|  |  |
| --- | --- |
|  |  |
| **Local Lodge 914**  **Helpful Phone Numbers** |

**UAL/CO Retiree Service Center**

**United Employee Service Center**[***esc@united.com***](mailto:esc@united.com) ***(email)***

**Employee Travel Center**[***ETC@united.com***](mailto:ETC@united.com) ***(email)***

**Pension Benefit Guarantee Corporation (PBGC)**[***www.pbqc.com***](http://www.pbqc.com)

**For non-revenue space-available travel, travel problems & info listing (Live Person)**

**$25.00 Charge For listing. *www.flyingtogether.uaLcom***

**Interline Travel (Offline bookings only) Ticket Counter.**

Medical Enrollment, eligibility, and contributions Report Death of retiree or spouse, add or delete dependents, Change of address and family information

**IAM National Pension Fund   
Met Life/24-Hour Accident Ins.   
Blue Cross and Blue Shield**

Preferred Provider Organization (PPO)

**Medco Health**

**Vision One Discount Eye-Care Program**

**Fidelity Investments (401k information)**

**Internal Revenue Service's**

**Long Term Disability Ins.**

**Long Term Disability Ins.**

**Medicare Hotline**

**Social Security Administration**

**Alliant Credit Union (24/7)**

**Pass Word Problems (flyingtogether)**

***www.vbr.comlunited***

***www.iamnpforq www.metlife.corn***

[***www.bcbsil.com/members***](http://www.bcbsil.com/members) ***or www.bcbsiLcom/united***

[***www.medco.com***](http://www.medco.com) ***www.colemanaqedvision.corn*** [***www.401k.com***](http://www.401k.com) ***www.irs.qov www.aarp.orq*** [***www.nqp-ins.com***](http://www.nqp-ins.com) ***www.medicare.qov www.ssa.qov www.alliantcreditunion.orq www.flyingtogetheruaLcom***

**1-800-651-1007**

**1-877-825-3729 1-877-825-3729 1-800-400-7242 1-800-424-9608 1-800-560-5001**

**1-800-535-9825**

**1-888-706-0583**

**1-844-819-3074 1-800-877-7195 1-800-245-9034 1-800-829-1040 1-800339-9527 1-800-344-9016 1-800-633-4227 1-800-772-1213 1-800-328-1935 1-800-255-5801**

**1-866-359-3727**

**1-866-359-3727**

**1-800-864-8331**

*IF YOU MOVE*

**You must notify the "UAL/CO Retiree Service Center" and the IAMAW LL914** UPDATED 4-3-2019

**Retirement Resources**

Retirement is a very personal process that requires individual planning and strategies that are based on each person's unique set of financial goals.

It's best to begin planning for retirement as early as possible, and to begin the process at least two years before you plan to retire by making a realistic monthly budget. Fidelity and your credit union have financial planning tools available for you to use.

You need to contact Social Security, your pension fund and your airline management no later than six months from your planned retirement date to make sure that your payments begin on time.

The following contact information can help you get started.



**PBGC**

**Fidelity Service Center for United Airlines** 1-800-400-7242

1-800-245-9034 [www.pbgc.gov](http://www.pbgc.gov)

**Medicare**

1-800-633-4227 [www.medicare.gov](http://www.medicare.gov)

**IAM National Pension Fund**

1-800-424-9608 [www.iamnpf.org](http://www.iamnpf.org)

**Social Security Administration**

1-800-772-1213

[www.ssa.gov](http://www.ssa.gov)

0 **ci)**

**401k Fidelity** [**el.**](http://el.www.401k.com)

www.401k.com

**United Airlines Benefits Center**

(for help with CARP, Medical, etc.) **American Airlines Federal Credit Union**

1-800-651-1007 1-800-533-0035

[flyingtogether.ual.com](http://flyingtogether.ual.com) [www.AACreditUnion.org](http://www.AACreditUnion.org)

**Alliant Credit Union National Group Protection**

1-800-328-1935 1-800-344-9016

[www.alliantcreditunion.org](http://www.alliantcreditunion.org) [www.ngp-ins.com](http://www.ngp-ins.com)

**UNITED 314**

* **Determine your retirement date.**
* **Contact your supervisor, manager, or base administrator to notify the Company of your intent to retire.** If you have any questions or are not sure who to speak to, please reach out to your HR partner. A list of HR partners can be found at: **Flying Together > Our Airline > Departments > Human Resources > HR Partner Contact List** (on bottom-right side of the page).
* **Contact the United Airlines Benefits Center at 1-800-651-1007,** Monday through Friday, 7AM - 7PM CT, to discuss your health and welfare benefits, if applicable, or go to **Flying Together > Employee Services > Health & Insurance (YBR).** On YBR, you can review your retiree health and welfare options and even schedule a retirement appointment. To schedule an appointment, go to YBR and you will see either a "Retire Now" tile OR "Steps to Retirement" tile. Click on the "Retire Now" tile, if available, and go to the "Retirement Checklist." OTHERWISE, click on the "Steps to Retirement" tile and you'll see the "Schedule an appointment" link on the right side of the page.
* **To determine Medicare eligibility,** go to [**www.medicare.gov**](http://www.medicare.gov)**.**
* **Reach out to your 401(k) administrator** to discuss decisions you will need to make related to your 401(k) account. See the Retirement Resource Summary on the following pages for further details.
* **Evaluate your defined benefit pension plan eligibility and options** by reviewing the Retirement Resource Summary on the following pages, your collective bargaining agreement, and/or summary plan descriptions.
* **Review your retiree travel privilege information** available in the Retirement Resource Summary on the following pages.
* **Learn more about potential Social Security retirement benefits** at [**www.ssa.gov**](http://www.ssa.gov)or call the Social Security Administration at **1-800-772-1213.**

Rewards. Start. Here.

InySavings & Retirement

Retirement **Checklist**

This **checklist** will help guide you through the steps you should consider as you plan your retirement. Please review the **Retirement Resource Summary** that follows for more details on the benefits and privileges you may be eligible to receive as a retiree.

|  |
| --- |
| **Let us  know** |

|  |
| --- |
| **Check  out your  benefits** |

|  |  |
| --- | --- |
| **Update  your  personal  info** | * **Ensure your home address in United's records is accurate** since information regarding potential retirement benefits and privileges, as well as potential profit sharing payouts, will be mailed to you at the home address listed in United's records. To verify/update your home address, telephone number, and preferred email address, go to **Flying Together > Employee Services > My Info/Manager's Toolbox > Personal Details.** * **Request a copy of your Employee Separation Data Review** from your manager/supervisor and keep it as documentation of your retirement from United. Managers/supervisors can print this document from the Manager's Toolbox on Flying Together after the transaction has been processed. * **Save a copy of your Employee Profile and Personnel (PE) File** for your records. Managers/supervisors can print these documents from the Manager's Toolbox on Flying Together. You also have access to print your Employee Profile by going to **Flying Together >**   **Employee Services > My Info/Manager's Toolbox > Personal Details** and looking for "Employee Profile."   * **If you would like a retiree badge** and are eligible (it is not required), please follow the steps in the Retirement Resource Summary on the following pages. |

**Congratulations and thank you for your service with United.** Please do not hesitate to contact your HR partner or manager/supervisor with any questions. We want your journey into retirement to be turbulence free!

