

FRINGE BENEFIT ARTICLE

JULY 2008

QUESTIONS ON THE RETIREMENT ENHANCEMENT FUND

Fidelity Investments has completed the first round of meetings held at the District Offices. The meetings were designed to introduce the Retirement Enhancement Fund and answer any questions regarding the new Fund. During the course of these meetings, the following questions were frequently asked:

Question: How does the Retirement Enhancement Fund affect my benefit with the Midwest Operating Engineers Pension Fund.

Answer: Not at all. The Retirement Enhancement Fund is completely separate from the Pension Fund and has no affect on your pension benefit. Contributions into the Retirement Enhancement Fund were negotiated **in addition** to your other fringe benefits.

Question: In addition to my employer's contributions, can I put my own money into the Retirement Enhancement Fund.

Answer: No. The design of the plan only allows for your employer to make pre-tax contributions into the Retirement Enhancement on your behalf. You may rollover assets you have, in a qualifying plan, into the Retirement Enhancement Fund. To find out if your plan qualifies for a rollover, contact Fidelity at 1-866-84-UNION (1-866-848-6466).

Question: What do I need to do to get my account started?

Answer: You need to contact Fidelity to establish a Personal Identification Number (Pin) for your account. You may do this over the phone by calling 1-866-84-UNION or online through the Fidelity Net Benefits online management tool at www.fidelity.com/atwork.

You also need to complete the Beneficiary Designation Form. This form was included in the Enrollment Guide you received in the mail. The completed form must be mailed to Fidelity at the following address:

Fidelity Investments, P.O. Box 770002, Cincinnati, OH 45277-0090

If you need a Beneficiary Designation Form please contact Fidelity at 1-866-84-UNION.

Finally, you should review the available investment options, either over the phone at 1-866-84-UNION or through the website www.fidelity.com/atwork, and designate how you would like your employer contributions invested. This can be done at any time and can be changed by you at anytime. Until you direct how your employer contributions are to be invested, your contributions will go into one of the Fidelity Freedom Funds which automatically allocates your investments between stocks and bonds based on your age.

NEW RULE AFFECTING RETIREES WHO RETURN TO WORK

Effective January 1, 2008, the Trustees of the Midwest Operating Engineers Health and Welfare Fund have added a new provision to the plan affecting retirees who return to active employment. The Fund will allow a retiree to return as an active employee one time without affecting his/her eligibility for Retiree Benefits. **Should a retiree return to work as an active employee a second time, he/she will no longer be eligible for Retiree Benefits with the Midwest Operating Engineers Welfare Fund.**

Under the Midwest Operating Engineers Welfare Fund Plan, returning to work is defined as follows:

- 1) An individual who is between the ages of 55 and 59 will be considered to have returned as an active employee in the event he/she returns to work for one or more hours.
- 2) An individual who is age 60 or older will be considered to have returned as an active employee in the event he/she returns to work over 40 hours in any month.

If you return to active employment a **second time**, under either or both definitions, you will no longer be eligible for Retiree Benefits with the Midwest Operating Engineers Welfare Fund.

The Plan has one exception to the new rule. Eligibility for Retiree Health & Welfare Benefits **will not terminate** if the Trustees determine that there is a need for the employment of retirees when there are no active employees available to perform such work. Returning to work in this capacity will not be counted under either of the above definitions.

Should you have any questions regarding this new provision, please contact the Fund Office at 708-579-6640.

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