

U. A. PLUMBERS LOCAL UNION No.68
Fringe Benefit Trust Fund
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January 18, 2023

PLUMBERS LOCAL UNION NO. 68 PENSION FUND
PLAN OF DEFINED CONTRIBUTION BENEFITS; AND
THE U.A. PLUMBERS LOCAL UNION NO. 68 GROUP PROTECTION PLAN

To All Participants:

This Summary of Material Modifications (SMM) describes changes recently approved by the Trustees. Please read this notice carefully and keep it with your copies of your Summary Plan Descriptions (SPD).

Changes to the Plan of Defined Contribution Benefits

Change to Required Beginning Date.

Required Beginning Date is the date as of which federal law requires Participants to commence benefits under the Plan. Participants who do not begin distribution of their Accumulated Share by their Required Beginning Date may be liable for an additional 50% excise tax on the minimum required distribution portion that was not received.

Prior Rule. For Participants born before July 1, 1949, Required Beginning Date remains April 1 of the calendar year following the calendar year in which the Participant attained age 70-1/2.

New Rule. Effective January 1, 2020, for Participants born on or after July 1, 1949, Required Beginning Date is April 1 of the calendar year following the calendar year in which the Participant attains age 72.

Beneficiary Upon Divorce

Prior Rules. If you designate your Spouse as your Beneficiary, then that Beneficiary remained the same unless you chose to formally change it with the Fund Office, even upon divorce.

New Rule. If you have named your Spouse as your Beneficiary and you subsequently divorce, the designation of your former Spouse is automatically void and you must contact the Fund Office to name a new Beneficiary. You may still name your former Spouse as your Beneficiary, but it must be done after your divorce is final. The Fund is obligated to honor the terms of any Qualified Domestic Relations Order that may name a former Spouse as entitled to a share of your benefits, regardless of whether he or she is named as your Beneficiary.

Payment of Death Benefits

Prior Rule. A Participant's account distribution to a Beneficiary after death had to be completed within 5 years.

New Rule. Changes have been made by federal law governing the timing of payments to Beneficiaries if the Participant dies before receiving his or her account. For Participant deaths after December 31, 2021, the Participant's entire share must be distributed no later than end of the calendar year containing the 10th anniversary of the Participant's death.

Right to Bring Legal Action Against the Fund – Time Limit

You have the right to pursue legal action against the Fund after the denial of an appeal and after the exhaustion of the Fund's claims and appeals procedures. Those procedures are outlined in the Plan Document. You have one year from the receipt of the appeal denial in which to file legal action.

Withdrawal of Account

Prior Rule. In order to withdraw your Wage Deferral Account (the portion of your Account that includes only deposits from your salary and not Employer Contributions), you had to have a period of 60 consecutive months with no Employer Contributions, be Disabled, or have reached Normal Retirement Age (age 62).

New Rule. All or part of the amount in your Wage Deferral Account may be distributed when there have been no contributions to the account for a period of twelve consecutive months. The distributions are subject to the terms of the Plan.

Other Defined Contribution Plan terms were clarified to meet new statutory and regulatory requirements.

Change to the Group Protection Plan

The Trustees determined that to protect the financial integrity of the Plan, leaving covered employment to work in the same trade for a non-contributing employer should be deemed gross misconduct, so there would be no COBRA benefits offered, and it would not be a COBRA qualifying event.

Therefore, effective July 1, 2023, Participants who leave Covered Employment to work in the same trade for a non-contributing employer would be considered to have committed gross misconduct and will not be eligible for COBRA benefits.

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Please contact the Administrative Office if you have any questions about the benefit changes described in this notice.

Sincerely,

BOARD OF TRUSTEES

