised of the special circumstances requiring more time and when an answer may be expected. If it is determined that a claimant is not entitled to benefits under this Plan, or that a claimant is entitled to a lesser benefit than the amount claimed, the claimant will be furnished with a written statement which includes:

1. The specific reason or reasons for the denial or reduction;

2. A specific reference to the pertinent Plan provisions on which the denial or reduction is based;

3. A description of any additional material or information necessary for you to establish your right to benefits and an explanation of why such material or information is necessary; and

4. An explanation of the Plan's claim review procedure, (known as "Appeal Procedure") including the time limits for filing an appeal and how long the Plan has to make a determination on an appeal.

d. Appeal Procedure

The claimant or a person authorized to act for the claimant ("representative") may appeal any denial of a request for benefits by filing a request for review addressed to the Trustees of Southern Illinois Electrical Retiree Welfare Plan at the Fund Office. In connection with such a request, documents pertaining to the claim may be reviewed and copied, free of charge by the claimant.

A request for review must be filed within six months after receipt of the written notice of denial of a claim for benefits. The claimant or his representative may request that the Trustees hold a hearing on the request for review. If such a request is approved by the Trustees, the claimant or his representative will be given at least ten days written notice of the hearing date by certified mail, unless waived with consent. Continuance of the date of any hearing may be granted for good cause.

A written decision will be rendered no later than 60 days after receipt of a request for review. If there are special circumstances requiring more time, the decision may be delayed, but not later than 120 days after receipt of the request for review. If the Trustees have designated a party or parties to decide the issues, the Trustees may review (and may change) the decision. The decision will be mailed to claimant or his representative by certified mail. If the decision is adverse, it will include:

1. The specific reason or reasons for the adverse determination;

2. A reference to the specific Plan provisions on which the adverse determination is based;

3. A statement that the claimant is entitled to receive upon request and free of charge reasonable access to and copies of all documents, records and other information relevant to the adverse determination; and

4. A statement of the claimant's right to bring a court action under Section 502(a) of ERISA.

Use of this appeal procedure is mandatory. No court action may be brought against the Trustees until the Plan's appeal procedures have been exhausted.

e. Disability Claims and Appeals

A copy of the Procedures for Disability claims and appeals will be provided to any participant upon request, and a copy will be provided to any participant filing a claim for disability benefits.

f. Where to File Claims and Other Communications - Fund Office

All claims, appeals and other communications should be addressed to the Fund Office. See Article V, Section 2(e) below.

Section 2 - Information About The Plan

a. Name of Plan

Southern Illinois Electrical Retiree Welfare Plan ("Plan").

b. Plan Identification Numbers

The IRS Identification Number is EIN 43-1724421. The Plan Number is 501.

c. Type of Plan

It is a welfare plan providing retiree medical benefits.

d. Type of Administration

The Plan is administered by the Board of Trustees. The day-to-day administration of the business of the Plan is provided by the IBEW-NECA Service Center, Inc., which provides services as contract administrator on behalf of the Trustees of the Plan.

e. Plan Administrator and Sponsor

The Plan Administrator and Sponsor maintaining the Plan is the Board of Trustees of the Southern Illinois Electrical Retiree Welfare Plan which has its business office which is also called the Fund Office at this address:

Southern Illinois Electrical Retiree Welfare Plan
5735 Elizabeth Avenue
St. Louis, Missouri 63110
Telephone: 314/752-2330
Toll Free 877/281-2430

f. Agent for Service for Legal Process

Mr. Corey J. Wirth, CEBS, Administrative Manager, IBEW-NECA Service Center, Inc., at above address. Service may also be made upon any Trustee.

g. Board of Trustees

Mr. Wade Belcher
Belcher Electric Company
400 East Davie
Anna, Illinois 62906

Mr. Steve Hughart
Local Union No. 702, IBEW
106 North Monroe Street
West Frankfort, Illinois 62896

Mr. Stephen D. Wilson
Wilson Electric
658 Old Route 13 East
Carbondale, Illinois 62901

Mr. Monte Russell
8 Brogan Lane
Villa Ridge, Illinois 62996

Mr. David Conder
All Electric Service
290 East Miller Court
Carbondale, Illinois 62901

Mr. Charles May
1307 Davis Avenue
Johnston City, Illinois 62951

Mr. Daniel Brewer
Big D Electric
1203 Barton, P.O. Box 56
El Dorado, Illinois 62930

Mr. Justin Wright
Local Union No. 702, IBEW
106 North Monroe Street
West Frankfort, Illinois 62896

h. Union Agreement

The Plan is maintained under an agreement between the Union and the Association which originally provided and continues to provide for the establishment and maintenance of this Plan under the Trust Agreement. A list of the Employers who have signed a Union Agreement and/or a copy of any such Union Agreement is available to any Participant during normal business hours at the Fund Office.

i. Source of Contributions to Support Plan

All Employers party to a Union Agreement providing for adherence to the Plan are required to make contributions on behalf of Employees working under the Union Agreement. Employer contributions are at a specified rate as required by the Union Agreement; contribution rates may change as the Union Agreement is altered.

j. Funding Medium Used to Provide Benefits

All of the benefits under the Plan are provided directly from the Plan's assets by the Board of Trustees.

k. Calendar Year

The Plan's fiscal and other records are maintained September through August.

Section 3 - Statement Of Rights Under ERISA

As a participant in the Southern Illinois Electrical Retiree Welfare Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

RECEIVE INFORMATION ABOUT YOUR PLAN AND BENEFITS

Examine, without charge, at the plan administrator's office and at other specified locations, such as work sites and union halls, all documents governing the plan, including insurance contracts and Union 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 Employee Benefits Security Administration.

Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts and Union 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.

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. 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, welfare) benefit or exercising your rights under ERISA.

ENFORCE YOUR RIGHTS

If your claim for a Plan 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 or a medical child support order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

ASSISTANCE WITH YOUR QUESTIONS

If you have any questions about 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.

Section 4 – Interpretation of the Plan

The Trustees have the right to issue regulations. The Trustees have full discretionary authority to rule on all applications and their decision shall be final and binding, unless clearly arbitrary. In applying and interpreting this Summary Plan Description, the Trust Agreement, forms and regulations, the Trustees have discretionary authority. The decision of the Board of Trustees shall be final and binding on all parties — including but not limited to Eligible Retirees, Employees, surviving spouses, Employers and the Union.

Whenever the masculine gender is used, it shall also apply to the feminine gender.

Section 5 – Termination Procedure: Asset Distribution

The Plan may be terminated: (a) by mutual consent of the Trustees one year after the date when there is no longer in force any Union Agreement requiring contributions to this Plan, or in the absence of such Union Agreement, at such earlier or later date as the Trustees decide; or (b) by mutual consent of the Union and Association.

In the event of such termination, the Trustees shall continue to serve until all of the trust property has been expended; they shall continue benefits in some form (to the degree and for the time feasible considering the funds available, liabilities to be incurred, and other relevant factors, in the judgment of the Trustees) for the benefit of one or more classes of persons or their dependents, or both, who are eligible for benefits at the time of termination and in the discretion of the Trustees to persons in the process of becoming eligible. The Trustees shall endeavor to pay, or set aside funds to pay all of the obligations of the Plan. The Trustees may establish reserves or escrow accounts for liabilities that cannot fully be determined. The Trustees may purchase insurance to provide benefits or may adopt some form of special benefit as a means of more expeditiously and more efficiently winding up the affairs of the Plan. Upon expenditure or distribution of all of the monies and property in the Plan, the Trustees shall stand discharged of any further obligation under the Trust Agreement.

Section 6 – Limitation of Authority

In the event of any conflict between this Summary Plan Description and the Trust Agreement, the Trust Agreement shall control. No agent, representative, officer, or other party from any Union or from any Employer or the Association, or any individual Trustee has authority to speak on behalf of the

Board of Trustees of this Plan. If you have any questions pertaining to this Plan, the Administrative Manager in the Fund Office will try to assist you by referring you to the pertinent provisions of this Summary Plan Description or other Plan documents. Matters that are not clear or which require interpretation will be referred by the Administrative Manager to the Board of Trustees. Neither the Administrative Manager nor any other party may authorize actions contrary to the written terms of this Summary Plan Description and the Trust Agreement.

Section 7 – Benefit Changes

The Trustees have the authority to change the form and amount of benefits, rules of eligibility, classes of persons covered, or other aspects of the Benefit Program; the Trust Agreement requires that certain changes be approved by the Union and The Association. Changes may involve reduction or elimination of benefits or classes of persons eligible for benefits and may apply to persons who have established eligibility for benefits or who are receiving benefits. No benefits are vested or guaranteed; all benefits are subject to termination or reduction.

Section 8 – Obligation of Eligible Retirees, Employees, and Surviving Spouses to Furnish Information to the Trustees

Eligible Retirees, Employees, and surviving spouses are required to furnish the Trustees with such information as will aid the Trustees in the administration of the Plan and Trust, including but not limited to all pertinent data for purposes of determining their status under this Plan.

Section 9 – Benefits are not Assignable

No Eligible Retiree, Employee, or surviving spouse has the right to assign, transfer, sell, pledge or in any other way dispose of any right to benefits which he or she may have from this Plan.

Section 10 – Examples of How Benefits May Be Lost. The following is a list of examples for how benefits may be lost under the Plan.

a. Return to Work – Suspension for Benefits

If an Eligible Retiree returns to work in the Electrical Industry or works elsewhere and becomes eligible as an active employee for medical welfare benefit coverage, while so eligible the benefit from this Plan is forfeited. See Article II, Section 9(e).

b. Disabled Employee Benefits

Benefits payable on behalf of an Employee who is Totally and Permanently disabled will cease after 36 months or, if earlier, the date the Trustees determine that the Employee is no longer Totally and Permanently Disabled. See Article III, Section 3.

c. Surviving Spouse Benefits

1. Benefits payable on behalf of a surviving spouse upon the death of an Eligible Retiree will cease after 36 months or, if earlier, at the end of any month during which the surviving spouse remarries or becomes eligible for benefits under an employer sponsored medical plan. See Article IV, Section 1(c) and (d).

2. Benefits payable on behalf of a surviving spouse upon the death of an Employee will cease after 36 months or, if earlier, at the end of any month during which the surviving spouse remarries, becomes eligible for Medicare, or dies. See Article IV, Section 2(c) and (d).

d. Failure to Make Timely Application for Benefits

If an Eligible Retiree, Employee, or surviving spouse fails to make an application for benefits, the benefits will not be paid.

e. Plan Termination

If the Plan is terminated, whether by action of the Trustees, the Union and the Association, or by requirements of any law, benefits may be reduced or otherwise changed, or benefits may be reduced if the assets of the Plan are insufficient to pay all benefits. See Article V, Section 5.

f. Benefit Changes

If the Plan is amended so as to change the benefits or any of the terms or conditions under which benefits are paid, benefits may be reduced or otherwise changed. See Article V, Section 7.

