32BJ School Workers Pension Fund

Formerly known as the "Pension Fund of S.E. I.U. Local 74"

PENSION

Summary Plan Description

July 1, 2014

Translation Notice

This booklet contains a summary in English of your Plan rights and benefits under the 32BJ School Workers Pension Fund. If you have difficulty understanding any part of this booklet, contact Member Services at 1-800-551-3225 for assistance or write to:

Member Services
32BJ School Workers Pension Fund
25 West 18th Street
New York, NY 10011-4676

The office hours are from 8:30 a.m. to 5:00 p.m., Monday through Friday. You may also visit www.32bjfunds.org.

Este folleto contiene un resumen en inglés de sus derechos y beneficios con el Plan del 32BJ School Workers Pension Fund. Si tiene alguna dificultad para entender cualquier parte de este folleto, contacte al Centro de servicios para afiliados al 1-800-551-3225 para recibir asistencia, o escriba a la dirección siguiente:

Member Services
32BJ School Workers Pension Fund
25 West 18th Street
New York, NY 10011-4676

El horario de oficina es de 8:30 a.m. a 5:00 p.m., de lunes a viernes. También puede visitar www.32bjfunds.org.

Kjo broshurë përmban një përmbledhje në anglisht, në lidhje me të drejtat dhe përfitimet tuaja të Planit nën 32BJ School Workers Pension Fund. Nëse keni vështirësi për të kuptuar ndonjë pjesë të kësaj broshure, kontaktoni Shërbimin e Anëtarit në numrin 1-800-551-3225 për ndihmë ose mund të shkruani tek:

Member Services
32BJ School Workers Pension Fund
25 West 18th Street
New York, NY 10011-4676

Orari zyrtar është nga ora 8:30 deri më 17:00, nga e hëna deri të premten. Gjithashtu, ju mund të vizitoni faqen e Internetit www.32bjfunds.org.

Niniejsza broszura zawiera opis, w języku angielskim, Twoich praw i świadczeń w ramach Planu 32BJ School Workers Pension Fund. W przypadku jakichkolwiek trudności ze zrozumieniem dowolnej części broszury, prosimy skontaktować się z Centrum obsługi członków pod numerem telefonu 1-800-551-3225 lub pisemnie na adres:

Member Services
32BJ School Workers Pension Fund
25 West 18th Street
New York, NY 10011-4676

Biuro czynne jest w godzinach od 8:30 do 17:00 od poniedziałku do piątku. Można również odwiedzić naszą stronę pod adresem www.32bjfunds.org.

32BJ School Workers Pension Fund

25 West 18th Street, New York, NY 10011-4676
Telephone: 1-800-551-3225

The 32BJ School Workers Pension Fund is administered by a joint Board of Trustees consisting of Union Trustees and Employer Trustees with equal voting power.

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Overview

As a preliminary matter, we want to remind you of a few material changes regarding the sponsorship and administration of the 32BJ School Workers Pension Plan (formerly known as the "Pension Fund of S.E.I.U. Local 74") (the "Fund" or the "Plan") that have occurred since the Summary Plan Description's ("SPD") last amendment and restatement. First, as of November 1, 2009, S.E.I.U. Local 32BJ (the "Union") replaced USWU Local 74 ("Local 74") as the joint sponsor, along with the *Contributing Employers*, of the Plan. As a result of this change, Local 32BJ (rather than Local 74) is now the Union that names two of the four Trustees that manage the Plan. Together with the Contributing Employers, who name the other two Trustees, the Union intends to maintain the Plan to help you prepare yourself and your family for the future. Secondly, the Trustees also decided to retain ATPA as the independent third party administrator for the Plan (hereinafter referred to as "ATPA" or the "Fund Administrator"), as of July 1, 2009, to assist with the daily administrative functions for the Plan. Finally, as indicated above, the Plan was subsequently renamed in December 2010 as the "32BJ School Workers Pension Plan."

With that background, we are pleased to present you with this updated booklet describing the benefits under the Plan. The primary purpose of this booklet is to provide you with a general explanation, in non-technical terms, of the most important features of the Plan. It's important that you understand how the Plan works. Therefore, we urge you to read this booklet carefully.

Please understand that no general explanation can adequately give you all the details of the Plan, and your full rights can be determined only by referring to the full text of the Plan. Since the provisions of this Plan may also apply to members of your immediate family, we suggest and encourage that you read this booklet with them so that they are aware of your pension benefit, as well as any survivor benefit to which they may be entitled. If you lose your copy, you may request another copy from the Fund Administrator, as noted below.

Every effort has been made to provide you with a clear description of the Plan in plain, everyday language. However, certain words and phrases may seem technical to you. If you still have questions after reading this booklet, please contact member services.

On the following page is a brief overview of the Plan's key features:

Employer-Paid Contributions	The Contributing Employers pay the entire cost of your participation in the Plan and have agreed in a *Collective Bargaining Agreement* to make contributions to the Plan on behalf of their covered employees who perform bargaining unit work.
Your Pension Benefit	The amount of your monthly pension benefit is determined upon your retirement by multiplying the number of service-related credits you earn over your career by a specific dollar amount.
Eligibility	You become eligible to participate in the Plan after completing the required *Hours of Service* during a 12-month *Eligibility Period* working for a covered employer.
Vesting	You vest in your pension benefit all at once after completing five (5) years of *Vesting Service*.
Benefit Payments	You may choose from among an assortment of monthly annuities at the time you retire.

The Plan is provided to you under a Collective Bargaining Agreement. The Plan is operated by the Board of Trustees (sometimes referred to as the "Trustees"), which is composed of Union Trustees and Employer Trustees, whose names may be found in "Important Names, Numbers and Other Information" at the end of this SPD. As referenced on the preceding page, the Fund Administrator is responsible for managing the day-to-day operations of the Plan. The Board of Trustees may amend or terminate the Plan (in whole or in part) at any time and for any reason.

Important Note about This Summary Plan Description

Because no simple explanation can adequately give you all of the details of the Plan, this SPD does not change, interpret or take the place of the official Plan documents (including the Trust Agreement and the Collective Bargaining Agreement, or other applicable agreement(s)). The official Plan documents provide all of the rules and regulations of the Plan. This SPD itself has no legal effect and, in the event that there is a conflict between this SPD and the official Plan documents, the Plan documents will govern. Accordingly, nothing in this SPD will modify or change the official Plan documents.

Please be aware that neither this booklet nor the Plan is a contract of employment; they neither guarantee employment with a Contributing Employer nor diminish in any way the right of a Contributing Employer to terminate an employee's employment in any *Covered Job* or *Non-Covered Job*.

This SPD generally describes the provisions of the Plan (as amended) through July 1, 2014 and thereafter, and it is applicable to benefits that had not yet begun to be paid by that date. We note that additional amendments to the Plan are possible as the circumstances change. Generally speaking, the pension benefits to which you are entitled are determined under the terms of the Plan in effect when you retire (or otherwise terminate *Covered Employment*), unless otherwise required by law.

Please contact the Fund Administrator to request copies of the SPD, the Plan Document, the Trust Agreement, or your Collective Bargaining Agreement, or if you have any questions regarding your Plan benefits.

A Tip about Terms

A Glossary of Terms appears at the end of this SPD. The terms defined in the Glossary are capitalized and *italicized* the first time they appear in the text of this document and, thereafter, capitalized throughout the remainder of this document.

Eligibility, Enrollment and Cost

Who Is Eligible

You are covered under the Plan if you work in a Covered Job for an employer acceptable to the Trustees that contributes to the Plan according to the terms of its *Collective Bargaining Agreement*, and you meet the eligibility requirements to become a Plan *Participant*. However, you are not eligible under the Plan if you are a self-employed person or sole proprietor, or are classified by an employer as an independent contractor.

You will become a Plan Participant on the January 1 or July 1 next following the date on which you have one *Year of Service*. You will have one Year of Service when you work 1,000 *Hours of Service* during an Eligibility Period (see "Counting Your Service" on the following page). The first Eligibility Period is the 12-month period after you begin work. Your subsequent Eligibility Periods are the *Plan Years* (beginning with the first Plan Year containing the anniversary of the date you began work). However, if you don't complete at least 400 Hours of Service in an Eligibility Period, you will be treated as a new employee and your new Eligibility Period will begin on the first day you next complete an hour of service. A Plan Year begins July 1 and ends June 30.

The 1,000 Hours of Service includes any time you've worked for a Contributing Employer in a Covered Job, including the time you work during any 90-day probationary period. Your Hours of Service begins on your first day of employment in a Covered Job, not after satisfying any probationary period. In addition, the 1,000 Hours of Service can include time that you worked on a Non-Covered Job for a Contributing Employer, if you worked those hours in a Non-Covered Job immediately before you worked on a Covered Job. A Non-Covered Job is a job that is not covered under a Collective Bargaining Agreement requiring contributions into the Fund.

An Example

Let's say you started work at a Non-Covered Job in April 2011. Then, in November, you transfer to a Covered Job. By April 2012, after 12 months of work, you have worked 1,100 hours—600 hours on the Non-Covered Job and 500 hours on the Covered Job.

Since you have worked more than 1,000 hours in your first 12 months at work, you will join the Plan (as a Participant) on July 1, 2012.

The Plan Year

The Plan Year is July 1 to June 30 of every year. So, July 1st marks the beginning of another Plan Year and June 30th marks the end.

Counting Your Service

Under the Plan, the Hours of Service you put in on the job are used for three main purposes:

1. To determine when you are eligible to begin participating (as described on pages 7–8).
2. To determine the number of your *Pension Credits*. Pension Credits are used in determining when you are eligible to retire and in calculating the amount of your pension (see "How Your Pension is Calculated" on pages 16–17 for more details about Pension Credits).
3. To determine the amount of your *Vesting Service*. Vesting Service is used in determining when you become *Vested* in your pension benefit (i.e., when your right to receive a pension becomes nonforfeitable), (see "Vesting" on pages 17–18 for more details).

The amount of your Pension Credits and Vesting Service depends on your Hours of Service. You earn Hours of Service in several ways:

- You earn one Hour of Service for both Pension Credit and Vesting Service purposes for each hour you are paid or entitled to be paid for work on a Covered Job, including those hours for which you receive or are entitled to receive back pay.
- You earn one Hour of Service for each hour you work on a Non-Covered Job for a Contributing Employer that you hold just prior to starting a Covered Job. This time counts only for your Vesting Service and for determining your eligibility for participation. It does not count towards Pension Credit.
- You can receive up to 501 Hours of Service for other time that you are paid (or entitled to be paid) but are unable to work, such as vacations, holidays, sick leave, illness, leave of absence, disability, layoff, military duty or jury duty. In certain cases, you may be eligible to receive Pension Credits for up to 26 weeks if you are disabled.

Under Federal law, you have additional rights (including the right to receive Vesting Service and Pension Credit) as a result of a period of uniformed services in the United States Armed Forces, provided you meet certain legal requirements, including the requirement that your discharge is honorable and that you return to Covered Employment within the time period required by law. Regardless of whether the law entitles you to this benefit, if you leave Covered Employment to enter active service in the United States Armed Forces, your period of military service (up to five (5) years) will not count toward a *Break-in-Service*. If you return to (or make yourself available for) Covered Employment within 90 days after your discharge from military service, you will be credited with up to five (5) years of Vesting Service. You may also be entitled to additional benefits if you die while in military service. Please contact the Fund Administrator prior to the start of your military service so that you can better understand your rights under Federal law. You should also be sure to notify the Fund Administrator promptly upon your return from military service.

If you were a Participant in the Jewelry Manufacturers Association ("*JMA*") Pension Plan (who wishes to take an *Early Retirement Pension* or *Disability Pension*,) your Pension Credits and years of Vesting Service will include:

- The number of "covered service credits" you received under the JMA Pension Plan for periods prior to January 1, 1999, and
- One full service credit and a year of Vesting Service if you completed one hour of service between January 1, 1999 and June 30, 1999.

The Fund Administrator will send you an individual benefit statement every year listing the Covered Employment that has been reported to the Plan on your behalf. If you believe that you have not received credit for all of your Covered Employment, you must contact the Fund Administrator and submit a written request for correction of the Plan's records. The Fund Administrator must receive your request within three years after the end of the Plan Year for which you are requesting additional credit. Because this rule is new, you will have until December 31, 2018 to request additional credit for any prior year's Covered Employment that is missing from your annual statements. But after December 31, 2018, you will always have only three years to request additional credit. For example:

If you want to request credit for Covered Employment in these years	The Fund Administrator must receive your request on or before this date
Any year through 2014	December 31, 2018
2015	December 31, 2018
2016	December 31, 2019
2017	December 31, 2020
Any later year	The December 31 that is three years after the end of the year for which you want credit

No requests received after the deadline described above will be considered or granted by the Fund Administrator. For a complete description of the rules and procedures for requesting a correction of Plan records please see "Exclusive Procedure for Correcting Plan Records Relating to Covered Employment" on pages 45–46.

Breaks-in-Service

You will have a one-year Break-in-Service for each Plan Year in which you earn less than 400 Hours of Service in Covered Employment. When you have a Break-in-Service, you are no longer an active Participant in the Plan. If you are rehired in Covered Employment, you will rejoin the Plan as an active Participant and begin earning new Pension Credits and Vesting Service as described below.

- *If you come back before you have a one-year Break-in-Service*, you will rejoin the Plan immediately.
- *If you have a one-year Break-in-Service, but return to employment before you have a permanent Break-in-Service*, you must work 1,000 hours during the 12-month period starting on the date you return to employment (or a later Plan Year) before you can rejoin the Plan. However, once you meet this requirement, your participation will be retroactive to the date you returned to work.
- *If you return to work after a permanent Break-in-Service*, you must meet the eligibility requirements all over again before you can rejoin the Plan. You begin participating in the Plan on your new entry date (i.e., January or July following the date on which you have one Year of Service).

You may be able to keep the Pension Credit and Vesting Service you had before the break, depending on how much Vesting Service you had before the break and how many one-year breaks you have had.

