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 In the Matter of the Deadlock Arbitration X
 between X
 EMPLOYER TRUSTEES OF THE ELEVATOR CONSTRUCTORS UNION, LOCAL NO. 1 ANNUITY AND 401(K) FUND X
 "Employer Trustees" X Re: Trustees' Deadlock of on or about April 1, 2005
 -and- X
 UNION TRUSTEES OF THE ELEVATOR CONSTRUCTORS UNION, LOCAL NO. 1 ANNUITY AND 401(K) FUND X
 "Union Trustees" X
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APPEARANCES

For the Employer Trustees

PUTNEY, TWOMBLY, HALL & HIRSON, L.L.P.
James E. McGrath, III, Esq.

For the Union Trustees

MARKOWITZ & RICHMAN
Richard H. Markowitz, Esq.

BEFORE: Martin F. Scheinman, Esq., Deadlock Arbitrator

BACKGROUND

On or about April 1, 2005, the Employer Trustees and Union Trustees of the Elevator Constructors Union, Local No. 1 Annuity and 401(k) Fund, ("Fund") deadlocked on whether participants were permitted to take loans or special financial need withdrawals as a result of their having been locked out by the Employer Members of the Labor Relations Division of the Elevator Manufacturers Association of New York ("EMANY") on March 17, 2005. The members of the Labor Relations Division of EMANY are Schindler Elevator, KONE Elevator and Otis Elevator.

When the parties deadlocked, pursuant to Article VII, Section 5, I was designated by the Trustees to serve as the "neutral person" to decide such issues. A hearing was held on April 14, 2005, at the Millenium Hotel in New York City. At that time, both sides were afforded full opportunity to introduce evidence and argument in support of their respective positions. They did so. As agreed, both sides submitted post-hearing briefs post-marked by April 22, 2005. Upon my receipt of these submissions, the record was declared closed.

Opinion

As agreed, I am issuing an Award, herein, with a full Opinion to follow.

Stated simply, the crux of the dispute is whether the lock out by EMANY constitutes "involuntary unemployment" which is one of the circumstances creating eligibility for loans or special need withdrawals under the terms of the Plan. The Union Trustees claim the employees have been involuntarily subjected to unemployment entitling the participants to take loans or make withdrawals under Sections 3.6(A)(5) and 3.10(A)(5) of the Plan. The Employer Trustees argue the employees are not unemployed, but rather are embroiled in a labor dispute which does not entitle them to take loans or make withdrawals under the terms of the Plan. The Employer Trustees also assert if the employees are "unemployed," they are not "involuntarily" unemployed so as to entitle them to loans or withdrawals.

After evaluating the evidence and arguments presented, I conclude the employees locked out by EMANY are experiencing involuntary unemployment as that term is used in the Plan. Therefore, the participants are authorized to take loans or special financial need withdrawals if they are otherwise eligible for such loans or withdrawals under the Rules and Regulations of the Fund.

AWARD

1. I decide this Trustee Deadlock in favor of the Union Trustees' position.
2. The employees having been "locked out" by EMANY are experiencing involuntary unemployment as that term is used in the Plan.
3. The participants in the Fund are authorized to take loans or special financial need withdrawals if they are otherwise eligible for such loans or withdrawals under the Rules and Regulations of the Fund.
4. My full Opinion shall follow in approximately sixty (60) calendar days.

April 26, 2005.




Martin F. Scheinman, Esq.
Deadlock Arbitrator

STATE OF NEW YORK)
) ss.:
COUNTY OF NASSAU)

I, MARTIN F. SCHEINMAN, ESQ., do hereby affirm upon my oath as Arbitrator that I am the individual described herein and who executed this instrument, which is my Award.

April 26, 2005.



Martin F. Scheinman, Esq.
Deadlock Arbitrator