

IBEW PENSION BENEFIT FUND

QUESTIONS AND ANSWERS CONCERNING THE PROVISIONS AND PROCEDURES OF THE IBEW PENSION BENEFIT FUND

Revised January 2023

The International Executive Council (IEC) has compiled the questions and answers listed below as a general explanatory guide for local union officers and members of the International Brotherhood of Electrical Workers (IBEW) covering the provisions and procedures of the IBEW Pension Benefit Fund (IBEW PBF). Nothing listed below shall be recognized or considered as amending the provisions of the Rules and Regulations of the International Executive Council of the International Brotherhood of Electrical Workers, AFL-CIO, for the IBEW Pension Benefit Fund and/or the IBEW Constitution. The rights of the members under the IBEW PBF shall be as stated in the Rules and Regulations and the IBEW Constitution.

Introduction

“A” members of the IBEW are generally able to participate in the IBEW PBF. The IBEW PBF was established in 1927 to receive payments from participating members so that they might enjoy normal pensions. At that time it was practically impossible for the members to obtain similar benefits at any cost. The IBEW has never defaulted in the payment of pension benefits since the IBEW PBF was established. The IBEW PBF is designed to provide benefits at the lowest possible cost to the participating members. It is a plan designed by the members for the members, and administered by members of the IBEW. The receipt of benefits is dependent solely upon maintaining continuous good standing as an “A” member of the IBEW and upon compliance with the provisions of the IBEW Constitution.

The IBEW PBF has been consistently improving since its inception. Today’s benefits differ from those available to members retiring in prior periods. Because of this, your attention is specifically directed to Article XI of the IBEW Constitution, which contains the provisions relating to the IBEW PBF.

Normal Retirement

Q1: Who is eligible to apply for a normal retirement pension benefit?

A1: “A” members of the IBEW are eligible to apply for a normal retirement pension if they have five (5) or more years of continuous good standing at the time of their application for pension and have reached age sixty-five (65).

Q2: What is the amount of the normal retirement pension?

A2: The normal retirement pension of an “A” member is a benefit of four dollars and fifty cents (\$4.50) per month for each full year of continuous good standing as an “A” member through 2022 and five dollars and fifty cents (\$5.50) per month for each year of continuous good standing as an “A” member in and after 2023, computed immediately prior to the month in which benefits begin.

For example: An “A” member who was initiated into the IBEW in July 1990 and who applies for a pension on their 65th birthday in September 2030, with 40 years of continuous good standing as an “A” member, would begin to receive in October 2030, a normal benefit of \$188.00 per month as follows:

(\$4.50 x 32 years) plus (\$5.50 x 8 years) for a monthly benefit of \$188.00

Q3: What if an “A” member reaches age sixty-five (65) but has less than five (5) years of continuous good standing? Can they receive a partial pension?

A3: An “A” member, upon reaching age sixty-five (65), who has fewer than five (5) years in continuous good “A” membership standing, will not be eligible for retirement benefits at that time. They may continue their membership, however, until completing the required five (5) years’ standing and then apply for retirement benefits in the normal fashion. In the interim, they would continue to enjoy the protection of the death benefits associated with the IBEW PBF. It should be understood that, even if a member retires from the electrical industry, they can continue to pay their “A” membership dues and earn additional years of good standing. In this way, a member who is retired but who has not satisfied the five (5) years of continuous good standing for a normal pension or the twenty (20) years of good standing for an early or disability pension can continue earning additional years of credit until they are eligible to apply for a benefit.

Q4: For pension benefit purposes, will all years of membership count in the computation of full years of continuous good standing?

A4: No. Only those years of “A” membership which are in continuous good standing at the time of application. If the member currently holds at least five (5) years’ continuous good standing as an “A” member upon reaching sixty-five (65) or more years of age, then all of the member’s full years of continuous good standing as an “A” member will be used in computing the pension to which they are entitled.

Q5: Will a normal retirement pension be paid to a member automatically after the member qualifies for such a benefit?

A5: No, the member must apply through their local union financial secretary for pension on the prescribed form, which will be obtained from the International Secretary-Treasurer (IST). Of course, in addition to satisfying the eligibility requirements of age sixty-five (65) and five (5) years of continuous good standing, the member must be fully retired from the electrical industry in order to receive their normal retirement pension benefit.

Q6: Can an “A” member drop the pension benefit and still maintain the death benefit coverage?

A6: Not while still an active “A” member. After retirement under the IBEW PBF, however, all or a portion of the retiree’s monthly pension benefit can be waived upon the retiree’s request while the death benefit remains in effect.

Q7: Is a member who transfers from “A” to “BA” membership, or who fails to maintain continuous “A” membership, entitled to a refund?

A7: No. The IBEW PBF does not provide for refunds. Other than necessary administrative expenses, the only payments made by the IBEW PBF are pension and disability benefits paid to our members and surviving spouses and death benefits paid to surviving beneficiaries.

Optional Early Retirement

“A” members of the IBEW who have attained age sixty-two (62) with twenty (20) or more years of continuous good standing as “A” members of the IBEW immediately preceding their application are eligible to apply for an early retirement pension upon their full and complete retirement from the industry.

Q8: What is the amount of this early retirement pension?