- *If you had five (5) or more years of Vesting Service* before the Break-in-Service (and the break was after July 1, 1987), you will not lose your prior Vesting Service and Pension Credit.
- *If you had fewer than five (5) years of Vesting Service* before the Break-in-Service (and the break was after July 1, 1987), you will have a "permanent Break-in-Service" if the number of consecutive one-year breaks equals or exceeds the greater of five (5) or the aggregate number of your Years of Service before the break. If you have a permanent Break-in-Service, you will lose all of your prior Vesting Service and Pension Credit and will have to start earning benefits under the Plan all over again.

In some cases, you will get credit for enough Hours of Service to avoid a Break-in-Service even when you are not working.

- *If you leave a Covered Job for qualified U.S. active military service (as defined in Section 414(u) of the Internal Revenue Code of 1986, as amended)*, the period of such military service for up to five (5) years (or such longer period as is required under applicable law) will not count toward a Break-in-Service.
- *If you are on leave for certain periods of time due to a pregnancy, giving birth to, or adopting, a child, or caring for your child immediately after the birth or adoption*, you will not have a Break-in-Service. In addition, periods during which you are absent from Covered Employment because of a period of leave required to be provided under the Family and Medical Leave Act of 1993, will not count toward a Break-in-Service, to the extent required by law. *In these special circumstances, you will get credit for the hours you would have normally received credit for if you were not on leave (or 8 hours per day, if the actual hours can't be determined)*, up to a maximum of 501 hours in the Plan Year of your leave or the next Plan Year. However, you will only be credited for the number of hours you need to prevent a Break-in-Service. These hours will not count towards your Vesting Service or Pension Credit.

Cost of the Plan

Your employer pays the full cost of your pension benefit and makes all contributions to the Plan on your behalf. The amount your employer contributes is set by the terms of your Collective Bargaining Agreement. All contributions are held in a trust fund under the terms of the Trust Agreement.

Only your employer may make contributions to the Plan. You are not required (nor are you permitted) to make any contributions on your own. In addition, you may not roll over any amount from another qualified plan into the Plan.

Any benefit amount that is accrued but not Vested when a Participant terminates his or her employment will be retained by the Fund. These forfeited benefits will be used to reduce future employer contributions to the Plan.

When You Can Retire

You can receive your pension benefit upon taking normal, early or late retirement. The Plan also pays a benefit if you become totally and permanently disabled. In addition, you may be entitled to a deferred pension if you leave Covered Employment before you can retire but after you have Vested in your pension benefit.

To Be Retired, You Must Not . . .

- **Before** your *Normal Retirement Age*, work for the New York City School System, or in any industry in which Participants covered by the Plan were employed in Covered Employment subject to the terms of a Collective Bargaining Agreement.
- **After** your Normal Retirement Age, work 40 or more Hours of Service within any calendar month in the following: (a) any industry which is covered by the Plan, (b) a trade or craft for which you were employed at any time under the Plan, and (c) the geographical area in which people are working in Covered Employment when you retire.

Normal Retirement

You are eligible to receive an unreduced *Normal Retirement Pension* once you have reached your Normal Retirement Age. You may begin collecting this benefit on your *Normal Retirement Date*—the first day of the month following the month in which you reach your Normal Retirement Age. (If you reach Normal Retirement Age on the first day of a month, you may begin collecting your pension that very day.)

Your Normal Retirement Age under the Plan is the later of age 65 or, for those who began participating in the Plan after reaching age 60, the fifth anniversary of the date you became a Participant. Every Participant who retires on or after reaching Normal Retirement Age will receive a Normal Retirement Pension.

If you qualify, the amount of your pension benefit is determined according to the rules described under “How Your Pension is Calculated” on pages 15–22.

Early Retirement

You are eligible for an Early Retirement Pension after reaching age 55 if you have been credited with at least five (5) Pension Credits and have completed at least five (5) years of Vesting Service. You may begin collecting this benefit on the first day of any month after termination from employment with your employer (if you terminate on or after age 55) or you can wait and begin collecting your Pension after reaching your Normal Retirement Age.

You should keep in mind that if you leave service after satisfying the service requirements but not the age requirements for this benefit, you cannot receive an Early Retirement Pension unless you subsequently return to a Covered Job and complete another 1,000 Hours of Service (a Year of Service). Otherwise, unless you are eligible for a Disability Pension, you will have to apply for a Deferred Vested Pension in order to receive benefits prior to reaching your Normal Retirement Age.

If you qualify for an Early Retirement Pension, the amount of your pension benefit is determined according to the rules described under “How Your Pension is Calculated” on pages 15–22.

Please note that if you first became a Participant on or after July 1, 2011 and become eligible for an Early Retirement Pension, such benefits will begin only after you have submitted a complete application for those benefits; no amounts will be payable for periods prior to the Plan’s receipt of a completed pension application, even if you were eligible for those benefits at an earlier date. Accordingly, if you become a Participant on or after July 1, 2011, you will not be able to elect a retroactive annuity starting date with regard to an Early Retirement Pension benefit.

Late Retirement

You can keep working beyond age 65 (Normal Retirement Age) and retire the first day of any month after that. You can keep earning Pension Credits until you have reached the maximum number of Pension Credits allowed under the Plan. The maximum number of Pension Credits is 25 for those terminating employment on or after January 1, 2003. You can find out more about maximum Pension Credits, on pages 15–22, under “How Your Pension is Calculated”.

Deferred Vested Retirement

If you leave your employer after vesting in your pension benefit, but before being eligible to retire, you are entitled to a Deferred Vested Pension. It is called “Vested” because you have a nonforfeitable right to it, and “Deferred” because payment of the pension is postponed until you become eligible to receive benefits and you apply to receive them. Even if you are entitled to begin receiving payments upon leaving your employer, payments will not begin until after you apply for them. You are Vested in your pension benefits after completing five (5) years of Vesting Service or after earning five (5) Pension Credits.

You are entitled to begin collecting your Deferred Vested Pension once you reach Normal Retirement Age, or satisfy all the requirements for an Early Retirement Pension. If you qualify, the amount of your pension benefit is determined according to the rules described under “How Your Pension is Calculated” on pages 15–22.

Disability

You are eligible for a Disability Pension if you become totally and permanently disabled while employed in a Covered Job, provided you have been credited with at least five (5) Pension Credits and have completed at least five (5) years of Vesting Service.

Disability Eligibility

The definition of disability used by the Plan is the same as that used by the Social Security Administration. You will be deemed eligible for a disability benefit under the Plan if you also qualify as eligible for Social Security disability payments. The Date of Disability under the Plan is the date the Social Security Administration designates in its disability award letter as the date you first became disabled. If, however, your Social Security Administration disability award letter does not state the Date of Disability and only states the date that your Social Security disability payments will commence, your Date of Disability will be the date that is five (5) months prior to your Social Security disability award letter’s date of benefit commencement. If you are eligible for both a Disability Pension and an Early Retirement Pension, or some other form of pension, you may choose to receive one of these two pensions, but not both.

From time to time, you may be asked to submit evidence of your continued total and permanent disability. You will stop receiving Disability Pension payments if and when you are no longer disabled, unless you have already reached age 65. If the Social Security Administration determines that you are no longer eligible for Social Security disability payments, you must notify the Board of Trustees and the Fund Administrator immediately. You will stop receiving disability payments from the Plan at that point. If you fail to notify the Board of Trustees and the Fund Administrator, when you later retire, your pension will be reduced to take into account the Disability Pension payments that you received from the Plan after you were notified of your ineligibility for Social Security disability benefits by the Social Security Administration.

If you qualify, the amount of your pension benefit is determined according to the rules described under “How Your Pension is Calculated” on pages 15–22.

How Your Pension is Calculated

Your monthly pension benefit is determined by multiplying the appropriate *Pension Rate* by the number of Pension Credits you have earned during your career.

Pension Formula				
Your Monthly Pension Benefit	=	Your Pension Rate	X	Your Pension Credits

The pension benefit calculated using this formula is the amount you will receive each month commencing at your Normal Retirement Date. Unless you choose an applicable *Optional Form of Payment*, your monthly pension benefit will be calculated based on the *Normal Form of Payment* depending upon your marital status at your Normal Retirement Date. If you are not *Married* as of your Normal Retirement Date, your Normal Form of Payment will be a 36-Month Certain and Life Pension Annuity. If you are Married as of your Normal Retirement Date, your Normal Form of Payment will be a 50% Joint and Survivor Pension Annuity, and your monthly payment will be reduced accordingly.

Pension Rates

Pension Rates are one of the factors used in calculating your monthly pension benefit. The specific Pension Rate used in computing your benefit will depend on the year in which you terminate Covered Employment.

If You Terminate(d) Covered Employment. . .	Your Pension Rate is. . .
On or after January 1, 2003	$44.00
Between January 1, 2001 and December 31, 2002	$42.30
Between January 1, 1999 and December 31, 2000	$40.74
Between July 1, 1994 and December 31, 1998	$36.42
Between January 1, 1992 and June 30, 1994	$35.17
In 1990 or 1991	$34.00
In 1989	$30.00
In 1988	$26.00
In 1987	$22.00
In 1986	$18.00
Before 1986	$14.00

Pension Credits

Each Plan Year, you earn a whole or fraction of a Pension Credit based on the number of Hours of Service you complete in that Plan Year. Pension Credits are allocated to you according to the following schedule:

Hours of Service You Complete in a Plan Year	Percentage of a Pension Credit You Earn
1,800 or more	100%
1,600 – 1,799	90%
1,400 – 1,599	80%
1,200 – 1,399	70%
1,000 – 1,199	60%
700 – 999	50%
400 – 699	25%
Less than 400	0%

The Plan also limits the total number of Pension Credits that can be used in the Pension Formula on page 15. The limit that applies to you will depend on the year you terminate Covered Employment.

If You Terminate(d) Covered Employment. . .	Your Pension Credits May Not Exceed. . .
On or after January 1, 2003	25
Between January 1, 2001 and December 31, 2002	26
Between January 1, 1999 and December 31, 2000	27
Between July 1, 1994 and December 31, 1998	28
Between January 1, 1992 and June 30, 1994	29
Between July 1, 1988 and December 31, 1991	30
Before July 1, 1988	25

However, if you begin receiving your pension on or after January 1, 2006 with 30 or more Pension Credits, your monthly pension benefit at your Normal Retirement Date (as calculated using the Pension Formula on page 15 under “How Your Pension is Calculated”) will be increased by an additional $100.

Vesting

Vesting refers to your right to ultimately collect your pension benefit. Generally speaking, depending upon the pension benefit at issue, you become Vested in a pension benefit after completing five (5) years of Vesting Service. Being Vested means that you have a nonforfeitable right to receive a benefit from the Plan upon your future retirement.

If your Covered Employment ends before you are Vested, you will lose all the benefits you have accrued to date.

You earn a year of Vesting Service for any Plan Year in which you have completed at least 1,000 Hours of Service with your employer. Vesting Service includes all Years of Service with a Contributing Employer, even any years you may have completed prior to becoming a Plan Participant. You also earn Vesting Service for any years you spend working for a Contributing Employer in a job for which contributions are generally not made to the Plan, provided your non-Covered Employment is continuous with your Covered Employment. You do not earn vesting credit for any time when you are disabled.

See pages 10–11 under “Breaks-in-Service” for more information on whether service prior to a Break-in-Service is counted for vesting purposes.

Special Rules for Participants in the JMA Pension Plan

Years of Vesting Service for a Participant in the JMA Pension Plan will include:

- The years of Vesting Service earned under the JMA Pension Plan as of January 1, 1999, plus
- One year of Vesting Service if one hour of service was credited between January 1, 1999 and June 30, 1999, plus
- The years of Vesting Service earned after June 30, 1999 under this Plan.

The vesting schedule of the old JMA Pension Plan will apply to any JMA Participant who terminated employment prior to the merger.

Normal Retirement Pension

When you retire on a Normal Retirement Pension, you will be paid a set dollar amount for each Pension Credit you have earned up to the maximum number of Pension Credits allowed in accordance with the Pension Formula on page 15 under “How Your Pension is Calculated”. The dollar amount is calculated by multiplying the appropriate Pension Rate by the number of Pension Credits you have earned during your career up to the maximum number of Pension Credits described on pages 16–17. In addition, if you begin receiving benefits on or after January 1, 2006 with 30 or more Pension Credits, the monthly dollar amount will be increased by an additional $100. Your Pension Rate and permissible Pension Credits are determined at the time that you terminate Covered Employment.

An Example

Juan is retiring on December 31, 2012 after a career in which he has earned 25 Pension Credits—the maximum allowed for those employees retiring on or after January 1, 2003. Juan has reached age 65, so he is eligible for a full, unreduced Normal Retirement Pension.

Juan’s Pension Calculation				
Juan’s Monthly Pension Benefit	=	Juan’s Pension Rate	X	Juan’s Pension Credits
$1,100.00	=	$44.00	X	25

If, by the time Juan retired, he had worked enough years to earn 28 Pension Credits, he would still receive a maximum pension benefit based on the 25-credit limit that applies to him. If, by the time Juan retired, he had worked enough years to earn 30 Pension Credits, he would be eligible to receive an additional $100 a month for a total of $1,200 a month.

The following chart shows the highest monthly pension benefit available depending on when you retire:

If you Retire...	The Pension Rate is...	The Maximum Number of Pension Credits is...	The Highest Monthly Pension Benefit is...
12/31/85 or before	$14.00	25	$350
1/1/86 to 12/31/86	$18.00	25	$450
1/1/87 to 12/31/87	$22.00	25	$550
1/1/88 to 6/30/88	$26.00	25	$650
7/1/88 to 12/31/88	$26.00	30	$780
1/1/89 to 12/31/89	$30.00	30	$900
1/1/90 to 12/31/91	$34.00	30	$1,020
1/1/92 to 6/30/94	$35.17	29	$1,020
7/1/94 to 12/31/98	$36.42	28	$1,020
1/1/99 to 12/31/00	$40.74	27	$1,100
1/1/01 to 12/31/02	$42.30	26	$1,100
1/1/03 or later *	$44.00	25	$1,100

Keep in mind that these examples and charts are based on taking benefits in the form of a 36-Month Certain and Life Pension Annuity. Amounts will differ if you receive a different form of benefit. See “How Your Pension Will Be Paid” on pages 22–37.