United Airlines Retirement Planning Checklist I October 2018 Page 2 of 11

Retirement **Resource Summary**

*(For U.S. benefit-eligible United employees)*

This Summary provides an overview of potential retirement benefits and privileges available through United, with directions on how you can obtain more detailed information. You are encouraged to review all available information to help you fully understand which benefits and privileges you may be entitled to receive before you make a decision to retire.

If at any point you cannot find the answer to your question, or need additional information, please contact your HR Partner or submit your question through Help Hub on Flying Together. A list of HR Partners can be found here: **Flying Together > Our Airline > Departments >**

**Human Resources > HR Partner Contact List** (on bottom-right side of page).

**Retiree Health & Welfare Benefits**

Specific eligibility requirements for retiree health and   
welfare benefits vary by workgroup. To get your individual   
information, please call the United Airlines Benefits Center   
at **1-800-651-1007,** Monday through Friday, 7AM - 7PM CT,   
or go to **Flying Together > Employee Services > Health &   
Insurance (YBR).**

**General Information**

* If you have insurance (medical, life insurance, long term disability, etc.) with United when you retire, it will continue through the last day of the month in which you retire, unless you retire on the first day of the month, in which case your coverage will end on the last day of the previous month. You may be eligible to continue certain active coverage through COBRA for a limited period of time, but you may not elect continuation of active medical and also elect retiree medical. You will receive a COBRA packet in the mail after you retire. You may also have the option of converting your life insurance to an individual policy. Please call the United Airlines Benefits Center at **1-800-651-1007** for further information.
* If you have a flexible spending account (FSA), call the United Airlines Benefits Center at **1-800-651-1007.** You can use any remaining money in the account to pay for any FSA-eligible medical expenses accrued through the end of the month in which you retire. You may be eligible to continue your health care FSA through COBRA for the remainder of the year in which you retire.
* Retirement-eligible employees can access online retiree medical modeling tools on YBR. Go to **Flying Together > Employee Services > Health & Insurance (YBR) > Life Changes** and select the "Retirement" link. From there you can explore the "Retiring in a Few Years?" or "Retiring Now? In a Few Months" options. To preview your medical coverage by working through a sample enrollment process, select the "Preview Your Health and Insurance Coverage" link under "Retiring in a Few Years?" to learn which medical plan options are available to you—and their current costs.

United Airlines Retirement Planning Checklist I October 2018 Page 3 of 11

Retirement Savings enefits

**401(k) Plans**

* *United Airlines 401(k) Sauinas Plan and United Airlines Flight Attendant 401(k)* Plan

Administered by Fidelity. Log on to Fidelity NetBenefits via **Flying Together > Employee Services > My Rewards > Retirement Savings > My retirement plans > United 401(k) plans** or directly at [**www.401k.com**](http://www.401k.com)**,** or call the Fidelity Service Center at **1-800-245-9034** for information on your account.

* *United Airlines Pilot Retirement Account Plan* (PRAP)

Administered by Charles Schwab. Log on to the PRAP site via **Flying Together >**

**Employee Services > My Rewards > Retirement Savings > My retirement plans > Pilot**

**Retirement Account Plan (PRAP)** or directly at [**www.schwabplan.com/PRAP,**](http://www.schwabplan.com/PRAP,)or call the PRAP Service Center at **1-866-855-PRAP (1-866-855-7727).**

* *United Airlines UK Group Stakeholder Plan (Not a U.S. 401(k) Plan: Subject to UK Law)*

Administered by Fidelity International. Visit Fidelity's PlanViewer online at [**www.fidelitypensions.co.uk**](http://www.fidelitypensions.co.uk)**,** or call the Pensions Service Centre at **0800 368 6868** (from the UK) or **+44 1737 838 585** (from outside the UK) for more information.

**General 401(k) Information (U.S. Plans Only)**

* Following your retirement effective date, you may:

1. Decide to keep your 401(k) balance in the plan and continue to self-direct your

investments (distributions must generally begin by April 1 of the year following the year

you reach age 701/2), so there's nothing to do other than make sure your beneficiary information is always up-to-date;

1. Elect to receive a partial or complete distribution of your account\* (if you are age 591/2 or older, you can take taxable distributions without penalty); or
2. Rollover your account balance to another qualified retirement plan or IRA.

If you participate in a 401(k) plan administered by Fidelity, a 14-day waiting period applies before you are able to take a complete distribution.

Remember that contributions may be made to your account after your retirement as your final pay is processed. If a distribution of your account is processed before all contributions are posted to your account, you will need to request another distribution to have any additional contributions withdrawn once your final contributions have been processed.

* If you have an outstanding 401(k) loan, any outstanding loan balance will be re-amortized to a monthly payment frequency and you will be able to make loan repayments through the end of the loan term. However, you will need to set up your repayment process directly with your 401(k) administrator. If you do not either continue to make regular loan payments or pay any outstanding loan balance in full, the unpaid balance will be treated as a loan default the earlier of:

1. The date you request a distribution of your plan account; or
2. The end of the calendar quarter following the calendar quarter in which you first fail to make a scheduled loan payment.

Should you default on the loan, the unpaid outstanding balance will be reported to the Internal Revenue Service (IRS) as a taxable event in the year of default and may be subject to an IRS tax penalty. An IRS Form 1099-R reflecting the default will be issued in January of the

following year.

United Airlines Retirement Planning Checklist I October 2013 Page 4 of 11

**Defined Benefit Pension Plans**

You may be eligible for a pension benefit. Refer to the information below and, if you have any questions, please reach out to the applicable administrator, submit a case via Help Hub at **Flying Together > Employee Services > Help Hub (or** [**https://helphub.ual.com**](https://helphub.ual.com)**),** or send an email to [**pensionadmin@united.com**](mailto:pensionadmin@united.com)**.**

*The Continental Retirement Plan (CARP) or The Continental Pilots Retirement Plan (CPRP)*

* Eligibility is based on the terms of the plan, your joint collective bargaining agreement, and your workgroup, but typically these are former subsidiary-Continental or IBT-represented employees. These benefits are administered by Alight Solutions. To get your individual information, please call the United Airlines Benefits Center at **1-800-651-1007,** Monday through Friday, 7AM - 7PM CT, or go to Flying Together and select the Your Benefits Resources (YBR) link.
* If you meet the applicable age and years of service requirements provided below, you may be eligible for early retirement immediately after your employment ends. Otherwise, you may be eligible for a deferred vested benefit (payable as a monthly annuity benefit when eligible). You may be eligible for early retirement—and receive a reduced benefit—if:
* You are at least age 50 and have at least 20 years of vesting service, or
* You are at least age 55 and have at least 10 years of vesting service. You may retire and receive an unreduced benefit if:
* You are age 65 (normal retirement age) or age 60 for pilots.
* If you are eligible for early or normal retirement when you leave the Company, you may choose a lump sum option. If your benefit has a value of $1,000 or less, your benefit will automatically be paid in a lump sum. If your benefit is between $1,000 and $5,000, your benefit will be rolled over to an IRA unless you make an election.
* You may run pension benefit projection estimates via Your Benefits Resources (YBR).
* Please make sure your spouse or domestic partner information is up-to-date with the Benefits Center. Having accurate beneficiary details are critical in the calculation and optional forms of payment eligibility.
* Your benefit will not be paid out automatically until you reach age 701/2, at which time the minimum distribution requirement will take effect. If you want to receive a payout before minimum distributions begin, you must make an election.

