FOREWARD

The Trustees want to acknowledge and thank
Past President and Trustee James J. Kelly
on behalf of all Local 891 members for his wisdom and
foresight in establishing this fund.

This annuity fund will help to provide financial security
for our members and their families in their retirement years.
The information contained in this booklet is an explanation of the general terms of the Plan, but it should be understood the booklet is subject to the terms of the Plan's Rules and Regulations as adopted by the Trustees pursuant to the Agreement and Declaration of Trust. For further information, please write to the I.U.O.E. Local 891 Annuity Fund, c/o Chairman, 147-26 25th Drive, Flushing, New York 11354, telephone (718) 539-7239, fax (718) 539-3256, website www.local891.com
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Dear Participant:

The I.U.O.E. Local 891 Annuity Fund Plan has been established to provide you with an additional benefit after retirement. Benefits under this Plan are separate from and in addition to the retirement benefits provided by the City of New York, Social Security and any other private benefits which you may arrange on your own (e.g., 403(b), 457 contributions).

The I.U.O.E. Local 891 Annuity Fund Plan documents are reviewed and approved by the Internal Revenue Service.

A Board of Trustees who is appointed by the President/Business Manager of Local 891 governs the Plan. The Board of Trustees has the sole power to amend the Plan, as provided in the Agreement and Declaration of Trust, which established the I.U.O.E. Local 891 Annuity Fund.

The general terms and provisions of the Plan are explained on the following pages. We want you to know what benefits the Plan provides so we have included in this booklet some examples of how benefits are determined and answers to frequently asked questions.

We have prepared this booklet in a manner that we hope will be understood by all Participants. However, should you require further information, please write to the I.U.O.E. Local 891 Annuity Fund, c/o Chairman, 147-26 25th Drive, Flushing, New York 11354. In addition, we invite you to visit the Fund’s web site at www.local891.com where all of the basic forms and documents utilized by the Fund can be found, together with the latest information concerning any Plan amendments that may be adopted.

The complete text of the Plan’s Rules and Regulations, as most recently amended, and the Trust Agreement are available from the Fund Office upon written request.

We look forward to continued growth and further opportunities to improve benefits.

Board of Trustees
I.U.O.E. Local 891
Annuity Fund
BOARD OF TRUSTEES

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Greg Auteri, CPA

Plan Administrator
Daniel H. Cook Associates Inc.
New York, N.Y.
Marshall Cook, Pres. & CEO
DEFINITION OF TERMS

Account: the individual bookkeeping accounts maintained for a Participant by the Administrator under the Plan, which shall record (a) the Participant’s allocations of Employer contributions, (b) any amounts transferred to this Plan from another qualified retirement plan, if applicable, and (c) the allocation of Trust investment experience, including administrative expenses of the Trust Fund.

Accrued Benefit: the vested benefit as of the latest valuation date.

Administrator: the Board of Trustees

Alternate Payee: a person designated by and pursuant to a Qualified Domestic Relations Order.

Asset Allocation: the process of dividing investments among different asset classes, to balance risk and protect your investment. It uses such items as Bonds, Equities, Real Estate, etc.

Affiliated Participant: a person who continues to be a Participant after termination from active service.

Beneficiary: any person or persons, trust, organization, or estate entitled to receive payment under the terms of the Plan upon the death of a Participant.

Board of Trustees: the Board of Trustees of the Plan, which shall serve as Plan Administrator and Trustee.

Code: the Internal Revenue Code of 1986, as amended from time to time.

Collective Bargaining Agreement: a written agreement entered into by and between the Union and the Employer, which provides for participation in the Plan and contributions to the Plan.

Contributions: cash amounts remitted to the Plan by the Employer for allocation to a Participant’s account.

Domestic Partner: persons who have registered as a Domestic Partnership with the Office of the City Clerk, City of New York.

Effective Date: The Effective Date of this Plan is January 1, 2002.

Employee: any person employed by the City of New York, Department of Education; officers and employees of the Union and the Plan; employees employed by the City of New York in other bargaining units and non-bargaining unit employees whom the Trustee determines are eligible to participate in the Plan; and those persons the Trustee shall from time to time declare as eligible to receive benefits from the Plan, and for whom contributions are or should have been made to the Plan.

Employer: the City of New York, Department of Education, and other employing entities which are parties to agreements requiring contributions to the Plan, and shall also mean the Union and the Plan for the purpose of providing benefits hereunder for employees of the Union or the Plan.

Fund Office: The Administrative Office of the I.U.O.E. Local 891 Annuity Fund is located at 147-26 25th Drive, Flushing, New York 11354, telephone (718) 539-7239, FAX (718) 539-3256, website www.local891.com

Minimum Distribution: the payment of participants account in installments under rules and regulations established by the Internal Revenue Code, for Participants over age 70½.

Participant: any Employee who is in active service on or after March 1, 1999; and is participating in the Plan.


Plan Administrator: the third party administrator, currently Daniel H. Cook Associates, Inc.

