



# **California Association of Professional Firefighters**

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## *Summary Plan Description Booklet*

**2023**

## SUMMARY PLAN DESCRIPTION (Group Plan)

On behalf of the trustees of the trustees (the “**Trustees**”) of the California Association of Professional Firefighters Safety Personnel Trust (the “**Trust**”) welcome you as a Plan Member in the California Association of Professional Firefighters Long Term Disability Plan (the “**Plan**”). There are certain Plan variations, including the Group Plan A, the Group Plan B, the Enhanced Individual (or “**EI**”) Plan, LA City Firefighters EI Plan and the Cal Fire EI Plan. Coverage also differs for Safety versus Non-Safety Members. If you are unsure which Plan applies to you, please contact the Plan Administrator at 1 800 832-7333 or visit the association website at [capf.org](http://capf.org).

This Summary Plan Description ("SPD") outlines certain terms and provisions of the Plan document. This SPD also summarizes benefits that may be available to you as long as you are eligible and remain covered by the Plan.

If you have any questions, please contact the Plan Administrator who will assist you to understand the Plan benefits and coverage.

If the terms and conditions of this SPD and the Plan document differ, the Plan document will govern. The Trustees govern the overall Plan operation and have the authority to amend or modify the Plan from time to time in whole or part under the terms and provisions of the Plan.



Erick Mattson  
President  
Trustee of the Plan

**SUMMARY PLAN DESCRIPTION  
CALIFORNIA ASSOCIATION OF PROFESSIONAL FIREFIGHTERS®  
LONG-TERM DISABILITY PLAN**

The following is the Summary Plan Description for the California Association of Professional Firefighters Long Term Disability Plan as of the date set forth above (except as to any provisions that specify another date). This document and the associated Schedules of Benefits that are available at the website [capf.org](http://capf.org) ("**Website**") summarize certain of the terms and provisions of the Plan document. Please refer to any amendments attached or printed on the last pages of this document and the Website for any important changes since that date. For a complete description of the terms and conditions of the Plan, review the Plan document, which is available upon request from the Plan Administrator.

**SCHEDULE OF BENEFITS AND PLAN DOCUMENT**

Schedule of Benefits: The schedules of Benefits, features and coverage for each of the Plans and Plan variations ("**Schedules of Benefits**") are available for review at the Plan Website, [capf.gov](http://capf.gov) under the "Plans" drop-down menu at the top of the Website page. These Schedules of Benefits describe specific terms applicable to each of the Plans and Plan variations, including the Group Plan A, the Group Plan B, the Enhanced Individual (or "**EI**") Plan, LA City Firefighters EI Plan and the Cal Fire EI Plan. Please review your applicable Schedule of Benefits with this Summary Plan Description. If you are unsure which Plan applies to you, please contact the Plan Administrator at 1 800 832-7333 or visit the association website at [capf.org](http://capf.org). The applicable Schedule of Benefits and this Summary Plan Description are brief outlines of important features of the Plan. Only the Plan document contains the governing provisions. A copy of the Plan document is available upon request to the Plan Administrator. The Plan includes the definitions for many of the terms used in the Schedule of Benefits and this Summary Plan Description. An additional copy of the Schedule of Benefits applicable to you is also available upon request to the Plan Administrator.

PLAN: THIS SUMMARY PLAN DESCRIPTION AND THE SCHEDULE OF BENEFITS ONLY PROVIDE A SUMMARY OF CERTAIN FEATURES OF YOUR COVERAGE. FOR A COMPLETE DESCRIPTION OF THE TERMS AND CONDITIONS OF THE PLAN, YOU SHOULD REVIEW THE PLAN DOCUMENT, WHICH IS AVAILABLE UPON REQUEST FROM THE PLAN ADMINISTRATOR.

**A. INTRODUCTION**

1. CAPF. The California Association of Professional Firefighters ("**CAPF**" or the "**Corporation**") is a benefit and relief association that sponsored the Trust. CAPF holds a Certificate of Authority to operate this long-term disability plan for firefighters (the "**Plan**"), which was issued by the California Department of Insurance. CAPF is a nonprofit corporation which has been determined to be tax-exempt under the federal and California tax laws. The California Association of Professional Firefighters Safety & Non-Safety Personnel Trust, a California non-

profit trust, holds the funds for this Plan.

