

# PIPE FITTERS' RETIREMENT FUND, LOCAL UNION 597

## Summary of Material Modification

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### Accrual Rate Increases to \$82

The Accrual Rate will increase from \$76.00 to \$82.00 January 1, 2022.

### 13<sup>th</sup> Check

- Retirees and surviving Spouses who have earned 25 or more Pension Years from service in Covered Employment and who are receiving benefits as of November 1, 2021, shall receive an extra (13<sup>th</sup>) pension check along with their regular November 2021 monthly benefit conditioned upon their continued status in Retirement. Beneficiaries and alternate payees receiving benefits pursuant to a QDRO are not eligible for this 13<sup>th</sup> check. Service transferred from a plan that was merged into this Plan will not count towards meeting the 25 Pension Year requirement.

In the event a Participant returns to Covered Employment during the twelve-calendar month period following November 1, 2021, the Participant shall be obligated to return the value of the extra (13<sup>th</sup>) pension check to the Fund. If the Participant does not return the value of the 13<sup>th</sup> check, the amount owed will be deducted from any subsequent benefit payments.

### Increase in Monthly Benefit

Effective January 1, 2022, retirees receiving benefits as of December 31, 2021, and who earned 25 or more Pension Years from service in Covered Employment, will receive a 7.89% increase in the amount of their monthly benefit. Beneficiaries and alternative payees receiving benefits pursuant to a QDRO are not entitled to this increase. Surviving Spouses are not entitled to this increase. Service transferred from a plan that was merged into this Plan will not count towards meeting the 25 Pension Year requirement.

For retirees whose benefit is subject to a QDRO, the retiree's monthly benefit is increased by the sum of (1) the retiree's monthly benefit times 7.89% and (2) the alternate payee's monthly benefit times 7.89%.

### REQUIRED MINIMUM DISTRIBUTION CHANGES

On December 20, 2019, the Setting Every Community Up for Retirement Enhancement Act of 2019 ("SECURE Act") was signed into law. The SECURE Act, among other things, changed the date the Plan must begin making required minimum distributions, otherwise known as the Required Beginning Date. Your pension benefit must begin on your Required Beginning Date.

Before the SECURE Act, the Required Beginning Date was the April 1<sup>st</sup> following the calendar year in which you attain age 70 ½. The SECURE Act increased the Required Beginning Date from age 70 ½ to age 72 for people who turn age 70 ½ on or after January 1, 2020.

In other words, if you reach age 70 ½ **on or after January 1, 2020**, your Required Beginning Date is the April 1<sup>st</sup> following the calendar year in which you attain age 72. However, if you reached age 70 ½ **before January 1, 2020**, your Required Beginning Date has not changed and will continue to be the April 1<sup>st</sup> following the calendar year in which you attain age 70 ½.