

HAWAII INSULATORS VACATION FUND



As of March 1, 2014
THE INTERNAL REVENUE SERVICE HAS
ASSIGNED THIS PLAN NUMBER 99-0167566

THIS PLAN IS ADMINISTERED BY

**PACIFIC ADMINISTRATORS, INC.
1440 KAPIOLANI BOULEVARD, SUITE 800
HONOLULU, HAWAII 96814**

**Telephone: ISLAND OF OAHU (808) 441-8600
FAX: (808) 441-8750**

IMPORTANT NOTICE

If you have any questions concerning this Plan, such as eligibility or benefits, please contact the Trust Fund Office at 1440 Kapiolani Boulevard, Suite 800, Honolulu, Hawaii 96814, phone: (808) 441-8600 , 8:00 a.m.-4:30 p.m. Monday through Friday.

FROM TIME TO TIME, THE BOARD OF TRUSTEES WILL MAKE CHANGES TO THE PLAN IN TERMS OF ELIGIBILITY REQUIREMENTS AND BENEFITS AVAILABLE. THESE CHANGES MAY AFFECT YOU AND YOUR DEPENDENTS. **PLEASE READ THIS BOOKLET AND SUBSEQUENT NOTICES THAT ARE MAILED CAREFULLY.**

HAWAII INSULATORS VACATION FUND

BOARD OF TRUSTEES

EMPLOYER TRUSTEES

Myron Nakata (Secretary)
Ross Inouye
Ron Labanon, Jr.
Gary Silva (Alternate)

LABOR TRUSTEES

Douglas Fulp (Chairman)
Bernard Alvarez
Rodney Yoshikawa
Francisco Patoc (Alternate)

CONTRACT ADMINISTRATOR AND TRUST FUND OFFICE

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Phone: (808) 441-8600
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LEGAL COUNSEL

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Fujikawa & Yasunaga
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Honolulu, Hawaii 96814

AUDITOR

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Honolulu, Hawaii 96814-4012

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INTRODUCTION

This new booklet describes the Hawaii Insulators Vacation Fund (formerly known as the Asbestos Workers of Hawaii Vacation Fund) as of March 1, 2014. This booklet has been prepared to explain all of changes required by law since the last booklet was issued.

Benefits under the Plan are provided from contributions paid by Employers in accordance with their collective bargaining agreements with the International Association of Heat and Frost Insulators and Allied Workers Union, Local 132 (AFL-CIO). These contributions are invested in the Hawaii Insulators Vacation Trust Fund.

The Plan has been established to provide you with vacation benefits as determined by the Board of Trustees.

The Rules and Regulations of the Hawaii Insulators Vacation Fund can be found on pages 4 through 10. You should read this document carefully to understand how the Plan works and how the rules apply to your case. In addition, information that is required to be provided to you in accordance with the Employee Retirement Income Security Act of 1974 (“ERISA”) can be found on pages 11 through 16.

If you have any questions about the Plan or desire any additional information, please contact the Trust Fund Office at 1440 Kapiolani Boulevard, Suite 800, Honolulu, Hawaii 96814, phone: (808) 441-8600, 8:00 a.m.-4:30 p.m. Monday through Friday.

Sincerely,

Your Board of Trustees

RULES AND REGULATIONS OF THE HAWAII INSULATORS VACATION FUND

(As amended on November 13, 2013)

The Rules and Regulations of the Hawaii Insulators Vacation Fund are amended to read as follows:

RULES AND PROCEDURES.

Section 1. DEFINITIONS. As used herein:

- a. **Earning Year** means April 1st through March 31st, during which contributions and earnings on such contributions are received by the Fund.
- b. **Benefit Period** means May 1st through May 15th. The benefit period is the period during which benefits are paid to an employee or an employee-beneficiary based upon the contributions and earnings received during the last earning year.
- c. **Board of Trustees** or **Trustees** means the Board of Trustees established under the Trust Agreement.
- d. **Contractor** or **Employer** means any employer signatory to a Labor Agreement which requires it to make contributions to the Fund. The term may include the Union or any of the Trust Funds established under the Labor Agreement, provided such inclusion does not jeopardize the tax exempt status of the Fund.
- e. **Employee** or **Employee-Beneficiary** means a person covered by a Labor Agreement which requires the person's employer to make contributions to the Fund. The term may include employees of a Union or any of the Trust Funds established under the Labor Agreement, provided that such inclusion does not, jeopardize the tax-exempt status of the Fund.
- f. **ERISA** means the Employee Retirement Income Security Act of 1974, and any subsequent amendments.
- g. **Fund** means the Hawaii Insulators Vacation Fund.
- h. **Individual Account** means an accounting established for each employee.

