

---

**OFFICE AND PROFESSIONAL  
EMPLOYEES RETIREMENT PLAN**

**Plan Booklet**

**And**

**Summary Plan Description**

**October 1, 2015**

---

## **TO ALL PARTICIPATING EMPLOYEES**

The Office and Professional Employees Retirement Plan has been developed by labor and management representatives to assist you in providing for your financial security in retirement. This Plan description contains important information concerning the determination of your benefits, the administration of the Plan, and your rights under federal law. We urge you to read this plan description carefully and to refer to it from time to time so that you will be fully aware of your rights and benefits. This Plan description includes all Plan changes through October 1, 2015. If you have any questions, you should contact the Trust administration office by calling (206) 625-1800 or emailing [opeiu@baclink.com](mailto:opeiu@baclink.com).

Sincerely,

The Board of Trustees

## TABLE OF CONTENTS

<b>PLAN INFORMATION .....</b>	<b>1</b>
Name of Plan .....	1
Description of Plan .....	1
Employer Contribution Program .....	1
401(k) Wage Deferral Program .....	1
Potential Tax Credit .....	2
Eligibility to Participate .....	2
Eligibility for Benefits .....	3
Amount of Benefits .....	3
Forms of Benefits .....	4
Payment of Benefits .....	5
Hardship Distributions .....	5
Procedures for Handling Domestic Relations Orders .....	6
Investments Under the Plan .....	6
Death Benefits - Designation of Beneficiary .....	6
<b>SUMMARY PLAN DESCRIPTION.....</b>	<b>8</b>
<b>STATEMENT OF ERISA RIGHTS .....</b>	<b>11</b>
<b>ADDITIONAL INFORMATION .....</b>	<b>12</b>

### OFFICE AND PROFESSIONAL EMPLOYEES RETIREMENT PLAN SUMMARY PLAN DESCRIPTION

## PLAN INFORMATION

### Name of Plan

Your Plan is known as the Office and Professional Employees Retirement Plan (“Plan”).

### Description of Plan

Depending on the terms of the collective bargaining agreement you are working under, the Plan may include a program of negotiated employer contributions to the Plan for your benefit and an optional 401(k) wage deferral contribution program under which you save through pre-tax wage deferrals.

### Employer Contribution Program

The employer contribution program provides an individual account for each participant. Into this individual account are deposited all of the contributions made on your behalf by your employer as required by your collective bargaining agreement. These contributions may grow with investment earnings each year. Your benefit under this program, which is the balance in your account, is available to you upon retirement, death, disability, or termination of employment.

### 401(k) Wage Deferral Program

Your Plan will include a 401(k) wage deferral feature. A 401(k) plan is a tax deferred retirement program in which no current federal or state income tax is due on deferred earnings contributed to the plan. You can elect to reduce your wages or salary by a certain amount, have that amount put into your Plan, and then pay federal or state income tax on those funds only when you receive them. This has the effect of immediately increasing the amount you can save for retirement as compared to saving with after-tax money. The following chart is a very simple illustration of the advantages of making deposits into the 401(k) Plan (saving on a tax-deferred basis) rather than saving on an after-tax basis such as a bank passbook savings account or a money market fund.

	<u>401(k) Savings</u>	<u>Passbook Savings</u>
Gross Wages	\$30,000	\$30,000
401(k) Deposit	2,000	N/A
Taxable Wages	28,000	30,000
Estimated Taxes (15%)	4,200	4,500
Passbook Deposit	N/A	2,000
Net Take-home Pay	23,800	23,500

In this example, net take-home pay (after paying taxes and after saving \$2000) is \$300 greater when the savings are deposited in the 401(k) Plan rather than an after-tax savings program.

Another big advantage of your 401(k) Plan is that all the money you contribute to your account

earns interest or other investment gains tax deferred while in the Plan. You pay taxes on this money only when distributions are taken because of death, disability, or termination of employment.

### **Potential Tax Credit**

When you have elected to save for your retirement in your 401(k) plan, you may be eligible to claim a special tax credit of up to \$1,000. In order to qualify for the Saver's Credit you must be:

- 18 years of age or older;
- Not a full-time student;
- Not claimed as a dependent on someone else's return.

