

OUTSTATE TROWEL TRADES FRINGE BENEFIT FUNDS

Michigan Trowel Trades Health & Welfare Fund

Outstate Michigan Trowel Trades Pension Fund

Michigan Operative Plasterers' & Cement Masons' International Association Apprenticeship
and Training Fund

Managed for the Trustees by:
TIC INTERNATIONAL CORPORATION

January 2024

IMPORTANT NOTICE TO ALL RETIREES

RE: Return to Work by Normal or Early Retirees

Dear Retiree:

The Trustees of the Outstate Michigan Trowel Trades Pension Fund ("Fund") have decided, based on current and anticipated staffing shortages, to provide a **limited and temporary** waiver of the Pension Plan's suspension of benefit rule from January 1, 2024 through December 31, 2024.

Under the Fund's limited and temporary waiver, a Retiree, ***who retired on or before October 1, 2023***, may return to work ***as a Cement Mason or Plasterer*** for a contributing employer for more than 40 hours without incurring a suspension of benefits then in pay status if they provide advance notice to the Fund Office. So, from January 1, 2024 through December 31, 2024, there would be no limit on the number of hours a Retiree can work as a Cement Mason or Plasterer for a contractor that is obligated to contribute to ***this Fund or to another qualified pension fund affiliated with the Operative Plasterers' and Cement Masons' International Association, AFL-CIO, or the International Union of Bricklayers and Allied Craftworkers, AFL-CIO***. ***This limited waiver does not apply to the employment of a Retiree in a non-bargaining unit position.***

This means, if you are working ***in Michigan as a Cement Mason or Plasterer for an employer contributing to this Fund or to another qualified pension fund affiliated with the Operative Plasterers' and Cement Masons' International Association, AFL-CIO, or the International Union of Bricklayers and Allied Craftworkers, AFL-CIO and provided advance notice to the Fund Office that you were returning to work***, you will continue to receive your monthly pension benefits from the Fund no matter how many hours you work in any one month.

This waiver is based on the current demand for Cement Masons and Plasterers and is not anticipated to be continued indefinitely.

It is important to note the Fund will continue to pay you your monthly benefit in lieu of any additional benefit accruals you would have otherwise earned as a result of your return to work for each month you work 40 or more hours¹. Any additional monthly benefits that would have been payable shall be determined effective the next following January 1 based on the future service credit accrued from credited employer contributions made or required to be made in your behalf during your return to work subject to a reduction based on the value of benefits paid that would have otherwise been suspended. Each such net additional

¹ 160 hours in the months of May, June, July, August, September or October for the portion of your benefit accrued before May 1, 2003.

benefit payable under this paragraph, if any, shall be calculated in the same form of benefit in which your monthly benefit is being paid and, where applicable, calculated using the ages of you and your spouse upon your subsequent cessation of work in the same form which you elected when you first retired.

If the actuarial present value of the additional benefit that would have accrued during any month you return to work for 40 or more hours is less than the benefit paid to you from the Fund for that month, the Fund will not seek to recoup the difference; meaning, your current monthly benefit would not be reduced if you return to work for more than 40 hours during this period.

Example: Assume you retired in April 2023 and are receiving a monthly benefit of \$1,400 a month. Your retirement plans did not go as expected and you decide to return to work as a Cement Mason in 2024. You complete a return to work form and submit it to the Fund Office reporting you will work more than 40 hours per month for the month of March 2024. You worked 135 hours in March 2024 and you are age 68 and 5 months. Without the benefit of the limited waiver, your monthly benefit would have been suspended and you would have accrued an additional benefit of \$10.16 as a result of contributions remitted to the Fund on your behalf. The actuarial present value of that benefit is \$1,317.11². Under the limited waiver, you will continue to receive a benefit equal to your typical monthly benefit, \$1,400, in March but you will not accrue the additional benefit of \$10.16 to be added to future monthly benefits based on those 135 hours.

Please note that, except for the limited waiver explained above, the Plan's suspension of benefits rule generally applies to Retirees under age 73 (the triggering age under the minimum distribution rule of Section 401(a)(9) of the Internal Revenue Code) who work for a contractor or are self-employed doing work anywhere in Michigan for 40 or more hours in a month³. Your benefit is not suspended if you work less than 40 hours in the month.

Every Retiree is required to immediately notify the Pension Department at the Fund Office if he or she returns to work in any capacity regardless of whether the Retiree returns to work for a non-contributing employer (e.g., non-union) or in a self-employed, supervisory, or managerial capacity. ***Failure to notify the Pension Department in a timely manner of a return to work may subject the Retiree to possible suspension of current and/or future Pension Benefits.***

If you have questions about the limited waiver or the suspension of benefits provision of the Pension Plan, call the Fund Office.

Sincerely,
Board of Trustees
Outstate Michigan Trowel Trades Pension Fund

cc: Local Unions

² ESTIMATED present value using November 2023 417(e)(3) Segment Rates. December 2023 Segment Rates not yet available.

³ 160 hours in the months of May, June, July, August, September or October for the portion of your benefit accrued before May 1, 2003.