- i. **Labor Agreement** means:
 - (1) The collective bargaining agreement effective September 1, 1976 between the Union and the Signatory Contractors, and any amendments, extensions or renewals thereto.
 - (2) Any other collective bargaining agreement between the Union and any employer or employer associations which provides for contributions to the Fund.
- j. **Plan** means the Fund's Rules and Regulations set forth herein.
- k. **Trust Agreement** means the Agreement and Declaration of Trust establishing the HAWAII INSULATORS VACATION FUND (formerly known as the Asbestos Workers of Hawaii Vacation Fund), and any amendment, extension or renewal thereof.
- l. **Union** means International Association of Heat & Frost Insulators & Allied Workers, Local 132 (AFL-CIO).

Section 2. PURPOSE OF THE FUND. Subject to the Labor and Trust Agreements, the Fund shall provide vacation benefits to employee beneficiaries as determined by the Trustees.

Section 3. CONTRIBUTIONS; TAX DEDUCTIONS. Before making contributions to the Fund as required by the Labor Agreement, each contractor shall deduct federal and state withholding and FICA taxes from each employee's wages. Contributions to the Fund, however, shall be in the gross amount specified in the Labor Agreement.

Section 4. INVESTMENT OF FUNDS. Subject to ERISA, monies held by the Fund may be invested as directed by the Trustees, and may include an investment manager as selected by the Trustees.

Section 5. EXPENSES. A Vacation Administration Account has been set up to handle operating expenses of the Fund. The Trustees are authorized to pay for the operating expenses from the Vacation Administration Account assets. The Trustees are also empowered to assess employees and/or beneficiaries their proportionate share of the Fund's expenses if sufficient monies are not available in the Vacation Administration Fund.

Section 6. MAINTAIN RECORDS. The Trustees shall maintain a record of all contributions and other income to the Fund and expenses. They shall maintain individual accounts showing the monthly amount of contributions credited to each employee.

Section 7. VACATION BENEFITS; WHEN PAID. Vacation contributions and net earnings collected from April 1st through March 31st (as determined by the Trustees) shall be distributed by the following May 1st to 15th. The amount of the vacation benefits shall be the total amount of vacation contributions paid to the Fund in behalf of an employee-beneficiary during the earning year plus a pro-rata share of the net earnings that the Fund received during the earning year if any as decided by the Trustees each year.

Section 8. PAYMENT BY CHECK. Vacation benefits shall be paid to an employee-beneficiary by check co-signed by a Management Trustee and a Labor Trustee.

Section 9. NONENCUMBRANCE OF BENEFIT; TAX LIEN. No employee beneficiary may assign, alienate, transfer, sell, hypothecate, mortgage, pledge, commute, anticipate, or otherwise encumber any payment of vacation benefits. Vacation benefits shall not be subject to any legal process to levy execution upon, or attachment or garnishment for the payment of any claim against an employee-beneficiary; nor shall such benefits be subject to the jurisdiction of any bankruptcy or insolvency proceeding by operation of law or otherwise.

Except as otherwise ordered by a court order, if a tax lien is filed against the benefits of an employee-beneficiary, such tax lien shall not be honored until the benefit payment for the employee-beneficiary is determined.

Section 10. MENTAL INCOMPETENCY. If an employee-beneficiary is deemed mentally incompetent by a court, payment of the vacation benefits shall be made to the legal guardian of the employee-beneficiary. If there is no legal guardian, the Trustees may make payment to the spouse or other representative of the employee-beneficiary deemed by the Trustees to be satisfactory.