A8: The early retirement pension of an “A” member is a benefit of four dollars and fifty cents (\$4.50) per month for each full year of continuous good standing as an “A” member through 2022 and five dollars and fifty cents (\$5.50) per month for each full year of continuous good standing as an “A” member in and after 2023, computed immediately prior to the month in which benefits begin, reduced by 6.66% for each year (or part) the member is under age sixty-five (65) at time of retirement.

For example, if an “A” member applies for early retirement at age 62 in September 2030 with 30 full years of continuous good standing as an “A” member in the month immediately preceding the effective date of their early retirement, the computation of the monthly benefit would be as follows:

$$(\$4.50 \times 22 \text{ years}) \text{ plus } (\$5.50 \times 8 \text{ years}) = \$143.00$$

LESS

$$\begin{array}{l} 6.66 \text{ (percentage reduction for year or part under age 65)} \\ \times \underline{3} \text{ (years under age 65)} \\ 19.98 \text{ (percentage reduction)} \end{array}$$

$$\begin{array}{l} \$ 143.00 \\ \times \underline{19.98\%} \\ \$ 28.57 \text{ (amount of early retirement reduction)} \end{array}$$

$$\begin{array}{l} \$ 143.00 \text{ (full benefit)} \\ - \underline{28.57} \text{ (less reduction)} \\ \$ 114.43 \text{ (monthly early retirement pension)} \end{array}$$

Q9: Can a member with fewer than twenty (20) years of continuous good standing as an “A” member, but more than five (5) years, retire prior to age sixty-five (65) under the early retirement option?

A9: No. In order for a member with fewer than twenty (20) years to receive a pension benefit, the member must continue to pay “A” member’s dues until they reach age sixty-five (65).

Q10: How does a member arrange to begin receiving early retirement benefits?

A10: Applications for all pension benefits are online at www.ibew.org or available at the local union office. The member must take the correctly completed application to the financial secretary of the local union, who will report on it at the local union meeting and shall then forward the properly signed and sealed application to the IST. In addition to satisfying the eligibility requirements, the member must be completely retired from the electrical industry in order to receive early retirement pension benefits.

Q11: Can a retired member return to work in the electrical industry and waive the monthly retirement benefits for the period they are working and then have the pension benefit payments resume when they cease to work?

A11: Yes, in fact it is mandatory that a retiree who returns to work in the electrical industry notify their local union and notify the IST to cease paying the monthly pension benefit. The member must immediately resume the payment of membership dues through their local union. When the member again retires, they must advise their financial secretary, who will notify the IST so that pension payments can be resumed.

Q12: Can a member who elected early retirement and subsequently returned to work and worked past age sixty-five (65) then elect to receive benefits under the normal retirement provisions?

A12: No. A member who elects early retirement will always have that portion of their pension benefit determined on the basis of the early retirement provision. However, upon the second retirement, such a member's pension would be increased based on the additional period of continuous good standing earned as an "A" member after their return to work.

Optional Spouse's Benefit

Q13: What is the optional spouse's benefit?

A13: An "A" member who qualifies for normal, early, or disability retirement may elect to receive a reduced pension benefit payable for the life of the member, with the provision that, upon the member's death, one-half of the reduced pension will be paid to the member's surviving spouse for as long as the spouse lives. If the spouse predeceases the member, or if the spouse and member divorce while the member is receiving the pension benefit, the member's benefit will "pop-up" to the full amount. If the death or divorce occurs on or after January 1, 2002, the benefit will pop-up on the last day of the month following the death or divorce.

Q14: Why is the amount of pension paid under the optional spouse's benefit a reduced amount?

A14: Since a second person (the spouse) may receive pension payments after the death of the member, the member's pension has to be reduced in order to compensate for those extra payments. The value to the member and spouse is the actuarial equivalent of the initial value of the member's pension alone.

Q15: How is the pension payable under the optional spouse's benefit determined?

A15: The pension benefit otherwise payable is multiplied by a factor which adjusts for the increased period of pension payment. For the member and spouse whose ages are the same, the pension is reduced to 86.5% of the otherwise payable amount. If the spouse is younger than the member, the reduction is to 86.5% less 0.5% for each year that the spouse is younger than the member. If the spouse is older than the member, the reduction is to 86.5% plus 0.5% for each year that the spouse is older than the member. But at no time is the member's benefit greater than 100%.

We earlier presented an example where a member who retires at age 65 with 40 full years of continuous good standing is entitled to a monthly pension benefit of \$188.00. Suppose this member wishes to elect the optional spouse's benefit.

- 1) If the member and their spouse are the same age, the pension is reduced to 86.5% and the reduced pension payable would be:

$$86.5\% \times \$188.00 = \$162.62 \text{ per month}$$

After the member's death, one-half of this amount, or \$81.31 per month, would continue to be payable as a pension to the surviving spouse.

- 2) If the member's spouse were 5 years younger than the member, the pension would be reduced to 86.5% less (5 x 0.5)%, or 84%. The reduced pension payable would be:

$$84\% \times \$188.00 = \$157.92 \text{ per month}$$

One-half of this amount, or \$78.96 per month, would be payable to the surviving spouse.

- 3) If the member's spouse were 2 years older than the member, the pension would be reduced to 86.5% plus (2 x 0.5)%, or 87.5%. The reduced pension payable would be:

$$87.5\% \times \$188.00 = \$164.50 \text{ per month}$$

One-half of this amount, or \$82.25 per month, would be payable to the surviving spouse.

Q16: How do you calculate the reduced pension amount for an optional spouse's benefit chosen in addition to early retirement?

