

**WHO IS ELIGIBLE?**

If you participated in UTU’s Job Benefit Fund/Income Security Program (the “JBF/ISP”) on the date that program terminated, you will automatically be enrolled in the D/IPP at the same level of benefits you elected under the JBF/ISP. Other UTU members must file an application with the Plan Administrator to participate in the D/IPP. Any UTU member in good standing may submit an application. Completed applications will be considered by the Plan Administrator. Any individual who has a history of submitting false claims to the D/IPP or to the JBF/ISP is not eligible to participate in the Plan, however.

**BENEFITS AND PREMIUMS**

In your application to participate in the D/IPP, you will be asked to select the maximum level of Daily Benefits payable to you during a period of eligible suspension or discharge. You may elect a daily benefit in any of the following amounts:

\$6.00	\$10.00	\$20.00	\$30.00	\$40.00	\$50.00	\$60.00
\$70.00	\$80.00	\$90.00	\$100.00	\$110.00	\$120.00	\$130.00
\$140.00	\$150.00	\$200.00				

The amount selected may not be greater than your average daily wage. You will be eligible for benefits when you have completed any probationary period required by your employer.

Notwithstanding the maximum amount of Daily Benefits you selected on your application for the D/IPP, the Plan Administrator may limit the amount of benefits payable to you at any time during your participation in the Plan based upon your claims and/or disciplinary history. (See “Reduction of Benefits” under “Receiving Your Benefits” below.)

Each month, you must pay a premium, known as the Monthly Assessment, to pay for the benefit amount you selected. Currently, your Monthly Assessment is equal to 66 cents for each dollar of benefits selected, except for a member of UTU Local 1088, whose Monthly Assessment, effective January 1, 2007, is equal to \$1.50 for each dollar of benefits selected. The Board of Directors may increase or decrease the Monthly Assessment at any time.

You may apply for temporary relief from the Monthly Assessment during any period in which you are not required to pay dues under Article 49 of the UTU Constitution. Although any month for which you are temporarily relieved of the Monthly Assessment will not count as an additional month of continuous participation, the relief period is not considered to be a break in continuous participation.

The length of time you will receive Daily Benefits is based upon the circumstances of your suspension or discharge. Your benefits will end on the earliest applicable day listed below.

- (a) 180 days after the first day for which you received benefits if you have accepted discipline and waived your right to a formal investigation;

- (b) the day on which you are reinstated by your employer;
- (c) the date on which you begin employment with a rail, bus, airline or other transportation employer, other than the one that suspended or discharged you;
- (d) your date of death or retirement; or
- (e) as provided in the following chart:

Period of Continuous Participation (months)	Duration of Coverage Period (days)
less than 24	250
24 or more but less than 60	300
60 or more	365

**WHAT SUSPENSIONS AND DISCHARGES ARE NOT COVERED?**

**3.5(b)** You will receive benefits under the Plan when you are suspended or discharged from your permanent, non-probationary employment for disciplinary reasons. You will also receive benefits under the Plan if your employer requires you to take remedial training with only “basic day” compensation and this results in a reduction in your earnings. However, the following disciplinary reasons are excluded from coverage; if you are suspended or discharged for one or more of these reasons you will **NOT** be entitled to benefits under the Plan:

- (1) conduct endangering the life or livelihood of a fellow employee;
- (2) unavailability for duty; sleeping on duty; missing calls;
- (3) insubordination;
- (4) misuse, theft or destruction of property of the Participant’s employer;
- (5) falsification of reports;
- (6) failure to take or pass a required examination;
- (7) failure to qualify for mandatory promotion;
- (8) use, possession or evidence of intoxicants or illegal drugs while on duty or subject to duty;
- (9) discipline due to criminal or civil court action;
- (10) an act or acts, or failure to act, which constitutes a violation of public policy; or
- (11) involvement in altercations, verbal or physical.

**CHANGE OF EMPLOYER**

If you change employment to another employer in the rail, bus, airline or other transportation industry and continue your membership in the UTU and in the D/IPP without a break, your participation in the D/IPP will be considered continuous. You will not be considered to have a break in participation if you do

not participate when you commence employment with your new employer because you are on probation, as long as you submit an application to recommence participation in the Plan as soon as your probationary period is completed.