2. Self-Funded Benefit Plan with Integrated (Offset) Benefits. The Plan is a fully self-funded benefits program sponsored by CAPF and the Trust. The Plan was created to provide professional firefighters an alternative to the traditional, fully insured and usually costly insurance company plans. The Plan is governed by the Trustees of the Trust who are elected by the Board of Directors of the Corporation, who are themselves elected by the members of the Participating Associations. These Participating Associations may be fire departments, labor unions, or related associations. Details regarding the process of electing Trustees are set out in the Trust document, and details regarding the election of directors are included in CAPF's Bylaws.

The Plan pays disability Benefits when a participating firefighter is disabled by Injury or Sickness, whether it occurs on or off the job. The terms and conditions of these Benefit payments are described in the Plan document, parts of which are summarized in this Summary Plan Description and in the Schedule of Benefits. Various limitations and provisions are described in this Summary Plan Description. You should consider which Plan coverage option (“**Plan Option**”) applies to you (A or B) and which Plan variation applies (for example, the EI and Group Plans) when reviewing the disability Benefits that you may be eligible to receive. If you are not certain which Plan Option applies to you, the Plan Administrator can verify the Plan Option that applies to you.

The Benefits provided by the Plan are fully integrated with other Benefits which you may receive. This means that when the Plan pays you Benefits, you will be required to repay the Plan from any amounts that are paid to you from various other sources or recovered on your behalf from these other sources. These Offsetting Benefit/Income Amounts include retroactive or continuing pensions, continuing salary under Labor Code Section 4850, workers' compensation awards and awards from insurance companies or third parties and litigation recoveries.

3. Defined Terms. For the definitions of the terms used in this Summary Plan Description, please refer to the Plan.

FOR A COMPLETE DESCRIPTION OF THE TERMS AND CONDITIONS OF THE PLAN, YOU SHOULD REVIEW THE PLAN DOCUMENT, WHICH IS AVAILABLE UPON REQUEST FROM THE PLAN ADMINISTRATOR.

## **B. ELIGIBILITY AND PARTICIPATION**

1. HOW DO I BECOME AND REMAIN ELIGIBLE TO PARTICIPATE IN THE PLAN AND HOW IS MY CONTINUING ELIGIBILITY LIMITED?

You become and/or remain eligible to participate in the Plan when all of the following apply:

(1) If you are in a Group Plan (rather than an EI Plan) you are an active member of your Participating Association and your Participating Association is a member association in good standing with CAPF and satisfies the minimum participation requirements as established by the Board of Directors (the minimum participation levels may vary with regard to different Plan Options);

(2) you are in Active Service in a full-time position in a qualifying firefighting unit and you comply with all the prerequisites to being a Plan member; and

(3) the Administrator has received and approved all required documents for continuing participation.

You must enroll in one of the Plan versions based on a number of factors, including the designation of your Participating Association, if applicable, your status as a Safety or Non-Safety Personnel Member and the amounts paid for participation. See the Website at [capf.org](http://capf.org) or the Plan document for more information regarding the available alternative Plans and variations. Your eligibility for continued participation is limited, as provided in the Plan document, which includes requirements of cooperation and proof of disability.

2. Participation in the Plan. Once you are eligible to participate in the Plan, your participation will become effective when you satisfy all of the following conditions:

(1) you provide to the Administrator a properly completed enrollment card and receipt of the card is verified by the Administrator;

(2) you provide to the Administrator evidence that you have established a method of payment (if an EI Member) or applied for a payroll deduction for the required Plan contribution or that your Participating Association or Employer is making the required contribution on your behalf; and

(3) the Administrator has received the first full monthly required contribution.

The Plan will not provide coverage or Benefits for any Pre-existing Condition except as provided in the Plan and applicable Schedule of Benefits.

If the required contribution, payroll deduction verification or enrollment card is received by any party other than the Administrator, this last condition is not satisfied. As an example, and without limiting this general rule, receipt of the card by any Participating Association or an officer of the association or by any member of the Board of Directors or a Trustee will not satisfy this condition.