* For retirements after January 1, 2006, the highest monthly pension benefit is $1,200 if you retire with at least 30 Pension Credits.

Special Rules for Participants in the JMA Pension Plan

If you were a Participant in the JMA Pension Plan, your Normal Retirement Pension will include:

- The benefit you earned under the JMA Pension Plan prior to January 1, 1999, plus
- Your applicable Pension Rate under this Plan multiplied by the number of Pension Credits you’ve earned under the Plan since the merger.
- In addition, if you participated in the JMA Pension Plan, you will receive one full Pension Credit and year of Vesting Service if you were credited with one Hour of Service during the period of January 1, 1999 through June 30, 1999.

However, your total monthly pension benefit may not exceed the applicable Pension Rate multiplied by the maximum number of Pension Credits, according to your retirement date.

Early Retirement Pension

If you have at least five (5) Pension Credits and five (5) years of Vesting Service, you can retire and commence benefits from the Plan as early as age 55, provided that you are working in Covered Employment on your 55th birthday or you return later and earn a year of Pension Credit. Your Early Retirement Pension is calculated in the same way as a Normal Retirement Pension using the Pension Rate and Pension Credits you have when you leave your Covered Job, up to the maximum number of Pension Credits allowable for that year.

An Example

Robert is retiring on December 31, 2011 after a career in which he has earned 20 Pension Credits. Robert is only age 60 and is retiring early, but his pension benefit is calculated in the same way as if he were retiring at his Normal Retirement Date.

Robert's Pension Calculation				
Robert's Monthly Pension Benefit	=	Robert's Pension Rate	X	Robert's Pension Credits
$880.00	=	$44.00	X	20

If Robert receives a 50% Joint and Survivor Pension Annuity (or other applicable Optional Form of Payment), see pages 22–31, the monthly pension payment he receives during his lifetime will be reduced.

Late Retirement Pension

If you retire after age 65, your pension will be calculated the same way it is for Normal Retirement Pension. Your accrued benefit as of the end of each Plan Year following your Normal Retirement Age is the greater of 1) the Normal Retirement Pension under the Plan (taking into consideration service and compensation credited after Normal Retirement Age), or 2) the accrued benefit determined as of the later of Normal Retirement Age or the end of the prior Plan Year, actuarially adjusted for late retirement. It will be based on the number of Pension Credits you have when you terminate employment, up to the maximum number of Pension Credits allowable for that year.

Deferred Vested Retirement Pension

If you have earned at least five (5) Pension Credits or five (5) years of Vesting Service at the time you terminate Covered Employment, you can begin receiving full benefits when you reach your Normal Retirement Age. The amount of your deferred *Vested Pension Benefit* is calculated in the same way as any other pension benefit—by multiplying your Pension Rate by the Pension Credits you had when you left your job, up to the maximum credits allowable.

However, if you terminate Covered Employment prior to age 55, you may begin receiving a monthly pension benefit at any time after reaching age 55 provided you have earned at least five (5) Pension Credits *and* five (5) years of Vesting Service at the time you terminated employment. Your monthly benefit will be **reduced** by 1/2% for each calendar month between the date you actually begin collecting and the date you reach Normal Retirement Age.

An Example

Janet decided to leave her Covered Employment in 1990 after being Vested in her pension and earning 23 Pension Credits. But because Janet was not yet age 55, she was not eligible for an Early Retirement Pension at that time. If she decides to start taking her pension in 2012 at age 61, her monthly pension benefit will be determined as follows:

Step 1 – *Calculate Janet's pension benefit at normal retirement*

Pension Rate (at termination in 1990)		**Pension Credits** (at termination in 1990)		**Monthly Pension at Age 65**
$34.00	X	23	=	$782.00

Step 2 – *Calculate Janet's Pension Reduction Factor for 48 extra monthly payments (age 61 to 65)*

Extra Monthly Payments		Reduction Per Month		Pension Reduction Factor
48	X	0.005	=	0.24 (24%)

Step 3 – *Calculate the amount by which each of Janet's monthly payments will be reduced*

Monthly Pension at Age 65		Pension Reduction Factor		Reduction Amount from Each Payment
$782.00	X	0.24	=	$187.68

Step 4 – *Calculate the amount of Janet's monthly payments*

Monthly Pension at Age 65		Reduction Amount from Each Payment		Monthly Pension at Age 61
$782.00	–	$187.68	=	$594.32

If Janet receives a 50% Joint and Survivor Pension Annuity (or other applicable Optional Form of Payment), the monthly pension payment she receives during her lifetime will be further reduced.

When you become eligible for a Deferred Vested Pension, your surviving *Spouse* also becomes eligible to receive a pre-retirement survivor annuity upon your death. You can find more information about the pre-retirement survivor annuity on page 36 under "How Your Pension Will Be Paid".

Disability Benefit

If you are entitled to a Disability Pension, your pension benefit will be determined the same way as a Normal Retirement Pension. It will be based on the Pension Credits you have earned and the Pension Rate in effect at the time you became disabled. If you and your Spouse choose a 50% Joint and Survivor Pension Annuity (or other applicable Optional Form of Payment), the monthly pension payment you receive during your lifetime will be reduced.

How Your Pension Will Be Paid

Once you retire, you may choose to begin receiving your pension as soon as possible following your retirement date, or on the first day of any subsequent month. The Plan has two automatic, or "normal," forms of payments—one for single Participants and one for Married Participants. Additional "optional" forms of payment are also available. If you're Married, you and your Spouse must both agree to the choice of certain "Optional" Forms of Payment.

Since the form of payment in which you collect your pension impacts the amount of your monthly benefit, you will need to think carefully about which option is right for you. After the Pension Fund issues your first pension check, you will not be permitted to change the form of payment that you selected.

Normal Forms of Payment

Unless you choose otherwise within the 180 days prior to the day you start collecting your pension, you will receive your pension payments in one of two Normal Forms of Payment. If you are Married on the day for which your pension payments are scheduled to begin, you will automatically receive a pension benefit in the form of a 50% Joint and Survivor Pension Annuity (which is the Normal Form of Payment for Married Participants), unless you elect an Optional Form of Payment as described on pages 26–31. If you are single on the date for which your pension payments are scheduled to begin, you will automatically receive your benefit in the form of a 36-Month Certain and Life Pension Annuity, which is the Normal Form of Payment for single Participants.

Sometime between 30 and 180 days before you have the right to begin collecting your pension, you will receive a written notice of the terms and conditions of your Normal Form of Payment under the Plan. Included in that notice will be a description of:

- Your right to choose an Optional Form of Payment,
- The process for waiving your Normal Form of Payment, and your Spouse's legally protected role in that process (see "Your Spouse Must Also Waive Normal Form of Payment" on page 25),
- Your right to make changes to your form of payment election anytime before payments actually begin, and
- The consequences of delaying the commencement of your pension benefits to a later date.

What If I Don't Make a Choice?

If you are eligible to begin collecting your pension but fail to choose when and how to collect, you will automatically begin receiving monthly pension payments in the applicable Normal Form of Payment (determined in accordance with your marital status on file in the Plan's records as of such date) as soon as administratively possible following the date you reach Normal Retirement Age or separate from service, whichever is later, and in all events no later than by the April 1 following the calendar year in which you reach age 70½.

50% Joint and Survivor Pension Annuity (Normal Form of Payment for Married Participants)

If you are Married, this is the Normal Form of Payment.

This option provides you with a monthly payment for your lifetime, reduced to reflect the cost of providing a survivor benefit to the Spouse to whom you are Married on the day for which your payments begin. Upon your death, that Spouse will receive a monthly annuity for his or her lifetime equal to 50% of the amount of the monthly annuity payable during your lifetime.

During your lifetime, you receive a monthly pension benefit that has been reduced by a factor based upon the difference between your age and your Spouse's age. You will receive a monthly pension benefit equal to 94% of your full retirement benefit if you and your Spouse are the same age and your Covered Employment terminated after July 1, 2008. If you and your Spouse are different ages, this 94% age adjustment factor will be:

- Increased by 1/2% for each year your Spouse is *older* than you, or
- Decreased by 1/2% for each year your Spouse is *younger* than you.

Age differences are calculated by rounding 6 months or more up to the nearest whole year but rounding differences of less than 6 months down to the nearest whole year. For example, if your Spouse is 2 years 8 months younger than you, the calculation will be based on a 3-year difference. If your Spouse is 2 years 3 months younger than you, the calculation will be based on a 2-year difference. In no event will the pension benefit you receive exceed the full monthly retirement benefit you would be entitled to receive if you were not Married.

An Example

Juan is retiring on December 31, 2011 after a career in which he has earned 25 Pension Credits—the maximum allowed for those employees retiring on or after January 1, 2003. Juan has reached age 65, so he is eligible for a full, unreduced Normal Retirement Pension. Juan's monthly pension benefit as a single man will be $1,100.

Juan's Pension Calculation				
Juan's Monthly Pension Benefit	=	Juan's Pension Rate	X	Juan's Pension Credits
$1,100.00	=	$44.00	X	25

If Juan is Married to a Spouse of the same age and receives a 50% Joint and Survivor Pension Annuity...

- Juan would receive a monthly benefit of **$1,034.00** (94% of $1,100.00) for his lifetime.
- Juan's Spouse would receive a monthly benefit of **$517.00** (50% of $1,034.00) after his death for the remainder of her lifetime.

If Juan's Spouse is 4 years younger than he, the 94% age adjustment factor is decreased by 2% (1/2% x 4), and

- Juan would receive a monthly benefit of **$1,012.00** (92% of $1,100.00) for his lifetime.
- Juan's Spouse would receive a monthly benefit of **$506.00** (50% of $1,012.00) after his death for the remainder of her lifetime.

If Juan's Spouse is 4 years older than he, the 94% age adjustment factor is increased by 2% (1/2% x 4), and

- Juan would receive a monthly benefit of **$1,056.00** (96% of $1,100.00) for his lifetime.
- Juan's Spouse would receive a monthly benefit of **$528.00** (50% of $1,056.00) after his death for the remainder of her lifetime.

If you and your Spouse divorce, or your Spouse dies, before the Pension Fund issues your first pension check, and you notify the Fund Administrator, payments will be made under the 36-Month Certain and Life Pension Annuity, unless you are remarried and/or choose an applicable Optional Form of Payment before your benefit payments start. However, once the Pension Fund issues your first check, you cannot change the form or amount of your payments. If you are receiving a 50% Joint and Survivor Pension Annuity and you get a divorce or your Spouse dies while you are still alive, no adjustment will be made to your monthly pension benefit.

Your Spouse Must Also Waive Normal Form of Payment

If you are Married when you begin collecting your pension, you are required to take your pension benefit in the Normal Form of Payment, as a 50% Joint and Survivor Pension Annuity, unless you choose an Optional Form of Payment. However, certain Optional Forms of Payment impose a requirement that your Spouse must waive his or her right to a survivor benefit under the Normal Form of Payment (using the waiver forms included in your Pension Application package provided by the Fund Administrator).

You must provide the Plan Administrator with a completed waiver form (included in the Pension Application package), no less than 30 days (but no more than 180 days) before your pension payments are scheduled to begin. If you are Married, your Spouse must sign the waiver form in the presence of a notary public. You may revoke a waiver without the consent of your Spouse at any time before the Pension Fund issues your first pension check.

You can change your beneficiary designation at any time. However, if you wish to name someone other than your Spouse as your beneficiary, your Spouse must consent in writing to the new beneficiary you name.

Spousal consent will not be required if you establish to the satisfaction of the Trustees that you do not have a Spouse, your Spouse cannot be located (after a comprehensive attempt to do so) or you have been abandoned and you have a court order to that effect.

36-Month Certain and Life Pension Annuity (Normal Form of Payment for Single Participants)

If you are not Married, this is your Normal Form of Payment.

This form of payment provides you with a monthly payment for your lifetime, but guarantees payment for 36 months. If you die before receiving 36 monthly payments, the remainder of the 36 payments will be made to the beneficiary you named while you were alive. If you have no surviving beneficiary, the remaining payments will be made to your surviving Spouse, if any, or if you have no surviving Spouse, to your surviving children in equal shares. If you have neither a surviving Spouse nor surviving children, the remaining payments will be paid to your estate.

If you are Married, you may select this form of payment only if your Spouse completes and signs the waiver form included in the Pension Application package in the presence of a notary public (see “Your Spouse Must Also Waive Normal Form of Payment” on the preceding page). If you name a beneficiary other than your Spouse, your Spouse must also consent to your choice of beneficiary.

Optional Forms of Payment

Instead of a Normal Form of Payment, you may choose to receive your pension under one of the available Optional Forms of Payment. If you are Married when your pension begins, you may not choose certain Optional Forms of Payment, unless your Spouse also completes and signs the waiver form (included in the Pension Application package) in the presence of a notary public (see “Your Spouse Must Also Waive Normal Form of Payment” on the preceding page).

The details of the Joint and Survivor Pension Annuity forms of benefit are compared in a table on page 29, and calculation examples are given on pages 30–31.

75% Joint and Survivor Pension Annuity (Available Only for Married Participants Whose Covered Employment Terminated after June 30, 2008)

This option provides you with a monthly payment for your lifetime, reduced to reflect the cost of providing a survivor benefit to the Spouse to whom you are Married on the day your payments begin. After your death, your Spouse will receive a monthly annuity for his or her lifetime equal to 75% of the amount of the monthly annuity payable during your lifetime.

During your lifetime, you receive a monthly pension benefit that has been reduced to a certain percentage based upon the difference between your age and your Spouse’s age. You will receive a monthly pension benefit equal to 89% of your full retirement benefit if you and your Spouse are the same age. If you and your Spouse are different ages, this 89% age adjustment factor will be:

- Increased by 3/4% for each year your Spouse is *older* than you, or
- Decreased by 3/4% for each year your Spouse is *younger* than you.

If you get a divorce after the Pension Fund issues your first pension check, or if your Spouse dies while you are still alive, no adjustment will be made to your monthly pension benefit.

