

Operative Plasterers' & Cement Masons' International Association Local 262

Pension Fund

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SUMMARY OF MATERIAL MODIFICATION TO THE OPERATIVE PLASTERERS' AND CEMENT MASONS' INTERNATIONAL ASSOCIATION LOCAL 262 PENSION PLAN

Date: July 2021
To: Participants in Operative Plasterers' and Cement Masons' Local 262 Pension Plan
From: Board of Trustees
Re: Change to Summary Plan Description

The following summary describes changes to the Operative Plasterers' and Cement Masons' Local 262 Pension Plan (the "Plan"). This summary is intended to satisfy the requirements for issuance of a Summary of Material Modification ("SMM") under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). You should take time to read this material carefully and keep it with the copy of the Summary Plan Description ("SPD") that was previously provided to you. If you need another copy of the SPD, or if you have any questions regarding these changes to the Plan, please contact the Fund Office, either in writing at 100 Merrick Road, Suite 500 West, Rockville Centre, NY 11570; or by telephone at 516-775-2280.

This SMM describes an important change regarding your participation in the Plan, including an increase in the amount of future pension credits for Normal Pension for Tier I and Tier II participants. This change is effective as of January 1, 2021, and is described in more detail below.

The section entitled **NORMAL PENSION** on pages 7-10 of the SPD is amended by replacing that text with the following for Tier I participants and Tier II participants:

You may retire on a Normal Pension if you are at least 65 years old and have five Years of Service or you have attained Normal Retirement Age when a Participant.

The amount of your monthly Normal Pension depends on whether you are a Tier I or Tier II participant and is calculated as follows:

For Tier I participants, the amount of your monthly Normal Pension is calculated as follows:

1. \$0.80 times your Years of Service¹ earned prior to January 1, 2006, up to a maximum of \$20.00; plus,
2. \$6.00 for each 1,000 hours of Covered Employment¹ credited to you before January 1, 2006; plus,
3. For each Plan Year from January 1, 2006 through December 31, 2007, \$12.50 for each full 250 hours of Covered Employment in that year; plus
4. For each Plan Year from January 1, 2008 through December 31, 2013, \$17.50 for each full 250 hours of Covered Employment in that year; plus
5. For each Plan Year from January 1, 2014 through December 31, 2017, \$20.50 for each full 250 hours of Covered Employment in that year; plus
6. For the Plan Year from January 1, 2018 through December 31, 2018, \$8.20 for each full 100 hours of Covered Employment in that year; plus
7. For each Plan Year from January 1, 2019 through December 31, 2020, \$10.00 for each full 100 hours of Covered Employment in that year; plus
8. For each Plan Year on or after January 1, 2021, \$13.00 for each full 100 hours of Covered Employment in that year.

The amount of your monthly Normal Pension will be equal to the total of 1 through 8 above.

If you were a member of Locals 202, 260 or 530 prior to 2006, only hours worked in Covered Employment (i.e., under the jurisdiction of Local 60) are taken into account when calculating your benefit amount.

For example:

Pete is a **Tier I participant** and age 65. He was employed for the years January 1, 1995 through December 31, 2021. From January 1, 1995 through December 31, 2005, he earned 10 Years of Service and worked a total of

¹ For the purpose of calculating your Normal Pension, Years of Service and hours of Covered Employment prior to 2006 only include hours for which contributions were required to be made to the Local 60 Pension Fund per applicable collective bargaining agreements.

8,876 hours in Covered Employment. From January 1, 2006 through December 31, 2021, he worked the following hours:

Year	Hours	Year	Hours	Year	Hours	Year	Hours	Year	Hours
2006	396	2009	346	2012	2,093	2015	2,202	2018	1,655
2007	841	2010	843	2013	1,844	2016	2,370	2019	782
2008	264	2011	2,301	2014	2,352	2017	2,127	2020	650
								2021	1,365

His Normal Pension benefit is calculated as follows:

From January 1, 1995 through December 31, 2005:

1. \$0.80 times 10 Years of Service = **\$8.00**, plus
2. 8,876 (hours from 1995 through 2005) divided by 1,000 = 8.876 times \$6.00 = **\$53.26**

From January 1, 2006 through December 31, 2007:

3. (a) 2006 hours: 396 divided by 250 = 1.584; rounded to next lowest whole number is 1
- (b) 2007 hours: 841 divided by 250 = 3.364; rounded to next lowest whole number is 3
- (c) (a) + (b) = 1 + 3 = 4
- (d) 4 times \$12.50 = **\$50.00**

From January 1, 2008 through December 31, 2013:

4. (a) 2008 hours: 264 divided by 250 = 1.056; rounded to next lowest whole number is 1
- (b) 2009 hours: 346 divided by 250 = 1.384; rounded to next lowest whole number is 1
- (c) 2010 hours: 843 divided by 250 = 3.372; rounded to next lowest whole number is 3
- (d) 2011 hours: 2,301 divided by 250 = 9.204; rounded to next lowest whole number is 9
- (e) 2012 hours: 2,093 divided by 250 = 8.372; rounded to next lowest whole number is 8
- (f) 2013 hours: 1,844 divided by 250 = 7.376; rounded to next lowest whole number is 7
- (g) (a) + (b) + (c) + (d) + (e) + (f) = 1 + 1 + 3 + 9 + 8 + 7 = 29
- (h) 29 times \$17.50 = **\$507.50**

