SUMMARY OF MATERIAL MODIFICATION

TO ALL PENSION PLAN PARTICIPANTS

June 2012

The Board of Trustees of the Pipe Fitters’ Retirement Fund, Local 597 is pleased to announce the following Plan change regarding the Twenty Five Year Pension. Previously, a Participant was eligible for the Twenty Five Year Pension based on meeting the age and service requirements and by working at least 750 hours in Covered Employment during the 36 months prior to commencing pension benefits.

Effective May 1, 2012, a participant with 25 Pension Years can also meet the 750 hour requirement by working the 750 hours under a Local 597 collective bargaining agreement with a qualifying governmental entity. Also, any individuals who retired since January 1, 2000 (the inception of the Twenty Five Year Pension), and who would have qualified for the Twenty Five Year Pension based on this new rule, will have their pensions recalculated.

The Twenty Five Year Pension, for retirements commencing on or after May 1, 2012, is summarized as follows:

**Twenty Five Year Pension for New Retirees**

Effective May 1, 2012, you are eligible for the Twenty Five Year Pension if you meet the following requirements:

1. You attain age 60,

2. You have earned at least 25 Pension Years, and

3. You work within the 36 months prior to retirement at least 750 hours during a 12 consecutive month period in Covered Employment or any employment with a qualifying governmental entity covered by a Local 597 collective bargaining agreement.

The qualifying governmental entities include: 1) the City of Chicago, 2) the Chicago Transit Authority, 3) the Metropolitan Water Reclamation District of Greater Chicago, 4) the State of Illinois, 5) Cook County, Illinois, 6) the Gary Community School Corporation, and 7) the School City of Hammond.

(over)
Twenty Five Year Pension during the Period January 2000 through April 30, 2012

The revised eligibility requirements for the Twenty Five Year Pension also apply to certain retirees already in pay status. Effective May 1, 2012, a participant with 25 Pension Years who retired during the period January 1, 2000 through April 30, 2012, will be able to meet the 750 hour requirement, if he worked 750 hours under a Local 597 agreement with a qualifying governmental entity as of his Annuity Starting Date. The recognition of such non-Covered Employment, for purposes of the 750 hour eligibility requirement, does not add to the Participant’s Pension Years.

If a Participant who retired prior to May 1, 2012 qualifies for a Twenty Five Year Pension based on these more generous eligibility requirements, his benefits are recalculated effective May 1, 2012. There are no retroactive payments for periods prior to May 1, 2012.

If you have any question, please contact the Fund Office.

Sincerely,

Board of Trustees