A16: First the early retirement benefit to which the member is entitled must be calculated. Then this amount is multiplied by the reduction factor for an optional spouse's benefit. This reduction factor for the optional spouse's benefit is the same for normal, early, and disability retirement. It depends only on the difference between the member's age and the spouse's age.

Q17: How does a member arrange to receive the optional spouse's benefit?

A17: The member must apply on a form which will be obtained from the IST by the member's local union financial secretary. If this election is desired, it shall be made prior to retirement so that the IEC will have time to approve the application and have the optional spouse's benefit effective on the day the member is placed on pension.

Q18: Can a member decide to elect the optional spouse's benefit and then later change their mind and cancel the election?

A18: The optional spouse's benefit may be canceled up to the day the member is placed on pension. After that, the election is irrevocable.

Q19: What happens if the spouse dies subsequent to the member's retirement?

A19: In that case, the election is automatically canceled and the member will receive a "pop-up" of their pension. The benefit will equal the unreduced benefit the member would have received had the member never elected the optional spouse's benefit. If the death occurs on or after January 1, 2002, the benefit will pop-up on the last day of the month following the death. Members should notify the IST immediately of the death of their spouse and provide a death certificate.

Q20: What happens if the member and spouse divorce while receiving the optional spouse's benefit?

A20: If the member and spouse divorce on or after January 1, 2002, the member will begin to receive the pop-up of their pension benefits on the last day of the month following the date of the divorce. Members should notify the IST immediately of the divorce and provide copies of all divorce papers.

Q21: If a retiree receiving the reduced optional spouse's benefit dies prior to their spouse, what does the spouse need to do to receive the optional spouse's benefit?

A21: The spouse should notify the IBEW PBF immediately upon the death of the retiree and provide the IBEW PBF with a copy of the death certificate. To be eligible for the optional spouse's benefit, the surviving spouse must hold the relationship of spouse to the retiree at the time of the retiree's death.

Q22: Who is considered a spouse for purposes of paying an optional spouse's benefit?

A22: The IBEW PBF will generally recognize a spouse who is named on a marriage certificate as the member's spouse. In addition, the IBEW PBF will recognize what it has defined as a common law marriage. To establish a common law marriage as defined by the IBEW PBF, a member must show, to the satisfaction of the Trustees, cohabitation consciously and openly as a married couple, and a holding out to the public of the relationship as one of a married couple. Cohabitation alone does not establish a common law marriage.

To demonstrate to the Trustees that the member is in a common law marriage, as defined herein, the claimant may submit documents that show that the member and their spouse considered themselves to be married; such documents include: jointly filed income tax returns, deeds to real estate, children's birth certificates, insurance policies showing family or joint coverage, announcements, etc. Based on the documents and information available, including information submitted, the

Trustees shall determine whether the claimant satisfies the IBEW PBF's definition of a common law spouse.

In all events, to be considered a "spouse" for payment of the IBEW PBF optional spouse's benefit, the individual must continue to be married to the retiree at the time of the retiree's death.

Retirement Benefits, Vested Pensions and Optional Spouse's Benefits of Thirty Dollars (\$30.00) or Less

Q23: Are there situations where a member's benefit or an optional spouse's benefit may be paid as a lump sum benefit?

A23: Yes. In fact, members who would begin receiving a retirement pension or a vested pension on or after January 1, 2003, will have their benefit paid as a lump sum benefit if the monthly benefit would be thirty dollars (\$30.00) or less. Similarly, spouses who would begin receiving an optional spouse's benefit of thirty dollars (\$30.00) or less on or after January 1, 2003, will receive a lump sum instead of a monthly pension. This lump sum benefit will not be paid to members receiving a disability pension. Please note the Canadian lump sum amount is subject to change based on the equivalent U.S. dollar amount as defined in Question 26 below.

Q24: How is the lump sum benefit calculated?

A24: The lump sum benefit is calculated using actuarial tables supplied by the IBEW PBF's actuaries. The benefit is the actuarial equivalent to the benefit the member or spouse would receive during their lifetime.

Q25: What if I receive a lump sum payment and then return to work in the electrical industry?

A25: If you have received a lump sum payment, your entire retirement benefit has been paid. To earn additional retirement benefits, you must qualify again by earning a minimum of five (5) years of continuous good standing as an "A" member.

Q26: How does the IBEW PBF calculate whether I am receiving a monthly benefit of thirty dollars (\$30.00) or less when I am receiving a benefit in Canadian currency?

A26: The thirty dollars (\$30.00) or less benefit is based on the U.S. dollar and the IBEW PBF will convert foreign currency to the U.S. dollar equivalent to determine whether the benefit is thirty dollars (\$30.00) or less.

Q27: What if am receiving a benefit greater than thirty dollars (\$30.00), but I subsequently get divorced and my ex-spouse and I both commence to receive less than thirty dollars (\$30.00)?

A27: In that case, your benefits will be paid as a lump sum. If only one of you receives thirty dollars (\$30.00) or less, only that individual will receive the lump sum. Further, if we pay either of you a lump sum and your ex-spouse predeceases you, you will not be eligible for the "pop-up" benefit.

Total Disability Pension

Q28: How many years of continuous good standing as an “A” member of the IBEW must a member have in order to be eligible for total disability benefits?

A28: A member must have twenty (20) or more years immediately preceding their application.