Your Spouse does not have to sign a waiver for you to elect the 75% Joint and Survivor Pension Annuity.

100% Joint and Survivor Pension Annuity (Available for Married Participants Only)

This option provides you with a monthly payment for your lifetime, reduced to reflect the cost of providing a survivor benefit to the Spouse to whom you are Married on the day your payments begin. After your death, your Spouse will receive a monthly annuity for his or her lifetime equal to 100% of the amount of the monthly annuity payable during your lifetime.

During your lifetime, you receive a monthly pension benefit that has been reduced to a certain percentage based upon the difference between your age and your Spouse’s age. You will receive a monthly pension benefit equal to 84% of your full retirement benefit if you and your Spouse are the same age. If you and your Spouse are different ages, this 84% age adjustment factor will be:

- Increased by 1% for each year your Spouse is *older* than you, or
- Decreased by 1% for each year your Spouse is *younger* than you.

If you get a divorce or if your Spouse dies while you are still alive, no adjustment will be made to your monthly pension benefit.

Your Spouse does not have to sign a waiver for you to elect the 100% Joint and Survivor Pension Annuity.

50% Joint and Survivor “Pop-Up” Pension Annuity (Available for Married Participants Only)

This option provides you with a monthly payment for your lifetime, reduced to reflect the cost of providing a survivor benefit to the Spouse to whom you are Married on the day your payments began. After your death, your Spouse will receive a monthly annuity for his or her lifetime equal to 50% of the amount of the annuity payable during your lifetime. If your Spouse dies while you are still alive, the monthly pension payment you receive for the remainder of your lifetime will “pop up” and will no longer be reduced by a *Pension Reduction Factor*. But if you get a divorce after the Pension Fund issues your first pension check, no adjustment will be made to your monthly pension benefit.

During your lifetime, you receive a monthly pension benefit that has been reduced to a certain percentage based upon the difference between your age when your benefits begin and the difference between your age and your Spouse's age. You will receive a monthly pension benefit equal to 87% of your full retirement benefit if you and your Spouse are the same age. If you and your Spouse are different ages, this 87% age adjustment factor will be:

- Increased by 1/2% for each year your Spouse is *older* than you, or
- Decreased by 1/2% for each year your Spouse is *younger* than you.

You must have your Spouse's written waiver in order to elect this form of payment.

75% Joint and Survivor "Pop-Up" Pension Annuity (Available Only for Married Participants Whose Covered Employment Terminated after June 30, 2008)

This option provides you with a monthly payment for your lifetime, reduced to reflect the cost of providing a survivor benefit to the Spouse to whom you are Married on the day your payments began. After your death, your Spouse will receive a monthly annuity for his or her lifetime equal to 75% of the amount of the annuity payable during your lifetime. If your Spouse dies while you are still alive, the monthly pension payment you receive for the remainder of your lifetime will "pop up" and will no longer be reduced by a Pension Reduction Factor, but if you get a divorce after the Pension Fund issues your first pension check, no adjustment will be made to your monthly pension benefit.

During your lifetime, you receive a monthly pension benefit that has been reduced to a certain percentage based upon the difference between your age and your Spouse's age. You will receive a monthly pension benefit equal to 84% of your full retirement benefit if you and your Spouse are the same age. If you and your Spouse are different ages, this 84% age adjustment factor will be:

- Increased by 3/4% for each year your Spouse is *older* than you, or
- Decreased by 3/4% for each year your Spouse is *younger* than you.

You must have your Spouse's written waiver in order to elect this form of payment.

100% Joint and Survivor "Pop-Up" Pension Annuity (Available for Married Participants Only)

This option provides you with a monthly payment for your lifetime, reduced to reflect the cost of providing a survivor benefit to the Spouse to whom you are Married on the day your payments began. After your death, your Spouse will receive a monthly annuity for his or her lifetime equal to 100% of the amount of the annuity payable during your lifetime. If after the Pension Fund issues your first pension check, your Spouse dies before you die, the monthly pension payment you receive for the remainder of your lifetime will "pop-up" and will no longer be reduced by a Pension Reduction Factor, but if you get a divorce after the Pension Fund issues your first pension check, no adjustment will be made to your monthly pension benefit.

During your lifetime, you receive a monthly pension benefit that has been reduced to a certain percentage based upon the difference between your age and your Spouse's age. You will receive a monthly pension benefit equal to 81% of your full retirement benefit if you and your Spouse are the same age. If you and your Spouse are of different ages, this 81% age adjustment factor will be:

- Increased by 1% for each year your Spouse is *older* than you, or
- Decreased by 1% for each year your Spouse is *younger* than you.

You must have your Spouse's written waiver in order to elect this form of payment.

Comparison Between the Joint and Survivor Benefit Forms

The following table shows the reduction factors that apply to each of the Joint and Survivor benefit forms:

Joint and Survivor Pension Form	Reduction Factor if Ages are Equal	Change in Factor for Each Year that Spouse is Older than Participant	Change in Factor for Each Year that Spouse is Younger than Participant
50% J&S	94%	+ ½%	- ½%
75% J&S	89%	+ ¾%	- ¾%
100% J&S	84%	+ 1%	- 1%
50% Pop-up	87%	+ ½%	- ½%
75% Pop-up	84%	+ ¾%	- ¾%
100% Pop-up	81%	+ 1%	- 1%

Important notes:

1. In calculating age differences, only whole years are used. Differences of six months or more are rounded up to the next whole year; differences less than six months are rounded down. For example, if your Spouse is 2 years 8 months younger than you, the calculation will be based on a 3-year difference. If your Spouse is 2 years 3 months younger than you, the calculation will be based on a 2-year difference.
2. The reduction factor will never be less than zero. No matter how much younger your Spouse is, the pension benefit you receive when you elect a Joint and Survivor benefit will never exceed the full monthly amount you would be entitled to receive if you were not Married.

Examples:

Using the examples that are detailed on pages 24–25, this is how the different factors would affect Juan's benefits in each of the Joint and Survivor forms:

If Juan's pension is $1,100 and his Spouse is the same age as he, his Joint and Survivor benefit choices are:

Benefit Form	Base Reduction Factor	Benefit for Juan's Life	Benefit for Spouse after Juan's Death
50% J&S	94%	$1,034	$517
75% J&S	89%	$979	$734.25
100% J&S	84%	$924	$924
50% Pop-up	87%	$957	$478.50
75% Pop-up	84%	$924	$693
100% Pop-up	81%	$891	$891

If Juan's pension is $1,100 and his Spouse is four years older than he, his Joint and Survivor benefit choices are:

Benefit Form	Base Reduction Factor	Change in Factor for Spouse's Age	Adjusted Reduction Factor	Benefit for Juan's Life	Benefit for Spouse after Juan's Death
50% J&S	94%	+ 4 x ½% = 2%	96%	$1,056	$528
75% J&S	89%	+ 4 x ¾% = 3%	92%	$1,012	$759
100% J&S	84%	+ 4 x 1% = 4%	88%	$968	$968
50% Pop-up	87%	+ 4 x ½% = 2%	89%	$979	$489.50
75% Pop-up	84%	+ 4 x ¾% = 3%	87%	$957	$717.75
100% Pop-up	81%	+ 4 x 1% = 4%	85%	$935	$935

If Juan's pension is $1,100 and his Spouse is four years younger than he, his Joint and Survivor benefit choices are:

Benefit Form	Base Reduction Factor	Change in Factor for Spouse's Age	Adjusted Reduction Factor	Benefit for Juan's Life	Benefit for Spouse after Juan's Death
50% J&S	94%	- 4 x ½% = 2%	92%	$1,012	$506
75% J&S	89%	- 4 x ¾% = 3%	86%	$946	$709.50
100% J&S	84%	- 4 x 1% = 4%	80%	$880	$880
50% Pop-up	87%	- 4 x ½% = 2%	85%	$935	$467.50
75% Pop-up	84%	- 4 x ¾% = 3%	81%	$891	$668.25
100% Pop-up	81%	- 4 x 1% = 4%	77%	$847	$847

10-Year Certain and Life Pension Annuity (Available for Both Married and Single Participants)

This option provides you with a monthly payment for your lifetime, but guarantees payment for ten years (120 months). If you die before receiving 120 monthly payments, the remainder of the 120 payments will be made to the beneficiary you named while you were alive. If you have no surviving beneficiary, the remaining payments will be made to your surviving Spouse, if any, or if you have no surviving Spouse, to your surviving children in equal shares. If you have neither a surviving Spouse nor surviving children, the remaining payments will be paid to your estate.

During your lifetime, you receive a monthly pension benefit that has been reduced to a certain percentage based upon your age when your benefits begin. You will receive a monthly pension benefit equal to 93% of your full retirement benefit that is:

- Increased by 1/2% for each year beyond age 65 you retire, or
- Decreased by 1/2% for each year before age 65 you retire.

In no event will the pension benefit you receive exceed the full monthly retirement benefit you would have received from the 36-Month Certain and Life Pension Annuity.

If you are not Married, this is the only Optional Form of Payment available to you. If you are Married, you must have your Spouse's written waiver in order to elect this form of payment.

36-Month Certain and Life Pension Annuity (Available as an Optional Form of Payment for Married Participants)

This is the Normal Form of Payment for single Participants, but can be an Optional Form of Payment for Married Participants, and only with your Spouse's written waiver. It is described on page 26.

Forms of Benefits for JMA Participants

JMA Participants Who Terminated Covered Employment in 1999 or Later

JMA Participants who terminated Covered Employment in 1999 or later can choose any of the Forms of Payment that are described on pages 22–31, depending on whether they are Married or not Married when they retire.

JMA Participants Who Terminated Covered Employment Before 1999

JMA Participants who terminated Covered Employment before 1999 have more limited choices as to forms of payment.

JMA Participants who terminated employment before 1999 and are not Married when they retire have only one form of payment available: the Single-Life Pension Annuity. A Single-Life Pension Annuity provides you with a monthly payment for your lifetime, with no payments to anyone after your death. During your lifetime, you receive a monthly pension benefit that depends upon your age when your benefits begin. You will receive a monthly pension benefit equal to 100% of your full retirement benefit that is:

- Decreased by 5/9 of 1% for each month you are younger than age 65, if you retire between ages 62 and 65 and,
- Decreased by an additional 5/12 of 1% for each month you are younger than age 62, if you retire between ages 60 and 62, and
- Increased, as described on page 20, if you are over age 65 when you retire.

JMA Participants who terminated employment before 1999 and who are Married when they retire can receive either a 50% Joint and Survivor Pension Annuity (the Normal Form of Payment) described on pages 23–25, the 75% Joint and Survivor Pension Annuity described on pages 26–27, or the Single-Life Pension Annuity described in the preceding paragraph.

Benefit Limit

The federal government limits the amount you can collect each year from a defined benefit pension plan like the Plan. However, this limit is set rather high ($205,000 for 2013), so it is not expected to impact any Participants in the Plan. We note that this limit could be increased in future years (as it has been in the past) by the Internal Revenue Service to reflect certain cost-of-living adjustments.

If You Work After Your Pension Begins

If you work after you start collecting pension payments, you cannot receive a pension payment for any month in which you:

- **Before** your Normal Retirement Age, work for the New York City School System, or in any industry in which Participants covered by the Plan were employed in Covered Employment subject to the terms of a Collective Bargaining Agreement, or
- **After** your Normal Retirement Age, work 40 or more Hours of Service within any calendar month in the following: (a) any industry which is covered by the Plan, (b) a trade or craft in which you were employed at any time under the Plan, and (c) the geographical area in which people are working in Covered Employment when you retire. Your pension payments will not be suspended due to any employment after the April 1 following the calendar year in which you attained age 70½.

Your pension payments will be suspended during each month that you work in such employment. Accordingly, you will have no right to claim or receive (on any basis, including retroactive or otherwise) any pension benefits that were suspended for any month in which you engaged in such employment. In addition, you are not permitted to elect a retroactive annuity start date with regard to the payment of your pension benefits. All pensioners must notify the Fund Administrator, in writing, within 15 days of starting a new job, regardless of the number of hours worked.

If the Plan Administrator becomes aware that you are working in the employment described above, and you have not previously notified the Fund Administrator, or you have not provided sufficient information to make a determination of whether your pension payments should be suspended, the Plan Administrator may withhold payment of your benefits until such a determination is made. Any overpayment attributable to a month in which your benefits should have been suspended, but were not suspended due to your failure to properly notify the Plan Administrator, must be repaid to the Plan. You may arrange for immediate voluntary repayment of the amount to the Plan, or the amount will be automatically deducted from future monthly payments. If you die before the Plan can recoup these amounts, then they will be deducted from the benefits payable to your Spouse, beneficiary, or estate, as the case may be.

You may request an advance determination from the Fund Administrator as to whether a particular type of employment will cause your pension payments to be suspended. This request will be processed within the same time limits as a claim for benefits.

If you return to work in a Covered Job, you will start participating in the Plan again. Unless you already earned the maximum number of Pension Credits before you retired, you will start earning additional Pension Credits after completing a year of Vesting Service.

You must notify the Fund Administrator, in writing, once your employment has ended in order to resume your pension payments. When your pension resumes, it will be at the same Pension Rate that had been used to calculate the benefit you were receiving before the suspension of your benefits, unless you completed at least one year of Vesting Service after your return to Covered Employment. If you did complete at least one year of Vesting Service, your monthly benefits will be recomputed to consider additional Pension Credit you earned.

Consequences of Delaying the Commencement of Your Pension

You may continue working past your Normal Retirement Date and retire on the first day of any subsequent month. However, at the latest, you must begin collecting your pension by April 1st following the calendar year in which you reach age 70½, even if you are still actively employed on that date by an employer who contributes to the Plan.

If you delay your retirement, you will continue to earn benefits under the Plan, provided you have not already earned the maximum number of Pension Credits. Ultimately, you will be entitled to collect the same (or greater) amount of pension benefit, only over a shorter period of time. The adjustment will be made to your Vested Pension Benefit as of your Normal Retirement Date or the last day of the prior Plan Year, whichever is later.