United Airlines Retirement Planning Checklist I October 2018 Page 5 of 11

*Pension Benefit Guaranty Corporation (PBGC) Benefit*

* If you were at United Airlines prior to 2006, you may be eligible for a benefit from one of the pension plans assumed by the PBGC.
* Visit the PBGC on the Internet at [**www.pbgc.gov**](http://www.pbgc.gov)or call toll-free **1-800-400-7242** and refer to the appropriate PBGC Case Number:
* 1 9962800 — Flight Attendant Defined Benefit Pension Plan
* 1 9922400 — Ground Employees' Retirement Plan
* 1 9912600 — Management, Administrative and Public Contact Defined Benefit Pension Plan
* 1 9962700 — Pilot Defined Benefit Pension Plan
* To initiate the pension payment process, call the PBGC and request a pension application. Eligible employees should request an application at least four months before the desired date of the first pension payment. Employees should be prepared to submit a copy of the Employee Separation Data Review document that they will receive from their manager/supervisor as part of the retirement process to the PBGC upon request as documentation of their termination of employment with United.

*IAM National Pension Fund* (NPF) *National Pension Plan*

* Please refer to your joint collective bargaining agreement for eligibility, but generally, an employee represented by the IAM who is subsidiary-United, or hired on or after the current agreement, may have a benefit due.
* If you have a United-funded benefit under the IAM NPF National Pension Plan, please contact the NPF for more information. Visit the NPF online at [**www.iamnpf.org**](http://www.iamnpf.org)or call the NPF at **1-800-424-9608** for more information.

United Airlines Retirement Planning Checklist I October 2018 Page 6 of 11

**Retiree Pass Travel Privileges**

United retirees enjoy some of the most generous pass travel privileges in the airline industry. Employees who leave the Company in good standing and meet certain age and service requirements are eligible for unlimited, lifetime retiree pass travel privileges for leisure, space-available travel on United, United Express flights, and on other airlines. Complete policy details for the following programs below can be found on the Company's website by going to **Flying Together > Travel.**

|  |  |
| --- | --- |
| **Age and Years of Service**  **Requirement** | 45 - 50 years of age and 20 years of service  51 years of age and 18 years of service  52 years of age and 16 years of service  53 years of age and 14 years of service  54 years of age and 12 years of service  55 years of age and 10 years of service 65 years of age and 5 years of service |

**Eligible Pass** Spouse or domestic partner (same or opposite gender), up to two

**Riders** enrolled friends (with option to change biannually), children regardless of marital status until they attain age 26 (natural, adopted, and/or step), disabled children regardless of age (disabled since before age 26), and up to two parents (any combination of natural, adoptive and/or step, same or opposite gender, with option to change quarterly).

Retiree and their eligible **accompanied** pass riders traveling on a

**Boarding Priority**

SAOV vacation pass. Retiree's **unaccompanied** spouse/domestic partner   
and accompanied pass riders traveling on a vacation pass

Retiree and their eligible **accompanied** pass riders traveling on

SA2R a leisure pass. Retiree's **unaccompanied** spouse/domestic partner and accompanied pass riders traveling on a leisure pass

Retiree's eligible **unaccompanied** pass riders, including enrolled

SA3V friends, traveling on a vacation pass (excluding spouse/ domestic partner as they are boarding priority SAOV)

Retiree's eligible **unaccompanied** pass riders, including

SA4P enrolled friends, traveling on a leisure pass (excluding spouse/domestic partner as they are boarding priority SA2R)

**Board Date** The board date will reflect the full service date of day, month, and years of completed service to the Company subtracted from the travel date.

**Travel Validity** Travel is valid on United, United Express, and on other airlines as outlined in individual agreements between United and the other airline. To learn more and review individual agreements, including pass rider eligibility, go to **Flying Together > Travel > Other airline interline.**

United Airlines Retirement Planning Checklist I October 2018 Page 7 of 11

|  |  |  |
| --- | --- | --- |
| **Service Charge** |  | Payment for service charges, taxes, and fees, when applicable, will be prepaid with a debit/credit card at the time of booking, prior to travel. Any additional fees occurred after payment will be invoiced to the retiree to the address on file at United. |
| **Imputed Income** | | Taxable imputed income resulting from pass travel of your eligible pass riders will be reported to the retiree and the Internal Revenue Service (IRS) on Form 1099. United will collect any federal and state withholding taxes that apply to taxable pass travel income via quarterly invoices. To learn more, go to **Flying Together > Travel > Travel homepage > W-2 pass travel tax reporting.** |

**myUAdiscount** Retirees and eligible pass riders are eligible for the myUAdiscount program. To learn more and to book myUAdiscount tickets, go to **Flying Together > Travel > myUAdiscount.**

**Vacation** Existing vacation passes, if applicable, at the time of retirement will be

**Passes** valid for travel through their original expiration date. In addition, retirees who are eligible for pass travel will receive an annual allotment of eight one-way vacation passes each year on January 1. Vacation passes are valid for five years.

|  |  |
| --- | --- |
| **Buddy Passes**  **Survivor Travel**  **Retiree Badge** | Existing buddy passes will be valid for 30 days from the effective date of retirement rather than January 31 of the subsequent year. As a retiree, any remaining buddy passes will be prepaid at the time of booking using a debit/credit card. Retirees are not included in future annual buddy pass distributions.  Registered and existing surviving spouses/domestic partners and eligible pass riders listed on the retiree's travel profile at the time of their passing are provided pass travel privileges for specified travel eligibility periods. To learn more about the Survivor Pass Travel Policy, go to **Flying Together > Travel > Travel homepage > Pass riders > Survivors.**  Retirees are not required to have a United Airlines retiree badge for travel. Retirees may order a retiree badge, if they wish, through **Help Hub** and search for "retiree badge." The badge associated cost is $35 and has no expiration date. |

United Airlines Retirement Planning Checklist I October 2018 8 cid' 11

**Resources**

|  |  |
| --- | --- |
| Internal Company Website | Flying Together  [**https://ft.ual.com**](https://ft.ual.com) |
| Flying Together password reset | United Airlines Technical Services Desk **1-800-255-5801** |
| Retiree Pass Travel Program | **Flying Together > Travel > Retiree pass travel** |
| Dependent  Management System (register pass riders) | **Flying Together > Travel > Manage pass riders** |
| Pass travel attire | **Flying Together > Travel > Travel homepage > Preparing for travel** |
| Book space available leisure travel | **Flying Together > Travel > employeeRES** |
| Pass travel guidelines | **Flying Together > Travel policies >  Pass travel guidelines** |
| Help Hub | **Flying Together > Employee Services > Help Hub** or [**https://helphub.ual.com**](https://helphub.ual.com) |
| Update home address and email | Your Benefits Resources  [**https://www.ybr.com/united**](https://www.ybr.com/united) |

Have a question about retiree pass travel? Contact the Employee Travel Center. Use **Help Hub** to submit your question and track the status of your request or call **1-877-UAL-ESC9** (from the U.S.) or **1-847-825-3729** (from outside the U.S.) from 7AM to 7PM CT, seven days a week.