3. Deferred Effective Date. If you are not eligible on what would otherwise be your effective date for entry into the Plan or an increase in Benefits, including because you are not actively at work or you are a Group Plan Member and are not a member of your Participating Association, then your eligibility to participate or to receive Benefits will be deferred until 30 days after you return to Active Service (not modified, light or limited duty status) or reinstate your membership in your Participating Association, as applicable. (When you return to Active Service for 30 days,

certain Pre-existing Conditions may be excluded from coverage.)

4. Enrollment. To enroll, you must complete and return to the Administrator a properly executed Plan enrollment card. Your participation will not begin until the card has been returned, as verified by the Administrator. This is true regardless of whether contributions have been made for you. In addition to other matters, the enrollment card specifies that you agree to be bound by the provisions of the Plan and that you understand the limitations that apply to Pre-existing Conditions.

5. Termination of Participation. Your participation in the Plan automatically terminates on the first to occur of the following:

(1) the date you cease to be in Active Service or otherwise cease to qualify as a Plan member (this may result in a Temporary Termination, as discussed below), unless on that date you are Totally Disabled and the Plan is making monthly Benefit payments to you;

(2) the date of your retirement under any retirement plan provided by your Employer, unless on that date you are Totally Disabled and the Plan is making monthly Benefit payments to you;

(3) the date you become a full-time member of the armed forces of any country (this may result in a Temporary Termination, as described below);

(4) if none of the events described in items 1 through 3 above apply, on the 15th day of the month following the last month when a full monthly Contribution was made for you, unless the Contribution is waived as a result of Total Disability for which the Plan is paying you or you are eligible to receive full monthly Benefits (eligible for disability income benefits other than the Minimum Benefit and the 50/50 Integration Benefit). You will be required to continue making the fully monthly Contribution amount during the period when you receive offsetting sick leave, vacation pay, other personal leave balances or catastrophic leave balances, or benefits under California Labor Code Section 4850 or similar, equivalent benefits; and

(5) Certain other events described in the Plan.

After participation is terminated, you must join the Plan again in the same manner as any new Member.

6. Temporary Termination. Your participation in the Plan will temporarily terminate during the following periods (other than with regard to the Death Benefit):

(1) any temporary periods during which you are not in Active Service, other than due to a Total Disability for which you are Eligible to receive Benefits or regularly scheduled vacation time;

(2) any layoff from Active Service at work other than for a Total Disability for which you are receiving Benefits;

(3) any temporary periods of 24 months or less that you are recalled to active duty to the United States armed forces, or perform active duty, annual training or inactive duty training for the armed forces of any country (during which 24 months you may continue to be eligible for a reduced Death Benefit) if you die and satisfy the other requirements for the Death Benefit; and

(4) certain other periods described in the Plan.

Following Temporary Termination, as long as you are still eligible to participate in all other respects, if you return to Active Service immediately after the period you may re-enroll within 30 days of your first day of eligibility and will regain coverage and the Pre-Existing Condition coverage (and limits) in effect prior to the Temporary Termination will remain in effect. After a Temporary Termination of participation and coverage, you will not be covered for any disability that results from an Injury or Sickness that arose during the Temporary Termination. See the Plan for more details on this issue.

7. Monthly Contributions. You must make a monthly Contribution (payment) to the Plan in advance or have a monthly Contribution made to the Plan on your behalf. The Trustees set the required monthly Contribution amounts for the Plan. Contributions are made through payroll deduction or in another manner approved by the Trustees. The monthly Contribution amount is payable in full for any portion of a month in which you participate. You will not be entitled to a refund for any portion of a monthly Contribution based on the termination of your coverage during that month. The monthly Contribution amount is subject to change on 30 days' notice to your Participating Association. Please review the Plan document for other specific provisions regarding Contributions. You are not required to make the monthly Contribution during any month when you are Totally Disabled and you are receiving full Benefit payments. During periods that Benefits are offset by certain other benefits, while receiving the 50/50 Integration Benefit or the Minimum Benefit and while eligible to receive Labor Code Section 4850 or equivalent pay, you must continue to make Contributions. You are entitled to a refund (without interest) of Contributions that you make for periods of time that you are not eligible to participate in the Plan. The Plan contains certain other limitations that may apply.