Q29: How does a member obtain total disability pension benefits?

A29: An “A” member who seeks total disability benefits must submit an application for them. The IEC will approve this application once it has confirmed that the member is totally disabled for disability pension benefit purposes and satisfies the service requirements. The member must maintain their continuous good standing as an “A” member until the date of approval of their application for total disability benefits.

Q30: When can a member apply for disability pension?

A30: Any time after the onset of disability. In most cases, though, it will be a few months before it’s clear that the disability is permanent. Many members will find it more convenient to apply at the same time they apply for Social Security or Canada Pension Plan benefits because the same proof of disability is required.

Q31: What does an “A” member have to do to prove that they are totally disabled for pension purposes?

A31: Any “A” member will normally be presumed to be totally disabled for disability pension benefit purposes if the member presents evidence:

- 1) That they have been awarded Social Security Total Disability Insurance Benefits, or total disability benefits under the Canada Pension Plan, or Quebec Pension Plan, or Canadian Disabled or Blind Persons Act.
- 2) That they have been awarded a total disability annuity under the U.S. Railroad Retirement Act.
- 3) That they have been awarded a Total Disability Retirement Benefit under the Civil Service Retirement Act.
- 4) That they have been awarded a total disability pension under a retirement system of a state or provincial government.

The local union, IST, or IEC may or may not request medical evidence that a member is totally disabled in the above types of cases. Medical evidence will be requested in all other cases. Such medical evidence shall consist of a statement by the attending physician which shall be subject to review and recommendation by a legally qualified physician approved by the IST. If the claim for benefits is not approved, the IST may then request a physical examination by a legally qualified physician designated or approved by the IST. In addition, the local union, IST, or IEC may, from time to time, request that proof of continued disability be furnished.

Q32: Why is an “A” member who applies for a total disability pension benefit required to maintain their continuous good standing as an “A” member during the period between the date of their application and the date of its approval?

A32: All “A” members must maintain their good standing in the IBEW, whether injured, sick, or out of work for any other cause, in order to maintain the benefits of membership. It appears reasonable and fair to require a disabled member to maintain their good standing until a determination has been made as to their physical or mental impairment. In the event the member’s application for disability pension is approved, the member’s International Office dues will be refunded back to the date of commencement of total disability.

Q33: What is the amount of the disability pension benefit?

A33: For an “A” member who is disabled after December 31, 2006, the disability pension benefit is equal to four dollars and fifty cents (\$4.50) per month for each full year of continuous good standing as an “A” member through 2022 and five dollars and fifty cents (\$5.50) per month for each full year of such continuous “A” membership in and after 2023, computed through the month immediately preceding the onset of their total disability. Of course, no period of total disability shall be considered to commence prior to the completion of the applicant’s twenty (20) years of continuous good standing as an “A” member. If a member was “totally disabled” prior to or on December 31, 2006, the member’s benefit will be based on rates that were in effect at the time of the disability.

Q34: Does this mean that there is no reduction of the disability pension when the member retires prior to normal retirement?

A34: Yes. When a member retires on disability, they get an unreduced benefit, regardless of age at retirement. There is no early retirement reduction.

Q35: Can a member who elects early retirement and subsequently becomes totally disabled then elect to go on total disability pension?

A35: No. The election to take an early retirement benefit becomes irrevocable on the date the member is placed on pension.

Q36: When does the disability pension begin?

A36: The actual disability payments will not begin until the member’s application for disability benefits has been approved. Once this has been done, however, payments will be made retroactive to the first day of the month in which it has been determined that the member became disabled. In no event will payments be made for a period of time before the “A” member has completed twenty (20) full years of continuous good standing.

Q37: Can a member lose their right to collect a disability pension benefit after qualifying and receiving monthly payments?

A37: Yes. Benefits will be paid to a member only as long as they remain totally disabled and unable to perform work of any kind. Once they go back to any full or part time work, disability pension payments will be discontinued.

Q38: Why does the International Office of the IBEW not assume the responsibility of approving programs of vocational rehabilitation, rather than allocating this function to the local union?

A38: The IBEW has a continuing interest in the vocational rehabilitation of a member who becomes disabled. However, for practical purposes, the member's local union is in a much better position to encourage and aid the incapacitated member and to examine, approve, and encourage the establishment of local programs for vocational rehabilitation.

Vesting

Q39: What is meant by the term “vesting” as used in the IBEW Constitution?

A39: In simple terms, “vesting” is the act of freezing the accumulated right to a pension benefit of a member who has retired from the electrical industry upon the effective date that the “vesting” is approved, which will be after twenty (20) years of continuous good standing as an “A” member but before age sixty-five (65), and then protecting that pension benefit until the member reaches age sixty-five (65), at which time the vested pension benefit becomes payable monthly to the retired member.

Q40: Who qualifies for a vested pension benefit?

A40: An “A” member who has twenty (20) or more years of continuous good standing and retires from active engagement in the electrical industry before age sixty-five (65) is eligible to apply for a vested pension benefit. Upon retirement from the electrical industry, the member should file an application for a vested pension benefit. While awaiting the IEC's decision, the applicant for a vested pension benefit must maintain their continuous good standing as an “A” member through the payment of dues and payments into the IBEW PBF. In the event that their application is approved, the member will be entitled to a refund of payments for the period following receipt of the member's application.