**Contact**

United's pass travel policy is a privilege and not a right of employment nor a vested right of any kind. The Company may, at its sole discretion, take action to include: suspension and cancellation of pass travel privileges for conduct/actions deemed detrimental to United and/or any of its subsidiaries, business partners, and successors or to any of our employees. The terms of the policy are subject to modification or termination, in whole or in part, by the Company at any time and for any reason.

**Disclaimer**

United Airlines Retirement Planning Checklist I October 2018 Page 9 of 11

**Additional Retiree Information & Resources**

* *Retiree plaaue process*

You are eligible for a retirement plaque if you meet one of the following:

* You are at least 50 years old with at least 20 years of service, or
* You are at least 55 years old with at least 10 years of service.

The order is placed by your manager/supervisor, and if enough notice is given, you can have it before your last day of work.

* *Cancelling your Metro/Metro/Commuter passes*

Please call the United Airlines Benefits Center at **1-800-651-1007,** Monday through Friday,

7AM - 7PM CT, or go to Your Benefits Resources (YBR) and go to **Other Benefits >**

**Your Spending Account** and select "Manage Your Account."

* *Vacation payout*

Employees who leave the company in good standing receive payment for any accrued but unused vacation, subject to applicable state law. Good standing includes retirement or resignation with proper notice, involuntary layoff, or early out. For further information, please refer to the Working Together Guidelines. (Employees who are covered by a collective bargaining agreement or local work rules should refer to their specific work agreements for policies regarding final vacation payout.)

United Airlines Retirement Planning Checklist I October 2018 Page 10 of 11

* *Profit sharing (if applicable)*

You are eligible for profit sharing (if the plan pays out) in the year you retire. The payout is prorated depending on the date you retire and paid at the same time the following year as active employees receive profit sharing.

* *Retirement organizations*

There are a variety of groups you will be eligible to join as a retiree. Please go to **Flying Together > Employee Services > Get Involved** and select "View all," then go to **Career > Retiree organizations** for a full listing.

There are a number of volunteer opportunities available to interested retirees and, potentially, family members. United has partnered with YourCause to provide a quick and easy way for those interested to search and sign up for events in your communities. More information on this system and how it can be accessed is available at **Flying Together > Employee Services > Get involved > YourCause.**

If at any point you decide you would like to cancel or postpone your retirement, please contact your supervisor, manager, or base administrator immediately. They will explain any consequences of making a change.

After your retirement, you can go to **Flying Together > Employee Services > Health & Insurance (YBR) > Your Profile link > Personal Information,** or you can call the United Airlines Benefits Center at **1-800-651-1007,** Monday through Friday, 7AM - 7PM CT, to update your preferred home address and email address with United. You will have to call your 401(k) administrator directly to make any updates to their system after retirement.

This document is intended to serve only as a summary of your benefits and privileges related to retirement. Each of the benefits/privileges described herein is based on a plan, document, contract, or company policy. If this document conflicts in any respect with the plan document, contract, or company policy on which it is based, the plan document, contract, or company policy will govern. Further, all benefits and travel privileges are subject to amendment and/or termination by the Company at any time and for any reason. Refer to the Summary Plan Description (available on Flying Together) for more detailed information about the benefits described herein. With respect to the pension plans administered by the PBGC and the IAM National Pension Fund administered by the IAM National Pension Fund Board of Trustees, the foregoing is subject to their determinations.

United Airlines Retirement Planning Checklist I October 2018 Page 11 of 11

**Local Lodge 914 Community Services Committee**



**With**

**LL 914 Senior/Retiree Association**

**Retirement from lAM Local Lodge 914**

**Rights, Benefits & Obligations**

**Obligations:**

**Notify the Local Shop Steward before you retire who will notify the Local. Or you can come to the local personally (1511 Rollins Road in Burlingame).**

**As soon as the Local Lodge is informed of your retirement they will apply for an**

**"Exemption Card" for you at no cost. It will take a few months to get the card. The card allows you to remain a member of the IAM and Local Lodge 1781 in good**

**standing for the rest of your life.**

**As a member in good standing you are entitled to certain rights and benefits.**

**Keep the Local Lodge advised of any change of address. They will inform the District and Grand Lodge.**

**Rights:**

**Meetings:**

**You have the right to attend and take an active part in any meeting held at the Local Lodge,**

***except* the Shop Stewards Meeting.**

**Voting:**

**Elections for which you are eligible to vote:**

**Local Lodge Officers**

**Local Lodge By-laws**

**Grand Lodge officers and Constitutional changes**

**District Officers and constitutional changes**

**Delegates to all conventions**

**Elections for which you are not eligible to vote:**

**The Grievance Committee**

**The Shop Stewards**

**Negotiated Contracts**

**Benefits:**

**As a Senior/Retiree Exemption Cardholder you are eligible for all the benefits working**

**members have including:**

**The Union Privilege Program.**

**The Local Lodge has a senior/retirement club with its own by-laws and officers, who are**

**elected by the local lodge seniors/retirees:**

***Fees are* $3.00 per member per *year.***

**Your spouse may also become a member if you are a member.**

**Member meetings are the second Wednesday of every month at 1100 A.M. Lunch will be**

**served at every meeting ($4.00 per meal).**

**The club has an annual picnic. The cost is $10.00 *per person.***

**You may join any Local Lodge *Committee except* the grievance, ground and flight safety**

**committees. The President of the Local Lodge must appoint you to a committee with the**

**Executive Board's approval.**

Application For Membership\_   
Se 11 for Citizens

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Local Lodge 914

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| *Na* | 111 |

*LAST Fir T (Please Prim)* Main of Spouse:

s:

*NUMBER &STREET*

*CdF STATE Z/ii' CODE*

Telephone:

*$6 00 Per Coi i*

*Please remit payment with application; i*

*DUES PAID TO JANUARY*

IAM **NATIONAL PENSION FUND**

**COVERED EMPLOYEE OR NON-PARTICIPANT NAME:**

S S #

FOR FUND OFFICE USE ONLY

REQUEST FOR APPLICATION OR ESTIMATE

**I am requesting (check one):**

**0 A Pension Application**

**0 A Death Benefit Application** (Covered Employee's Date of Death

**0 An Estimate of my Pension at Age** 65

**0 Other** *(please specifi):*

**Covered Employees complete Sections I and III.**

**Spouse, Alternate Payee or Beneficiary complete Sections I, II and III.**

**SECTION I Covered Employee**

Covered Employee's Name

Address 1 Employee's Social Security No.