If you begin collecting a pension benefit after the date you were first eligible to do so, and your benefits were not suspended as described on pages 33–34, you may receive make up payments or other adjustments to your benefit. You will be contacted by the Fund Administrator if you qualify.

Please note that if you first became a Participant on or after July 1, 2011 and you later become eligible for an Early Retirement Pension, such benefits will begin only after you have submitted a complete application for those benefits; no amounts will be payable for periods prior to the Plan's receipt of a completed pension application, even if you were eligible for those benefits at an earlier date. Accordingly, if you become a Participant on or after July 1, 2011, you will not be able to elect a retroactive annuity starting date with regard to an Early Retirement Pension benefit.

When You Must Start Collecting

Generally, even if you continue to work in a Covered Job beyond April 1 of the year following the end of the calendar year in which you reach age 70½, the Plan is legally required to begin distributing your pension benefit to you. In other words, once you reach age 70½, you must begin collecting pension payments—regardless of whether or not you are still working for a Contributing Employer.

The same is true even if you are no longer working. You must begin collecting pension payments no later than April 1 of the year following the calendar year in which you reach age 70½. Similar minimum distribution rules apply to your beneficiary(ies). You may obtain further information from the Fund Administrator.

A Word About Taxes

All pension benefits are subject to federal (and possibly state and local) income taxes. An election form regarding federal income tax withholding is part of the pension application package that you will receive to apply for pension benefits. If you elect to have the Fund make tax withholdings with regard to your pension benefits, taxes will be withheld in the manner similar to tax withholdings on wages. You can adjust the amount of the withholding (or opt-out of withholding altogether) by completing Form W-4P. If you do not submit a completed Form W-4P, the Plan will automatically withhold taxes from your pension benefits as required by law on the assumption that you are Married with three (3) exemptions.

In addition, any distributions from the Plan will be subject to a 10% penalty tax if you have not yet reached age 59½ at the time of distribution, and did not meet one of the following exceptions to this rule. The additional 10% tax does not apply to a distribution if it is:

- Paid to you because you separate from service with your employer during or after the year you reach age 55,
- Paid because you retired due to a disability,
- Paid to you in equal (or almost equal) installments over your life or life expectancy (or your and your beneficiary's life expectancies), or
- Used to pay certain medical expenses that exceed a certain percentage of your adjusted gross income for the year.

See IRS Form 5329 for more information on the additional 10% penalty tax.

You will receive more information about the tax consequences of any distribution from the Plan upon your retirement or termination. To fully understand the tax consequences of any pension benefit that you receive from the Plan, you should consult with a tax advisor. The Plan cannot advise you about any legal or tax matters.

Pre-retirement Survivor Benefit

If you are Married, Vested in your pension benefit, and die before you begin collecting your pension, your Spouse will be entitled to a survivor benefit. Your Spouse is eligible for this benefit even if you are no longer working for a Contributing Employer at the time of your death. This pre-retirement survivor benefit is based on the benefit you earned as of the time of your death. Your *Earliest Retirement Age* is the earliest date on which you could begin receiving your pension benefit.

- **If you die on or before reaching your Earliest Retirement Age**, your Spouse's monthly survivor benefit payments will equal 50% of the monthly Vested benefit you would have been entitled to receive had you (1) terminated employment on the date of your death (or, if earlier, your actual date of termination), (2) survived to your Earliest Retirement Age, and (3) retired with a 50% Joint and Survivor Pension Annuity. The Plan will begin paying a survivor benefit to your Spouse on the day you would have reached your Earliest Retirement Age.
- **If you die after reaching your Earliest Retirement Age**, your Spouse's monthly survivor benefit payments will equal 50% of the monthly Vested benefit you would have been entitled to receive had you (1) retired on the day before your death and (2) chosen the 50% Joint and Survivor Pension Annuity. The Plan will begin paying a benefit to your survivor on the first of the month following your death.

Your surviving Spouse must provide appropriate documentation including, in all cases, a completed application to the Fund Administrator in order to commence death benefits. Benefits will commence the first of the month after the Fund Administrator has approved the application. Your surviving Spouse may elect to defer receiving benefits and, in some cases, deferring the benefit will mean that the amount of the benefit will be greater. The benefit must begin, at the latest, on the date when you would have reached Normal Retirement Age if you had still been alive.

No benefits will be payable if your surviving Spouse dies before the survivor benefit payments start.

Qualified Domestic Relations Orders (QDROs)

A *Qualified Domestic Relations Order* ("QDRO") is generally defined as a decree or order issued pursuant to state domestic relations law that requires distribution of all or a portion of your benefits under the Plan to provide child support, alimony or spousal rights to a Spouse, former Spouse, child or other dependent (each referred to as an "alternate payee"). If you are required by a QDRO to share all or part of your benefits with one of these persons, the Plan must comply with this order. This may require the Plan to begin distributing a portion of your pension benefits to the alternate payee named in the QDRO prior to your Normal Retirement Age, or processing another distribution preference, in order to comply with the QDRO.

A QDRO may not require the Plan to provide any type or form of benefit or any option not otherwise provided under the Plan. The Fund Administrator will determine the validity of any domestic relations order received in accordance with the Plan's procedures for determining whether an order constitutes a QDRO. Participants and beneficiaries can obtain a copy of these procedures from the Fund Administrator without charge.

Applying for Benefits

Before you (or your Spouse or beneficiary) can begin collecting your pension benefit, you must apply to the Fund Administrator to begin payment. Your pension benefits will not start automatically.

To apply, you will need to:

- Complete a Benefit Election Form, and
- Return the Form to the Fund Administrator, along with any additional information required to process your application, as requested by the Fund.

Normally, you may apply for benefits as early as 180 days before payments begin and as late as 30 days before payments begin. However, in some circumstances, you may be able to apply for benefits within the final 30 days before payments begin, provided:

- You have been informed of your right to at least 30 days to decide whether or not to collect payment(s), and
- You (and your Spouse, if spousal consent is required) still decide to collect.

Your benefit application will be processed as soon as administratively practicable. Generally, you will receive your first payment within 90 days after the Plan receives your completed application for benefits. There are no fees or charges for filing an application for a pension benefit under the Plan.

Unless you are at least age 70½, you are not entitled to begin payments while you are still employed by a Contributing Employer, while you are employed in the New York City School System, or while you are working in certain other related employment (as described on pages 33–34).

If Your Application for Benefits is Denied

If your application (or "claim") for benefits is denied, in whole or in part, if the benefit amount is less than what you believe you are entitled to receive under the Plan, or if any other adverse benefit determination is made, you will receive written notice no later than 90 days (or no later than 45 days if the claim is for Disability Pension benefits) of the date your claim was received by the Plan.

In special cases, it may take longer than 90 days (45 days in the case of a claim for a Disability Pension) to review your claim and make a determination, so an additional processing period of up to 90 days (or two extension periods of up to 30 days each in the case of a claim for a Disability Pension) may be required. In this event, you will receive written notice of the extension prior to the expiration of the initial 90-day period (45-day period in the case of a claim for a Disability Pension), which will indicate the special circumstances requiring the extension and the date by which the Plan expects to make a determination on your claim. If your claim is ultimately denied, you will generally receive written notice of the denial no later than 180 days (105 days in the case of a claim for a Disability Pension) from the date your claim was initially received by the Plan.

If any extension is required due to your failure to submit information necessary to decide the claim, the period for making the determination will not count any time between the date on which the extension notice is sent to you and the earlier of (1) the date on which you respond to the Plan with the requested additional information; or (2) the expiration of the period afforded you to provide the requested information.

Information Provided in a Claim Denial

If you receive written notification that your claim has been denied (or any adverse benefit determination has been made), the following important pieces of information will be included in that notice:

- The specific reason(s) for the denial, with specific reference to the Plan provisions on which the denial was based,
- A description of any additional information that may be required for your claim to be processed (and an explanation of why the information is necessary), and
- A detailed explanation of the Plan's claim review procedures and the applicable time limits, as well as a statement of your right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act of 1974 ("ERISA") following an adverse benefit determination on review.
- With respect to a claim for disability benefits, a description of any specific rule, guideline, protocol, criterion or statement that the Plan relied upon in making the adverse determination.

Please note that you must file an appeal with the Plan and exhaust its claim and appeal procedures prior to filing an action in court with respect to a claim for benefits.

Review of Plan's Decision

Once you receive notice of the Plan's decision on your benefit application, you will have *60 days* from the date you received that notice to submit a written request to the Board of Trustees for review of the decision on your claim. If your claim was for a Disability Pension, you will have *180 days* from the date you received the notice to submit a written request to the Board of Trustees for review of the denial of your Disability Pension claim.

At this stage, you (or your representative(s)) have the right to submit to the Trustees written comments, documents, records, and other information relating to the claim. In addition, you (or your representative(s)) will be provided, upon written request and free of charge, with reasonable access to (and copies of) all documents, records, and other information relevant to your claim. The review by the Trustees will take into account all comments, documents, records, and other information submitted relating to the claim, without regard to whether such information was submitted or considered in the initial decision on your claim.

The Trustees will make a decision according to the following schedule:

If your Request…	The Trustees will…
Is received more than 30 days before the next regularly scheduled Trustees' meeting…	Make their decision at the next regularly scheduled meeting.
Is received less than 30 days before the next regularly scheduled Trustees' meeting…	Make their decision at the second regularly scheduled meeting after your request has been received.
Requires a special extended period of time to review…	Make their decision at the next regularly scheduled meeting after your appeal would otherwise have been heard. (If this is the case, you will be notified in writing of the extension, the special circumstances requiring the extension, and the date by which the Trustees expect to make a determination.)*

* If an extension is required due to your failure to submit information necessary for the Trustees to make a decision on your claim, the period for making a decision on your claim on review will not count any time between the date on which the extension notice is sent to you and the date on which you respond to the Trustees with the requested additional information or, if earlier, the expiration of the period afforded you to provide the information.

The Trustees' decision on review will be communicated to you in writing no later than five (5) days after the determination is made. If an adverse benefit determination is made, this notice will include:

- The specific reason(s) for the adverse benefit determination, with references to the specific Plan provisions on which the determination is based;
- A statement that you (or your representative) are entitled to receive, upon request and free of charge, reasonable access to (and copies of) all documents, records, and other information relevant to the claim;
- A statement of your right to bring a civil action under Section 502(a) of ERISA; and
- With respect to a claim for disability benefits, the specific rule, guideline, protocol, criterion or statement that was relied upon in making the adverse determination.

All decisions made by the Trustees are final and legally binding. The Plan provides that under no circumstances may any legal action be commenced or maintained against the Plan, the Fund, the Trustees, or any employee or representative of the Plan or Fund more than ninety (90) days after the Trustees' decision on appeal.

As a reminder, you must file an appeal with the Plan and exhaust its claim and appeal procedures prior to filing an action in court with respect to a claim for benefits.

Other Important Information

Administering the Plan

The Plan is maintained and administered by a joint Board of Trustees on which labor and management are equally represented. The Fund Administrator, ATPA, and its staff handle the day-to-day operations of the Plan. The Board of Trustees serves as the Plan Administrator.

If you need to communicate with the Board of Trustees, please submit your written comments or requests to:

Board of Trustees
32BJ School Workers Pension Plan
25 West 18th Street
New York, NY 10011-4676
Phone: 1-800-551-3225

All contributions to the Plan are made by Contributing Employers in accordance with the terms of the applicable Collective Bargaining Agreements. Upon written request, the Fund Administrator's Office will provide Participants and beneficiaries with information as to whether a particular employer or employee organization is participating in the Plan and, if so, its address. A complete list of all the employers and employee organizations sponsoring the Plan may also be obtained by Participants and beneficiaries upon written request to the Board of Trustees, and is available for examination at the Fund Administrator's office.

Type of Plan

The Plan is a defined benefit pension plan as defined by the Internal Revenue Code of 1986, as amended. The Plan is self-administered, so the Plan Administrator is solely responsible for managing all aspects of the Plan's administration, such as maintaining records, collecting contributions, and paying out benefits.

Official Plan Document(s) and Collective Bargaining Agreement(s)

The Plan is established and maintained according to the terms agreed to in Collective Bargaining Agreements. These agreements set forth the conditions under which employers are required to contribute toward the cost of the Plan, and the rates of contribution. The official Plan document(s) contain the formal legal description of the Plan and its operations.

Plan Participants and beneficiaries may examine the official Plan document(s) or Collective Bargaining Agreement(s) in person upon written request at the Fund Administrator's office during normal business hours, or you can request copies from the Plan Administrator. As allowed by law, you will be charged a reasonable fee per page for the cost of copying.

Source of Funds

Contributions from Contributing Employers are the primary source of financing for Plan benefits, operation costs, and taxes. The rate at which each employer must contribute is set out in the applicable Collective Bargaining Agreement(s). Additional income may also be generated by the Plan assets that are invested.

Currently, the Plan does not require Participants to contribute toward the cost of the Plan. As such, you are neither required nor permitted to make contributions to the Plan, but this could change in the future.

Method for Accumulating Plan Assets

All contributions and investment earnings are accumulated in a separate trust fund that is held and invested by the Board of Trustees for the benefit of Participants and beneficiaries.

Plan Records

All Plan records are kept on a Plan Year basis. The Plan Year runs from July 1 through the following June 30.

Plan Insurance

Your pension benefits under this multiemployer plan are insured by the Pension Benefit Guaranty Corporation (the "PBGC"), a federal insurance agency. A multiemployer plan is a collectively bargained pension arrangement involving two or more unrelated employers, usually in a common industry.

Under the multiemployer plan program, the PBGC provides financial assistance through loans to plans that are insolvent. A multiemployer plan is considered insolvent if the plan is unable to pay benefits (at least equal to the PBGC's guaranteed benefit limit) when due.

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a Participant's Years of Service multiplied by (1) 100% of the first $11 of the monthly benefit accrual rate and (2) 75% of the next $33. The PBGC's maximum guarantee limit is $35.75 per month times a Participant's Years of Service. For example, the maximum annual guarantee for a retiree with 30 Years of Service would be $12,870.