In addition, in 2015 you must meet one of the following financial criteria:

- File your taxes singly with an income of \$30,500 or less;
- File your taxes as head of household and have an income of \$45,750;
- File your taxes jointly with an income of \$61,000 or less.

The tax credit ranges from 10, 20 or 50 percent of each dollar you contribute, up to the first \$2,000 you put in your 401(k) (\$4,000 if married filing jointly). That is between \$200 and \$2,000 directly off the income taxes you pay. If you and your spouse both contribute to a 401(k) plan, you may both be eligible to receive a credit. The amount of your tax credit depends on the amount of your adjusted gross income. The income limits and applicable credit rate allowance are given in the table below.

The tax credit is in addition to other favorable tax treatments for your 401(k) participation, such as the deferral of income tax on your contributions. Please note that this credit applies only as a reduction to your income tax liability, not as cash in hand via a refund.

The government established this program because it wants to reward low and moderate income workers who save for retirement.

<b><i>Adjusted Gross Income</i></b>			
<b>Credit</b>	<b>Single Filers</b>	<b>Head of Household</b>	<b>Joint Filers</b>
50% of contribution	0 – \$18,250	\$0 – \$27,375	\$0 – \$36,500
20% of contribution	\$18,251 – \$19,750	\$27,376 – \$29,625	\$36,501 – \$39,500
10% of contribution	\$19,751 – \$30,500	\$29,626 – \$45,750	\$39,501 – \$61,000
Credit not available	More than \$30,500	More than \$45,750	More than \$61,000

### **Eligibility to Participate**

You are eligible to participate in this Plan upon employment under a collective bargaining agreement that either requires your employer to make a contribution on your behalf to the Plan

or permits you to make salary or wage reduction contributions to this Plan. There is no minimum age or years of service requirement for participation. If you leave covered employment, you will begin to participate again immediately upon returning to covered employment or upon satisfying the terms of your collective bargaining agreement, if it requires a later date for participation.

If you are a new hire, you are automatically enrolled if your employer is required to make a contribution on your behalf. You can enroll in the 401(k) feature of the Plan at any time following your date of hire, or, upon satisfying the terms of your collective bargaining agreement, if it requires a later date for participation. After you have initially enrolled, if you later cease to participate but are still employed under the collective bargaining agreement, you can re-enroll at any time. Such enrollment or re-enrollment will be effective as of the first pay period of the following month or as soon as your employer can administratively begin your wage reduction following the 1<sup>st</sup> of the month.

You may stop your contributions into the Plan at any time. To stop contributions, you must file a new enrollment form indicating "0" contributions. A revocation of salary or wage reduction contributions will be effective as soon as it can be processed by your employer's payroll office. You cannot withdraw any funds at that time unless you also satisfy one of the eligibility for distribution rules of the Plan.

### **Eligibility for Benefits**

You will be eligible for benefits under both the Employer Contribution Program and the 401(k) Wages Deferral Program when you satisfy one of the following conditions:

1. You attain the normal retirement age of 60. You do not need to terminate covered employment to receive a distribution of benefits at age 60.
2. You attain the early retirement age of 55 and terminate covered employment.
3. You terminate employment due to a total and permanent disability as determined by the Trustees and the disability has existed for 3 months. An award of benefits by the Social Security Administration is accepted as conclusive proof of disability.
4. You terminate employment and no longer work for any employer maintaining this Plan in any capacity.
5. You incur an immediate and heavy financial need, in which case you may apply for a hardship distribution of your wage deferrals from your accounts. Hardship distributions are available only in limited situations and may be subject to income tax. These situations are discussed below. Contact the administration office for more information on hardship distributions.

A written application for benefits is required to be completed and submitted to the administration office before any benefits are payable under either program of this Plan.

### **Amount of Benefits**

The amount of benefits, at any time, is the sum of the balances in your individual employer account and in your individual 401(k) account. This amount is equal to the total of all your contributions plus any investment earnings credited to your accounts, less any investment losses and administrative expenses charged to your accounts. Additionally, depending upon the

investment fund or funds you choose, the value of your accounts, at any time, may be more or less than the amount of your employer and your 401(k) contributions due to fluctuations in value of those investments.

As a Participant, you are at all times 100% vested in both your employer contribution account and your 401(k) account.