Address 2 Employee's Date of Birth / /

City Phone No. (\_ \_) - - \_

State Zip Code Email Address:

Planned Pension Effective Date \_ \_ /\_ \_ /\_ \_ (If requesting a pension application this date cannot be more than 180 days in the future)

Employee's Last Contributing Employer Last Day Worked

*(in any employment)*

(If Applying for a Disability Pension) Date of Disability \_ \_ I\_ \_ /\_ \_

Employee's Marital Status (check one) ❑ Married 0 Not Married

|  |  |  |
| --- | --- | --- |
| Spouse's Name |  | Spouse's Date of Birth |
|  |

**SECTION II Applicant**

Applicant's Name (if Not Covered Employee)

Relationship to Covered Employee:

0 Beneficiary (please specify: parent, child, sibling, etc.)

0 Spouse 0 Alternate Payee (QDRO)

Address 1 Applicant's Social Security No. \_ \_

\_ \_\_\_\_ \_ \_\_\_\_\_\_ \_ \_

Address 2 Applicant's Date of Birth / /

City Phone No. ( ) -

State Zip Code Email Address:

**SECTION III Signature**

|  |  |  |
| --- | --- | --- |
| ***Employee/Applicant's*** Phone ( | and/or Email Address |  |
|  |  |

***Employee/Applicant's Signature*** Date

**IAM National Pension Fund**

**FAQs**

**Active Participants**

**1. What changes are happening and how will it affect me?**

The first change required by regulations upon voluntarily electing Red Zone status are the elimination of the lump sum death benefit, social security option, partial lump sum, small pension benefit, and return to employment lump sum as of April 26, 2019.

The changes under the Rehabilitation Plan, are contained in two schedules, the impacts of which are described below:

* **The Preferred Schedule:**
* Future benefit accruals remain unchanged for participants.
* Benefit changes include the elimination of all early retirement pension benefit subsidies, effective on January 1, 2022.
* Adoption of this schedule requires additional employer contributions of 2.5% compounded annually for the length of the Rehabilitation Plan. These additional contributions are designed to strengthen the financial health of the Fund and do not count toward benefit accruals.
* The Single Life Annuity with 60 Certain Payments option is eliminated.
* **The Default Schedule:**
* A reduction in future accruals of 39% (Schedule C), effective on the date of adoption or imposition.
* Benefit changes include the elimination of all early retirement pension benefit subsidies, prospectively only, effective on date of adoption or imposition.
* Adoption of this schedule requires additional employer contributions of 6%, compounded annually for the length of the Rehabilitation Plan. These additional contributions are designed to strengthen the financial health of the Fund and do not count toward benefit accruals.
* The Single Life Annuity with 60 Certain Payments option, the 60 Payments Death Benefit, and the Pop-Up provision are eliminated.

How the Rehabilitation Plan affects you depends upon which Schedule will apply. The decision on which Schedule applies to you will be made by your employer and union if you are a bargaining unit employee, and by your employer if you are a non-bargaining unit employee.

**2. What are subsidies within the context of the Plan?**

If a plan participant qualifies for 30 and out, 62 and 20, or disability the Fund provides the participant with 100% of their normal retirement age benefit prior to age 65. The value of the pre-normal retirement age benefit is known as a subsidy, as the money received by the fund only supported the benefit normal retirement age, not the increased payout.

1. **What age is normal retirement age?**

Assuming you are vested, your normal retirement age is age 65. The Plan's vesting rules require 5 years of vesting service.

1. **What does elimination of subsidies mean?**

The Plan will no longer pay the additional amount required to provide a fully or partially

unreduced pension benefit prior to Normal Retirement Age. The elimination for these subsidies is a key component of the Rehabilitation Plan.

Applicability of subsidy elimination depends on, and is described in, the Preferred and Default Schedules.

Examples are contained in the Notice of Reduction in Adjustable Benefits in the mailing and available on the website. Please refer to page 4 of the notice.

1. Michael stops working at age 52 with 30 Years of Credited Service. If he were to apply for his pension at age 65, he would receive a Normal Pension benefit of $1,000 per month.
2. *Under the current Plan,* since Michael meets the requirements for a 30 and Out Pension, he will receive a benefit of **$1,000** per month, beginning at age 52. The value of this subsidization from age 52 — age 65 is $156,000 ($1,000 \* 12 months \* 13 years) plus interest. If subsidized unreduced Pensions such as the 30 and Out Pension were not available under the Plan, Michael could retire at age 55 with a reduced Early Retirement Pension equal to $1,000, reduced by 48% (.004 \* 120 months) = $520 per month. From ages 55 to 65, Michael would receive $62,400 ($520 \* 12 months \* 10 years). Using the unsubsidized Early Retirement Reduction Factors, he would receive $280 per month (as shown in the following paragraph). From ages 55 to 65, he would receive $33,600 ($280 \* 12 months \* 10 years).
3. *Under the Preferred Schedule,* if Michael retires at age 52 with a Completed Application Date on or after his RP Schedule Effective Date, he will not be eligible for a subsidized unreduced 30 and Out Pension. However, he remains eligible to collect his reduced retirement benefit, calculated by reducing his Normal Pension at age 65 by 72.0%, after application of the Early Retirement Reduction Factor at age 52 of .280 = **$280.** Michael would not be eligible to receive his full retirement benefit of $1,000 per month unless he delays commencement of his benefit until age 65.

The elimination for these subsidies is a key component of the Rehabilitation Plan.

1. **What is meant by retroactive and going forward (prospective)?**

Retroactive is applicable to benefits earned and accrued in the past. The retroactive elimination of subsidies applies only to the Preferred Schedule for retirements on or after January 1, 2022.

In the Preferred Schedule, going forward (prospectively) refers to benefits earned and accrued on or after January 1, 2022. In the Default Schedule, going forward (prospectively) refers to benefits earned or accrued on or after the date of adoption or imposition of that Schedule.

1. **Why don't the PPA Surcharges or additional employer contributions count towards benefit accruals?**

PPA Surcharges and additional employer contributions are designed to help improve the Fund's financial health. PPA Surcharges are a requirement for Red Zone plans and are not applicable to benefit accruals. The additional employer contributions contained in the two schedules are also required by the Rehabilitation Plan rules and do not apply to future benefit accruals.

1. **What is Schedule C? What does it mean by lower future accruals?**

Schedule C represents the reduced future accrual requirements under the Default Schedule only. The regulatory requirements of a Rehabilitation Plan Default Schedule include reducing all future accruals to 1% of contributions. On average, this represents a 39% reduction in future accruals for Plan participants in the Default Schedule.