The PBGC guarantee generally covers:

- Normal and early retirement benefits,
- Disability benefits if you become disabled before the plan becomes insolvent, and
- Certain benefits for your survivors.

The PBGC guarantee generally does *not* cover:

- Benefits greater than the maximum guaranteed amount set by law,
- Benefit increases and new benefits based on plan provisions that have been in place for fewer than five (5) years at the earlier of:
  - The date the plan terminates, or
  - The time the plan becomes insolvent.
- Benefits that are not Vested because you have not worked long enough,
- Benefits for which you have not met all of the requirements at the time the plan becomes insolvent, and
- Non-pension benefits (such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay).

For more information about the PBGC and the benefits it guarantees, ask your Plan Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street, N.W. Suite 930, Washington, D.C. 20005-4026, or call 1-800-400-7242 or 1-202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 1-800-400-7242. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at http://www.pbgc.gov.

Future of the Plan

Interpreting the Plan

The Board of Trustees (and/or its duly authorized designee(s)) has the exclusive right, power, and authority, in its sole and absolute discretion, to administer, apply, and interpret the Plan, this SPD booklet, the Trust Agreement, and any other Plan documents, and to decide all matters arising in connection with the operation or administration of the Plan or trust underlying it. Without limiting the generality of the foregoing, the Board of Trustees (and/or its duly authorized designee(s)) shall have the sole and absolute discretionary authority to:

- Take all actions and make all determinations with respect to the eligibility for, and the amount of, benefits payable under the Plan;
- Decide questions, including legal or factual questions, relating to the calculation and payment of benefits under the Plan;
- Formulate, interpret, and apply rules, regulations, and policies necessary to administer the Plan in accordance with its terms;
- Interpret the provisions of all Plan documents, this SPD, any Collective Bargaining Agreement, the Trust Agreement, and any other document or instrument involving or impacting the Plan;
- Resolve and/or clarify any ambiguities, inconsistencies, and omissions arising under the Plan, this SPD, the Trust Agreement or other Plan documents;
- Process and approve or deny benefit claims and rule on any benefit exclusions; and
- Determine the standard of proof in any case.

All such determinations and interpretations made by the Trustees shall be final and binding upon any individual claiming benefits under the Plan, upon all employees, all Contributing Employers, and the Union, and shall be given deference in all courts of law, to the greatest extent allowable by applicable law.

The Board has retained ATPA, an independent third party administrator, to perform the daily administrative and operational functions of the Plan. Most of your day-to-day questions about your pension benefits under the Plan can be answered by ATPA and its staff.

Amending, Modifying or Terminating the Plan

While the Board of Trustees hopes to be able to continue the Plan indefinitely, the Board of Trustees reserves the right, in its sole and absolute discretion, to amend, modify or terminate the benefits provided under the Plan, in whole or in part, for any reason and at any time. If the Plan is amended, modified or terminated, the ability of employees (including retirees) to participate in the Plan, receive benefits, or the type or amount of benefits received may be modified or terminated. However, the Trustees cannot make any amendments that would reduce the amount of your pension benefit that had accrued before the Plan is changed or terminated, except in limited circumstances permitted by law. Upon termination of the Plan, you will become fully Vested in your accrued benefit under the Plan, to the extent the Plan is funded.

General Rules

Non-Assignment of Benefits

Benefits cannot be assigned, sold, transferred, mortgaged or pledged to anyone or used as a security for a loan. Under most circumstances, Plan benefits are not subject to attachment or execution under any decree of a court or otherwise. Accordingly, you cannot transfer or assign your right to receive any benefit or reimbursement under the Fund and your rights to benefits cannot be taken by your creditors. The Fund will not recognize any attempt to attach, transfer, or assign your benefit rights, except to such extent as may be required by law.

However, the law provides certain limited exceptions to this general rule. One exception is that a court may reduce your benefit as a result of a crime or fiduciary breach that you committed against the Fund, or to pay federal tax liens, levies, and judgments against you. Another is that the Plan Administrator may be required by law to assign your benefits pursuant to a "Qualified Domestic Relations Order," called a "QDRO." The rules regarding QDROs are described on page 37.

Exclusive Procedure for Correcting Plan Records Relating to Covered Employment

Each year, if you are Vested or if you have been reported in Covered Employment in the previous five years, the Fund Administrator will mail to your last known address an individual statement listing your total Pension Credits and the Covered Employment that was reported to the Plan by your Employer for the preceding Plan Year.

If you, your beneficiary, or an alternate payee under a Qualified Domestic Relations Order ("QDRO"), believe that the Plan's records of your Covered Employment are inaccurate, a written request for correction of the Plan's records must be made to the Fund Administrator. The person who requests a correction has the burden of providing proof of the additional Covered Employment. You should submit copies of any documents that you have to prove your additional Covered Employment along with your written request – documents such as paystubs and/or W-2 statements.

The deadline for requesting correction of the Plan's records is three years after the end of the Plan Year in which that Covered Employment occurred, except that there is an initial transition period until December 31, 2018, during which you can request a correction of the Plan's records for any prior year. Beginning with Covered Employment that you performed during the year 2015, you will have exactly three years after the end of the year in which the work occurred to request a correction.

So, for example, if you believe that you are entitled to additional Pension Credit for the year 2000, the Fund Administrator must receive your request for correction on or before December 31, 2018. If you are asking for additional Pension Credit for work done in the year 2017, the Fund Administrator must receive your request for correction no later than December 31, 2020.

No request that the Fund Administrator receives after the deadline will be considered or granted.

This procedure is the exclusive means by which a Participant, Beneficiary or alternate payee under a Qualified Domestic Relations Order may obtain correction of the Plan's records that pertain to the Participant's Covered Employment. If the Plan receives no request for correction of those records for any year in accordance with this procedure and within the time limits provided, the information in the Plan's records for that year shall be final and binding on the Participant and on anyone claiming through the Participant (including a beneficiary or alternate payee under a Qualified Domestic Relations Order) with regard to Covered Employment, Hours of Service, Pension Credit, and Years of Service for that year. The only exceptions are that if an Employer subsequently reports Covered Employment that was not included in your annual statement, or if the Fund Administrator determines that contributions from an Employer are due and unpaid, the Fund Administrator will correct the Plan's records to include additional credit based on those contributions.

When you send a request for correction of the Plan's records to the Fund Administrator, the Fund Administrator will notify you of the decision on your request, as described on page 38. If you are unhappy with that decision, you have the right to ask the Board of Trustees to review it, following the procedures that are described on pages 38–39.

Incapacity

If any Participant or beneficiary is a minor or is determined to be unable to care for his or her affairs because of mental or physical incapacity, any benefit due may be applied, in the sole and absolute discretion of the Trustees, to the maintenance and support of such Participant or beneficiary, or paid to another individual on behalf of the Participant or beneficiary, such as the legal guardian, committee or legal representative of the Participant or beneficiary, as the Trustees deem in the best interest of such minor or incapacitated individual.

Information and Proof/Overpayment of Benefits

If requested by the Plan, you (or your beneficiary) must furnish any information or proof reasonably required to determine benefit rights under the Plan. Participants and beneficiaries must also furnish data and information required by the Plan for the purposes of its administration.

Please keep in mind that, when inaccurate information and/or proof are provided, this ultimately can result in the improper use of Plan assets, which adversely affects the ability of the Plan to provide benefits. Accordingly, if you or your beneficiary make a wilfully false statement material to your claim or furnish fraudulent information or proof material to your claim, benefits may be denied, suspended or discontinued.

Of course, if the Plan makes any benefit payment exceeding the amount that should have been paid (regardless of the reason), the Trustees may recover the excess portion, plus interest and costs, from you or your beneficiary. To recover an overpayment (plus interest and costs), the Trustees may:

- Reduce the amount of future benefit payments to the person receiving the overpayment,
- Reduce the amount of future benefit payments payable to the person's surviving Spouse (or other beneficiary), or
- File a lawsuit to recover any overpayment, plus interest and costs.

Severability

If any provision of this SPD is held invalid, unenforceable or inconsistent with any law, regulation or requirement, its invalidity, unenforceability or inconsistency will not affect any other provision of the SPD, and the SPD shall be construed and enforced as if such provision were not a part of the SPD.

Construction of Terms

Words of gender shall include persons and entities of any gender, the plural shall include the singular, and the singular shall include the plural. Section headings exist for reference purposes only and shall not be construed as part of the SPD.

Applicable Law

The Plan is governed by regulations and rulings of the Internal Revenue Service, the Department of Labor, and current federal tax law. The Plan will always be construed to comply with these regulations, rulings, and laws. Generally, federal law takes precedence over state law.

All questions related to the construction of the Plan and its trust agreement and the accounts and transactions of the parties will be determined, construed, and enforced pursuant to New York law to the extent not preempted or superseded by federal law.

No Vested Interest

Except for the right to receive any benefit payable under the Plan in accordance with the Plan's rules, no person shall have any right, title, or interest in, or to the assets of, the Trust Fund or of any Contributing Employer because of the Plan.

Your Rights Under ERISA

As a Participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). ERISA provides that you are entitled to:

- Receive information about the Plan and your benefits,
- Prudent actions by Plan fiduciaries,
- Enforce your rights, and
- Assistance with your questions.

Receiving Information About Your Plan Benefits

You have the right to:

- Examine, without charge, at the Fund Administrator's office (and at other specified locations) all documents governing the Plan, including insurance contracts and Collective Bargaining Agreements (if applicable), and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Fund Administrator, copies of documents governing the operation of the Plan, including:
  - insurance contracts,
  - periodic actuarial reports that have been in the Plan's possession for at least 30 days,
  - any quarterly, semi-annual, or annual financial report prepared for the Plan by any Plan investment manager or advisor or other fiduciary and which has been in the Plan's possession for at least 30 days,
  - any application filed to extend the amortization period with the Secretary of the Treasury and the Secretary's determination of such application,
  - Collective Bargaining Agreements, and
  - copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Fund Administrator may charge a reasonable fee for the copies.
- Receive an annual report on the funding of the Plan. The Fund Administrator is required by law to automatically furnish each Participant with a copy of this annual report.
- Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age (age 65) and, if so, what your benefits would be at Normal Retirement Age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to secure a right to collect a pension. This statement must be requested in writing, and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

Prudent Action by Plan Fiduciaries

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of an employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and beneficiaries. No one, including your employer, your Union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforcing Your Rights

If your claim for a pension benefit is denied or ignored (in whole or in part), you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you make a written request for a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent for reasons beyond the control of the Plan Administrator. In addition:

- If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court.
- If you disagree with the Plan's decision, or lack thereof, concerning the qualified status of a domestic relations order, you may file suit in a federal court.

In either case you must first file an appeal with the Board, following the procedures described earlier in this SPD.

If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court after you have completed the procedures for review by the Trustees, as described on pages 38–40.

The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay the costs and fees; for example, if it finds your claim is frivolous.

Getting Answers to Your Questions

If you have questions about the Plan, you should contact the Fund Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Fund Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Important Names, Numbers and Other Information

Plan Name

32BJ School Workers Pension Plan

Effective Date of Plan

July 1, 1976; amended and restated as of July 1, 2008 (and subsequently amended thereafter).

Plan Number

The Plan Number is 001.

Employer Identification Number

13-1957585

Plan Sponsor

Board of Trustees of the
32BJ School Workers Pension Plan
25 West 18th Street
New York, NY 10011-4676
Phone: 1-800-551-3225

Plan Year

July 1–June 30

Plan Administrator

Board of Trustees of the
32BJ School Workers Pension Plan
25 West 18th Street
New York, NY 10011-4676
Phone: 1-800-551-3225

Agent for Service of Legal Process

Service of Process may be made on the Board of Trustees at the address on page 41.

Legal Counsel

Proskauer Rose LLP
Bredhoff & Kaiser, P.L.L.C.

Consultants and Actuaries

The Segal Company

Independent Auditor

Schultheis & Panettieri, LLP

Important Reminder on Keeping Plan Records Up to Date

In order for you to receive the benefits to which you may be entitled under the Plan, you should keep your Plan records up to date. We also encourage you to retain and safeguard your records of Covered Employment (such as W-2s, or detailed earnings reports you receive from the Social Security Administration) and to routinely verify your pension or vesting credits as reported by the Fund Administrator from time to time. If you detect any potential omissions of pension or vesting credits, you should immediately notify the Fund Administrator to confirm that the Plan's records appropriately reflect your Covered Employment in accordance with the terms of the Plan. In addition, you should notify the Plan Administrator immediately if, among other things, you:

- Have a change of address or telephone number,
- Have a change in marital status, or
- Wish to change your beneficiary.

Glossary of Terms

Break-in-Service. Completing fewer than 400 Hours of Service in a given Eligibility Period or Plan Year. Incurring a Break-in-Service may adversely affect your eligibility to participate in the Plan, your rate of benefit accrual, and your vesting in the benefit amount you have accrued.

Collective Bargaining Agreement. Any collective bargaining, participation, or other written agreement between an employer and the Service Employees International Union Local 32BJ ("Local 32BJ"), the National Organization of Industrial Trade Unions ("NOITU"), or Local 74, United Service Workers of America ("Local 74") that requires an employer to make contributions to the Plan's trust fund on behalf of its employees engaged in Covered Employment, which is in force and effect and is acceptable to the Board. Collective Bargaining Agreement also means any participation or other written agreement requiring Local 74, the Local 74 Welfare Fund, the Local 74 Legal Services Fund, or the Local 74 Training and Scholarship Fund to make contributions to the Plan's trust fund on behalf of its employees engaged in Covered Employment, which is in force and effect and is acceptable to the Board.

Contributing Employer. An employer who contributes to the cost of the Plan as required by a Collective Bargaining Agreement.

Covered Employment or Covered Job. Employment with an employer in a category of employment that is covered by a Collective Bargaining Agreement, and for which contributions are required to be made to the Plan.

Disability Pension. The pension benefit you are entitled to receive if you become totally and permanently disabled, provided you have earned at least five (5) Pension Credits and have completed five (5) or more years of Vesting Service.

Earliest Retirement Age. The earliest age at which you can begin collecting a Normal Retirement, Early Retirement, or Vested pension benefit.