Plan Year: the 12-consecutive-month period beginning January 1 and ending December 31.

 Qualified Domestic Relations Orders: a court order which creates or recognizes the right of an ex-spouse to some portion of the Participants benefits and meets certain legal requirements.

Spouse: a person to whom you are legally married.

Third Party Administrator: the entity retained by the Board of Trustees to carry out certain day-to-day administrative functions.

Trust: an arrangement established by the participant or through their Will, to receive distributions as a beneficiary from their account.

Trust Agreement: the agreement entered into between the Union and the Trustees forming part of this Plan, together with any amendments thereto.

Trust Fund: all property held by the Trustee pursuant to the Trust Agreement, together with income from investments.

Trustees: the Board of Trustees appointed by the President/Business Manager of Local 891.

Union: the International Union of Operating Engineers, Local 891.

Valuation Date: March 31, June 30, September 30 and December 31.

Vested Interest: the right to a non-forfeitable benefit.
SECTION 1

HOW AND WHEN YOU BECOME A PARTICIPANT

Participation

Your participation in the I.U.O.E. Local 891 Annuity Fund is effective as of the first day you complete service as an Employee with the Employer, and only that service which contributions shall be made on your behalf, either pursuant to a collective bargaining agreement or such other written agreement requiring contributions to the Plan. Your participation in the Plan will continue until such time you are eligible to receive and elect to withdraw your account balance, or until your death.

The Participants of this Plan are those persons employed by the City of New York, Department of Education; officers and employees of the Union; officers and employees of the Plan; employees of the City of New York in other bargaining and non-bargaining units whom the Administrator determines are eligible to participate in the Plan, and for whom contributions are required to be made to the Plan.

An Employee participating in the Plan who terminates employment with the Employer shall continue participation in the Plan as an Affiliated Participant. All rights and benefits provided under the Plan shall continue except contributions shall not be made by the Employer during the period of unemployment with a covered Employer.

All Participants are required to file basic Participant information with the Administrator on the designated form. In addition, a "Designation of Beneficiary" form must be filed with the Administrator for beneficiaries to receive your benefits in the event of your death.

Re-employment of an Affiliated Participant

If you are re-employed in a covered position by an Employer participating in the Plan, contributions by the Employer will recommence upon re-employment, provided contributions are required to be made to the Plan pursuant to a collective bargaining agreement, or other such written agreement.

Vesting

All Participants have a nonforfeitable (vested) right to 100% of their account.
SECTION 2

HOW CONTRIBUTIONS ARE MADE

The Employer shall contribute to the Plan as required by a Collective Bargaining Agreement between the Employer and the Union or other written agreement with the Trustees. These contributions shall be allocated to the Account of each eligible Participant as of the last day of the period for which contributions are required to be made.

The rate of Employer contributions shall be as provided in the Collective Bargaining Agreement or any other written agreement with the Trust. The current contribution rate will remain in effect until a change is negotiated with the Employer. Contributions shall be remitted to the Fund on or before the last day of every month.

The contributions to the Plan are made on a tax-deferred basis as provided by the IRS code. As such, only Employers are permitted to contribute to the Plan. Participants are not permitted to contribute to the Plan but may be permitted a rollover.

Contributions by the N.Y.C. Department of Education for Custodian Engineers

The January 1, 1995 to December 31, 1999 Collective Bargaining Agreement between the City of New York, Department of Education and Local 891 I.U.O.E., provides for contributions to be made to the Annuity Fund under Article 2 Section 1 (D) & (E) of the agreement as follows.

1. Section 1(D) provides for the Employer to pay into the Annuity Fund on behalf of full-time employees, a daily amount of $2 for each paid working day from March 1, 1996 to February 28, 1997, up to a maximum of $522. The Employee must be in active pay status with the Employer on March 1, 1999 for the contributions to be paid to the Participant’s account. The amount contributed shall be based only on paid working days. Other days such as scheduled days off, all days in non-pay status, and all paid overtime shall be excluded.

2. Section 1(E) the Employer shall pay into the Fund on behalf of covered full-time Employees, on a monthly basis, a pro-rata daily contribution for each paid working day in an amount not to exceed $1,263 per year, based upon the regularly scheduled pay days for each month.

Rollovers and Transfers from Other Plans

A Participant may be permitted with the approval of the Trustees to rollover to this Plan such amounts that have been held under other governmental plans qualified under Section 401 of the Code. A rollover or transfer may also be made from an IRA, qualified under Section 408 of the Code. Any amounts so transferred shall be maintained under a separate account. The Trustees may limit the source of the rollover contributions that may be accepted by the Plan. The Trustees will not accept the rollover of after-tax employee contributions from another plan. If you wish to make a rollover to this Plan contact the Administrator for further information and instructions.
PARTICIPANTS ACCOUNTS

Accounts for every Participant are maintained by the Fund through the Plan Administrator, who provides record keeping services for the Plan. At the end of each calendar year, in conjunction with the Fund’s accountant, the Plan Administrator prepares a statement for every Participant. The statement will reflect the value of their accounts. The statement shall include the amount of Employer contributions, rollovers if any, and Participants’ share of investment income or losses, and administrative expenses.

