

Summary Plan Description for the New York State Correctional Officers & Police Benevolent Association, Inc. Rainy Day Fund

Amended effective January 16, 2020

Introduction

New York State Correctional Officers & Police Benevolent Association, Inc. (NYSCOPBA) has established and maintains a supplemental income and severance pay plan known as the NYSCOPBA Rainy Day Fund (the “Rainy Day Fund” or “Fund”). This document is only a summary (this “Summary”) of the key parts of the Rainy Day Fund and a brief description of your rights as a participant. It is not a part of the official Rainy Day Fund documents. If there is a conflict between this Summary and the official Rainy Day Fund documents, the Rainy Day Fund documents will govern.

This Summary reflects an amendment adopted December 10, 2019. Effective January 16, 2020, the Fund policy was amended to reinstate future accruals of Separation Benefits and to increase the maximum bi-weekly benefit for supplemental income during suspension to \$1,500. The Fund policy was also amended to remove the requirement for members with unused leave accruals (vacation and personal leave) to exhaust his/her accrued leave prior to commencing benefit.

General Information

What is the purpose of the Rainy Day Fund?

The purpose of the Rainy Day Fund is to provide supplemental income for qualifying members who are suspended without pay for disciplinary reasons. The purpose of the Fund is to protect members who face stressful and financial hardships imposed upon them by their employer. For those members who do not utilize the Rainy Day Fund during their careers, a Separation Benefit is also established under this Fund. A “member” is an employee of the Security Services Unit of New York State represented by NYSCOPBA.

This Fund is a benefit New York State Correctional Officers & Police Benevolent Association, Inc. Union provides its members.

The Fund is not held in trust nor insured and the benefits are paid out of general assets of NYSCOPBA.

When did the Rainy Day Fund take effect?

NYSCOPBA created the Rainy Day Fund on March 18, 2016.

Eligibility/Enrollment

Who can receive the benefits of the Rainy Day Fund?

Any active dues paying member in the New York State Correctional Officers & Police Benevolent Association, Inc. Union can participate in the Rainy Day Fund upon fulfillment of each of the following three criteria:

- Filing with the Plan Administrator a properly completed application
- Approval of the application by the Rainy Day Fund
- Commencement and continuation of the required contribution to the Rainy Day Fund

How do I apply to receive the benefits of the Rainy Day Fund?

If you are a member, you are eligible to participate in the Rainy Day Fund. The Plan Administrator shall, in its sole discretion, determine your eligibility (subject to the review procedure described for denied claims).

Contributions

How is the Rainy Day Fund funded? How much do I have to pay to receive the benefits of the Rainy Day Fund?

The Rainy Day Fund is funded by participant contributions. Your contribution amounts are \$5.00 per bi-weekly pay, which will be deducted from your paycheck. Specific information about your required contributions will be provided before enrollment in the Rainy Day Fund.

Commencement/Termination of Benefits

When does my coverage begin?

Rainy Day Fund benefits are available to members upon the Plan Administrator's approval of your application and commencement of payment of required contributions.

When does my coverage end?

Except insofar as to the acts or omissions giving rise to the claim occurred prior to such termination of coverage, your benefits will automatically terminate when one or more of the following situations occur:

- You cease to be a member of NYSCOPBA;
- Your employment terminates; or
- The Rainy Day Fund is terminated.

Rainy Day Fund Benefits

Supplemental income during suspension

The Fund benefits described below are only available to members who receive a Notice of Discipline and are suspended without pay for incidents that occur while on duty. The NYSCOPBA Executive Board in its sole discretion shall determine whether the conduct alleged in the Notice of Discipline occurred while the member was engaged in the performance of his or her duties.

There is a minimum fourteen (14) calendar day “waiting period” from the time the member is suspended without pay before the member becomes eligible for Fund benefits.

All Fund benefits will cease if the member agrees to settlement of the Notice of Discipline.

All Fund benefits will cease if a member is found guilty of any or all charges imposed upon him/her within the notice of discipline immediately as of the date of the arbitrator’s decision. The Fund will not pay supplemental income during any going forward penalty period assigned by the arbitrator and/or agreed to by the member.