Early Retirement Pension. The pension benefit you are entitled to receive upon reaching age 55, provided you have earned at least five (5) Pension Credits and have completed five (5) or more years of Vesting Service.

Eligibility Period. A 12-month period during which you qualify to participate in the Plan by completing 1,000 or more Hours of Service. Your first Eligibility Period begins on the first day you perform an Hour of Service for a Contributing Employer.

Hours of Service. Generally, each hour for which you are paid, or are entitled to be paid, by a Contributing Employer in Covered Employment.

JMA. The Jewelry Manufacturers Association S.E.I.U. Local 74 Pension Fund (formerly known as the Jewelry Manufacturers Association Local 1-J Pension Fund), which merged with the Plan on January 1, 1999.

Married. Your legal relationship with your Spouse.

Non-Covered Job. Employment for a Contributing Employer that is not covered by a Collective Bargaining Agreement requiring contributions into the Fund.

Normal Form of Payment. The form of payment you or your surviving Spouse is automatically entitled to receive from the Plan, assuming you and your Spouse do not choose an Optional Form of Payment. If you are Married when you retire, your Normal Form of Payment is a 50% Joint and Survivor Pension Annuity. If you are single when you retire, your Normal Form of Payment is a 36-Month Certain and Life Pension Annuity.

Normal Retirement Age. Your Normal Retirement Age is the date you reach age 65 or the fifth anniversary of the date you began participating in the Plan, whichever is later.

Normal Retirement Date. The first day of the month following the month in which you reach your Normal Retirement Age.

Normal Retirement Pension. The pension benefit you are entitled to receive on your Normal Retirement Date after having reached your Normal Retirement Age.

Optional Form of Payment. Forms of payment including: 75% Joint and Survivor Pension Annuity, 100% Joint and Survivor Pension Annuity, 75% Joint and Survivor "Pop-Up" Pension Annuity, 50% Joint and Survivor "Pop-Up" Pension Annuity, 100% Joint and Survivor "Pop-Up" Pension Annuity, and 10-Year Certain and Life Pension Annuity, which can be chosen instead of the normal forms of payment for Married or single Participants.

Participant. You become a Participant in the Plan once you meet the Plan's eligibility requirements. Individuals currently receiving a pension, and former employees who have acquired a right to a pension under the Plan, are also Participants.

Pension Credit. You earn a whole or fraction of a Pension Credit based on the number of Hours of Service you complete in a Plan Year. Your monthly pension benefit is determined by multiplying the number of Pension Credits you earn during your career by the Pension Rate effective on the date you terminate Covered Employment.

Pension Rate. A dollar amount used in calculating your monthly pension benefit. The dollar amount will vary with the year in which you terminate Covered Employment. Your monthly pension benefit is determined by multiplying the Pension Rate effective on the date you terminate Covered Employment by the number of Pension Credits you earn during your career.

Pension Reduction Factor. A percentage by which your pension benefit is reduced during your lifetime either because you begin to receive it early, in order to provide a survivor benefit to your surviving Spouse after your death, or to provide for an optional form of benefit.

Plan Year. The Plan Year is July 1 to June 30 of every year. So, July 1st marks the beginning of another Plan Year and June 30th marks the end.

Qualified Domestic Relations Order. A decree or order issued pursuant to state domestic relations law that requires distribution of all or a portion of your benefits under the Plan to provide child support, alimony, or spousal rights to a Spouse, former Spouse, child, or other dependent, and that satisfies certain other requirements of federal law.

Spouse. The person to whom you are legally Married according to the laws of the state where you live.

Vested. You become Vested in the pension benefits you have accrued to date after completing five (5) years of Vesting Service.

Vested Pension Benefit. A pension benefit that you have a nonforfeitable right to receive at some point in the future.

Vesting Service. You earn a year of Vesting Service for any Plan Year in which you have completed at least 1,000 Hours of Service with your Contributing Employer.

Year of Service. You complete a Year of Service for every Eligibility Period in which you complete 1,000 or more Hours of Service in Covered Employment (or, in certain circumstances, in other jobs with a Contributing Employer).

Notes

32BJ School Workers Pension Fund
25 West 18th Street
New York, NY 10011-4676
Telephone 1-800-551-3225
www.32bjfunds.org

32BJ School Workers Pension Fund
25 West 18th Street
New York, NY 10011-4676

www.32bjfunds.org
800-551-3225 Benefit Information

Summary of Material Modifications
32BJ School Workers Pension Fund

Date: December 13, 2017

The following is a list of changes and clarifications which have occurred since the printing of the 32BJ School Workers Pension Fund Summary Plan Description (SPD) dated July 1, 2014. This Summary of Material Modifications (SMM) supplements or modifies the information presented in your SPD with respect to the Plan. **Please keep this document with your copy of the SPD for future reference.**

<u>Change in Administrator</u> Pages 1, 5 and 51: Effective April 1, 2016, the Building Service 32BJ Health Fund (32BJ Benefit Funds) replaces Associated Third Party Administrators (ATPA) as Fund Administrator. The following is the current contact information for the Fund Administrator:

32BJ Benefit Funds
25 West 18th Street
New York, NY 10011-4676
Telephone (800) 551-3225
Fax (212) 388-2109

There is no longer an address at 61-43 186th Street, Suite 212, Fresh Meadows, NY 11365. In addition, throughout the SPD where the telephone number (800) 442-5394 and fax number (718) 475-2671 appear, they are deleted and replaced with (800) 551-3225 and (212) 388-2109, respectively.

<u>Change in Employer Trustee</u> Pages 1 & 52: Effective October 25, 2016, Stephen Brennan replaced Rocco Marano as an Employer Trustee. Mr. Brennan's address is as follows:

Mr. Stephen Brennan
Executive Director
NYC School Support Services, Inc.
321 W. 44th Street
Suite 601
New York, NY 10036

<u>Change in Union Trustee</u> Pages 1 & 52: Effective February 3, 2017, Elizabeth Baker replaced Manny Pastreich as a Union Trustee. Ms. Baker's address is as follows:

Ms. Elizabeth Baker
SEIU Local 32BJ
25 West 18th Street
New York, NY 10011

Change in Employer Trustee Address **Page 1**: Effective July 1, 2015, Jeffrey Bilek has a new address, as follows:

Mr. Jeffrey Bilek
Local 891, International Union of Operating Engineers
Brooklyn Naval Yard, 63 Flushing Avenue
Building 292, Suite 401, Unit 358
Brooklyn, NY 11205

Change in Terminology: Throughout the document the following terms are deleted and replaced as set forth in the chart below:

Deleted Term(s)	**Replacement Term(s)**
Pre-retirement survivor annuity and Pre-retirement Survivor Benefit	Pre-retirement survivor pension
36-Month Certain and Life Pension Annuity	36-Month Certain and Life Pension
10-Year Certain and Life Pension Annuity	10-Year Certain and Life Pension
Single-Life Pension Annuity	Single Life Pension
50%, 75% and 100% Joint and Survivor Pension Annuity	50%, 75% and 100% Joint and Survivor Pension
50%, 75% and 100% Joint and Survivor "Pop-Up" Pension Annuity	50%, 75% and 100% Joint and Survivor "Pop-Up" Pension
Single Life Pension Annuity	Single Life Pension

Counting Your Service **Page 8:** Effective June 23, 2017, the following language will be added to the end of the first bullet:

> Hours of Service will be credited to the computation period (generally, the Plan Year) in which you receive payment for such work rather than the computation period in which you actually performed such work. For transition purposes, if you are paid for at least one Hour of Service during the week beginning on June 23, 2017, you will receive credit for an additional 40 Hours of Service for the Plan Year that ends on June 30, 2017 for purposes of determining Pension Credits, Years of Service for vesting credit, and avoiding a Break in Service.

The language following the second bullet will be replaced with the following language, effective for all individuals who become participants on and after January 1, 2017:

- The following time worked counts as an Hour of Service only for your Vesting Service and for determining your eligibility for participation, but not towards Pension Credit:
  - Each hour you work in a Non-Covered Job for a Contributing Employer that you hold just prior to starting in a Covered Job.
  - Each hour you work in a Covered Job before you become a Participant.

When You Can Retire Page 12: Effective March 1, 2017, the heading "To Be Retired, You Must Not . . ." and the two bullets under that heading are deleted in their entirety and replaced with the following:

To Be Retired:

- **Before Age 62**: You must terminate employment with your employer. If you are working in a New York City School, this means that you must terminate all employment with the New York City School System. However, you will not receive a pension for any calendar month in which you have more than 60 hours in Covered Employment during the payroll periods paid within that month.

- **At Age 62 or after**: You do not have to terminate employment with your employer, but you will not receive a pension for any calendar month in which you have more than 60 hours in Covered Employment during the payroll periods paid within that month.

Change in Terminology, Addition of Reduced Early Retirement and Special Early Retirement, Elimination of Unreduced Early Retirement for new Plan Participants on or after July 1, 2018: Page 13: The section **Early Retirement** is deleted in its entirety, renamed **Unreduced Early Retirement** and replaced with the following:

Unreduced Early Retirement

If you have a Plan Entry Date before July 1, 2018, you are eligible for an Unreduced Early Retirement Pension after reaching age 55 if you have been credited with at least five (5) Pension Credits and have completed at least five (5) years of Vesting Service. You may begin collecting this benefit on the first day of any month after termination from employment with your employer (if you terminate on or after age 55). Alternatively, you may begin collecting your pension on or after reaching age 62 without terminating your employment, if you are not working more than 60 hours in Covered Employment during the payroll periods paid within a calendar month.

You should keep in mind that if you leave service after satisfying the service requirements but not the age requirements for this benefit, you cannot receive an Unreduced Early Retirement Pension unless you subsequently return to a Covered Job and complete another 1,000 Hours of Service (a Year of Service) and reach age 55 before ceasing Covered Employment again. Otherwise, unless you are eligible for a Disability Pension, you will have to apply for a Reduced Early Retirement Pension in order to receive benefits prior to reaching your Normal Retirement Age.

If you qualify for an Unreduced Early Retirement Pension, the amount of your pension benefit is determined according to the rules described under "How Your Pension is Calculated" on pages 15–20.

Annuity Starting Date: If you were a Participant prior to July 1, 2011, you may elect a retroactive annuity starting date for your Unreduced Early Retirement Pension. However, if you first became a Participant on or after July 1, 2011 and become eligible for an Unreduced Early Retirement Pension, such benefits will begin only after you have submitted a complete application for those benefits; no amounts will be payable for periods prior to the Plan's receipt of a completed pension application, even if you were eligible for those benefits at an earlier date.

In addition, the following sections are added immediately following the section Unreduced Early Retirement:

Reduced Early Retirement
If you do not meet the requirements for an Unreduced Early Retirement Pension but you have attained age 55 and you have been credited with at least five (5) Pension Credits and have completed at least five (5) years of Vesting Service, you are eligible for a Reduced Early Retirement. You may begin collecting this benefit on the first day of any month after termination from employment with your employer (if you meet the age requirement above). Alternatively, you may begin collecting your pension on or after reaching age 62 without terminating your employment if you are not working more than 60 hours in Covered Employment during the payroll periods paid within a calendar month.

If you qualify for a Reduced Early Retirement Pension, the amount of your pension benefit is determined according to the rules described under "How Your Pension is Calculated" on pages 21–22.

Annuity Starting Date: Your Reduced Early Retirement Pension is payable on the first day of the month following the Fund Office's receipt of a complete application. No Retroactive Annuity Starting Date is available.

Special Early Retirement Pension after age 62 with 25 Pension Credits
If your pension application is received by the Fund Office on or after July 1, 2018, and you are not eligible for an Unreduced Early Retirement Pension as described above, you may elect a Special Early Retirement Pension after attaining age 62 and earning at least twenty five (25) Pension Credits, provided you retire directly from Covered Employment after attaining eligibility. To retire directly from Covered Employment means that you have been credited with at least 1000 Hours of Service in the 12 months immediately preceding Retirement.

If you qualify for the Special Early Retirement Pension, the monthly amount of your pension benefit is your monthly Normal Retirement Pension amount, determined according to the rules described under "How Your Pension is Calculated" on pages 15-19.

Annuity Starting Date: Your Special Early Retirement Pension is payable on the first day of the month following the Fund Office's receipt of a complete application. No Retroactive Annuity Starting Date is available.

Modifications to Disability Pension Pages 14 and 15: Effective for individuals whose last day worked in Covered Employment is on or after November 1, 2018, the sections **Disability** and **Disability Eligibility** are deleted in their entirety and replaced with the following sections and a new section **Payment of Disability Pension** is added:

Disability
You are eligible for a Disability Pension if you become totally and permanently disabled while working in Covered Employment, provided you have been credited with at least five (5) Pension Credits and have completed at least five (5) years of Vesting Service.

Disability Eligibility
The definition of disability used by the Plan is the same as that used by the Social Security Administration. You will be deemed eligible for a disability benefit under the Plan if you also qualify as eligible for Social Security disability payments. The determination whether you have become totally and permanently disabled while in

Covered Employment will be based on the date the Social Security Administration designates in its disability award letter as the date you first became disabled. If that date is on or before your last day worked in Covered Employment (Last Day Worked) you will be considered to have become totally and permanently disabled while working in Covered Employment. If your Social Security Administration disability award letter does not state the date you became disabled and only states the date your Social Security disability payments will commence, you will be considered to have become totally and permanently disabled while working in Covered Employment if that date is no more than six (6) months after your Last Day Worked. If you are eligible for both a Disability Pension and an Early Retirement Pension, or some other form of pension, you may choose to receive one of these two pensions, but not both.

From time to time, you may be asked to submit evidence of your continued total and permanent disability. You will stop receiving Disability Pension payments if and when you are no longer disabled, unless you have already reached age 65. If the Social Security Administration determines that you are no longer eligible for Social Security disability payments, you must notify the Board of Trustees and the Fund Administrator immediately. You will stop receiving disability payments from the Plan at that point. If you fail to notify the Board of Trustees and the Fund Administrator, when you later retire, your pension will be reduced to take into account the Disability Pension payments that you received from the Plan after the Social Security Administration notified you that you were no longer eligible for Social Security disability benefits.