Employer contributions will be credited to each Participant’s account as of the last day of the period for which the contributions are required to be made.

As of each Valuation Date, the investments of the Fund shall be valued at fair market value, and the income, loss, appreciation and depreciation and any paid expenses of the Fund shall be apportioned equally to each Account with a positive balance. The apportionment among Participants’ accounts will be based upon the positive value of each Account within the Fund as of the preceding Valuation date. Adjustment of Accounts for investment experience shall be deemed to be made as of the Valuation date to which the adjustment applies, even if actually made at a later date. Only accounts with positive ending balances will receive apportioned earnings.

With the approval of the Trustees, rollovers to the Plan may be allowed and shall be maintained under a separate account. This account will be handled in the fashion as all other accounts and contributions.

If a Participant is eligible to receive distribution of their Account balance, due to termination of employment, retirement or death, and the Account balance at the end of the Valuation period during which the eligible event occurred is $5000 or less, then the Plan may immediately distribute the Participant’s entire Account balance.
SECTION 4

HOW AND WHEN TO CLAIM YOUR BENEFITS

How to Claim Your Benefits

You or your Beneficiary(s) must complete certain forms in order to receive a benefit. These forms are available from the Fund Office, the Plan Administrator, Daniel H. Cook Associates Inc. or may be downloaded from the Fund’s website at www.local891.com. The forms must be fully completed following the instructions on the forms and should be sent to the Fund Office or the Plan Administrator. An application is only considered "Filed" once it is received by the Fund Office.

In some cases, information not provided on the forms may be needed to determine your exact benefit status. If other information is needed, the Fund Office will contact you after the initial documents have been received.

Prompt submission of the required documents will assure timely processing of your application.

When to Claim Your Benefits

A Participant's account balance will be eligible for a distribution only upon retirement, termination of employment, or the Participant's death, except that a distribution may be made to an "Alternate Payee" under a "Qualified Domestic Relations Order (QDRO)" even if the Participant has not retired or terminated employment.

Distributions of a Participant's account, to either the Participant or their beneficiary, shall be in a lump-sum payment. The exception to this rule, are for distributions meeting the qualifications under the Internal Revenue Service, "Minimum Distribution Rules," which provide that payments may be made in a series of annual payments.

If a Participant retires or terminates employment for any reason other than death and elects to receive distribution of his/her account balance, payment shall commence upon the later of:

1. The 60th day following the end of the calendar quarter (March 31, June 30, September 30, or December 31) during which he or she retired or terminated employment.
2. The 60th day following the end of the calendar quarter (March 31, June 30, September 30, December 31) during which a Participant's election to commence payment is delivered to the Administrator.

In no event shall the distribution of benefits commence later than April 1st of the calendar year following the later of:

1. The calendar year in which the Participant attains age 70½
2. The calendar year in which the Participant terminates employment

This provision is intended to comply with Section 401(a)(9) of the Code.
Rollovers and Transfers to Other Plans

A Distributee may elect to have any portion of his or her Benefit that is deemed eligible by the Administrator for a rollover distribution paid directly to an Eligible Retirement Plan specified by the Distributee on the appropriate form provided by the Administrator. This would constitute a Direct Rollover.

A "Distributee" includes a Participant, or Affiliated Participants' or their surviving spouse and the Participants' or Affiliated Participants' former spouse who is an Alternate Payee under a Qualified Domestic Relations Order ("QDRO").

An "Eligible Retirement Plan" is an Individual Retirement Account described in Sect. 408(a) of the Code, an Individual Retirement Annuity in Sect. 408(b), and Annuity Plan described in Section 403(a) of the Code, or a qualified trust described in Section 401(a) of the Code, that accepts the Distributee's Eligible Rollover Distribution. However, in the case of an Eligible Rollover Distribution to the surviving spouse, an eligible retirement plan is an Individual Retirement Account or Individual Retirement Annuity. For purposes of the direct rollover provisions of the Plan, an eligible retirement plan shall also mean an annuity contract described in Sect. 403(b) of the Code and an eligible plan under Sect. 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. The definition of eligible retirement plan shall also apply in the case of a distribution to a surviving spouse, or to a former spouse who is the alternate payee under a qualified domestic relations order, as defined in Sect. 414(p) of the Code.

The Internal Revenue code permits you to avoid current taxation on any portion of the taxable amount of an eligible distribution by rolling over that portion into another qualified employer retirement plan that accepts rollover contributions or into an individual retirement arrangement (IRA).

If your account balance is $500 or more and you make a rollover election and provide the required information, the Trustees will directly rollover all or a portion of your account balances either to:

1. The trustee of an Individual Retirement Account ("IRA"), or
2. The trustee of another employer's qualified plan that accepts such rollovers, and, if applicable, distribute the remaining amount directly to you.