### **C. BENEFITS**

**IMPORTANT:** YOU SHOULD REVIEW THE SPECIFIC DETAILS OF "BENEFITS" ON THE FOLLOWING PAGES TOGETHER WITH YOUR SCHEDULE OF BENEFITS AND ANY AMENDMENT ATTACHED OR PRINTED ON THE LAST PAGES OF THIS DOCUMENT, WHEN APPLICABLE.

1. Benefit Payments. Once you have provided sufficient proof that you have become Totally Disabled while you are participating in this Plan for a covered disability, you may be eligible to receive Benefits for the applicable maximum Benefit Period. After the Elimination Period, you are entitled to a monthly disability Benefit for each month that you are Totally Disabled and under the Regular Care of a Physician (as described in more detail in the Plan document). In order to

receive Benefits, you must also comply with all other requirements of this Plan regarding the Sickness or Injury. These Disability Income Benefits will continue during the period of your Total Disability, not to exceed the applicable Maximum Benefit Period described below. Your disability Benefits may be reduced by any benefits you receive from other sources. You may be required to repay certain Benefits if you later recover benefits from other sources (Offsetting Benefit/Income Amounts). Generally, these Benefits will be payable for an Own-Occupation Disability for Safety Personnel Members up to a total of 24 months, unless the Maximum Benefit Period limitations requires a shorter period. Please refer to the Schedule of Benefits for the Benefit Period for Non-Safety Personnel and certain other limitations. Please refer to the Plan for certain Benefit limitations that apply, including limitations for concurrent disabilities that arise during the period of a Psychological/Stress Disorder and to recurrent disability claims. The Benefit Period of 24 months for Safety Personnel will begin on the date that the Sickness or Injury causes the Member to be Totally Disabled or the last date of Active Service, whichever is later for Industrial Disabilities, and begins after the applicable Elimination Periods for Non-Industrial Disabilities. After 24 months a Safety Member will be considered to be Totally Disabled and eligible to continue receiving Disability Income Benefits up to the Maximum Benefit period only while the Member is completely unable to perform any and every duty of any gainful occupation as defined in more detail in the Plan document. Again, these Benefits may be offset or reduced by Offsetting Benefit/Income Amounts.

In the event of any delay in the payment of Benefits due to your failure to provide proof of disability or your failure to cooperate as required in the Plan, on your full correction of the failure, the Plan will pay you an increased monthly Benefit until you have been paid all amounts which were delayed; provided, that no monthly payment will exceed 150% of the maximum you would be eligible to receive as a monthly Benefit. No interest is payable on delayed Benefits. Additional details are set out in the Plan.

2. Recurrence of a Disability. If you resume your regular occupation after a period of Total Disability, accept light duty services from your Employer or accept Approved Rehabilitative Employment and perform the material duties of your job for a continuous period of more than 12 full continuous months, any disability resulting from the same cause or causes is considered a new period of disability and not a continuation of your prior disability and you will be entitled to Benefits, when appropriate, in accordance with the applicable provisions of the Plan (including the Elimination Period requirements). If you resume your job, accept light duty services or accept Approved Rehabilitative Employment for less than 12 full continuous months, any disability resulting from or contributed to by the same cause or causes is not considered a new period of disability and the periods of return to work are treated as a continuation of your disability period for the purpose of the Plan's benefit limitations. Additional Benefit limitations are applicable to disabilities from a Psychological/Stress Disorder or Drug Abuse Disorder and the other conditions described in the Plan, which are subject to lifetime maximum Benefit periods or amounts.