Q41: Can a person who has more than twenty (20) years in continuous good “A” membership standing and whose membership in the IBEW has ended (that is, they stopped paying dues, resigned, or were expelled), but who did not apply for a vested pension benefit before ending their continuous good standing, be eligible to subsequently apply for and receive a benefit?

A41: No. Any member applying for vested pension benefits must have twenty (20) or more years of continuous good standing at the time of their application for benefits. It is important to note that the IBEW PBF is a union dues-financed pension plan for which there are no employer contributions; and as such, it is exempt from the rules on vesting as set forth under the Employee Retirement Income Security Act of 1974 (ERISA), as amended. As a result, until a vested pension benefit application is approved by the IEC, no member is considered to be vested merely by acquiring twenty (20) years of continuous good standing.

Q42: What is the amount of the vested pension benefit?

A42: The vested pension benefit is a monthly benefit commencing at age sixty-five (65) equal to four dollars and fifty cents (\$4.50) per month for each full year of continuous good standing as an “A” member through 2022 and five dollars and fifty cents (\$5.50) per month for each full year of

continuous “A” membership earned in and after 2023, less four dollars and fifty cents (\$4.50) for each full year, or part, by which the member is under age sixty-five (65) at the time their application is received. If a member was approved for a vested pension benefit prior to or on December 31, 2006, the benefit will be based on rates that were in effect when the vested pension benefit was approved.

For example, an “A” member retires in 2030 from the electrical industry at age 55 with 30 years of continuous good standing. Their credit for vested pension purposes is:

$$(\$4.50 \times 22 \text{ years}) \text{ plus } (\$5.50 \times 8 \text{ years}) \text{ credit for vested pension purposes} = \$143.00$$

This amount is then reduced for the 10 years by which the member is under normal retirement age:

$$\begin{array}{r} 10 \text{ (years until normal retirement age)} \\ \times \$4.50 \text{ (dollars per month)} \\ \hline \$45.00 \text{ (reduction for vested pension purposes)} \end{array}$$

Finally, the member’s vested pension is calculated as:

$$\begin{array}{r} \$143.00 \text{ (credit for vested pension purposes)} \\ \text{less } \$45.00 \text{ (reduction for vested pension purposes)} \\ \hline \text{equals } \$98.00 \text{ (vested monthly pension commencing at age 65)} \end{array}$$

Q43: What happens to a vested pension benefit if the member returns to work in the electrical industry, resumes “A” membership, and continues in good standing until age sixty-five (65)?

A43: The member’s vested pension benefit is unaffected. A pension benefit based on their new block of service is computed separately and added to the member’s vested pension benefit.

For example, suppose the member in our previous example, who retired at age 55 with 30 years of continuous service, returns to work in the electrical industry at age 62 and maintains continuous good standing until age 65. As we see above, their vested pension for service to age 55 is \$98.00 per month starting at normal retirement age (age 65). This is unchanged. Their pension for service from age 62 to normal retirement age is:

$$\begin{array}{r} 3 \text{ (full years of continuous good standing)} \\ \times \$5.50 \text{ (because all years were after 2023)} \\ \hline \text{equals } \$16.50 \text{ (per month commencing at age 65)} \end{array}$$

Thus, the member’s pension, payable at attainment of age 65 will be \$16.50 plus \$98.00 for a total of \$114.50 per month.

Q44: Can a member vest their pension benefit to commence payment at age sixty-two (62) rather than at the normal retirement age of sixty-five (65)?

A44: No. To make vested benefits available at age sixty-two (62) would add considerable costs to the IBEW PBF.

Q45: Can a member with more than twenty (20) years of continuous good standing as an “A” member get a lump sum settlement instead of vesting their pension benefit?

A45: No. Under the proper conditions, a member may “vest” their rights to a pension, but no lump sum payment is provided in place of a vested pension. Please note that, upon reaching age sixty-five (65) and retirement of a vested pensioner, the rules regarding lump sum payments for benefits of thirty dollars (\$30.00) or less apply.

Q46: Can other benefits be vested besides the pension benefits?

A46: No. When “A” membership is discontinued, all other coverage ceases. The only right that may be retained is the right to a vested pension commencing at age sixty-five (65) after approval by the IEC.

Death Benefits

Q47: What conditions must be observed by an “A” member who wishes to retain the death benefits of the IBEW PBF?

A47: A member must have at least six (6) months’ continuous and active good standing as an “A” member to be eligible under the death benefit provision of the IBEW PBF. A death benefit shall not be payable upon the death of any member in arrears for dues for more than two (2) months unless it can be demonstrated that the arrearage was not the fault of the member, in which case the death benefit shall be reduced by the amount of the arrearage.

Q48: What is the benefit from the IBEW PBF paid upon death from natural causes of a non-retired “A” member holding six (6) or more months of continuous “A” membership?

A48: The IBEW PBF pays six thousand two hundred fifty dollars (\$6,250.00) upon the death of an eligible “A” member from natural causes.

Q49: What is the benefit from the IBEW PBF paid upon the accidental death of a non-retired “A” member holding six (6) or more months of continuous “A” membership?

A49: The IBEW PBF pays twelve thousand five hundred dollars (\$12,500.00) if an eligible “A” member’s death is caused by accidental means.

Q50: What provisions are made for benefits payable upon the death of a retired “A” member?