Amounts rolled over directly to either of the trustees mentioned in (1) or (2) above will not be subject to federal income tax in the year of distribution nor to federal income tax withholding. If you choose to receive a portion of your account in cash while requesting the Trustees to directly rollover the remainder, the amount you elect to have rolled over must equal not less than $500.

However, please note that federal law requires that the Trustees withhold for federal income tax 20% of the amount of a distribution, which is actually distributed to you in cash. In addition, the amount, which is not rolled over into an IRA or another qualified plan, is subject to federal income tax in the year in which the distribution is received, and, if you are subject to the 10% early distribution penalty (described below) it will apply to the amount of the distribution that you actually receive.
If you elect to have all or a portion of your account distributed to you in cash, within 60 days of receiving that distribution you may roll it over into a "IRA" account or another employer’s qualified plan that accepts such rollovers:

(1) All or a portion of the amount received and, thus avoid federal income tax on the portion rolled over in the year in which the distribution was received and, if otherwise applicable, also avoid the 10% early distribution penalty on the amount rolled over; or

(2) All of the amount received plus an additional amount from your own funds, up to, but not exceeding, the 20% that was withheld for federal income tax and thus, avoid federal income tax (but not the withholding requirement) on the amount rolled over in the year in which the distribution was received and, if otherwise applicable, also avoid the 10% early distribution penalty on the amount that was rolled over.

There are specific and technical qualifications and requirements set forth in the Internal Revenue Code that must be satisfied in order for your plan distribution to be eligible to be rolled over. If interested, you may obtain additional information on the establishment and maintenance of an IRA from the nearest Internal Revenue Office, or their website at www.irs.gov.

Minimum Distribution Rules

If a Participant is subject to the Minimum Distribution Rules, the minimum amount required to be distributed annually will be calculated by the Fund, based on one of the methods below that is the lesser of:

(1) The quotient obtained by dividing the Participant’s account balance by the distribution period in the Uniform Lifetime table set forth in Section 1.401(a)(9)-9 of the Treasury regulations, using the Participant’s age as of the Participant’s birthday in the calendar year of distribution; or

(2) If the Participant’s sole designated beneficiary for the year of distribution is the Participant’s spouse, the quotient is obtained by dividing the Participant’s account balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations, using the Participant’s and Spouse’s attained ages as of the Participant’s and Spouse’s birthdays in the calendar year of distribution.

Lifetime required Minimum Distributions will be determined under the Minimum Distribution Rules, beginning with the first calendar year of distribution and up to and including the calendar year that includes the Participant’s date of death.

Death of Participant Before Minimum Required Distributions Begin

If the Participant dies before distribution of his or her account begin, the Participant’s entire interest will be distributed, or begin to be distributed, no later than as follows:

(a) If the Participant’s surviving spouse is the Participant’s sole designated beneficiary, subject to Section (e) below, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70½, if later.

(b) If the Participant’s surviving spouse is not the Participant’s sole designated beneficiary, then, subject to Section (e) below, distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.
(c) If there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed no later than December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(d) If the Participant's surviving spouse is the Participant's sole designated beneficiary and the surviving spouse dies after the Participant, but before distributions to the surviving spouse begin, then all Sections except (a), will apply as if the surviving spouse were the Participant.

(e) Participants or beneficiaries may elect on an individual basis whether the 5-year rule or the life expectancy rule in this Section applies to distributions after the death of a Participant who has a designated beneficiary. The election must be made no later than the earlier of September 30 of the calendar year in which distribution would be required to be made under this Section, or by September 30 of the calendar year which contains the fifth anniversary of the Participant's or surviving spouse's death. If neither the Participant nor the beneficiary makes an election under this paragraph, distributions will be made in accordance with this Section.

For purposes of this section and section 4 "Minimum Distribution Rules", distributions are considered to begin on the Participant's required beginning date. If section (d) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under section (a).

Death of Participant After Minimum Required Distributions Begin

If a Participant dies after payments have commenced, any survivor's benefit must be paid no less rapidly than the method of payment in effect at the time of the Participant's death.
SECTION 5

BENEFITS PAYABLE IN THE EVENT OF YOUR DEATH

In the event of your death while employed by the Employer and a Participant of this Plan, your account shall constitute a death benefit to your duly designated beneficiary. Your beneficiary is the person you designate on the "Designation of Beneficiary" form.

Payment in the Absence of a Beneficiary

In the absence of a designation of beneficiary, or if the beneficiary dies before a complete distribution of the account, all amounts shall be paid to the surviving spouse or domestic partner of the participant if living. If there is no surviving spouse or domestic partner, then the account shall be paid equally to the participant's surviving children. If there are no surviving children, then the account balance shall be paid to the participant’s estate.