From January 1, 2014 through December 31, 2017:

5. (a) 2014 hours: $2,352 \text{ divided by } 250 = 9.408$; rounded to next lowest whole number is 9
- (b) 2015 hours: $2,202 \text{ divided by } 250 = 8.808$; rounded to next lowest whole number is 8
- (c) 2016 hours: $2,370 \text{ divided by } 250 = 9.480$; rounded to next lowest whole number is 9
- (d) 2017 hours: $2,127 \text{ divided by } 250 = 8.508$; rounded to next lowest whole number is 8
- (e) $(a) + (b) + (c) + (d) = 9 + 8 + 9 + 8 = 34$
- (f) $34 \text{ times } \$20.50 = \underline{\$697.00}$

From January 1, 2018 through December 31, 2018:

6. (a) 2018 hours: $1,655 \text{ divided by } 100 = 16.550$; rounded to next lowest whole number is 16
- (b) $16 \text{ times } \$8.20 = \underline{\$131.20}$

From January 1, 2019 through December 31, 2020:

7. (a) 2019 hours: $782 \text{ divided by } 100 = 7.820$; rounded to next lowest whole number is 7
- (b) 2020 hours: $650 \text{ divided by } 100 = 6.500$; rounded to next lowest whole number is 6
- (c) $(a) + (b) = 7 + 6 = 13$
- (d) $13 \text{ times } \$10.00 = \underline{\$130.00}$

From January 1, 2021 through December 31, 2021:

8. (a) 2021 hours: $1,365 \text{ divided by } 100 = 13.650$; rounded to next lowest whole number is 13
- (b) $13 \text{ times } \$13.00 = \underline{\$169.00}$

The amount of the Normal Pension is equal to the sum of 1, 2, 3, 4, 5, 6, 7 and 8 above as follows:

$$\underline{\$8.00 + \$53.26 + \$50.00 + \$507.50 + \$697.00 + \$131.20 + \$130.00 + \$169.00} = \$1745.96$$

The amount of Pete's Normal Pension benefit is **\$1,745.96** per month. This benefit will be payable when Pete reaches age 65.

For Tier II participants, the amount of your monthly Normal Pension is calculated as follows

1. For the five-month period between August 1 and December 31, 2017, \$10.25 for each full 250 hours of Covered Employment in that period; plus,

2. For the Plan Year from January 1, 2018 through December 31, 2018, \$4.10 for each full 100 hours of Covered Employment in that year; plus,
3. For each Plan Year from January 1, 2019 through December 31, 2020, \$5.00 for each full 100 hours of Covered Employment in that year; plus,
4. For each Plan Year on or after January 1, 2021, \$6.50 for each full 100 hours of Covered Employment in that year.

The amount of your monthly Normal Pension will be equal to the total of 1 through 4 above.

For example:

Pat is a **Tier II participant** and age 65. He was employed in 2017 for 500 hours, and for 1,000 hours for each of the four years 2018 through 2021. His Normal Pension benefit is calculated as follows:

From January 1, 2014 through December 31, 2017:

1. 500 hours divided by 250 = 2; 2 times \$10.25 = **\$20.50**

From January 1, 2018 through December 31, 2018:

2. 1,000 hours divided by 100 = 10; 10 times \$4.10 = **\$41.00**

From January 1, 2019 through December 31, 2020:

3. For 2019: 1,000 hours divided by 100 = 10; 10 times \$5.00 = **\$50.00**

For 2020: 1,000 hours divided by 100 = 10; 10 times \$5.00 = **\$50.00**

\$50.00 + \$50.00 = **\$100.00**

From January 1, 2021 through December 31, 2021:

4. 1,000 hours divided by 100 = 10; 10 times \$6.50 = **\$65.00**

The amount of the Normal Pension is equal to the sum of 1 through 4 above as follows:

\$20.50 + \$41.00 + \$100.00 + \$65.00 = \$226.50

The amount of Pat's Normal Pension benefit is **\$226.50** per month. This benefit will be payable when Pat reaches age 65.

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Please contact the Fund Office in writing at 100 Merrick Road, Suite 500 West, Rockville Centre, NY 11570; or by telephone at (516) 775-2280 with any questions.

This SMM is intended to provide you with an easy-to-understand description of certain changes to the Plan. While every effort has been made to make this description as complete and as accurate as possible, this SMM, of course, cannot contain a full restatement of the terms and provisions of the Plan. If any conflict should arise between this summary and the Plan, or if any point is not discussed in this SMM or is only partially discussed, the terms of the Plan will govern in all cases.

The Board of Trustees (or its duly authorized designee) reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Plan, or any benefits provided under the Plan, in whole or in part, at any time and for any reason, in accordance with the applicable amendment procedures established under the Plan and the Agreement and Declaration of Trust establishing the Plan (the "Trust Agreement"). The Trust Agreement and the full Plan document are at the Fund Office and may be inspected by you free of charge during normal business hours.

No individual other than the Board of Trustees (or its duly authorized designee) has any authority to interpret the plan documents, make any promises to you about benefits under the Plan, or to change any provision of the Plan. Only the Board of Trustees (or its duly authorized designee) has the exclusive right and power, in its sole and absolute discretion, to interpret the terms of the Plan and decide all matters arising under the Plan.