You can contribute up to 100% of your wages or salary, in a percentage, up to a maximum of \$18,000 for 2015 plus an additional \$6,000 if you are over 50 years of age or older during the year. The dollar amount for the 401(k) contribution is adjusted for cost of living increases.

### **Forms of Benefits**

If your accounts are worth more than \$5,000 when you apply for your distribution, you can receive payment of your benefits in one of several different forms. When you apply for your benefits, you will be given the choice of form of payment. The forms in which you can be paid are as follows:

1. Joint and survivor annuity—a monthly benefit payment for your life and a reduced monthly benefit continuing to your spouse or other designated beneficiary if you die first.
2. Single life annuity—a monthly benefit for your life ending on your death.
3. Single lump sum payment—all of your benefits paid out to you in one payment.
4. Series of payments over time—you elect the period of time and frequency and the administration office will calculate the amount of each payment based on your account balance and investment earnings.
5. Rollover—a tax-free transfer of your account balance to an IRA or to another qualified plan.

If you are married at the time you apply and your first date of participation in the Plan was before January 1, 2015, your benefits will be paid automatically in the form of the joint and survivor annuity unless you waive that form of benefits. Your spouse must sign the application form waiving the joint and survivor annuity and his or her signature must be witnessed by a notary public. If your first date of participation is on or after January 1, 2015, your benefits will be paid automatically in the form of a single lump sum unless you elect a different form of payment.

If your benefit is less than \$5,000 at the time you apply, it will be paid only in the form of a single lump sum payment or in the form of a tax-free rollover to an IRA or to another qualified plan, as you choose.

You may elect any form of benefits or revoke a prior election at any time prior to distribution. Once a distribution is made or monthly payments start, the form of benefits cannot be changed. If you are married, your spouse must agree, in writing, to any election or revocation of a prior election.

## **Payment of Benefits**

You are eligible to begin benefit payments when you terminate covered employment or satisfy the requirements for a disability, early or normal retirement date. Benefit payments must commence no later than 60 days following the end of the plan year in which the later of the following occurs: you reach normal retirement age, you terminate employment, or you die unless you choose to defer payment of your retirement benefit. At the very latest, payment of your benefits must commence by April 1 of the calendar year following the year in which you reach age 70½ or retire. (If you are still working and are a 5% or more owner of your employer, you must begin payments April 1 after the calendar year you reach age 70½.) The federal government imposes a 50% excise tax on payments that begin after this “required beginning date.”

The administration office must receive a properly completed application for benefits form before any benefits will be paid. Generally, benefit payments will be made as soon as possible after a participant has qualified for payment and has submitted an application. The amount of the benefits will be based on the value of your accounts at the time of distribution.

## **Hardship Distributions**

You may take a distribution from your individual account while you are still actively employed if you experience certain economic hardships that you are not able to meet with other financial resources. In order to qualify for a hardship distribution, you must be:

- Require a distribution due to immediate and heavy financial need; and
- If married, obtain your spouse’s written consent to a distribution.

You are only eligible to take a distribution for the amount necessary to satisfy the immediate need, plus applicable federal, state and local taxes resulting from the distribution. Your hardship distribution is limited to your cumulative 401(k) wage deferrals – but not any income you’ve earned from investment of your contributions. Employer contributions made to your individual account are not available for hardship distributions.

***Immediate and Heavy Financial Need.*** The Plan follows IRS guidelines and recognizes the following circumstances as creating an immediate and heavy financial need for purposes of receiving a hardship distribution:

- Deductible medical expenses described in section 213(d) of the Internal Revenue Code incurred or necessary for you, your spouse or dependent;
- Purchase (excluding mortgage payments) of your principal residence;
- Cost of tuition and related educational fees for the next 12 months of post-secondary education for you, your spouse, children, dependents or Primary Beneficiary;
- The need to prevent your eviction from your principal residence or foreclosure on the mortgage on your principal residence;



- Payments for burial or funeral expenses for your parent, spouse, children, dependent or Primary Beneficiary; and
- Expenses for the repair of damage to your or Primary Beneficiary's principal residence that is caused by fire, storm, other casualty, or theft (provided that the loss is not covered by insurance or otherwise compensated for).

Your "Primary Beneficiary" is a person designated as your beneficiary with an unconditional right to all or part of the Participant's Plan Account at your death.