1. **Based on this information, I now want to apply for my pension? What do I do?**

Participants can apply online via the secure participant portal of the website, by submitting a written request to the Pension Department at IAM National Pension Fund, 1300 Connecticut Avenue, NW, Suite 300, Washington, DC 20036-1711, or I can take your information and a Pension Application will be mailed to you.

1. **Does this impact me if I have already requested an application but not yet submitted it?**

If you have only requested an application but have not submitted a completed application then the payment form changes required by the PPA become effective on April 26, 2019.

Once a Rehabilitation Plan Schedule is adopted or imposed, the changes required by that Schedule will be applied.

1. **What if I've submitted my pension application but it is considered incomplete or I haven't received my Participant Statement yet?**

If your application is considered incomplete or your Participant Statement is postmarked on or after April 26, 2019, the payment form changes required by the PPA become effective on April 26, 2019.

Once a Rehabilitation Plan Schedule is adopted or imposed, the changes required by that Schedule will be applied.

1. **What if I've already submitted a completed application and received my Participant Statement?**

If you have submitted a completed application and your Participant Statement (election form) was postmarked prior to April 26, 2019, then your benefits will be unaffected by the changes required on or after April 26, 2019, assuming you return your signed Participant Statement in accordance with Plan rules.

1. **Should I expect changes every year now?**

Generally, you should not expect changes every year. The Rehabilitation Plan is designed as a 10-year schedule and is intended to protect the Fund's participants' core retirement benefits and strengthen the Fund's financial health over the long term.

However, the Rehabilitation Plan is subject to change during the 10-year schedule. The IAM National Pension Fund Board of Trustees is required to review the effectiveness of the Rehabilitation Plan periodically. Failure to maintain the 10-year projection toward emergence into the Green Zone may require adjustments to the Rehabilitation Plan in the future.

1. **Can the Fund guarantee I will get a pension when I retire?**

The intent of the Fund is to provide the core retirement benefit at normal retirement age. The Rehabilitation Plan is designed to ensure that we meet those obligations. The Fund, just like all defined benefit plans, does participate in an insurance program designed to guarantee a minimum level of benefits.

1. **What if my employer withdraws from the Fund due to these changes?**

The Fund has no control over whether employers withdraw from the Fund. That is a matter of discussion for your employer and union if you are covered under a collective

bargaining agreement, and by your employer if you are covered under a participation agreement. However, we believe as a participant you should encourage your employer or union to remain in the Fund as it is currently well-funded and has now put in place a Rehabilitation Plan intended to protect the Fund's participants' core retirement benefits and strengthen the Fund's financial health over the long term.

1. **What happens to my benefit if my employer withdraws from the Fund?**

Once your employer withdraws from the Fund, no future benefit accruals will be

earned. Assuming you are vested in the Plan, any benefit paid will be based on prior accruals and Plan rules.

1. **Will the government bail the Fund out?**

First, the Fund does not need a bail out. It remains well-funded at 89%. Second, under current laws and regulations, the government does not provide bail outs to multi-employer pension funds. Finally, the Rehabilitation Plan is intended to protect the Fund's participants' core retirement benefits and strengthen the Fund's financial health over the long term.

1. **Does this have an impact on disqualifying employment rules? Any changes to disqualifying employment rules?**

No. The Disqualifying Employment rule changes enacted in 2018 remain in place and unchanged.

1. **How do I participate in the decision to elect a Rehabilitation Plan, Schedule, and effective date? Who makes the decision in electing a Rehabilitation Plan?**

If you are covered by a collective bargaining agreement, contact your union

representative. If you are a non-bargaining unit employee covered by a participation agreement, contact your employer.

1. **When can I get an estimate of my future benefits under the rules of the Rehabilitation Plan and Schedules?**

Benefit estimates are available on the secure participant portal of the website or by submitting a written request to the Pension Department at IAM National Pension Fund, 1300 Connecticut Avenue, NW, Suite 300, Washington, DC 20036-1711. These estimates are based upon election of the Rehabilitation Plan and Preferred Schedule. If your employer and union or employer adopt the Rehabilitation Plan Default Schedule, once the Benefit Fund Office is made aware future benefit estimates will be adjusted accordingly.

Do not forget that you can review your benefits earned to date in your Annual Benefit Statement. These Statements, reflecting 2018 contributions and benefits, will be sent out by late May/early June 2019.

1. **Can I be grandfathered so that the Rehabilitation Plan Schedule changes don't impact my retirement plans? What if I retire by X date — does this still impact me?**

No, there are no provisions for grandfathering. However, if you retire prior to the

adoption or imposition of the Preferred or Default Schedule, current plan rules apply.

If you retire after adoption of the Preferred Schedule, early retirement subsidies are eliminated no earlier than January 1, 2022. If you retire before that date you may still qualify for these subsidies. If you are subject to the Default Schedule, changes will occur on the date of adoption or imposition.

1. **What does a "Declining Credit Balance" mean?**

In the years when the Fund brought in more in contributions than it paid out in benefits a positive credit balance was accumulated. Once the Fund began to pay more in benefits than it collected in contributions, the credit balance earned over the years began to decrease. The Rehabilitation Plan is designed to increase the Fund's credit balance and strengthen the financial health over the long term.

1. **When did the Trustees make this decision?**

The decision to voluntarily elect Red Zone status and adopt a Rehabilitation Plan was made by the Board of Trustees on April 17, 2019. Participants were notified by U.S. Mail on April 26, 2019. The union and employer representatives were also notified by U.S. Mail on the same date.

1. **What is Zone Status and what do you mean the Trustees "voluntarily elected" to declare Red Zone Status? How is Zone Status decided? Why would the Trustees voluntarily elect a lower status?**

Under the Pension Protection Act, zones are based on certain financial aspects of the Fund. Funds are determined to be in one of four zones: "Green" for a healthy plan, "Yellow" for an endangered plan, "Red" for a plan in critical status, and "Deep Red" for a plan considered critical and declining.

Under the Multiemployer Pension Reform Act of 2014 ("MEPRA"), Boards of Trustees have the option of voluntarily electing Red Zone status to take advantage of the most powerful tools available to protect the Fund's participants' core retirement benefits and strengthen the Fund's financial health over the long term. Based on this tool, the IAM National Pension Fund Board of Trustees voluntarily elected to declare the Fund in the Red Zone.

1. **If the Fund is in the Red Zone doesn't that mean the Fund is going to cut current retiree and beneficiary benefits too?**

Absolutely not. Plans in the Red Zone are not permitted to reduce payments to retirees and beneficiaries.

1. **What is a Rehabilitation Plan?**

A Rehabilitation Plan is a legally required plan designed to move Red Zone funds into the

Green Zone within 10 years. Funding Improvement Plans apply to Yellow Zone plans.

1. **How long is the Rehabilitation Plan in effect?**

The Rehabilitation Plan, based on reasonable assumptions, projects that the Fund will emerge into Green Zone status within 10 years. Benefit changes to the Plan remain in place after the Fund emerges from the Rehabilitation Plan into the Green Zone. However, the Board of Trustees does have the right to amend the Plan in the future.

