

DIVISION 1181 A.T.U. - NEW YORK EMPLOYEES PENSION FUND

SUMMARY OF MATERIAL MODIFICATIONS

The Board of Trustees of the Division 1181 A.T.U. - New York Employees Pension Fund ("Fund") has adopted the following changes to the Division 1181 A.T.U. - New York Employees Pension Plan ("Plan"). Please keep this document with your Summary Plan Description (SPD).

1. The following new subsection (5) is added at the end to Section 14 of the SPD on page 24, to read as follows:

(5) Overpayments

If the Fund pays benefits to which you, your spouse, alternate payee, or beneficiary are not entitled (hereinafter referred to as "Overpayments"), the Fund has the right to recover such benefits. The Fund may recover these benefits by offsetting future benefits otherwise payable by the Fund to you, your spouse, your alternate payee, or your beneficiary, including uninsured death benefits. For example, if you received the overpayment as the Fund participant, the Fund may offset the future benefits payable by the Fund to you and to your spouse or beneficiary after your death. If the Fund made the overpayment to your ex-spouse as required by a qualified domestic relations order, the Fund may recover the overpayment from you and/or your ex-spouse.

If the Fund offsets benefits, the Fund will offset 100% of the first benefit payment, and 25% of all benefit payments thereafter, until the overpayment has been recovered in full. However, if you received the overpayment because your benefits should have been suspended as described in Section 17 of this SPD, then the Fund will follow the rules of that Section in offsetting your benefits. If you die before the Fund recoups the full amount of the overpayment, then the Fund will deduct the remaining amount of the overpayment from any uninsured death benefit or joint and survivor benefit otherwise payable to your spouse or beneficiary. For death benefits payable as a lump sum, the Fund will deduct up to 100% of the benefit. For death benefits paid other than in a lump sum, such as a joint and survivor annuity, the Fund will deduct 25% of the benefit payment. You (or the person whose benefits are offset) have the right to appeal the offset of benefits, as described in Section 20 of this SPD.

The Fund shall have a constructive trust, lien and/or an equitable lien by agreement in favor of the Fund on any Overpayment, including amounts held by a third party, such as an attorney. Any such amount will be deemed to be held in trust by you, your spouse, alternate payee, beneficiary, or third party for the benefit of the Fund until paid to the Fund. By accepting benefits from the Fund, you, your spouse, alternate payee, and beneficiary agree that a constructive trust, lien, and/or equitable lien by agreement in favor of the Fund exists with regard to any Overpayment. You, your spouse, alternate payee, and beneficiary agree to cooperate with the Fund by reimbursing all amounts due and agree to be liable to the Fund for all of its costs and expenses, including attorneys' fees and costs, related to the collection of any Overpayment and agree to pay interest at the rate determined by the Trustees from time to time from the date of the Overpayment through the date that the Fund is paid the full amount owed.

In addition to the right to recover Overpayments by offset, the Fund also has the right to recover Overpayments by pursuing legal action against the party to whom the benefits were paid or the party on whose behalf they were paid. In that event, the party to whom benefits were paid or the party on whose behalf they were paid shall

pay all costs and expenses, including attorneys' fees and costs, incurred by the Fund in connection with the collection of any Overpayment or the enforcement of any of the Fund's rights to repayment. By accepting benefits from the Fund, you, your spouse, alternate payee, and beneficiary agree to waive any applicable statute of limitations defense available to any of them regarding the enforcement of any of the Fund's rights to recoup Overpayments.

2. The following new subsection is added at the end of Section 7 on page 13 of this SPD, to read as follows:

Benefit Service Earned During Different Periods of Employment.

If you earn Credited Service in one job classification and subsequently earn Credited Service in another job classification with a higher basic monthly wage, your Normal Retirement Pension will be determined based on your total Credited Service earned and using the last job classification under which you last earned Credited Service.

If you earn Credited Service in one job classification and subsequently earn Credited Service in another job classification with a lower basic monthly wage, your Normal Retirement Pension shall be determined based on your age and the sum of your Credited Service at retirement, and based upon (1) a proportionate share of the Credited Service earned under the first job classification, using the basic monthly wage rate applicable as of the date of the job classification change, plus (2) a proportionate share of the additional Credited Service earned as of your retirement, using the basic monthly wage rate applicable at your retirement. However, the amount determined under subsection (1) will not be less than your Accrued Benefit based on your higher job classification and Credited Service, assuming you had left Covered Employment at the time of the change in job classification but retired at your actual retirement. If you have attained the maximum amount of Credited Service permitted under the Plan, your Accrued Benefit is based on the years of Credited Service that provides the highest monthly benefit.

3. Section 8(1)(A) on page 15 of the SPD about Disability Pensions is amended by replacing the current provision with the following:

(A) forty-five years of age or older at the time you terminate Covered Employment;

4. Section 8(2)(A) on page 15 of the SPD about Disability Pension is amended by replacing the current provision with the following:

(A) forty-five years of age or older at the time you terminate Covered Employment;

5. Section 8(3)(A) on page 15 of the SPD about Disability Pensions is amended by replacing the current provision with the following:

(A) forty years of age or older at the time you terminate Covered Employment;