3. Benefit Amount. Subject to the reductions and limitations described in the Plan and this Summary Plan Description, if you become Totally Disabled from a covered disability, you will receive Benefits in the amounts set out in the applicable Schedule of Benefits and the Plan. The amount of Benefits you receive from the Plan or are eligible to receive from other sources will be reduced by the Offsetting Benefit/Income Amounts you receive or are eligible to receive from other sources, and is subject to the Maximum Benefit amount then in effect. However, you may be entitled to the Minimum Benefit if you are receiving vacation or sick leave pay and remain on "department pay status." For a Non-Industrial Disability, your monthly rate of earnings is generally determined at the end of the Elimination Period after the date of your disability. For a Non-Industrial Disability your monthly rate of earnings is generally determined as of the last day for which you receive compensation under California Labor Code section 4800 or 4850 (or any contractual or statutory obligation of your Employer, requiring equivalent pay). Earnings will be determined from base pay plus all other compensation calculated for normal retirement purposes. Earnings will not include bonuses, overtime pay, or any other extra compensation not included for normal retirement purposes. When disability income is payable for partial months, the amount will be prorated in accordance with rules contained in the Plan document.

4. Reduction for Offsetting Benefit/Income Amounts. While you are Totally Disabled, if you or your Eligible Dependent Survivor receive or are entitled to receive Offsetting Benefit/Income Amounts, as described below, and those Offsetting Benefit/Income Amounts have not already been applied to reduce your Benefits, then the amount of any Plan Benefits payable to you and your Eligible Dependent Survivor from any source or recovery (regardless of how they are characterized) will be reduced by these Offsetting Benefit/Income Amounts. The Plan describes the Offsetting Benefit/Income Amounts, which include:

(1) amounts you receive or are eligible to receive from any source as a result of your disability under any Workers' Compensation Act or law, occupational disease law, or any other legislation of similar purpose;

(2) amounts you receive or are eligible to receive from group insurance benefits providing disability income benefits other than group credit insurance or group mortgage disability insurance;

(3) amounts you receive or are eligible to receive as a result of your disability under any compulsory benefit act or law, including state unemployment compensation disability or disability income benefits (such as Section 4800 or 4850 of the California Labor Code);

(4) amounts you receive or are eligible to receive as earnings for work or services (including self-employment) performed by you during your period of Total Disability, or as sick leave pay, vacation pay, other personal leave balances or catastrophic leave balances (donated time) provided by your Employer or fellow employees, subject to certain exceptions set out in the Plan;

(5) the unmodified and unreduced amount of any disability income benefits, income or funds (determined without regard to any election you make to receive reduced income benefits) you receive or are entitled to receive under any pension or other program provided by your current

Employer or any prior employer or any union or other organization, subject to certain exceptions set out in the Plan;

(6) amounts you receive or are eligible to receive under the United States Social Security Act (or that your spouse or child or children receive or are eligible to receive) because of disability or retirement; or

(7) f amounts you receive or are eligible to receive or any period during which Benefits were payable to you as a result of the disability from any third party, including but not limited to litigation recoveries and settlements, or from any insurance coverage maintained by or on behalf of you or on behalf of a third party or as direct or indirect payment or recovery for lost wages or related benefits, or physical or emotional injury, including "pain and suffering" and recovery of other special damages.

The offsets will apply with respect to any of the Offsetting Benefit/Income Amounts that you would receive if you submitted the appropriate application form, demand or statement, or initiated other appropriate action; and any of the Offsetting Benefit/Income Amounts you waive or forfeit through benefit election, stipulation, compromise, release or other waiver, or through your action or inaction.

After you have been paid Benefits from the Plan, you are obligated to reimburse the Plan from any Offsetting Benefit/Income Amounts (as described in question and answer D-7 above) that you or your Eligible Dependent Survivor or Beneficiary receive, unless a prior Benefit reduction was made for that recovered amount. This reimbursement obligation applies up to the amount of the total Benefits (other than Death Benefits) actually paid to you or your Eligible Dependent Survivor or Beneficiary by the Plan.

5. Election to Receive Unreduced Benefits. If you are eligible for Offsetting Benefit/Income Amounts but are not immediately entitled to receive them due to circumstances beyond your control, you can elect either: (a) to receive your disability income under the Plan unreduced by these Offsetting Benefit/Income Amounts until you actually receive such benefits, at which time you must immediately repay the amount of such benefits to the Plan or (b) to receive your disability income under the Plan reduced by the estimated amount of these Offsetting Benefit/Income Amounts, and when you later receive the Offsetting Benefit/Income Amounts, the Plan will pay you additional amounts if the estimate of the Offsetting Benefit/Income Amounts was high (if the estimate of the Offsetting Benefit/Income Amounts was too low and you received excess Benefits, you must immediately repay the Plan).