**RECEIVING YOUR BENEFITS**

To receive your benefits under the Plan you must first file a claim with the UTU (or an officer designated by UTU) on the appropriate application form. All portions of the application must be completed and a copy of the letter of discharge and/or suspension you received from your employer must be attached. You must submit your application to your local UTU chairperson for verification before sending it to UTU. Benefits are payable only to you. They may not be transferred or assigned. The time limit for submitting initial claims is 90 days from the date of the letter of discipline.

**Disqualification:** Your claim will be denied and you will not be eligible to receive benefits under the D/IPP if your suspension or discharge occurred due to one or more of the excluded reasons listed above.

**Reduction of Benefits:** Notwithstanding the maximum amount of Daily Benefits you selected on your application for the D/IPP, the Plan Administrator may limit the amount of benefits payable to you at any time during your participation in the Plan if the Plan Administrator determines that you have been involved repeatedly in activities for which benefits are not payable. (See “What Suspensions and Discharges Are Not Covered” above.) If your benefits have been reduced, and you have not made a claim under the Plan for at least two years or more, you may file an application with the Administrator requesting an increase in your benefit level of \$40 per day for each two-year period that has passed since you filed your last claim. The Administrator will permit such increases as long as he or she determines that the increase will not adversely affect the solvency of the Plan.

**PLAN FUNDING AND ADMINISTRATION**

The Plan is funded through the Monthly Assessments paid by participants. Monthly Assessments are held in trust and invested by the Trustee. The trust is known as the “D/IPP Trust.” The Trustee of the D/IPP Trust is identified on page 8 below. There is a Trust Agreement under which the Trust is operated.

In carrying out their respective responsibilities under the Plan, the Plan Administrator and other Plan fiduciaries shall 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 such discretionary authority shall be given full force and effect, unless it can be shown that the interpretation or determination was arbitrary and capricious.

**CLAIMS DECISIONS**

If the Plan Administrator (or its designee) determines that

your claim is disqualified, you will be notified within 90 days after the claim is submitted. The notice will be written in clear language and will include: the specific reason(s) for the action; reference(s) to the specific Plan document provision(s) on which the action is based; a description of any additional material or information necessary for you to complete the claim with an explanation of why that information is necessary; an explanation of the appeal procedure; and a statement of your right to bring a civil action under Section 502(a) of ERISA if your claim is denied on appeal. If special circumstances require an extension of time for processing an initial claim, the Plan Administrator (or its designee) will provide written notice of the extension of time and the reason the extension is necessary before the initial 90 day period expires. The maximum length of an extension is 90 days.

**APEAL PROCEDURE**

If your claim is denied, your benefits are reduced, or you receive no response within 90 days of the submission of your claim, you or your representative may request review by the Review Committee. To file an appeal, you must submit a written request for reconsideration of your claim within 60 days after receipt of the initial decision, or within 150 days after you filed your claim if no decision is rendered.

The Review Committee will provide you with the opportunity to submit written comments, documents, records and other information relating to the claim; provide you, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claim; and review the denial of your claim by taking into account all comments, documents, records and other information that you submit relating to the claim. Whether a document, record or other information is relevant for this purpose shall be determined by the Review Committee in its sole discretion, in accordance with Department of Labor regulations.

The Review Committee will make a decision within 60 days after receipt of your request for review, unless special circumstances require an extension of time for processing, in which case a decision will be made as soon as possible, but not later than 120 days after receipt of the request for review. If the Review Committee requires an extension, it will notify you within the initial 60 day period.

The Review Committee’s decision will be in writing (or in electronic form, if in compliance with Department of Labor regulations), will include the specific reason or reasons for the decision; will contain references to the specific Plan provisions upon which the decision is based; will inform you that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim; and state that you may have a right to bring a civil action under Section 502(a) of ERISA. Whether a document, record or other information is deemed relevant for this purpose shall be determined by the Review

Committee in its sole discretion, in accordance with Department of Labor regulations.

You may designate an authorized representative to act on your behalf in pursuing your claim or appeal. The Plan Administrator may establish reasonable procedures for determining whether an individual who purports to be your authorized representative has in fact been authorized to act on your behalf.