1. **What if the Rehabilitation Plan and a Schedule are not adopted?**

If a Rehabilitation Plan and one of the two schedules is not adopted within 180 days after your collective bargaining agreement or participation agreement expires, the Default Schedule will be automatically implemented, and the employer will pay an additional non-compounding 10% per year, as well as the compounding contribution increases contained in the Default Schedule and the benefit changes covered under the Default Schedule will apply.

1. **What is the contribution increase each year? How will the contribution increase affect my benefit?**

First, it is important to understand that all additional contributions made as a result of the Rehabilitation Plan, whether Pension Protection Act (PPA) surcharges or Schedule contribution increases, do not result in future benefit accruals, they are designed to improve funding only.

Prior to adoption of the Rehabilitation Plan, PPA surcharges apply for employers (5% beginning June 1, 2019 and increasing to 10% beginning January 1, 2020).

After adoption of the Rehabilitation Plan, the PPA surcharges are eliminated and, if the Preferred schedule is selected, employers begin paying 2.5% compounding annually for 10 years. If the Default Schedule is selected, they pay 6% compounding annually for 10 years. If the Default Schedule is imposed, they pay the PPA 10% surcharge plus the 6% compounding annually for 10 years.

1. **Where does the additional money come from to pay contribution increases? Who pays for contribution increases?**

Additional contribution increases are the responsibility of the employer.

1. **How do I get additional information? Is there more information I can read to help me understand? Are there other materials that explain all of this?**

Please visit [www.iambfo.org](http://www.iambfo.org), select the National Pension Fund icon, and log-in to the secure portion of the website for additional information, including answers to FAQs, explanatory videos, and more.

**Glossary**

**Accruals:** Benefits earned by Fund participants. Not only will past accruals remain untouched as part of the Rehabilitation Plan, but if your employer and union agree to the Preferred Schedule, your future accruals will also remain unchanged.

**BAS:** Benefit Administration System. This is the computer software used to administer benefits. Current version known as PIPS.

**Collective Bargaining Agreement (CBA):** An agreement between an employer and a trade union setting forth the terms and conditions of employment for employees within the union.

**Deep Red Zone:** A fund considered critical and declining, as determined by the Pension Protection Act.

**Default Schedule:** One of two schedule options for employers and unions to adopt as part of the Fund's Rehabilitation Plan. The Default Schedule, the parameters of which are determined by the regulations and not the Board, requires the elimination of all plan subsidies

prospectively and a reduction in future accruals of 39% (Schedule C) for participants whose bargaining parties have agreed to, or are forced under the regulations into, the Default Schedule.

The Default Schedule contribution and benefit changes will be effective on the date of adoption. However, if your employer and union do not adopt the Rehabilitation Plan and one of the two schedules within 180 days after your collective bargaining agreement expires, the Default Schedule will be automatically implemented, and the employer will pay an additional 10% per year, in addition to the contribution increases contained in the schedule.

**Green Zone:** A healthy fund, as determined by the Pension Protection Act.

**Multiemployer Pension Reform Act (MEPRA):** Under the Multiemployer Pension Reform Act ("MEPRA"), when a pension fund is projected to enter the Red Zone within five years, the trustees have the option of voluntarily electing Red Zone status to take advantage of tools to improve the fund's long-term health that would not otherwise be available.

**Pension Protection Act (PPA) of 2006:** The Pension Protection Act established the most significant changes to pension plans since the Employee Retirement Income Security Act (ERISA) of 1974. Under the Pension Protection Act, four zones were established to rank benefit funds based on financial health: green, yellow, red and deep red.

**Preferred Schedule:** One of two schedule options for employers and unions to adopt as part of the Fund's Rehabilitation Plan. Future benefit accruals remain unchanged. The Preferred Schedule requires the elimination of all plan subsidies retroactively and prospectively effective on January 1, 2022.

**Red Zone:** A fund in critical status, as determined by the Pension Protection Fund.

**Rehabilitation Plan:** A legally required plan designed to move Red Zone funds into the Green Zone within 10 years. The Fund's Rehabilitation Plan includes increased contributions from employers and the elimination of subsidized early retirement pension benefits for participants. There are two schedule options for benefit participants in the Rehabilitation Plan: The Preferred Schedule and the Default Schedule.

**Schedule B:** Future accrual rate set for new employer groups joining the Fund after 1/1/2003. Applies to all other employers beginning in 2011 and no later than 12/31/2013.

**Schedule C:** Future accrual rate set for those adopting the Rehabilitation Plan's Default Schedule, effective upon adoption or imposition.

**Yellow Zone:** An endangered plan, as determined by the Pension Protection Act.



**IAM NATIONAL   
PENSION FUND**

**Rehabilitation Plan   
Changes-At-A-Glance**

|  |
| --- |
| **This document is intended as an aid to assist the reader in understanding major changes to the IAM National Pension Plan resulting from the adoption and implementation of the Rehabilitation Plan.**  **If you are already retired, nothing in this document will affect your Fund benefit.** |

**In this document you will find:**

1. **NPP Benefit Changes-At-A-Glance**
2. **Employer Contributions-At-A-Glance**
3. **Immediate Benefit Changes Required by Federal Law**

**I. NPP BENEFIT CHANGES AT A GLANCE**

|  |  |  |  |
| --- | --- | --- | --- |
| **Plan Provision Current Plan** | | **Preferred Schedule** *(No Benefit Changes  Before 2022)* | **Default Schedule** |
| **Early Retirement Pension** | Participants may retire with an Early Retirement Pension if they have attained age 55 or older, have at least 5 Years of Credited Service and have met certain hours requirements. The Early Retirement Pension equals the Normal Pension to which a participant would have been entitled if he were then 65 years of age, reduced by .004 for each month by which the participant is younger than age 65 on the Effective Date of the pension. *(Plan Document Sections 4.4(a) and 4.5(a))* | As of January 1, 2022,\* the Early Retirement Pension equals the Normal Pension reduced actuarially (retroactively+) for each month by which the participant is younger than 65.  *(Reduction is no longer subsidized)* | As of September 1, 2019,\* the Early Retirement Pension equals the Normal Pension reduced actuarially (prospectively) for each month by which the participant is younger than 65.  *(Reduction is no longer subsidized)* |
| **20 and** Age 62 **Pension \*\*** | Participants may retire with a 20 and Age 62 Pension if they have attained age 55 or older, have at least 20 Years of Credited Service and have met certain hours requirements. The 20 and Age 62 Pension equals the Normal Pension to which the participant would have been entitled if he were then age 65; however, the amount is reduced if the participant is younger than age 62. *(Plan Document Sections 4.4(b) and 4.5(b))* | The subsidy for the unreduced 20 and Age 62 Pension benefit is eliminated *retroactively+* as of January 1, 2022\* | The subsidy for the unreduced 20 and Age 62 Pension benefit is eliminated *prospectively* as of September 1, 2019\* |
| **30 and Out Unreduced** Pension\*\* | Participants may retire with a 30 and Out Unreduced Pension at any age if they have at least 30 Years of Credited Service and have met certain hours requirements, The 30 and Out Pension equals the Normal Pension to which the participant would have been entitled if he were then age 65 without reduction. *(Plan Document Sections 4.4(c) and 4.5(c))* | The subsidy for the 30 and Out Unreduced Pension benefit is eliminated *retroactively+* as of January 1, 2022\* | The subsidy for the 30 and Out Unreduced Pension benefit is eliminated *prospectively* as of September 1, 2019\* |
| **Disability Pension** | Participants who have not reached age 65 are entitled to a Disability Pension if they become totally and permanently disabled and have at 5 least Years of Credited Service or Vesting Service (if hours requirements are met). Participants who have applied for benefits and are awaiting a disability determination may begin to receive an Early Retirement Pension, if eligible. The Disability Pension equals 10% more than the amount of the Early Retirement Pension a participant is eligible to receive, subject to minimum and maximum amounts. *(Plan Document Sections 4.8 — 4.11)* | The Disability Pension benefit is calculated using the new, unsubsidized reduction factors *retroactively+* as of January 1, 2022\* | The Disability Pension benefit is calculated using the new,  unsubsidized reduction factors *prospectively* as of September 1, 2019\* |
| Rate of Benefit Accruals | Benefits are accrued based upon months of Future Service Credit and calculated at each contribution rate in accordance with a schedule. *(Plan Document Section 4.3)* | **Unchanged** | Prospective monthly benefits will accrue at a rate of 1% of benefit-bearing contributions as of September 1, 2019\* |