6. Disabilities Excluded from Coverage or with Modified Coverage. You, your Eligible Dependent Survivor and your named Beneficiary will not be eligible for any Plan Benefits with regard to or as a result of:

(1) a disability that is caused or contributed to by intentionally self-inflicted injuries while sane or insane;

(2) a disability that arises out of war, declared or undeclared, civil or international, or

any act or hazard of war or substantial armed conflict between organized forces of a military nature, including without limitation any disability caused by any Injury or Sickness occurring while in full time active duty in the United States armed forces and any disability caused by Injury or Sickness caused while on reserve military duty, subject to certain limitations set out in the Plan;

(3) death or a disability that arises directly or indirectly from committing or attempting to commit unlawful act or a breach of ethical standards. In addition, you will not be entitled to receive any form of Benefits for a disability or Death that arises or occurs during a period of incarceration;

(4) a disability during any period that you are not under the Regular Care of a Physician, failed to follow material treatment recommendations of your Physician, have not obtained sufficient Physician verification of the Total Disability as requested by the Trustees or Administrator, or have not otherwise complied with the provisions of the Plan regarding proof of disability and cooperation;

(5) a disability arising during any period in which you participate in a vocational rehabilitation program;

(6) any disability arising after any applicable Maximum Benefit Period; or

(7) any disability or Death arising as a result of, or in connection, with, an elective surgical procedure that is medically unnecessary, subject to certain exceptions set out in the Plan.

You, your Eligible Dependent Survivor and your named Beneficiary are eligible only for modified Benefits with regard to or as a result of;

(1) death due to suicide;

(2) a disability or Death that was caused or contributed to by any Pre-existing Condition or from surgical or other medical treatment for any Pre-existing Condition, unless you qualify for Pre-existing Condition coverage as provided in the Plan;

(3) a disability that is due to or resulting from a Psychological/Stress Disorder, Drug Abuse, HIV, AIDS, ARC, or certain other conditions specified in the Plan, beyond the Benefit period described in the Plan;

(4) a disability that reoccurs following your return to Active Service and that results in a Total Disability before you have returned to Active Service for 12 full continuous months beyond the Benefit period for the original disability;

(5) a disability that arises during periods of your incarceration before or after conviction for any unlawful acts; and

(6) certain other conditions as specified in the Plan.

7. Minimum Benefit. Following the Elimination Period, while you are Totally Disabled and remain on department pay status, you will be eligible to receive a Minimum Benefit during the period of time that you (a) receive accrued vacation pay, sick leave or other earned or donated pay from your Employer or co-workers, and (b) are under the Regular Care of a Physician. The amount of the Minimum Benefit is set out in the Schedule of Benefits and the Plan (which contains additional terms and limitations). The Plan will allow you to stop using available sick leave or other leave balances or donated time after the Elimination Period. However, if you elect to continue receiving available personal leave balances or donated time following the Elimination Period, you will receive the Minimum Benefit subject to the terms set out in the Plan.

8. Maximum Period Benefits may Continue. The Maximum Benefit period varies depending on the nature of the Total Disability, the applicable Plan terms and your status as a Safety or Non-Safety Personnel Member. Please refer to the Schedule of Benefits and Plan document.

9. Proof of Disability and Cooperation. You will not be eligible to start receiving Disability Income Benefits or to continue receiving Disability Income Benefits unless you regularly submit a written statement from a Physician on the forms supplied by the Administrator establishing that you have suffered and continue to have a Total Disability by Injury, Sickness or Pregnancy. The Administrator may require that you obtain additional examinations from a Physician selected by the Administrator to verify the Total Disability or the term of your disability period. You will not be charged for these additional examinations and will not be required to travel to a location outside of a one-hundred-and-fifty-mile radius from your home for the examinations. You must be available for this examination within no more than 30 days following the Administrator's notice to you. If you fail to complete any additional examination or fail to provide adequate proof of your Total Disability in timely compliance with this requirement, you may lose your right to receive Benefits under the Plan until you have fully complied with these Plan requirements.

