

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") effective as indicated below. Please keep this document with your Summary Plan Description ("SPD").

1. Effective January 13, 2020, the following new subsection is added to Section 13 ("Commencement of Pension Benefits"):

In-Service Distributions

If you are employed by the Union and are eligible to receive a pension benefit when you terminate Employment, you can elect to take an in-service distribution benefit ("In-Service Benefit") if you satisfy all of these conditions:

- a. Before September 1, 2020, if you have reached age 62; or
- b. After September 1, 2020, if you have reached age 59 ½; and
- c. You agree that you will terminate any employment with the Union before the end of the current Union President's term, but not later than 36 months from the date your benefits commence; and
- d. You complete all documentation required by the Fund on these conditions.

The amount of your In-Service Benefit will be based on Credited Service earned as if you retired on the date you begin receiving your In-Service Benefit. Any Credited Service earned after you begin receiving your In-Service Benefit will be based on the date you actually terminate Employment with the Union and retire and will be paid to you at that time.

If the total value of your In-Service Benefit is \$5,000 or less, you are not eligible for a lump sum distribution of your In-Service Benefit under Section 14, subsection (4).

If you are eligible for a lump-sum refund of employee contributions at termination under Section 11, you can receive that refund as part of your In-Service Benefit for the employee contributions up to the date your In-Service Benefit commences.

If you commence an In-Service Benefit before reaching Normal Retirement Age and then you become eligible for a Disability Pension, you may elect to convert your benefit to a Disability Pension under the requirements of Section 8.

Employment with the Union during the period in which you are receiving an In-Service Benefit is Suspendable Employment under Sections 16 and 17, including for any election of an actuarial adjustment for delayed retirement or a retroactive annuity starting date option described in Section 13 of this SPD. Also, if you receive an In-Service Benefit and then retire, if you are then later re-Employed in

any Suspendable Employment, the suspension rules under Section 17 will apply to your entire benefit, including the In-Service Benefit.

The benefit form election process is different depending on when you receive your In-Service Benefit. If you receive it after you have reached Normal Retirement Age, any Credited Service earned after your In-Service Benefit commences will be paid out when you retire in the same form as you elected for your In-Service Benefit; no new benefit form election will be permitted. However, if your In-Service Benefit starts before you reach Normal Retirement Age, you will have the option to select a different form of benefit for your Credited Service earned after your In-Service Benefit.

Finally, if you elect an in-service distribution, but do not terminate employment with the Union as you have agreed, any benefits you received as an in-service distribution under this Section will become an Overpayment that you are liable to pay back immediately to the Fund. See Section 14 for the Overpayment rules.

2. Effective May 20, 2020, the first two paragraphs of Subsection (6) of Section 14 (“Forms of Payment”) are deleted and replaced with the following:

If the Fund pays benefits to which you, your Spouse, Alternate Payee, or Beneficiary are not entitled (called “Overpayments”), the Fund has the right to recover such Overpayments plus interest, costs and attorneys’ fees. The Fund may recover Overpayments by offsetting future benefits otherwise payable by the Fund to you or to any person who is entitled to benefits through you, such as your Spouse, Alternate Payee, or your Beneficiary, consistent with any rules that may be adopted by the Board of Trustees.