How to Claim Death Benefits

If you are a surviving spouse or domestic partner with a right to a death benefit, you must submit all documents requested by the Administrator including but not limited to the following:

(1) Application for Death Benefit
(2) State Certified Original Death Certificate
(3) A State Certified Marriage Certificate or other proof of marriage acceptable to the Administrator
(4) A Domestic Partner Registration Certificate

If you are a designated beneficiary, child, parent, brother, sister, executor or the administrators of the estate, contact the Fund Administrator for specific instructions. The following forms may be required:

(1) Application for Death Benefit
(2) State certified Original Death Certificate
(3) a. A State certified birth certificate evidencing the relationship to the deceased; or
   b. An affidavit of a disinterested third party evidencing the relationship to the deceased; or
   c. A certified copy of a court order of appointment as executor or Administrator of the estate of the deceased.

In the event there are minor children, a court order of guardianship will be required from the adult financially responsible for the children (if other than the child's natural or adoptive parent).
SECTION 6

WHO ARE YOUR BENEFICIARIES

Your Beneficiary is the person(s) you designate to receive any benefits that may be payable at the time of your death.

How to Designate a Beneficiary

A Beneficiary is designated by filing a "Designation of Beneficiary" form with the Fund Office. The form may be obtained from the Fund Office, Plan Administrator, or may be downloaded from the Fund’s website at www.local891.com. You may change this designation at any time.

If You Do Not Designate a Beneficiary

If you do not designate a Beneficiary then benefits will be distributed as follows:

First, to your spouse or domestic partner, if living
Second, to your children, equally, if living
Third, to the executor or administrator of your estate

Participant Data & Designation of Beneficiary

All Participants are required to file a designation of Beneficiary form. This form contains basic data of the Participant and the Primary and Contingent Beneficiary. The basic data required of all participants is:

1. Your correct name and social security number
2. Your current address
3. Primary Beneficiaries and Domestic Partner
   (a) Name and Address
   (b) Social Security Number
   (c) Date of Birth
   (d) Relationship to Participate

This information is needed so that we can determine your right to a benefit, and it is kept in confidence. As soon as you start participating, this information should be submitted to the I.U.O.E. Local 891 Annuity Fund on a Designation of Beneficiary form, which will be provided to you upon employment or upon request to the Fund office. The form may also be downloaded from the Fund’s website at www.local891.com.

You are requested to periodically check your beneficiary forms on file at the Fund Office. Always make certain that you have kept this Beneficiary form up to date. Every Participant should make certain at frequent intervals that he or she has the proper beneficiary designation on file at the Fund Office.
The Trustees have adopted this Annuity Fund to provide all Participants with a supplement to their retirement savings.

To maximize the Participants accounts they have adopted an Investment Policy consistent with the Trust Agreement. The goal of the Trustees is to increase the value of Participants accounts through the investment of contributions in a prudent manner. The Investment Manager is charged with implementing this policy.

The Investment Policy may be changed at any time with the approval of the Trustees. The Trustees will rely in part on the recommendations and advice of the Investment Monitor, Investment Manager, Auditor, and Attorneys in making any changes.

The Investment Monitor makes recommendations to the Trustees on Asset Allocation, selection of Investment Manager, and oversees the purchase and sale of investments and reports monthly to the Administrator. Additionally the Investment Monitor prepares and submits quarterly reports to the Trustees.

The Auditor prepares annual filings to the Comptroller’s Office pursuant to Directive 12 and submits an annual audit of the Funds to the Trustees.

The Investment Manager invests all assets of the Fund including contributions made by the Employer and any eligible rollovers. The Investment Manager invests these funds using an asset allocation approved by the Trustees for all fund assets. Every three months a review and report of investment performance is made by the Investment Manager to the Trustees.

The current Asset Allocation requires that the Plan Funds be invested in three classes, Bonds, Equities, and Cash, as indicated in the chart below. This allocation is subject to change at any time.
SECTION 8

GENERAL INFORMATION

Plan Administration

The Board of Trustees of the Fund shall be the Administrator. The day-to-day administration of the Plan shall be the responsibility of the Plan Administrator. Both the Board of Trustees and the Plan Administrator shall have the right to construe and interpret the Plan, decide all questions of eligibility and determine the amount, manner and time of payment of any distributions under the Plan to the fullest extent provided by law and in their sole discretion.

Taxation of Benefits

The I.U.O.E. Local 891 Annuity Fund is an annuity plan that meets the requirements of Section 401(a) of the Internal Revenue Service Code.

The Plan as restated and amended, complies the Internal Revenue Code as follows:

The Plan meets the requirements of Section 401(a) of the Internal Revenue Code
The Trust has a right to exemption under requirements of Section 501(a) of the Internal Revenue Code.

Lump Sum Death Benefits

Lump sum death benefits which may be payable to your Beneficiary are subject to federal income tax withholding. The Fund will automatically withhold the applicable tax amount. The Fund will send the amount withheld to the Internal Revenue Service and advise the Beneficiary the following January of the amount withheld on a 1099R form.