All Fund benefits will cease if the member admits guilt, resigns from their position or lack of active participation from the member in the pending case.

Amount of Coverage

For benefits received on or after January 16, 2020, the maximum benefit is the lesser of \$1,500 or the members’ bi-weekly salary, payable every two weeks while the member is suspended, excluding the waiting period.

Each payment will coincide with the regular pay schedule currently in place. All payments will be pro-rated based on the actual number of day(s) suspended after the member satisfies the fourteen (14) day waiting period.

All funds paid by the Rainy Day Fund are subject to both Federal and State income taxation.

Separation Benefit

In general, if the member does not utilize the Rainy Day Fund at any time during his/her employment, he/she shall be entitled to receive a benefit upon his/her retirement or separation of service. If, however, the member utilizes and subsequently fully reimburses the Rainy Day Fund for monies utilized, the member shall be entitled to the Separation Benefit upon his/her separation from service.

Amount of Coverage

Upon retirement/separation, each member with a benefit accrued prior to November 20, 2018, or on or after January 16, 2020, shall receive a lump-sum payment calculated at the rate of \$50 per year of participation in the Rainy Day Fund prior to November 20, 2018, or on or after January 16, 2020, excluding the first year of participation. The maximum benefit a member shall receive shall be \$1,250 recognizing twenty-six years of service and participation in the Rainy Day Fund for twenty-six years (as the first year of service is excluded from the calculation).

All funds payable as Separation Benefit are subject to both Federal and State income taxation.

Exclusions from Coverage

The Fund does not cover acts or omissions as the result of off-duty conduct or while on a leave of absence, including but not limited to domestic incidents, outside drug and/or alcohol charges, and theft.

In addition, if the Plan Administrator determines that Fund benefits have been provided to a member as a result of misrepresentations of that member, and/or a member does not cooperate with the Plan Administrator during the course of such member's claim for benefits, payment of such benefits may cease and the Fund will have the right to seek reimbursement from the member of any benefits already paid.

Plan Administration

Who is the Rainy Day Fund Administrator?

New York State Correctional Officers & Police Benevolent Association, Inc.
102 Hackett Blvd
Albany NY 12209
(518) 427-1551

Federal ID Number: 14-1802469

Who is the Rainy Day Fund Sponsor?

The Plan Administrator is also the Plan Sponsor.

Who are the Fund trustees?

The trustees are the current officers of NYSCOPBA serving as Treasurer and Recording Secretary.

Who is the Review Panel?

The Review Panel is selected by the Executive Assembly of NYSCOPBA to review claims denied by the Executive Board and appealed by the member.

What is the Rainy Day Fund plan number?

The Rainy Day Fund number assigned by the Plan Administrator is 502.

When does the Rainy Day Fund year end?

The Rainy Day Fund's plan year is a 12-month period that commences on January 1st and ends on December 31st of each year.

Who is the agent designated for service of process?

Service of process may be made on a Plan Trustee or the Plan Administrator.

Making Claims

How do I make a claim for benefits under the Rainy Day Fund?

Upon receiving a Notice of Discipline and/or suspension notice, the member must submit a copy of the Notice of Discipline and or suspension notice to the Regional Vice President of his or her Region who is acting as representative for the Plan Administrator for purpose of accepting the member's application.

NYSCOPBA shall provide the member with an application and the member must submit the application to the Recording Secretary who shall forward the request to the NYSCOPBA Executive Board to determine whether the member qualifies for the benefit. The NYSCOPBA Executive Board shall determine whether the member meets the criteria for the benefit.

In order to ensure timely processing of a member's claim application, the Rainy Day Fund Application should be completed accurately, including providing sufficient information for the Plan Administrator to determine that the member's conduct alleged in the Notice of Discipline occurred while the member was engaged in the performance of his or her duties.

The member must also agree that if the member is, by settlement, arbitration or other means, restored to the payroll for any period of time for which he/she received payment from the Fund, the member shall reimburse to NYSCOPBA the amount paid to the member during his/her period of suspension. The member must execute a signed agreement before receiving any payments, and as a condition thereof, if he/she receives his/her back pay, the member shall reimburse NYSCOPBA.