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**I. NPP BENEFITS AT-A-GLANCE** *(CONTINUED)*

|  |  |  |  |
| --- | --- | --- | --- |
| **Plan Provision** | **Current Plan**  60 monthly payments death benefit to designated  beneficiaries of eligible participants *(Plan  Document Section 4.12)* | **Preferred Schedule** *(No Benefit Changes  Before 2022)*  Unchanged | **Default Schedule**  The 60 Payments Death Benefit is eliminated as of September 1, 2019\* |
| **60 Payments  Death Benefit** |
| **Vested Deferred Pension** | Participants may retire with a Vested Deferred Pension if they have attained age 55 or older and have at least 5 years of Vesting Service or Future Service Credit. The Vested Deferred Pension equals the applicable Normal or Early Pension Benefit based solely on the participant's Future Service Credit. *(Plan Document Sections 4.6 and 4.7)* | The Vested Deferred Pension benefit is calculated using the new, unsubsidized reduction factors *retroactively+* as of January 1, 2022\* | The Vested Deferred Pension benefit is calculated using the new, unsubsidized reduction factors *prospectively* as of September 1, 2019\* |
| **Normal Form of Payment for Unmarried Participants** | Single Life Annuity with 60 Certain Payments *(Plan Document Section 6.2)* | Single Life Annuity *retroactively+* as of January 1, 2022\* | Single Life Annuity  *prospectively* as of  September 1, 2019\* |
| **Pop-Up** | If the Spouse of a Pensioner who is receiving a 50%, 75% or 100% Spouse Pension Option dies before the Pensioner, the monthly amount payable to the Pensioner is increased to the full monthly amount that would have been payable if the 50%, 75% or 100% Spouse Pension Option had not been in effect. *(Plan Document Section 5.6)* | Unchanged | The pop-up feature is eliminated as of September 1, 2019\* |

* The term "retroactive" as used for the Preferred Schedule means that the benefit changes apply both retroactively and prospectively.
* These changes will take effect upon the later of: (i) the date referenced (September 1, 2019 or January 1, 2022 unless adopted earlier) and (ii) incorporation of the Preferred Schedule or Default Schedule (or imposition of the Default Schedule) into a participant's employer's collective bargaining agreement or participation agreement. Nobody for whom the Fund receives a completed application prior to the effective date is impacted.

\*4, For these Plan Provisions, the subsidy is eliminated while retaining eligibility.

**II. CONTRIBUTIONS AT A GLANCE**

*Note: Surcharges and Funding-Only Contributions do not impact withdrawal liability calculations.*

**Funding Only Contributions**

**Preferred Schedule**

* 2.5% increases compounded annually from date of adoption — 2031
* **Do not** cause higher benefits to be paid

Default Schedule

**Funding Only Contributions**

* 6.0% increases compounded annually from date of adoption - 2031
* Do not cause higher benefits to be paid

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Type of Contribution** |  | **Schedule** |  | **Amount** |
|  |  |  |

* **As of June** 1, 2019 = 5% of negotiated contributions
* As of January 1, 2020 = 10% of negotiated contributions; remains until collective bargaining agreement (or participation agreement) is renewed and includes Preferred or Default Schedule
* Surcharges may continue if Default Schedule is imposed
* Do not cause higher benefits to be paid

**Surcharges**

**Imposed by Statute**

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III. IMMEDIATE BENEFIT CHANGES REQUIRED BY FEDERAL LAW'

|  |  |  |
| --- | --- | --- |
| Plan Provision Current Plan | | Change as of April 26, 2019 |
| Disability Pension — Auxiliary Benefit | If a participant's Effective Date for a Disability Pension is after the first day of the seventh month of total and permanent disability, the payment for the first month equals the monthly benefit amount plus an additional auxiliary amount equal to the monthly benefit times the number of months (to a maximum of 12) between the Effective Date of the Disability Pension and such first day of the seventh month. *(Plan Document Section 4.10(b))* | The auxiliary amount increasing the first Disability Pension payment cannot be paid |
| **Lump Sum Death  Benefit** | Pays lump sum death benefit to designated beneficiaries of eligible participants equal to $200 x years of Future Service Credit. *(Plan Document Section 4.12)* | This lump sum cannot be paid |
| **Social Security Option** | Eligible participants may elect to have their monthly benefits actuarially adjusted, so that they receive a higher amount payable to age 62 and a reduced amount thereafter. *(Plan Document Section 6.4)* | This optional form of payment must be eliminated |
| **Partial Lump Sum  Option** | Eligible participants may elect to have the amount of their monthly benefit reduced by not more than 10% in return for the payment of a lump sum. *(Plan Document Section 6.6)* | This optional form of payment must be eliminated |
| Small Pensions | If the Actuarial Present Value of monthly benefits payable exceeds $5,000 (lump sum) but is not greater than $10,000, the benefit recipient may elect to receive it in a single sum. *(Plan Document Section 6.7)*  **Note: Automatic cash-outs for lump sums = $5,000 or less (and RASD make-up payments) are excluded from this prohibition.** | This election must be eliminated |
| **Return to Employment — Lump Sum** | If a Participant retires before Normal Retirement Age and then returns to Covered Employment and earns subsequent benefits, if the Actuarial Present Value of such subsequent benefits is $7,500 or less, a Participant may elect to receive such benefits in a lump sum payment. *(Plan Document Section 7.8(h))* | Lump sums cannot be paid |

These changes are required for Rehabilitation Plans by the Pension Protection Act of 2006, Pub. L. No. 109-280.

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