Section 11. APPLICATION FOR BENEFIT. No vacation benefit shall be paid to an employee-beneficiary until after the employee-beneficiary submits a completed Application for Vacation Benefits form and his accrued vacation has been confirmed and approved for payment by the Administrator.

Section 12. ADVANCE PAYMENT. An employee-beneficiary may apply for an advance payment of vacation benefits only once each calendar year for the following reasons. Notwithstanding Sections (7) and (9), the Trustees may make an advance payment of vacation benefits to an employee beneficiary or his/her authorized representative without waiting for the benefit year to end for the following reasons only:

1. If an employee-beneficiary is totally disabled as determined solely by the Trustees;
2. If there is an emergency medical need or death of the employee-beneficiary or an immediate family member of the employee-beneficiary. "Immediate family member" shall be limited to the spouse, minor children or minor stepchildren, or parents of the employee-beneficiary;
3. Leaving the jurisdiction of the Union;
4. Retiring from the Heat, Frost, and Insulation industry;
5. Adjudicated incompetent;
6. Variance from these vacation exceptions may be authorized by the Trustees or Subcommittee only for extenuating circumstances. Request for variance must be made in writing by the employee, with appropriate documentation of support.

If an advance payment is made, such advance payment shall not include a pro-rata share of earnings because the determination of pro-rata share of earnings is not made until the end of the earning year.

If the employee-beneficiary is applying for an advance payment pursuant to subsections 12 above, the advance payment shall be limited to the amount required to grant relief for the hardship.

Applications for advance payment shall be submitted in writing by March 31st by the employee-beneficiary or his/her authorized representative, and shall be accompanied by appropriate supporting documents. Any applications for advance payment received after March 31st shall be processed in accordance with Section 7 above.

Section 13. DEATH BENEFITS. If an employee dies, his/her accumulated vacation and holiday benefits shall be paid to the beneficiary named on the vacation application card on file in the Trust Office. If no beneficiary is named or the named beneficiary is dead, the payment shall be made to the next of kin in the following order of preference:

- a. The surviving spouse;
- b. The surviving children in equal shares;
- c. The surviving parents in equal shares;

d. The surviving brothers and sisters in equal shares.

If the employee leaves no named beneficiary, spouse, child, parent, brother or sister, the benefit shall revert to the Fund.

If a death benefit is claimed before a determination of pro-rata share of earnings if any is determined by the Trustees, the death benefits shall not include a pro-rata share of net earnings if any. If the recipient of the death benefit decides to claim the death benefit after the earning year, then the death benefit shall include a pro-rata share of the net earnings if any.

Section 14. REVERSION OF FUNDS. Vacation benefits shall revert to the Fund if an employee-beneficiary or his/her authorized representative does not cash his/her check for vacation benefits within four (4) years from the date the check is issued. During that four (4) year period, the Trust Office shall make a reasonable attempt to notify the employee-beneficiary that the Fund has vacation benefits for the employee-beneficiary. "Reasonable attempt" means that the Administrator will send a notice to the last known address taken from the records of the Trust Fund Office or taken from the employee-beneficiary's last employer, and, if that is unsuccessful, the Administrator will attempt to locate the employee-beneficiary via at least one other search method, such as the use of the Social Security letter forwarding program, a commercial locator service, a credit reporting agency, or Internet search tools. In addition, the Trust Office shall give the Union a list of all employee-beneficiaries who have not been located for publication in the Union's newsletter.

Benefits reverting to the Fund and any other income received by the Fund shall be used to pay for the Fund's operational expenses or as otherwise deemed appropriate by the Trustees.

Section 15. NOTICE OF DENIAL OF CLAIM OF BENEFITS. If a claim is wholly or partially denied, the claimant shall be given notice of such denial within a reasonable period after the claim is received. The notice shall give (a) the specific reasons for the denial, (b) a specific reference to the Plan provision upon which denial is based, (c) a description of any additional material or information which the claimant may need to protect the claim, together with an explanation of why the material or information is necessary, and (d) an explanation of the Plan's claims review procedure.