Benefit Claims and Review

A member is only treated as filing a claim for Fund benefits when the member submits a Rainy Day Fund Application to the Plan Administrator. For purposes of the Fund's claims and review procedures, a member is not treated as filing a claim for Fund benefits when the member or the member's representative asks the Plan Administrator by telephone if coverage is available to the member for a particular incident.

The Plan Administrator will notify a member in writing if the member's claim for Fund benefits is denied, within the time periods described below. The notice will set forth:

- The specific reason or reasons for the denial;
- Reference to the specific Fund provisions on which the denial is based;
- A description of any additional material or information necessary for the Participant to perfect the claim and an explanation of why the material or information is necessary; and
- A description of the Fund's review procedures and the time limits applicable to the review procedures, including a statement of the Participant's right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), if the claim for benefits is denied on review.

The Plan Administrator will provide the written notice to the member as soon as possible, but not more than 90 days after the Plan Administrator receives the Participant's claim, unless the Plan Administrator determines that an additional period of time, not to exceed 90 days, is required because of matters beyond the control of the Plan. If an additional period of time is required, the Plan Administrator will notify the Participant in writing of the circumstances requiring the extension of time and the date by which the Plan Administrator expects to render a decision.

If the Plan Administrator notifies a Participant that the Plan Administrator has denied all or part of the Participant's claim, the Participant may request a review of the denial. The Participant or the Participant's authorized representative must notify the Review Panel of the Plan Sponsor in writing of the Participant's request for a review of the denial within 60 days after the Participant receives written notice of the denial from the Plan Administrator.

The Review Panel will give the Participant or the Participant's authorized representative the opportunity to submit written comments, documents, records, and other information relating to the Participant's claim for Fund benefits.

Upon request and free of charge, the Participant or the Participant's authorized representative will be provided reasonable access to, and copies of, all documents, records, and other information relevant to the Participant's claim for benefits.

The Review Panel's review will take into account all comments, documents, records, and other information submitted by the Participant or the Participant's authorized representative relating to

the claim, without regard to whether the information was submitted or considered by the Plan Administrator.

The Review Panel will notify a Participant in writing of the Review Panel's decision upon review. The notice will set forth:

- The specific reason or reasons for the decision;
- Reference to the specific Fund provisions on which the decision is based;
- A statement that the Participant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Participant's claim for benefits; and
- A statement of the Participant's right to bring an action under Section 502(a) of ERISA.

The Review Panel will make its decision no later than 60 days after the date the Review Panel received the request for review. However, if the Review Panel determines that special circumstances require an extension of time for processing the review request, the Review Panel will notify the Participant in writing before the end of the initial 60-day period. The notice to the Participant will indicate the special circumstances requiring the extension of time and the date as of which the Review Panel will make its decision, which must be within 120 days after the date the Review Panel received the request for review.

Amendment or Termination of Rainy Day Fund

Can the Rainy Day Fund be amended or terminated?

Yes; the Plan Administrator reserves the right to amend or terminate the Fund at any time.

ERISA Rights

What are my ERISA rights?

As a participant in the Rainy Day 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:

- Examine without charge all plan documents and copies of all documents filed with the U.S. Department of Labor, such as detailed annual reports and plan descriptions of the Rainy Day Fund, at the Plan Administrator's office and at other specified locations.
- 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 Rainy Day Fund:

- The Plan Administrator is a "fiduciary" of the Rainy Day Fund and has a duty to administer the Rainy Day Fund prudently and in the interest of you and other Fund 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 benefit or exercising your rights under ERISA.
- If your claim for a 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 Rainy Day Fund review and reconsider your claim.

How do I enforce my ERISA rights?

Under ERISA, there are steps you can take to enforce the above rights.

- For instance, if you request materials from the Rainy Day Fund and do not receive them within 30 days, you may file suit in Federal Court. In such a case, the court may require the Plan Administrator to provide the materials and pay 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 that is denied or ignored, in whole or in part, you may file a suit in State or Federal Court.
- If it should happen that any fiduciaries of the Rainy Day Fund insure the Rainy Day Fund'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 have any questions about the Rainy Day Fund, 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 your telephone directory or the Division of Technical Assistance and Injuries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210.