A50: Upon the death of a retired “A” member from natural causes or accidental means, the member’s beneficiary will receive six thousand two hundred fifty dollars (\$6,250.00), minus all pension benefits paid by the IBEW PBF to the retired member up to three thousand two hundred fifty dollars (\$3,250.00). Thus, if a member has received three thousand two hundred fifty dollars (\$3,250.00) or more in pension benefits, the death benefit payable upon the death of that member shall be three thousand dollars (\$3,000.00), which is computed by subtracting \$3,250.00 from \$6,250.00.

Q51: What is meant by the term “accidental death”?

A51: “Accidental death” is defined as a death that resulted from bodily injury sustained on or off the job through violent, external, and accidental means and only if death occurs within ninety (90) days after the injury, except that the following causes of death shall not be considered accidental death:

- 1) Disease or its treatment.
- 2) Hernia.
- 3) Medical or surgical treatment, except where death results directly from the surgical operation made necessary solely by accident and performed within ninety (90) days after the date of the accident.
- 4) War or any act of war, whether war is declared or not; insurrection or rebellion.
- 5) Suicide.
- 6) Abuse of illegal drugs.

Q52: Are there any instances in which the death benefit may be less than described above?

A52: The IBEW PBF is sometimes not notified of the death of a member and continues to send pension payments to the retiree. When this happens and the recipient of the payments fails to return them or reimburse the IBEW PBF, the IBEW PBF is authorized to recover the overpayments. If the overpayment is less than the amount of the death benefit, the amount of the overpayment is subtracted from the amount of the death benefit payable, and the deceased member’s beneficiary will receive the difference. If the overpayment is greater than the amount of the death benefit payable, the death benefit payable is subtracted from the amount of the overpayment due and the IBEW PBF is fully authorized to recover whatever additional amounts are owed. Please note that no death benefit shall be payable upon the death of a non-retired “A” member if such member was more than two (2) months in arrears in dues payments, unless it can be demonstrated that the arrearage was not the fault of the member, in which case the death benefit shall be reduced by the amount of the arrearage.

Q53: Is the death benefit payable with interest?

A53: No.

Q54: Who is the beneficiary of the death benefit?

A54: If the member has designated a beneficiary, the death benefit shall be paid to the designated beneficiary. If the member has not designated a beneficiary for payment of the death benefit, the benefit shall be paid as follows: 1) to the first of the following person(s) who survive the member—the member’s spouse, the member’s children, or the member’s parents—or 2) if none of the foregoing person(s) survive the member, to the member’s estate.

Q55: Who can be a designated beneficiary?

A55: The member may name any person or persons, organization, entity, or trust as a beneficiary. The member may also name their estate as a beneficiary.

Q56: Who is considered a spouse for purposes of paying a benefit to the member's spouse in the event there is no designated beneficiary?

A56: The IBEW PBF will generally recognize a spouse who is named on a marriage certificate as the member's spouse. In addition, the IBEW PBF will recognize what it has defined as a common law marriage. To establish a common law marriage as defined by the IBEW PBF, a member must show to the satisfaction of the Trustees, cohabitation consciously and openly as a married couple, and a holding out to the public of the relationship as a married couple. Cohabitation alone does not establish a common law marriage.

To demonstrate to the Trustees that the member is in a common law marriage, the claimant may submit documents that show that the member and their spouse considered themselves to be married, such as: jointly filed income tax returns, deeds to real estate, children's birth certificates, insurance policies showing family or joint coverage, announcements, etc. Based on the documents and information available, including information submitted, the Trustees shall determine whether the claimant satisfies the IBEW PBF's definition of a common law spouse.

In all events, to be considered a "spouse" for payment of the IBEW PBF death benefit, the individual must continue to be married to the member at the time of the member's death. If the member wishes the benefit to be paid to a divorced spouse or another individual who may not satisfy the above definition of common law spouse, the member must name that person as a designated beneficiary on a form provided by the IST.

Q57: To whom does the IBEW PBF pay the death benefit if the beneficiary does not file a claim or cannot be located?

A57: If the beneficiary (either the designated beneficiary or the beneficiary entitled to the benefit if no beneficiary is designated) fails to file a claim or cannot be located within ninety (90) days following the member's death, the benefit may be paid to the contingent beneficiary, if one has been designated, or to the individual(s) next on the beneficiary list to be used when there is no designated beneficiary. If the subsequent beneficiary cannot be located, the IBEW PBF again moves down the list and, if no other eligible beneficiary can be located, the benefit may be paid to the member's estate. If there is no estate to which the benefit can be paid, the benefit reverts to the IBEW PBF on the second year anniversary of the member's death, and no benefit will be paid subsequent to the reversion.

General Provisions

Q58: Are there branches of the IBEW's jurisdiction wherein members employed in those branches are required to be "A" members and to maintain such "A" membership?

A58: In branches such as the construction industry (inside and outside) where the IBEW's established policy is to require that "A" membership be acquired and maintained, this requirement continues to be applicable.

Q59: To whom does the requirement of the IBEW Constitution not to engage in the electrical industry apply?

A59: This requirement applies to all retired “A” members, whether they are receiving normal retirement, early retirement, vested pension rights, or disability pension benefits.

Q60: What is meant by “continuous good standing”?

A60: Any period used in determining eligibility or in computing pension benefits shall include only consecutive years of “A” membership in good standing in the IBEW, except that years of membership when on pension benefit shall not be counted. There is one exception: If a member who had retired from the electrical industry and was granted a pension benefit and subsequently returns to the electrical industry and “A” membership, a benefit based on their subsequent service will be added to the existing pension benefit.