***Distribution is necessary to satisfy need.*** To demonstrate that a distribution is necessary, you must provide a written statement that you have obtained all distributions and nontaxable loans available to you under the Plan or any other qualified retirement plan maintained by your employer. Bear in mind that hardship distributions cannot be rolled over to another qualified retirement plan or IRA. They are therefore fully taxable and generally are subject to an additional 10% early distribution excise tax.

### **Procedures for Handling Domestic Relations Orders**

Pursuant to applicable federal law, the Trust has adopted a procedure for reviewing and determining if a domestic relations order is qualified. A Qualified Domestic Relations Order is necessary to have a portion of your benefit assigned or paid to an alternate payee such as a former spouse.

A domestic relations order that seeks to recognize an alternate payee's right to a portion of your retirement benefit should be submitted to the Trust's administration office. The Trust's administration office will provide a copy of the Trust's written procedures for reviewing domestic relations orders to both parties, or their attorneys, if represented. Trust legal counsel will review the domestic relations order and assist the Board in determining if it is qualified. The requirements that must be met and the procedures available if you or the alternate payee disagrees with the Trust's determination are set forth in the Trust's QDRO Procedures. A copy of the Trust's QDRO Procedures is available on request from the Trust Office.

### **Investments Under the Plan**

You have the opportunity to select from the investment options described in accompanying materials for investment of the funds in your accounts. These investment options were selected by the Trustees. You may put any percentage of your account in one or more of the investment options. If you do not select an investment option, or if your selection does not cover 100% of your account balance or your contributions, the undirected portion will be invested in the option that will provide a balance opportunity for growth in value while reducing the downside risk relative to stock and bond market fluctuations. The investment options are described in separate material either accompanying this Plan Booklet or available from the administration office.

### **Death Benefits - Designation of Beneficiary**

You may designate, on a form provided by the administration office, one or more persons to receive your benefits in the event of your death prior to payment of your benefits. If you are

married and you wish to designate someone other than your spouse as beneficiary, your spouse must agree in writing to the designation. If you do not designate a beneficiary, or if the designation is ineffective, your benefit will be paid in the following order of priority:

1. surviving lawful spouse;
2. surviving children (including adopted children);
3. surviving parents;
4. surviving grandchildren;
5. surviving brothers and sisters;
6. surviving grandparents;
7. surviving uncles and aunts.

If no benefit is payable because of your failure to designate a beneficiary, or because none of the individuals described above survives you, the benefit will revert to the Plan.

## SUMMARY PLAN DESCRIPTION

### The Board of Trustees

Your Plan is sponsored and administered by a joint labor management Board of Trustees. You may contact the Board of Trustees at:

Office and Professional Employees Retirement Plan  
c/o Benefit Administration Company  
1200 Fifth Ave., Suite 1100  
Seattle, WA 98101  
Telephone: (206) 625-1800  
Email: opeiu@baclink.com

A list of participating employers and labor organizations may be obtained by participants and beneficiaries upon written request to the Trustees. The Trustees may impose a reasonable charge to cover the costs of providing this information. Participants and beneficiaries may wish to inquire as to the amount of the charges before requesting such information. The list is available for examination at the administration office.

### Identification Numbers

The employer identification number assigned to the Plan by the Internal Revenue Service is: EIN 91-1155082. The Plan Number is 001.

### Type of Administration

Your Plan is administered by the Board of Trustees, with the assistance of personnel at the Plan's administrative office.

### Agent for Service of Process

The Board of Trustees has designated Linda Josephson as agent for the purposes of accepting service of legal process on behalf of the Retirement Plan. Ms. Josephson's address is McKenzie Rothwell Barlow & Coughran, P.S. 1325 Fourth Avenue, Suite 910, Seattle, WA 98101. Each member of the Board of Trustees is also an agent for purposes in accepting legal process on behalf of the plan.

### The Trustees

The names and principal places of business of the Trustees of the Office and Professional Employees Retirement Plan are:

#### **Employer Trustees:**

Norman Anderson  
P.O. Box 550  
Seattle, WA 98111-0550

Eric Erickson  
CMD Home Care Services  
2409 Broadway St.  
Vancouver, WA 98663

#### **Union Trustees:**

Cindy Schu  
OPEIU Local 8  
2800 First Ave., Rm. 304  
Seattle, WA 98121

Benita Hyder  
OPEIU Local 8  
2800 First Ave., Rm. 304  
Seattle, WA 98121

## **Type of Plan**

This Plan is a defined contribution individual account retirement plan, qualified under Sections 401(a) and 401(k) of the Internal Revenue Code.

