

Summary Annual Report

for

INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL 877 ANNUITY FUND

This is a summary of the annual report for the INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL 877 ANNUITY FUND, (Employer Identification No. 04-3228497, Plan No. 001) for the period January 1, 2016 to December 31, 2016. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

BASIC FINANCIAL STATEMENT

Benefits under the plan are provided by a trust (benefits are provided in whole from trust funds). Plan expenses were \$914,408. These expenses included \$99,858 in administrative expenses and \$814,550 in benefits paid to participants and beneficiaries. A total of 374 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

Administrative	99,858
Benefits paid	<u>814,550</u>
Total Plan expenses	<u>\$ 914,408</u>

The value of plan assets, after subtracting liabilities of the plan, was \$15,259,233 as of December 31, 2016 compared to \$13,753,224 as of January 1, 2016. During the plan year the plan experienced an increase in its net assets of \$1,506,009. This increase includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year, or the cost of assets acquired during the year.

Net Assets as of January 1, 2016	13,753,224
Net Assets as of December 31, 2016	<u>15,259,233</u>
Increase in net assets	<u>\$ 1,506,009</u>

The plan had total income of \$2,420,417, including employer contributions of \$1,344,160, employee contributions of \$145,237, other contributions of \$11,234, earnings from investments of \$888,686 and other income of \$31,100.

Employer contributions	1,344,160
Employee contributions	145,237
Other contributions	11,234
Investment Earnings	888,686
Other income	31,100
Total income	<u>\$ 2,420,417</u>

The plan has a contract with Principal Life Insurance Company which allocates funds toward individual policies. The total premiums paid for the plan year ending December 31, 2016 were \$0.

YOUR RIGHTS TO ADDITIONAL INFORMATION

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. An accountant's report;
2. Assets held for investment;
3. Insurance information including sales commissions paid by insurance carriers; and
4. Information regarding any common or collective trust, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates.

To obtain a copy of the full annual report, or any part thereof, write or call the office of

Melissa Thomas
89 Access Road Unit 4
Norwood, MA 02062
781-769-5789

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. These portions of the report are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan:

Intl Union of Operating Engineers Local 877 Annuity Fund
89 Access Road Unit 4
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and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: U.S. Department of Labor, Employee Benefits Security Administration, Public Disclosure Room, 200 Constitution Avenue, NW, Suite N-1513, Washington, D.C. 20210.