Q61: For pension and death benefit purposes, how does an “A” member interrupt “continuous good standing”?

A61: Under the following circumstances, an “A” member shall not be considered in continuous good standing: when an “A” member transfers to “BA” status, when an “A” member is dropped from membership for nonpayment of dues, or when an “A” member accepts Honorary Withdrawal Card status. In addition, an “A” member shall not be eligible for pension approval while they have an outstanding local union trial board assessment. “A” members forfeit any rights to a pension or death benefit upon expulsion from membership or upon resignation from membership before obtaining an approved vested pension benefit. Finally, an “A” member in arrears in dues payments is ineligible for pension and death benefits unless and until the member is reinstated to membership pursuant to the IBEW Constitution.

Q62: How is a year of good standing calculated?

A62: A member earns a year of good standing by maintaining membership from one anniversary date up to their next anniversary date. The anniversary date is the first day of the month in which the member begins “A” membership. Thus, an “A” member initiated in December must pay “A” membership dues through the following November to earn a year of good standing.

Q63: Are there any age limitations covering a person wishing to join as an “A” member and obtain full coverage under the IBEW PBF?

A63: Any worker coming under the IBEW’s jurisdiction, of good character, and not less than sixteen (16) years of age is eligible for IBEW membership and the benefits associated therewith.

Q64: Is it necessary to pass a physical examination in order to qualify for the insurance and pension coverage of “A” membership?

A64: No. If a person can qualify for membership in a local union, they can qualify for the pension and death benefit coverage which are part of that membership.

Q65: Why do provisions of the IBEW Constitution deny a member the right to assign the benefits of the IBEW PBF?

A65: To protect the member’s benefits from the claims of creditors.

Q66: Can a member receiving a pension benefit waive their monthly pension payments, return to activity in the electrical industry, and then have the pension benefit payments resumed when the member retires once again?

A66: Yes. If the member is again engaged in the electrical industry, it is mandatory that the member resume the payment of dues and, through their local union, notify the IST to cease paying the monthly pension benefit. When the member again retires, dues payments will be discontinued and pension payments will be resumed upon proper notice to the IST. If the IBEW PBF is not notified in a timely manner of a member's return to work and continues to pay a pension benefit for some time, the member must return the benefits paid while they were working. If the benefits are not repaid, the IBEW PBF may withhold all benefits when the member again retires from working until the overpaid benefits are recovered.

Q67: Why is a member who is receiving pension benefits not permitted to do electrical work of any kind?

A67: The pension benefit is for "A" members who retire from working in the electrical industry. The fact that they receive a pension being paid for partly by members who continue to work, pay dues, and struggle for better pay and working conditions would give the pensioned member an unfair advantage in the labor market.

Q68: Why is a member who is receiving pension benefits permitted to attend local union meetings and allowed only with the local union's approval to have a voice at such meetings, but cannot vote?

A68: A member receiving pension benefits is not required to pay any local union dues or assessments. The member's status in their local union is, in effect, that of an honorary member. Thus, the member's participation in local union meetings is limited.

Q69: Why does the IBEW Constitution contain provisions for any member who so desires to waive any portion of their pension benefit, either monthly or yearly?

A69: Because certain pension plans or assistance plans severely limit the benefits from those plans if an IBEW member is receiving a full IBEW pension while at the same time receiving benefits from one of those plans. In other words, there are situations where it is in the best interest of an IBEW member to be able to waive a portion of their IBEW pension benefit.

Q70: What currency is used to pay the pension or death benefits of Canadian members?

A70: A pension or death benefit is paid in the currency of the country to which the major portion of pension contributions may be attributed. Contributions from Canadian members to the IBEW PBF are retained and invested in Canada.

Q71: If a member and spouse decide to divorce either before or after the member retires, what should they do regarding pension benefits in the IBEW PBF?

A71: If the member and/or spouse seek to divide a current or future benefit, the member or spouse should contact the International Office to receive detailed information regarding the member's

pension benefits. If the spouse and member choose to divide the member's pension benefits, the International Office has Qualified Domestic Relations Order (QDRO) model provisions to assist the member and spouse in drafting an order that will comply with the IBEW PBF's requirements. If the member and spouse decide to divorce and divide the member's pension benefits, the payments to either party will not begin until the member begins to receive monthly benefits. In the case of a member already receiving a benefit, however, the division will not occur until the IBEW PBF has approved a court-endorsed QDRO.

Claims Procedures

Q72: What is the current procedure for applying for normal pension, early retirement pension, disability pension, and vested pension rights?

A72: Applications for pension benefits shall be made in accordance with the following procedures:

All pension applications:

- 1) Applications for all pension benefits are online on the IBEW Pension & Reciprocity Department's page at www.ibew.org or available at the local union office.
- 2) Participating withdrawal card members will exchange their applications directly with the International Office.
- 3) Upon receipt of the member's correctly completed application, the financial secretary of the local union shall report on it at the local union meeting and shall then forward the properly signed and sealed application to the IST.
- 4) The IST shall review and make determinations upon all such applications. Those that appear to be in order shall be placed on the pension benefit roll. The IST shall report their action on each application to the IEC at its next meeting.
- 5) Any member, on being notified that they are entitled to such benefits or rights, shall pay their per capita tax for the current month in their local union. These members will be placed on the pension roll the first of the month following favorable action by the IST or the IEC and after they have paid their dues in full to their local union.