## **Source of Contributions**

Your benefits from the Plan are funded by contributions from employers, your own 401(k) salary or wage deferral contributions (if any), investment earnings, and any rollover amounts from other qualified retirement plans. The amount of employer contributions, if any, is determined by collective bargaining between participating employers and participating labor organizations and the amount is specified in the underlying collective bargaining agreements.

## **Accumulation of Assets and Payment of Benefits**

Contributions to the Plan are received, held, and invested by the Board of Trustees pending the payment of benefits and administrative expenses. The Board of Trustees has retained Transamerica to provide custodial and recordkeeping services for the Plan. You may direct the investment of your account among the investment choices provided by the Trustees. The Board of Trustees pays benefits directly from the Plan and annuities will be paid under insurance contracts purchased by the Plan.

## **Plan Year**

The financial records of the Plan and participant accounts are kept on the basis of the calendar year beginning January 1 and ending December 31.

## **Appeals Procedure**

In the event an application for benefits is denied in whole or in part or in the event the Trustees take action which affects your benefits, you or your beneficiaries have available the following remedies:

1. Review - As a participant or beneficiary, you have the right to request the Trustees to review the adverse benefit determination or other action, provided that you make a request in writing, within 60 days after being notified of the adverse benefit determination or other action. The Trustees shall then conduct a review at which you may be represented by an attorney or by any other representative of your choosing. Thereafter, the Trustees shall issue a written decision affirming, modifying, or setting aside the adverse benefit determination or other action. In making their decision, the Trustees have full authority to interpret and apply the terms of the Plan document, the Trust Agreement, this Summary Plan Description, and any other documents or instruments governing the operation of this Plan and Trust.
2. Appeal - If you are dissatisfied with the written decision of the Trustees, you shall have the right to appeal the matter to state or federal court in accordance with Section 502 of the Employee Retirement Income Security Act of 1974.

The procedures specified in this Section shall be the sole and exclusive procedures available to you or your beneficiary if dissatisfied with an eligibility determination or benefit award, or if otherwise adversely affected by any action of the Trustees.

## STATEMENT OF ERISA RIGHTS

As a participant in the Office and Professional Employees Retirement Plan, you are entitled to certain rights and protection under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants are entitled to:

### Receive Information About Your Plan and Benefits

- Examine, without charge, at the administrative office and at local union offices, all documents governing the Plan including insurance contracts and collective bargaining agreements and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefit Security Administration.
- Obtain, upon written request to the administrative office, copies of all documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, copies of the latest annual report (Form 5500 Series) an updated summary plan description and the Plan's Qualified Domestic Relations Order (QDRO) procedures. The plan 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, which is 60 under the Plan, and, if so, what your benefits would be at normal retirement age if you stop working under the Plan now. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

### Prudent Action 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 act prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

### Enforcing Your Rights

If your claim for a pension 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. 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 those 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 at the address below. 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 Administrative, U.S. Department of Labor, or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administrative, 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 Administrative.

### **Termination of Plan and Insurance**

This Plan may be terminated at any time by action of the Board of Trustees. If terminated, the assets of the Trust will be distributed to all participants in the Plan in proportion to their account balances as of the date of distribution.

The benefits provided by this Plan are not insured by the Pension Benefit Guaranty Corporation because federal law does not require plan termination insurance coverage for defined contribution individual account plans.

## **ADDITIONAL INFORMATION**

This Summary Plan Description is required by federal law. Of necessity, many of the Plan's provisions have been set forth in summary form. For a complete and detailed description, the official plan document is available for your inspection.

All questions with respect to participation, eligibility for benefits, or the nature and amount of benefits or with respect to any matter of Plan administration should be referred to the administration office.

Office and Professional Employees Retirement Plan  
c/o Benefit Administration Company  
1200 Fifth Ave., Suite 1100  
Seattle, WA 98101  
(206) 625-1800  
opeiu@baclink.com

The only party authorized by the Board of Trustees to answer questions concerning the Plan is the administration office. No participating employer, employer association, or labor organization, or any individual employed thereby, has any authority in this regard.