You also must cooperate in good faith with the Administrator in instituting and completing in a timely manner any proceedings or submitting in a timely manner any applications necessary or useful to recover unpaid benefits to which you are entitled from other sources. If you are disabled, you must take all actions reasonably necessary to obtain a court determination of whether the disability entitled you to any payments or benefits under any workers' compensation act or law, occupational disease law, or other legislation of similar purpose. If your workers' compensation claim is disputed, you must schedule an agreed or qualified medical evaluation within six months following the later of your last day of work or date of Injury or Sickness. In addition, the agreed or qualified medical evaluation must be completed within one year after the later of your last day of work or date of Injury or Sickness. Any failure to comply with these or other requirements set out in the Plan may result in the termination of your entitlement to Plan benefits for that Total Disability.

You must provide the Administrator with copies of any documentation requested by the Administrator concerning any of these proceedings.

When you receive any Offsetting Benefit/Income Amounts, you are required to immediately repay the Plan for the Benefits you previously received from the Plan. (If you are unable to recover these amounts, but have taken all action that is necessary and reasonably useful to collect the amounts, you are not required to repay the Plan.)

If you have received Plan Benefits, you may not settle a pending Workers' Compensation action or claim or compromise or release any claims involving or potentially involving your covered disability without the consent and approval of the Administrator as to the amounts repayable to the Plan from the proceeds of the settlement. Also, on request by the Administrator, you must immediately supply copies of all documents necessary to verify your income as provided in the Plan. If you fail to comply with these Plan requirements, you may forfeit any rights to continuing Benefits.

10. Death Benefits and Survivor Benefits. Your beneficiaries will be entitled to a Death Benefit upon your Death and you may receive a Death Benefit due to your imminent and certain Death while participating in and covered under this Plan or on active duty with the armed forces. The Plan will begin paying the Death Benefit upon its receipt of evidence of your Death or imminent and certain Death by a Physician's statement and/or such other evidence as the Administrator may reasonably require. The amount of the Death Benefit is set out in the Schedule of Benefits and Plan. The Death Benefit will be paid to the most recent Beneficiary designated by you to the Administrator in writing or to your estate if the Beneficiary predeceases you or dies within three days after your Death. The Death Benefit for suicide is limited. Certain limitations apply with regard to Pre-existing Conditions, as described in the Plan. Your Death Benefits may be reduced or delayed based on multiple claims by alleged Beneficiaries as provided in the Plan.

If you die while receiving Disability Income Benefit payments from the Plan, a Survivor Benefit will be paid to your Eligible Dependent Survivor, unless your Death is the result of suicide. The Survivor Benefit is the payment of a disability income benefit (that is subject to offset in the same manner as the Benefits would be offset for the Member) to the Eligible Dependent Survivor continuing 9 months or, if less, until the first to occur of the Death of the Eligible Dependent Survivor, or the date your Disability Income Benefits would have terminated due to the Plan Benefit period limitations. Certain limitations apply with regard to who may be an Eligible Dependent Survivor as set out in the Plan.

You may remove your Beneficiary and select a new Beneficiary as provided in the Plan. A Beneficiary selection, removal or modification will not be effective until the new application card is actually received by the Administrator. It is important that you maintain a current Beneficiary designation at all times.

11. Cost of Living Adjustment. As described in more detail in the Plan document, the Benefits payable to you during a period of Total Disability that lasts longer than twelve months and is a Non-Industrial Disability will be increased by a cost of living adjustment as follows: Benefits will be increased by a cost of living adjustment equal to 4% of the Benefit payment during each of the second through seventh years of your Total Disability, but not to exceed the Maximum Benefit amount. Commencing the eighth year and continuing until you attain age 65, Benefits will be increased annually by a cost of living adjustment equal to the changes in the consumer price index for California retail transactions for that year (or the closest similar index then maintained), but not above the Maximum Benefit amount. After age 65, no further cost of living adjustment will apply, though Benefits may continue subject to the requirements of the Plan.