All types of pension, other than disability:

If the IST determines that an individual who has claimed a right to receive benefits under the IBEW PBF is not entitled to receive all or any part of the benefits claimed, the IST will inform the claimant of the determination in writing and explain the reasons in layman's terms with specific references to pertinent IBEW PBF provisions on which the determination is based. The determination notice will also include a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary. Finally, the notice will provide a description of the IBEW PBF's review procedures and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination. The IST will notify the claimant of their initial determination within ninety (90) days after receipt of the fully filled out claim by the IST, unless special circumstances require an extension of time for processing the claim, in which case the IST will notify the claimant, in writing, of such special

circumstances and will act within one hundred eighty (180) days after receipt. If an extension of time is required, an extension notice will be sent to the claimant. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the IBEW PBF expects to render the benefit determination.

The appeal procedure is as follows: The claimant, or a designated representative, may within sixty (60) days after receipt of the notification of the IST's denial, submit to the IEC a written request for review. At that time, the claimant, or the designated representative, will be given the opportunity to submit written comments, documents, records, and other information relating to the claim for benefits. The claimant will also be provided, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the claimant's claim for benefits. The IST will furnish all records and data on these applications to the IEC.

The decision on appeal will be made at the IEC's next regularly scheduled meeting. If the next regularly scheduled meeting is within thirty (30) days receipt of the request for review, the decision may be made at the second regularly scheduled meeting of the IEC following the receipt of the request for review. If special circumstances require a further extension of time, a benefit determination shall be rendered not later than the third regularly scheduled meeting of the IEC. If such extension of time is required, the IEC will provide the claimant with written notice of the extension describing the special circumstances and the date as of which the determination will be made. The IEC will render its final decision in writing within five (5) days of the determination. If there is an adverse benefit determination on review, the IEC shall provide the reasons and reference the IBEW PBF's provisions on which the adverse benefit determination is based. In such event, the claimant is also entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the claimant's claim for benefits, and will be notified that they have the right to bring a civil action under ERISA Section 502(a).

Disability applications only:

The IST will notify the claimant of their determination of the initial claim within forty-five (45) days after receipt by the IST of the fully completed application, unless the IST determines that an extension is necessary due to matters beyond their control and notifies the claimant, within the original forty-five (45) day period, that the IST will require an additional thirty (30) days and will act within seventy-five (75) days after receipt of the claim. The determination period may be re-extended for a further thirty (30) days, if circumstances arise, for a possible determination period of one hundred five (105) days.

If extensions are required, extension notice(s) will be sent to the claimant. The extension notice shall explain the standards on which entitlement to a benefit is based, the unresolved issues that prevent a decision on the claim, and the additional information needed to resolve those issues. If further information is required from the claimant, the claimant shall be afforded at least forty-five (45) days within which to provide the specified information.

If an adverse benefit determination is made, a determination notice will be sent and will explain in layman's terms, the reasons for the determination, with specific references to pertinent IBEW PBF provisions on which the determination is based. The determination notice will also include a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary. Finally, the notice

will provide a description of the IBEW PBF's review procedures and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination.

The appeal procedure is as follows: If the IST determines that an individual who has claimed a right to receive benefits under the IBEW PBF is not entitled to receive all or any part of the benefits claimed, the claimant or a designated representative may, within one hundred eighty (180) days after receipt of the IST's denial, submit to the IEC a written request for review. The review will be conducted by the IEC, excluding the IST, and will take into account all comments, documents, records, and other information submitted by the claimant relating to the claim without regard to whether such information was submitted or considered in the initial disability benefit determination. If the IBEW PBF or IEC relies upon new or additional evidence in connection with the claimant's request for review, the evidence will be provided to the claimant as soon as possible to give the claimant reasonable opportunity to address the new evidence. The claimant will also be provided, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the claimant's claim for benefits.

The IEC will notify a claimant of the benefit determination on review within forty-five (45) days of receipt of the claimant's request for review by the IBEW PBF, unless the IEC determines that special circumstances require an extension of time for processing the claim. In no event shall such extension of time exceed a period of forty-five (45) days from the end of the initial period. If the IEC determines that an extension of time for processing is required, written notice of the extension shall be furnished to the claimant prior to the end of the initial forty-five (45) day period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the IBEW PBF expects to render the determination on review.

If there is an adverse benefit determination on review, the IEC shall provide the reason(s) for the denial in layman's terms, reference the specific IBEW PBF provisions that support the denial, including any basis for disagreeing with a disability determination by a third party, and indicate 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 claimant's claim for benefits, and will be notified that they have the right to bring a civil action under ERISA Section 502(a).

Q73: How is a claim made for death benefits?

A73: When a member eligible for the death benefit dies, those claiming death benefits shall present to the local union a copy of an official death certificate or a certificate of facts concerning the death from a reputable physician or proper authorities located in the city or town where such death occurred or nearest to it, and it shall then be forwarded by the local union financial secretary to the IST with all papers required. If a claim by the beneficiary is not received by the IST within ninety (90) days following the date of the member's death, the death benefit may be paid to the next eligible beneficiary. In case of application for accidental death benefits, the IST may require such additional information in support of the claim as may be deemed necessary. The IST has also been given the authority to make final determinations on death benefit claims.