If you qualify for a Disability Pension, the amount of your pension benefit is equal to the amount you would receive as a Normal Retirement Pension, determined according to the rules described under "How Your Pension is Calculated" on pages 15–19.

Payment of Disability Pension
If your last day worked is before November 1, 2018, your Disability Pension will generally be paid retroactive to the later of the date you became totally and permanently disabled (as determined by the Social Security Administration as described in the section "Disability Eligibility" above) and the last day for which hours were reported on your behalf. Special rules apply if you became totally and permanently disabled prior to July 1, 2004, filed for a Disability Pension prior to July 1, 2004 and were denied, and refiled for Disability Pension on or after July 1, 2004. In that circumstance, your Disability Pension will be paid retroactive to the first day of the seventh month following your date of disability as set forth in your Social Security Administration disability award letter, or July1, 2004, if that date is later.

If your last day worked is on or after November 1, 2018, your Disability Pension will be payable on the first day of the seventh month following your Last Day Worked as long as your application is received by the Fund Office within nine months of your Last Day Worked. If your application is received by the Fund Office more than nine months after your Last Day Worked, your Disability Pension will be payable on the first day of the month following receipt of your application. It will not be payable back to the first of the seventh month following your Last Day Worked. You should apply for Disability Pension and for Social Security Disability as soon as you think your disability is total and permanent. Contact Member Services for more information.

<u>Clarification of Deferred Vested Pension</u> Pages 13 and 14: The section **Deferred Vested Retirement** is deleted in its entirety and replaced with the following:

Deferred Vested Retirement
If you leave your employer prior to your Normal Retirement Date for any reason other than death you will be entitled to a Deferred Vested Pension if you have at least five (5) Pension Credits or five (5) years of Vesting Service.

If you qualify, the amount of your pension benefit is determined according to the rules described under "How Your Pension is Calculated" on pages21–22.

Annuity Starting Date: You are entitled to begin collecting your Deferred Vested Pension once you reach Normal Retirement Age. Your Deferred Vested Pension is payable on the first day of the month following the Fund Office's receipt of a complete application. If your pension application is received by the Fund Office on or after July 1, 2018, no Retroactive Annuity Starting Date is available. However, your benefit will be actuarially increased for delay after Normal Retirement Age.

<u>Change in Terminology and Addition of Reduced Early Retirement</u> Page 20: The section **Early Retirement Pension** is deleted in its entirety, renamed **Unreduced Early Retirement** and replaced with the following:

Unreduced Early Retirement
If you have a Plan Entry Date before July 1, 2018, and you have at least five (5) Pension Credits and five (5) years of Vesting Service, you can retire and commence benefits from the Plan as early as age 55, provided you are working in Covered Employment on your 55^{th} birthday or you return later to a Covered Job and complete another 1,000 Hours of Service (a Year of Service) and reach age 55 before ceasing Covered Employment again. Your Unreduced Early Retirement Pension is calculated in the same way as a Normal Retirement Pension using the Pension Rate and Pension Credits you have when you leave your Covered Job, up to the maximum number of Pension Credits allowable for that year.

An Example
Robert has a Plan Entry Date prior to July 1, 2018 and is retiring on December 31, 2019 after a career in which he has earned 20 Pension Credits. Robert is only age 60 and is retiring early, but his pension benefit is calculated in the same way as if he were retiring at his Normal Retirement Date.

Robert's Pension Calculation				
Robert's Monthly Pension Benefit	=	Robert's Pension Rate	x	Robert's Pension Credits
$880.00	=	$44.00	x	20

If Robert receives a 50% Joint and Survivor Pension (or other applicable Optional Form of Payment), see pages 22–31, the monthly pension payment he receives during his lifetime will be reduced.

In addition, the following section is added immediately following the section Unreduced Early Retirement:

Reduced Early Retirement
If you have at least five (5) Pension Credits and five (5) years of Vesting Service, you can retire and commence benefits from the Plan as early as age 55. Your Reduced Early Retirement Pension is calculated in the same way as a Normal Retirement Pension using the Pension Rate and Pension Credits you have when you leave your Covered Job, up to the maximum number of Pension Credits allowable for that year. And then it is reduced by ½ of 1% for each calendar month between the date you actually begin collecting and the date you reach Normal Retirement Age.

An Example
Janet decided to leave her Covered Employment in 2003 after being Vested in her pension and earning 23 Pension Credits. But because Janet was not yet age 55, she was not eligible for an Unreduced Early Retirement

Pension at that time. If she decides to start taking her pension in 2020 at age 61, her monthly pension benefit will be determined as follows:

Step 1 – *Calculate Janet's pension benefit at normal retirement*

Pension Rate (at termination in 2003)		**Pension Credits** (at termination in 2003)		**Monthly Pension at Age 65**
$44.00	X	23	=	$1,012.00

Step 2 – *Calculate Janet's Pension Reduction Factor for 48 extra monthly payments (age 61 to 65)*

Extra Monthly Payments		**Reduction Per Month**		**Pension Reduction Factor**
48	X	0.005	=	0.24 (24%)

Step 3 – *Calculate the amount by which each of Janet's monthly payments will be reduced*

Monthly Pension at Age 65		**Pension Reduction Factor**		**Reduction Amount from Each Payment**
$1,012.00	X	0.24	=	$242.88

Step 4 – *Calculate the amount of Janet's monthly payments*

Monthly Pension at Age 65		**Reduction Amount from Each Payment**		**Monthly Pension at Age 61**
$1,012.00	–	$242.88	=	$769.12

If Janet receives a 50% Joint and Survivor Pension (or other applicable Optional Form of Payment), the monthly pension payment she receives during her lifetime will be further reduced.

Clarification of Deferred Vested Retirement Pension Pages 21-22: The section **Deferred Vested Retirement Pension** is deleted in its entirety and replaced with the following:

If you have earned at least five (5) Pension Credits or five (5) years of Vesting Service at the time you terminate Covered Employment, you can begin receiving full benefits when you reach your Normal Retirement Age. The amount of your deferred Vested Pension Benefit is calculated by multiplying your Pension Rate by the Pension Credits you had when you left your job, up to the maximum credits allowable.

Elimination of 75% Joint and Survivor Pension and 75% Joint and Survivor Pop-Up Pension Pages 26-28: Under the section **Optional Forms of Payment**, the subheading "75% Joint and Survivor Pension (Available Only for Married Participants Whose Covered Employment Terminated after June 30, 2008)" is deleted in its entirety and replaced with the following subheading:

> "75% Joint and Survivor Pension (Available Only for Married Participants Whose Covered Employment Terminated after June 30, 2008 and Whose Applications are Received by the Fund Office on or before July 1, 2018. After July 1, 2018 available Only for JMA Participants who terminated prior to December 31, 1998.)"

In addition, the subheading "75% Joint and Survivor Pop-Up Pension (Available Only for Married Participants Whose Covered Employment Terminated after June 30, 2008)" is deleted in its entirety and replaced with the following subheading:

> "75% Joint and Survivor Pop-Up Pension (Available Only for Married Participants Whose Covered Employment Terminated after June 30, 2008 and Whose Application is Received by the Fund Office on or before July 1, 2018)"

Correction in 10-Year Certain and Life Pension Adjustment Factors Page 31: The two bullets under the heading "10-Year Certain and Life Pension (Available for Both Married and Single Participants)" are deleted in their entirety and replaced with the following two bullets:

- Decreased by ½% for each year beyond age 65 you retire, or
- Increased by ½% for each year before age 65 you retire.

If You Work After Your Pension Begins Pages 33-34: Effective March 1, 2017, this section is deleted in its entirety and replaced with the following:

If you work after you start collecting pension payments, you cannot receive a pension payment for any calendar month in which you have more than 60 hours in Covered Employment during the payroll periods paid within that month.

Your pension payments will be suspended during each month that you work in such employment. Accordingly, you will have no right to claim or receive (on any basis, including retroactive or otherwise) any pension benefits that were suspended for any month in which you engaged in such employment. In addition, you are not permitted to elect a retroactive annuity start date with regard to the payment of your pension benefits.
If the Plan Administrator becomes aware that you are working in the employment described above, and you have not previously notified the Fund Administrator, or you have not provided sufficient information to make a determination of whether your pension payments should be suspended, the Plan Administrator may withhold payment of your benefits until such a determination is made. Any overpayment attributable to a month in which your benefits should have been suspended, but were not suspended due to your failure to properly notify the Plan Administrator, must be repaid to the Plan. You may arrange for immediate voluntary repayment of the amount to the Plan, or the amount will be automatically deducted from future monthly payments. If you die before the Plan can recoup these amounts, then they will be deducted from any benefits payable to your Spouse, beneficiary, or estate, as the case may be.

You may request an advance determination from the Fund Administrator as to whether a particular type of employment will cause your pension payments to be suspended. This request will be processed within the same time limits as a claim for benefits.

If you return to work in a Covered Job, you will start participating in the Plan again and earning additional Pension Credits (unless you already earned the maximum number of Pension Credits before you retired). However, you must complete a year of Vesting Service to qualify for any increase in your previously earned Pension Benefits.

In order to resume your pension payments, you must notify the Fund Administrator in writing within 15 days of the date you stop working in excess of 60 hours per month.

<u>Elimination of Election of Retroactive Annuity Start Date for the period between your Normal Retirement Date and Required Beginning Date and Adoption of Simplified Actuarial Adjustment Factors</u>
Page 34: The third paragraph under the section **Consequences of Delaying Commencement of Your Pension** is deleted in its entirety and replaced with the following:

If your pension application is received by the Fund Office before July 1, 2018, and you begin collecting a pension benefit after your Normal Retirement Age, and your benefits were not suspended as described on pages 33–34, you will have the choice of receiving either a lump sum payment which represents all missed payments from your Normal Retirement Age to the earlier of your actual retirement date and your Required Beginning Date, or an actuarial increase in your monthly pension. If you choose the actuarial increase, you will receive an increase of 1.3% for each month between ages 65 and 70, and 2.8% for each month thereafter to your Required Beginning Date.

If your pension application is received by the Fund Office on or after July 1, 2018, and you begin collecting a pension benefit after your Normal Retirement Age, and your benefits were not suspended as described on pages 33-34, you will receive an actuarial increase of 1.3% for each month between ages 65 and 70, and 2.8% for each month from age 70 to your Required Beginning Date. No actuarial adjustment will be made for benefits before Normal Retirement Age or after your Required Beginning Date.

<u>Addition of Information on How Your Benefits Will Be Paid if You Fail to File an Application</u> Page 35: Effective May 17, 2017, the following paragraph is added after the second paragraph under the section **When You Must Start Collecting**:

If you apply for the pension and furnish all the necessary information to the Fund, your pension will be paid in the form that you and your Spouse, if applicable, select. (The available forms of benefit and the rules for selecting them are on pages 22–32.) Otherwise, the law requires the Fund to begin paying your benefit, no later than the April 1 of the year following the year you reach age 70½ and the Plan requires your benefit to be paid in the form of a 50% Joint and Survivor Pension calculated on the assumption that you are married and that the Participant is 3 years older than the Spouse, unless the Fund has documentation to the contrary. After the pension starts, the Fund will change it to a Single Life Pension if you prove that you did not have an eligible Spouse (including an Alternate Payee under a QDRO) when your pension started, or will adjust the amount of future benefits if you prove the actual age difference between yourself and your Spouse. No other changes will be permitted after the pension starts.

<u>Elimination of Tolling of Time in the Application Process</u> Page 38: Effective May17, 2017, the third paragraph under the section **If Your Application for Benefits is Denied** is deleted in its entirety.

<u>Change in Time Frame Within Which a Lawsuit Can be Filed</u> Page 40: Effective July 1, 2014, the next to last paragraph is deleted in its entirety and replaced with the following:

All decisions made by the Trustees are final and legally binding. No legal or equitable action for benefits under the Plan, to enforce your rights under the Plan, to clarify your right to future benefits under the Plan, or against the Plan Administrator or any other Plan fiduciary may be brought more than one year following the earlier of:

- the date that such one-year limitations period would commence under applicable law,
- the date you knew or should have known that you did not receive an amount due under the Plan, or
- the date on which you fully exhausted the Plan's administrative remedies.

Addition of Slayer Provision Page 45: Effective May 17, 2017, the following subsection is added in the **General Rules** section after "Non-Assignment of Benefits" and before "Exclusive Procedure for Correcting Plan Records Relating to Covered Employment":

Loss of Benefits Due to Violence or Crime

If the Trustees determine that a Participant or Beneficiary's death was caused or contributed to by any act of violence initiated by any person who is or may be entitled to benefits under the Plan, or is convicted of any crime that caused or contributed to the Participant's or Beneficiary's death, the person who initiated the act of violence or who is convicted of the crime will not receive any benefits that would have been payable under this Plan.

If the Beneficiary committed the act of violence or was convicted of the crime, any benefits payable will be paid in the following order:

- to Pensioner's spouse, if living,
- to Pensioner's living children (equally), and
- if none of the above, to Pensioner's estate.

If a Pensioner causes the death of a Spouse, the Pensioner's benefit will not be increased under the "Pop-Up" provisions described on pages 27-29.

Addition of the Compliance Department as Agent Authorized to Accept Legal Process Page 52: Effective April 1, 2016 the paragraph under the heading "Agent for Service of Legal Process," is deleted in its entirety and replaced with the following:

The Board of Trustees has been designated as the agent for service of legal process. Legal process may be served at the Compliance Office of the Fund Administrator.

Amendment of Definition of Spouse Page 55: Effective July 1, 2014, the definition of Spouse is deleted in its entirety and replaced with the following:

Spouse. The person to whom you are legally Married according to federal law.

Deletion of Directions to Fund Office Pages 56-57: Effective April 1, 2016, directions to the Fresh Meadows Office are deleted in their entirety.

If you have any questions about this notice or want further information about the changes please contact Member Services at 1-800-551-3225 between the hours of 8:30 AM and 5:00 PM Monday through Friday or visit us on-line at www.32bjfunds.org.