The benefits payable under this Plan are not provided through any form of insurance policies.

Appeals

If your (or your Beneficiary's) application has been denied in whole or in part, an appeal may be made to the Fund’s Board of Trustees. Your appeal must be in writing and sent to:

Board of Trustees
I.U.O.E. Local 891 Annuity Fund
147-26 25th Drive
Flushing, N.Y. 11354
Any appeal will be reviewed at the next Regular Board of Trustees Meeting, provided it is requested in writing by the claimant or his or her authorized representative within sixty (60) days after receipt by the claimant of written notification of denial of his or her claim. The Board of Trustees will advise you or your Beneficiary(s) of their final decision in writing.

Qualified Domestic Relations Order

The Fund may be required to pay all or a portion of your Accrued Benefit to persons specified as an Alternate Payee in a Qualified Domestic Relations Order. Persons named in a Qualified Domestic Relations Order as Alternate Payees are considered Participants of the Plan and entitled to all appropriate information as specified by law. The Board of Trustees has adopted written procedures governing Qualified Domestic Relations Orders (QDROs). Participants and beneficiaries can obtain upon written request, without charge, a copy of the procedures, as well as suggested QDRO language. All such requests should be sent to the Fund Office.

Plan Amendment and/or Termination

Although the Plan's Board of Trustees expects to continue the Plan indefinitely, they reserve by law the right to amend, modify or terminate the Plan at any time. The Plan may be changed at any time due to new legislation.

Annual Participant Statements

Once each year all Participants, as well as Affiliated Participants, will receive Statements showing their account balances. The Statements are prepared for the calendar year period of January 1 through December 31. The Statements are normally sent from the Fund Office to your current address on file.

If you have not provided the Fund Office with your current address, you will not receive a Statement, so it is essential that the Fund Office have your current address on file. If a change of address occurs, notify the Fund Office as soon as possible.
QUESTIONS AND ANSWERS

What type of Plan is the I.U.O.E. Local 891 Annuity Fund?

The Annuity Fund is a defined contribution plan authorized under Section 401(a) of the Internal Revenue Code.

Who Sponsors and who contributes to the Plan?

The Plan is sponsored by the International Union of Operating Engineers, Local 891 and the Participating Employer who has signed a Collective Bargaining Agreement with the Union. The Employer is the only entity authorized to make contributions to the Plan. Also the Participant may be permitted a rollover from another qualified plan.

How is the Fund administered?

The Board of Trustees administers the Fund. All of who are appointed by the President/Business Manager of the Union. The Board of Trustees retains legal counsel, auditors, consultants, third party administration, and actuarial services, as needed in order to perform the tasks assigned to them by the Trust Agreement and applicable law. The Fund is not subject to the Employees Retirement Income Security Act (ERISA) of 1974.

Who is the Administrator of the Fund?

The Administrator of the Fund is the Board of Trustees, located at the Fund's Office: 147-26 25th Drive, Flushing, New York 11354.

Who is the Plan Administrator?

The current Plan Administrator is Daniel H. Cook Associates Inc., located at 253 West 35th Street, 12th Floor, New York, N.Y. 10001.

Who is the Agent for Legal Services?

The Trustees act as agents to receive service of legal process.
What is the Plan Year?

The Plan Year is January 1 to December 31.

What is an Annuity Fund?

An annuity fund is a tax-exempt trust under which individual accounts are maintained for each eligible Participant. Employer contributions are deposited into this fund and invested by the investment managers hired by the Board of Trustees.

How does the Annuity Fund operate?

A Board of Trustees administers the Annuity Fund. The Trustees have hired professional consultants to assist them in the preparation of the Trust Document, benefit booklet, plan rules and regulations, investment of funds and other necessary services for the fund to operate properly and pursuant to the laws governing it.

How and when do you become a Participant of this Plan?

Your Participation in the Annuity Fund is effective as of the first day you complete service as an Employee with the Employer. Your participation in the Plan will continue until your retirement or death.

When will Participation in this Plan cease, other than for reason of death?

Your Participation in this Plan will cease upon retirement with a participating Employer.

What happens to my Individual Account if I should die?

The account balance will be paid to your designated beneficiaries, or if none exists then all payments will be made as provided in Section 5 "Payment in the Absence of a Beneficiary". Upon your death, the designated beneficiary is notified automatically and is furnished the necessary forms to apply for the deceased Participant's Individual account balance.

Who contributes to this Fund?

Currently only the City of New York Department of Education contributes to the Fund. It shall also include other employing entities that are party to agreements requiring contributions to the Plan, and shall include the Union and the Plan.

May a Participant make voluntary contributions to the Plan?

No. There is no provision in the Plan for a Participant to make contributions. A Participant may be permitted to rollover contributions from another qualified plan.

How is each Participants Account maintained?