### TERMINATION OR AMENDMENT OF PLAN

UTU reserves the right to amend or terminate the Plan at any time, to any extent, and in any manner that it may deem advisable. Any amendment or termination shall be pursuant to a resolution of the Board of Directors. Upon termination of the Plan, all assets of the Plan will be disposed of as determined by UTU in its sole discretion (including reversion to UTU) except for the "Irrevocable Amount" and except as otherwise provided in the Trust Agreement. The "Irrevocable Amount" is the amount transferred to the D/IPP Trust from the trust for the JBF/ISP, adjusted for investment experience, and reduced by certain amounts. In the event that the Plan is terminated you will receive benefits for any eligible disciplinary action (an eligible discharge, suspension or assignment to remedial training with only "basic day" compensation that results in a reduction in earnings) that occurred prior to the Plan termination. The Plan Administrator has sole discretion to determine the form and timing of any such payment.

### STATEMENT OF ERISA RIGHTS

As a participant in the D/IPP, 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:

- Examine without charge, at the Plan Administrator's office, all Plan documents, and copies of all documents filed by the Plan with the U.S. Department of Labor, such as detailed annual reports and Plan descriptions.
- Obtain copies of all Plan documents and other Plan information upon written request to the Plan Administrator. The Plan 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 annual report.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate the 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, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

If your claim for benefits 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 Plan review and reconsider your claim.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan 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. 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 your claim is frivolous. 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, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in the telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

### GENERAL INFORMATION

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|---|---|
| 1. Name of Plan:                                  | UTU Discipline/Income Protection Program, also known as D/IPP   |
| 2. Name and Address of Plan Sponsor:              | United Transportation Union<br>14600 Detroit Avenue<br>Cleveland, Ohio 44107  |
| 3. Plan Sponsor's Employer Identification Number: | 34-1031303  |
| 4. Name and Address of the Trustees:              | Malcolm B. Futhey Jr.<br>Arthur Martin III<br>Kim N. Thompson<br><br>United Transportation Union<br>14600 Detroit Avenue<br>Cleveland, Ohio 44107                                 |
| 5. Plan Number:                                   | 502   |
| 6. Type of Plan:                                  | Welfare benefit plan to provide benefits to UTU members who suffer a loss of wages occasioned by an eligible discharge or suspension as a result of discipline by their employers |
| 7. Type of Administration:                        | The Plan is administered by the United Transportation Union   |
| 8. Plan Administrator:                            | United Transportation Union<br>14600 Detroit Avenue<br>Cleveland, Ohio 44107<br>Telephone: 216-228-9400   |
| 9. Agent for service of Legal Process:            | Legal Process may be served on the Plan Administrator, or on the General Counsel of the UTU, at the above address   |
| 10. Plan Year                                     | Calendar year   |



## UNITED TRANSPORTATION UNION DISCIPLINE INCOME PROTECTION PROGRAM

### SUMMARY PLAN DESCRIPTION



March 2008 (Revised)

### INTRODUCTION

This document is intended to be the Summary Plan Description for the UTU Discipline/Income Protection Program ("D/IPP" or "Plan") in which you may be eligible to participate. Complete details of the D/IPP can be found in the official Plan document, which remains the final authority. In the event of a conflict between the Plan document and this summary, the Plan document shall govern in all cases. Due to the complexity of the Plan, you should rely only on this Summary Plan Description or the formal Plan document. The Plan Administrator retains the exclusive authority and discretion to interpret the term of the benefits Plan described herein.

UTU reserves the right, at its discretion, to amend, change or terminate the D/IPP at any time or for any reason. Nothing contained in this Summary Plan Description shall be construed as creating an express or implied obligation on the part of UTU to maintain the D/IPP, and your benefits under the D/IPP may be different from those described herein due to changes made in the Plan or to termination of the Plan.

### SUMMARY

The D/IPP provides benefits to UTU members who suffer loss of wages occasioned by certain disciplinary actions, including disciplinary suspensions and discharges. Participation in the D/IPP is voluntary.

The benefit the D/IPP provides is based on the payment level you select upon filing your application for the D/IPP, less any reductions based upon your past claims experience. You will receive benefits for each day you are absent due to an eligible suspension or discharge as the result of discipline for a period of up to 365 days, depending on your length of continuous participation in the Plan and other factors.