Section 16. APPEALS PROCEDURE. If a claimant wishes to appeal the denial of a claim wholly or partially, the claimant shall follow the following procedure:

- (a) **Step 1. Request For Review.** The claimant shall make a written request for review to the Trustees within 60 days from the date the claimant received notice of denial. The request shall describe the claimant's version of the facts and reasons why the denial was not proper.
- (b) **Step 2. Decision.** If no hearing is held by the Trustees on claimant's request for review, the Trustees shall render a decision within 120 days after the Trustees received the claimant's request for review. If a hearing is held by the Trustees on the claimant's request for review, the Trustees shall render a decision within 60 days after the Trustees received the claimant's request for review.

A decision on review must be in writing and must include specific reasons for the decision. A decision shall be written so that the claimant can understand it and shall contain specific references to the Plan provisions on which the decision is based.

Section 17. HEARING; FINAL AND BINDING DECISION; COURT ACTION.

Before Whom. All hearings shall be heard before the Board of Trustees or a committee of Trustees who have been delegated the authority to hear the claimant's appeal.

Rules. The Board of Trustees or the committee of Trustees may prescribe reasonable rules for the orderly conduct of the hearing to permit a full and fair review. The claimant and Trustees may review pertinent documents, may have legal counsel present at such hearing and may make arguments.

Notice of Hearing. The claimant shall be given reasonable advance notice of the hearing.

Time and Place. The time and place for the hearing shall be determined by the Trustees.

Final Decision. The decision of the Board of Trustees, or the decision of the committee of Trustees who have been delegated the authority to hear the claimant's appeal, shall be final and binding on claimant and all persons claiming under claimant.

Court Action Restricted. No claimant may commence any court action, suit or proceeding unless the claimant has exhausted all required steps under the foregoing appeals procedure.

Section 18. AMENDMENTS. Subject to the trust agreement and ruling of the Internal Revenue Service to maintain the tax-exempt status of the Fund, the Trustees may amend this Plan.

Section 19. TERMINATION. If this Plan is terminated, the remaining money after payment of all expenses and accumulated vacation benefits due to employee-beneficiaries shall be distributed on an equitable basis to all participating employee-beneficiaries. No part of the assets shall be returned or inure to the benefit of any employer or contractor.

Section 20. EFFECTIVE DATE. The Plan shall be effective on October 1, 1975.

STATEMENT OF ERISA RIGHTS

As a Participant in the Hawaii Insulators Vacation Fund you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration (formerly Pension and Welfare Benefit Administration).
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of this summary financial report.

Prudent Actions by Plan Fiduciaries

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, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and 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 vacation benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a benefit is denied or ignored in whole or in part, you have a right to know why this was done, to obtain copies of documents

relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the Plan documents or the latest annual report from the Plan Administrator and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds that your claim is frivolous.

Assistance With Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or

The Division of Technical Assistance and Inquiries
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue N.W.
Washington, D.C. 20210

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

NOTE: You may examine the following documents at the Trust Fund Office during regular business hours, Monday through Friday, except holidays:

- a. Trust Agreement,
- b. Collective Bargaining Agreements,
- c. Insurance contracts,
- d. Annual Report Form 5500 filed with the Internal Revenue Service and Department of Labor, and
- e. A list of contributing Employers.

You may also obtain copies of the documents by written request and by paying the reasonable cost of duplication. You should find out what the charges will be before requesting copies. If you prefer, you can arrange to examine the documents, during business hours, at your union office or at your Employer's establishment, if at least 50 Plan participants are employed there.

To make such arrangements, call or write the Trust Fund Office. A summary of the annual report which gives details of the financial information about the Fund's operation is furnished annually to all participants free of charge.

INFORMATION REQUIRED BY THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (ERISA)

PLAN SPONSOR AND ADMINISTRATOR

Board of Trustees
Hawaii Insulators Vacation Fund
1440 Kapiolani Boulevard, Suite 800
Honolulu, Hawaii 96814

Phone: Island of Oahu - (808) 441-8600
FAX: (808) 441-8750

Participants and beneficiaries may receive from the Plan Administrator, upon written request, information as to whether a participating Employer is a sponsor of the Plan, and if so, the sponsor's address or they may receive from the Plan Administrator, upon written request, a complete list of the Employers sponsoring the Plan.