Every month the Employer makes contributions that are credited to each members account. These contributions are invested immediately and every three months a valuation is made of investment returns. The investment earnings or losses and administrative expenses are then allocated to each Participant’s account. At the end of each calendar year, the Participant receives a summary statement showing the value of his or her account. The Plan quarterly valuation dates are March 31, June 30, September 30, and December 31.
May a Participant withdraw all or part of his or her account at any time?

No. The Participant may withdraw all of their account only after retirement, or termination of employment.

What are a Participant's benefit rights?

A Participant is 100% vested in their account at all times.

When are account balances distributed?

Participant's account balance will be distributed no later than the 60th day following the end of the valuation period in which the Participant terminated employment, retired or died and a request is made to commence payment is made to the Administrator.

How will accounts be distributed?

All distributions will generally be made in a lump sum.

How much will the account be worth when distributed?

The actual value of each Participant's account will be determined at the time of withdrawal. The Participant will have a good idea as to what the amount will be by referring to the annual statement received by the Participant. The other factors to be considered are investment earnings, or losses and administrative expenses as well as contributions made to the Fund by the Employer up to the last day on payroll.

How do I apply for distribution of my account?

You should contact the Fund office for the proper form upon your retirement or termination of employment. The form must be completed and filed with the Administrator at the Fund Office.

Can the Plan be terminated?

The Plan may be amended or terminated by the Trustees at any time. Participants will be advised if this should occur.

What are the tax effects of this benefit?

Your contributions and all investment earnings on the accumulating funds are currently income tax free while held on your behalf. Income taxes will be payable when these funds are actually distributed to you in the future. Such taxes may be less if distribution is deferred until your retirement when your total taxable income is generally reduced.

What do we need to know about Rollovers?

The subject of rollovers and transfers to other accounts is complicated. See Section 4 "Rollovers & Transfers to Other Accounts".
What is an "Early Distribution Penalty" as defined by the Code?

Distributions from the Plan prior to age 59 1/2 are subject to a penalty of a 10% income tax in addition to ordinary income taxes, if the distribution is includable income, and are not rolled over to an IRA or other qualified plan.

Distributions are exempt from the tax if paid because of (a) death, (b) disability, or (c) termination of employment at age 55 or older. Exemptions are also permitted for annuity distributions, payments to alternate payees under qualified domestic relations orders and amounts not in excess of certain deductible medical expenses.

What effect does the Agreement and Declaration of Trust have?

This Plan Booklet contains highlights of the Plan and answers many of the questions Participants are likely to ask. Although every effort has been made to describe the essential provisions of the Plan as accurately as possible, the requirements for participation and the benefits payable will be determined strictly in accordance with the Agreement and Declaration of Trust which is available at the Plan Office.

Who are the Trustees of the Fund?

Robert J. Troeller
Kevin J. Gallagher
Adele A. McGreal
Margaret J. McMahon
Joseph R. Lynch
Thomas J. Malanga, Alternate Trustee
INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL 891 ANNUITY FUND

DESIGNATION OF BENEFICIARY FOR THE ANNUITY FUND
LUMP SUM DEATH BENEFIT

A. PARTICIPANT DATA:

<table>
<thead>
<tr>
<th>Name</th>
<th>First</th>
<th>Middle</th>
<th>Social Security Number</th>
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<tr>
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<th>Apt. No.</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
</tr>
</thead>
</table>

I hereby designate the person(s) named below as my Primary Beneficiary(ies) to receive any lump-sum pre-retirement death benefits payable as a result of my participation in the International Union of Operating Engineers Local 891 Annuity Fund (hereinafter the “Plan”). I understand that if I designate more than one Primary Beneficiary, the persons I designate will share equally unless otherwise designated in any of the benefits payable as a result of my death.

(Attach an additional sheet of paper if additional space is required for the designation of beneficiaries. Any additional sheets of paper reflecting information concerning the designation of beneficiaries must be signed and dated by the participant, and notarized.)

B. PRIMARY BENEFICIARY DATA:

<table>
<thead>
<tr>
<th>#1</th>
<th>Name</th>
<th>Social Security Number</th>
<th>Date of Birth</th>
<th>Relationship %*</th>
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<tbody>
<tr>
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<th>#2</th>
<th>Name</th>
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<th>Date of Birth</th>
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COMPLETE FORM IN INK

*cannot amount to more than 100%
I hereby designate the person(s) named below as my Contingent Beneficiary(ies) to receive the death benefits described above. I understand that if I designate more than one Contingent Beneficiary, the persons I designate will share equally unless otherwise designated in any of the benefits payable as a result of my death. Such death benefit will only be payable to my Contingent Beneficiary(ies) so designated, if they are alive at the time of my death and if no Primary Beneficiary is alive at the time of my death. (Attach an additional sheet of paper if additional space is required for the designation of contingent beneficiaries. Any additional sheets of paper reflecting information concerning the designation of contingent beneficiaries must be signed and dated by the participant, and notarized.)