12. 50/50 Integration Benefit. If your Employer allows your Participating Association to elect to utilize each of your 100% sick leave days as two 50% sick leave days, then commencing 60 days after becoming Totally Disabled due to a Non-Industrial Disability and, for up to the first year of a Total Disability due to a claim that your Employer is disputing as an Industrial Disability claim, you may exercise the 50/50 Integration Benefit and the Plan will pay you 50% of your Base Monthly Earnings Benefit for each day that you use the 50% sick leave days. This Benefit will be subject to reduction for any Offsetting Benefit/Income Amounts other than the 50% sick leave pay.

#### **D. CLAIMS PROCEDURE AND NEGOTIATION PROCESS**

1. Submitting a Claim for Benefits. You or your representative can file a claim for Benefits under the Plan by contacting the Administrator by telephone or in writing and submitting completed claim forms and other required documents to the Administrator. You should notify the Administrator even if the Elimination Period is still in effect or if you are unsure whether you are eligible for Benefits. You or your representative should provide written documentation regarding your condition within 12 months after your Total Disability occurs (or if you are unsure whether you are eligible for Benefits). Your failure to timely provide written notice of a claim and proof of disability may terminate your rights to Benefits, or reduce the duration of Benefits payable as described in the Plan.

2. Notice of Approval or Denial of a Claim; Appeal of Adverse Decision. The Administrator will notify you of the approval or any denial of a claim for Benefits. If you disagree with the Administrator's denial of your claim or the determination regarding eligibility for coverage, you may request that the Administrator reconsider the decision. The Reconsideration request should include a detailed written description supporting your position, your name, coverage identification number, claim number (if any) and further information or material you believe may have bearing on the decision. In addition, you, your Beneficiary, or a duly authorized representative may appeal any denial of a claim for Benefits by the Administrator by filing a written request for a review to the Trustees (at the address of the Administrator) within 180 days following the denial. The Administrator will submit your written documents to the Trustees. You will be provided, upon written request, copies of, or access to, documents and records that are directly relevant to your claim. You should review the Plan Document for more details regarding this process.

## **E. OTHER IMPORTANT MATTERS**

1. Plan Amendment and Discretionary Authority. The terms of the Plan may be amended at the discretion of the Trustees or the Executive Board in accordance with the requirements of the Trust and Plan documents. In carrying out their respective responsibilities under the Plan, the Trustees, Administrator and other Plan fiduciaries have discretionary authority to interpret the terms of the Plan and to determine eligibility for and entitlement to Plan Benefits in accordance with the terms of the Plan. Any interpretation or determination made pursuant to this discretionary authority has full force and effect, unless it can be shown that the interpretation or determination was arbitrary and capricious.
2. Employment. Nothing contained in the Plan or this document should be construed to create any obligation on the part of your Employer either to continuing employment or Benefits. This Plan is not Employer provided or sponsored.
3. ERISA. As a participant in the Plan you may be entitled to certain rights and protections under the Employee Retirement Security Act of 1974 (ERISA). Please contact the Plan Administrator to determine if your Plan is governed by all or a portion of ERISA. ERISA provides that all participants in a plan governed by ERISA are entitled to:
  - (1) Examine, without charge, all Plan documents, including insurance contracts, collective bargaining agreements and copies of all documents filed by the Plan with the United States Department of Labor, such as Annual Reports and Summary Plan Descriptions;
  - (2) Obtain copies of all Plan documents and other Plan information upon written request to the Administrator; the Administrator is required by law to furnish each participant with a copy of this Summary Annual Report and may make a reasonable charge for the copies; and
  - (3) Receive a summary of the Plan's Annual Financial Report; the Administrator may make a reasonable charge for the copies.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit Plan. The people who operate your Plan have a duty to do so prudently and in the interest of you and the other Plan participants and beneficiaries. No one, including your Employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA. If your claim for a welfare benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the Administrator and the Trustees (or an authorized committee) review and reconsider your claim.

Under ERISA, there are steps you can take to enforce the above rights. If you have any questions about your Plan, you should contact the Administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest area office of the United States Labor-Management Service Administration, Department of Labor.