IDENTIFICATION NUMBERS

Assigned by Internal Revenue Service (EIN): 99-0167566
Assigned by Plan Sponsor: Plan No. 501

TYPE OF PLAN

Welfare - vacation benefits.

TYPE OF ADMINISTRATION

The Board of Trustees has engaged Pacific Administrators, Inc. at 1440 Kapiolani Boulevard, Suite 800, Honolulu, Hawaii 96814, to serve as Contract Administrator for the Vacation Fund.

AGENT FOR SERVICE OF LEGAL PROCESS

Alton Komori
Pacific Administrators, Inc.
1440 Kapiolani Boulevard, Suite 800
Honolulu, Hawaii 96814

Service of legal process may also be made upon a Plan Trustee or the Plan Administrator.

NAME, TITLE AND ADDRESS OF PRINCIPAL PLACE OF BUSINESS OF EACH TRUSTEE

Employer Trustees

Myron Nakata
Consultant
Island Insulation Co., Inc.
1549 Colburn Street, Suite A
Honolulu, Hawaii 96817

Ross Inouye
General Manager
Acutron LLC
501 Sumner Street, #601
Honolulu, Hawaii 96817

Ronald Labanon, Jr.
President
R&L Ohana Insulation
99-1295 Waiua Place, Unit 3-A2
Aiea, Hawaii 96701

Gary Silva (Alternate)
President
Island Insulation Co., Inc.
1549 Colburn Street, Suite A
Honolulu, Hawaii 96817

Labor Trustees

Douglas Fulp
Business Manager & Financial/
Corresponding Secretary
Intl. Assn. of Heat and Frost Insulators
and Allied Workers Union, Local 132
(AFL-CIO)
1019 Lauia Street, Bay #4
Kapolei, Hawaii 96797

Bernard Alvarez
President
Intl. Assn. of Heat and Frost Insulators
and Allied Workers Union, Local 132
(AFL-CIO)
1019 Lauia Street, Bay #4
Kapolei, Hawaii 96797

Rodney Yoshikawa
Vice President
Intl. Assn. of Heat and Frost Insulators
and Allied Workers Union, Local 132
(AFL-CIO)
1019 Lauia Street, Bay #4
Kapolei, Hawaii 96797

Francisco Patoc (Alternate)
Executive Board Member
Intl. Assn. of Heat and Frost Insulators
and Allied Workers Union, Local 132
(AFL-CIO)
1019 Lauia Street, Bay #4
Kapolei, Hawaii 96797

APPLICABLE COLLECTIVE BARGAINING AGREEMENT

The Vacation Fund is maintained pursuant to a collective bargaining agreement between signatory Employers and the International Association of Heat and Frost Insulators and Allied Workers Union, Local 132 (AFL-CIO).

A copy of the collective bargaining agreement may be obtained by participants and beneficiaries upon written request to the Contract Administrator and is available for examination by participants and beneficiaries at the Trust Fund Office.

SOURCE OF CONTRIBUTION

The funds out of which all benefits are paid are contributed by participating Employers who are parties to the collective bargaining agreement. The amount of contributions is calculated by multiplying the number of hours worked during the month by each employee by the hourly contribution rates specified in the collective bargaining agreement.

FUNDING ENTITY

Benefits are provided from the Plan's assets which are accumulated under the provisions of the collective bargaining agreement, a Plan document and the Trust Agreement. The assets are held in the Trust Fund for the purpose of providing benefits to covered participants and defraying reasonable administrative expenses. The assets are held in custody in various checking and money market accounts with:

First Hawaiian Bank
P. O. Box 3200
Honolulu, Hawaii 96847

FISCAL YEAR

October 1 through the following September 30.

IMPORTANT INFORMATION

NOTE

RETAIN YOUR PAY STUBS
AS PROOFS OF RECORD

**CHANGE-OF-ADDRESS
NOTIFICATION**

Keep your records current by notifying
the Trust Fund Office of any changes.

**CHANGE-OF-BENEFICIARY
NOTIFICATION**

Be sure that you have named your selected
Beneficiary in writing and that it is on
file at the Trust Fund Office.