C. CONTINGENT BENEFICIARY DATA:

<table>
<thead>
<tr>
<th>#1 Name</th>
<th>Social Security Number</th>
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THE DESIGNATION MADE HERENIN APPLIES TO DEATH BENEFIT COVERAGE FOR ACTIVE PLAN PARTICIPANTS. IF A VALID BENEFICIARY DESIGNATION FROM IS NOT IN EFFECT AT THE TIME OF THE PARTICIPANT’S DEATH, DEATH BENEFITS WILL BE PAID IN THE FOLLOWING ORDER OF PRIORITY:

(1) TO YOUR SURVIVING SPOUSE; OR
(2) TO YOUR SURVIVING CHILDREN, IN EQUAL PARTS; OR
(3) TO YOUR ESTATE.

IF A DESIGNATED BENEFICIARY SURVIVES A PARTICIPANT, BUT DIES PRIOR TO RECEIPT OF THE PARTICIPANT’S ACCOUNT, DEATH BENEFITS SHALL BE PAID TO THE BENEFICIARY’S ESTATE, OR IF THERE IS NONE, AS PROVIDED IN THE ORDER ABOVE.

I reserve the right to revoke the designation made herein and to designate another beneficiary(ies). Any such change shall be effective only if I make it in writing and it is actually received by the Fund Office prior to my death. I hereby revoke any beneficiary designations made by me prior to the date of this designation.

_______  ____________________________  ____________________________
Date                                             Signature of Participant

On this ______ day of ______________________ 20 ______ before me came ____________________________ to me known and known to me to be the person described in and who executed the foregoing statement and (s)he duly acknowledged to me that (s)he executed the same.

_______  ____________________________
Date                                             Notary Public

*cannot amount to more than 100%
APPLICATION TO CLOSE VESTED ANNUITY FUND

PART 1- PARTICIPANT INFORMATION

Name:__________________________  Date of Termination:____________________

Address:________________________________________________________________

Social Security Number:____________  Account Balance:_____________________

PART II - DIRECT ROLLOVER ELECTION

Complete this form after you have read the Special Tax Notice Regarding Plan Payments. A payment made to a beneficiary is eligible for rollover treatment only if the beneficiary is the surviving spouse of the participant.

[ ] The total value of my taxable distribution is less than $200 and the withholding and direct rollover rules do not apply to me. I understand that I may independently roll over my distribution within 60 days after receipt of my payment.

[ ] Yes. I wish to have of my distribution eligible for rollover treatment directly transferred to an eligible retirement plan named below and avoid 20% Federal income tax withholding on the amount directly transferred. I understand that any taxable amount not directly transferred to an eligible retirement plan will be subject to 20% Federal income tax withholding.

[ ] No. I do not wish to have my distribution eligible for rollover treatment directly transferred to an eligible retirement plan. Please send a check made payable to me. I understand that 20% of my distribution will be withheld.

If you have checked yes above, complete the following:

Directly rollover: [ ] All monies; [ ] $_____; or [ ] __% of my distribution (not less than $500) eligible for rollover treatment to the plan described below with the balance, if any, (less 20% withholding) payable to me in cash.

FORM MUST BE COMPLETED IN INK
PART III - INFORMATION ABOUT PLAN TO RECEIVE DIRECT ROLLOVER DISTRIBUTION

Name of Plan/IRA: ________________________________

Name of Plan Administrator (if any): ________________________________

Name and Address of Plan/IRA Trustee or Custodian: ________________________________

I hereby certify that: (Check box applicable to recipient plan)

[ ] The plan is a qualified trust under Internal Revenue Code Section 401(a) which accepts direct rollover contributions.

[ ] The plan is an individual retirement account/arrangement.

PART IV – ACKNOWLEDGEMENT, WAIVER AND CERTIFICATION

I hereby acknowledge receipt of the "Special Tax Notice Regarding Plan Payments." I have read the Notice and understand the distribution options and income tax consequences of receiving or rolling over a distribution of my Plan benefit.

I understand that I am entitled to a minimum of 30 days from the date I receive the “Special Tax Notice Regarding Plan Payments” before I receive a distribution from the Plan. However, I hereby waive my right to this 30 day period and authorize the Plan Administrator to make my distribution before the 30 day period has ended. I understand this will be as soon as administratively feasible.

I hereby certify and represent that the information I have entered on this Form is true, correct, and complete.

Dated: ____________________________

Signature of Participant

Date ____________________________

Participant’s signature: ____________________________

State of ____________________________

SS: ____________________________

County of ____________________________

On this ________ day of ________ 20__ before me came ____________________________ to me known and known to me to be the person described in and who executed the foregoing statement and (s)he duly acknowledged to me that (s)he executed the same.

______________________________

Notary Public

Remit Form To:

I.U.O.E. LOCAL 891
Annuity Fund
C/O The Plan Administrator
Daniel H. Cook Associates
253 West 35th Street, 12th Floor
New York, NY 10001

FORM MUST BE COMPLETED IN INK