

Idaho Operating Engineers-Employers Pension Trust

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Administered by
Welfare & Pension Administration Service, Inc

December 15, 2025

TO: All Participants - Actives, Retirees, Eligible Beneficiaries, and Payees

**RE: 204(h) Notice and Summary of Material Modification (SMM)
Merger with the Locals 302 & 612 International Union of Operating Engineers-Employers
Construction Industry Retirement Trust, Effective December 31, 2025**

The Idaho Operating Engineers-Employers Pension Trust ("Idaho Plan") is merging into the Locals 302 & 612 International Union of Operating Engineers-Employers Construction Industry Retirement Trust ("302-612 Plan"), effective December 31, 2025 ("Closing Date"). This provides summarized information regarding your benefits under the Merged Plan. For complete Plan provisions please see the respective Plan documents. The Plan documents will govern all benefits and eligibility rules.

There are changes to certain provisions affecting benefits earned on and after January 1, 2026, but overall, the available benefits in the 302-612 Plan are slightly more valuable than in the Idaho Plan. Please see the comparison table on page 3.

Idaho benefits earned through December 31, 2025, which are required by law to be protected will continue to be administered according to the Idaho plan's rules. Disability benefits and Pre-Retirement Death Benefits are not required by law to be protected but are generally protected to the extent described in this notice. Please see below regarding the updates to these benefits.

For hours of service worked on and after January 1, 2026, unless modified as described below, the 302-612 Plan rules will apply.

The Trustees have agreed to align certain provisions between the two plans:

- 1. Benefits in Pay Status.** Retirees and beneficiaries who are in pay status under the Idaho Plan as of December 31, 2025, shall continue to receive their benefits in the amount and form payable from the Idaho Plan. The Administrative Office will stay the same.
- 2. Credited Future Service.** Credited Future Service, including partial credits, earned by participants in the Idaho Plan prior to the Closing Date will be preserved by the 302-612 Plan after the Closing Date. This will include any partial Credited Future Service earned under the Idaho Plan prior to the Closing Date.
- 3. Vesting Credit.** Non-vested Idaho participants who earn at least one hour of service after December 31, 2025, in the Merged Plan may combine their hours worked in the Idaho Plan prior to merger with hours worked following merger for purposes of vesting credit. Benefits earned under the Idaho Plan will continue to be subject to the 4,350 Hours of Service requirement as defined in the Idaho Plan.

4. **Forms of Payment.** In addition to the forms of payment available in the Idaho Plan, Idaho participants who work at least one hour in the Merged Plan may elect as an optional form of payment a Cost-of-Living Adjustment option (COLA). With this addition, optional forms of payment are the same in both plans.
5. **Break-in-Service.** The Idaho Plan year is July 1 through June 30. The 302-612 Plan year is January 1 through December 31. To accommodate this change in Plan year, Idaho participants who have worked at least one hour in the Idaho Plan between July 1, 2025 and December 31, 2025 will be grandfathered for the 2026 Plan year of the Merged Plan without a break in service. All covered hours worked by Idaho Plan participants in the Merged Plan starting January 1, 2026 will apply to avoid a break in service under the Merged Plan. The Merged Plan requires a Participant to work at least 250 hours in Covered Employment in a Plan year (January 1 through December 31) to avoid a break-in-service. If an Idaho participant did not work at least one hour between July 1 and December 31, 2025, they must work at least 250 hours in 2026 to avoid a break-in-service.
6. **Early Retirement.** The Idaho Plan's early retirement eligibility requirements and reduction factors shall continue to apply to accruals earned prior to the Closing Date. All benefit accruals earned on and after January 1, 2026, are subject to the Merged Plan's early retirement eligibility rules and factors. An Idaho participant may combine service credits earned both before and after the merger to meet eligibility requirements.
7. **Disability Benefits.** Idaho participants who accrued a benefit prior to the Closing Date will be eligible for a disability benefit on those accruals in accordance with the Idaho Plan provisions. All benefit accruals earned on and after January 1, 2026, will be subject to the Merged Plan's benefit provisions.
8. **Pre-Retirement Death Benefits.** Survivors of Idaho participants who die prior to January 1, 2026, shall have access to the Pre-Retirement Death Benefit provisions in the Idaho Plan. For deaths occurring on and after January 1, 2026, Pre-Retirement Death Benefits shall be according to the Merged Plan's provisions. Vesting provisions in Idaho will apply to accrued benefits earned under the Idaho Plan that are payable as pre-retirement death benefits under the Merged Plan. Notably, there is no burial benefit under the Merged Plan.
9. **Return-to-Work Rules.** Idaho participants are subject to the Idaho Plan's suspension rules for all benefits accruals earned through December 31, 2025. If a Normal Age Retiree works 40 or more hours a month in the same industry and trade/craft, in Idaho, the Retiree's benefits will be suspended. Before Normal Retirement Age, a Retiree who works anywhere in the United States in employment directly or indirectly involving construction related activities will have their benefit suspended.

The Merged Plan's rules are slightly different. If an Idaho participant earns benefit accruals after the Closing Date, the Merged Plan's suspension rules will apply to those benefits. The geographic jurisdiction of the Merged Plan includes the states of Idaho, Washington and Alaska. If a Normal Age Retiree who earns benefit accruals on and after January 1, 2026, returns to prohibited employment within the geographic area of the Plan, the Retiree's benefits may be suspended. If an Early Retiree who has earned benefits on and after January 1, 2026, and returns to work in prohibited employment anywhere in the United States, his benefits earned on and after the Closing Date will be suspended.

Normal Retirement Age is currently age 62 under the Idaho Plan as well as the Merged Plan.

SUMMARY BENEFIT COMPARISON

The following table highlights some of the differences between the two Plans. The 302-612 Plan books will be mailed out to all Participants and Retirees in January, 2026. You may also access the 302-612 Plan information in the Trust's online portal at www.engineerstrust.com

	Idaho Plan	302-612 Plan
Benefit Formula	1.25% x 81% x contributions <i>effective accrual: 1.0125%</i>	1.50% x 75% of contributions <i>effective accrual: 1.125%</i>
Hours required to earn accrual	375	500
Hours to avoid break in service	1	250
Vesting	5-years or 4,350 hours	5-years or 7,500 hours
Credited Future Service	1,500 hours=1 FSC*, partial credit allowed (*Future Service Credit)	500+ hours=1 FSC*, no partial credit (*Future Service Credit)
Early Retirement Eligibility	Age 55 and 10 Pension Credits	Age 55 and 10 Credited Future Service or 15,000 hours
Early Retirement Reduction	Recency: 3% / year prior to age 61 No Recency: 6% / year prior to age 61	6.5% / year prior to age 62

The Trustees have worked diligently to ensure this merger protects and enhances the ability for Idaho participants to earn a pension benefit. All accruals earned in the Idaho Plan through December 31, 2025, shall be protected in accord with 29 CFR 4231.4.

The joining of these two Plans is intended to secure the future for Idaho pensioners and create administrative efficiencies for all Participants and Retirees.

The Administrative Office will remain the same. Welfare and Pension Administration Services, Inc. will continue to be your contact for information and questions regarding your pension. You can reach the Administrative Office at (877) 441-1212, option 2 or by writing to us at the Administration Office, P.O. Box 34203, Seattle, WA 98124.

Sincerely,

The Board of Trustees of the Idaho Operating Engineers-Employers Pension Trust