



**SHEET METAL WORKERS LOCAL NO. 20
GARY AREA PENSION PLAN**

NOTICE OF BENEFIT IMPROVEMENTS

To All Participants:

The Trustees of the Sheet Metal Workers Local No. 20 Gary Area Pension Fund are pleased to announce the following Plan improvements that were recently adopted and are described in this notice, which serves as a summary of material modification (SMM).

Accrual Rate Increase for Active Employees

The benefit accrual rate has been increased effective January 1, 2024, as follows:

- From \$76.00 to \$78.00 for all pension credits for participants in the A-level job classification
- From \$50.67 to \$52.00 for all pension credits for participants in the B-level job classification.
- From \$25.33 to \$26.00 for the C-level job classification.

To qualify for the increases, you must retire as a participant in the A-level job classification, B-level job classification or C-level job classification on or after **January 1, 2024**, and work at least 870 hours in covered employment in 2023 or a subsequent plan credit year (i.e. the calendar year). If you qualify for this improvement, the accrual rate will be \$78.00, \$52.00, or \$26.00, as applicable based on your job classification during the period the benefit accrual was earned.

Note that this increase does not change the Plan's "Period of Accrual" rule. If, over a period of three consecutive plan credit years, you earn less than 0.5 pension credit, the accrual rate for the pension credit you earned before the three-year period is fixed and is not affected by the increase in the accrual rate described in this notice.

Example

Sherman retires on January 1, 2024 at the age of 62. Sherman earned 30 pension credits during one period of accrual and worked at least 870 hours in 2023. Sherman was a participant in the A-level job classification for 30 years. His monthly Regular Pension amount equals the sum of the amounts determined by multiplying his pension credits times the applicable accrual rate for his job classification as follows:

<u>Job Classification (A-level)</u>	<u>Old Formula</u>	<u>New Formula</u>
<i>Total monthly amount</i>	\$2,280.00 (30 x \$76)	\$2,340.00 (30 x \$78)

* This is the amount of Sherman's pension in the single life form. If he receives his pension in a Joint and Survivor Pension form, the amount is reduced according to the applicable Joint and Survivor reduction factors.

13th Check for Retired Participants

The Trustees approved a 13th check for Participants (Retired Participants and Beneficiaries) in pay status as of December 1, 2023. The amount the individual will receive will be 100% of their monthly benefit amount times the ratio of checks received in the 2023 calendar year divided by 12.

Examples:

1. Dan's monthly benefit amount is \$675.00. He entered pay status in May 2023 and will therefore receive 7/12 of his monthly benefit amount (May through December = 7 months (7/12)).

- Calculate 7/12 of monthly benefit of \$675 for a total of: \$393.75

So, Dan's **13th check will be \$393.75.**

2. Jason's monthly benefit amount is \$545.00. He entered pay status in January 2023 and received a check for each of the 12 months during 2023. Therefore, Jason will receive a **13th check** in the amount of his regular monthly benefit, which is **\$545.00.**

The Trustees are pleased that the financial strength of the Plan enables them to provide this Plan improvement. If you have any questions regarding this benefit change, feel free to contact the Fund Office.

Sincerely,

Your Board of Trustees

Employer Trustees

Scott Vidimos, Tom Heckman, Joe Bloomfield III

Labor Trustees

Kreg Homoky, Jesse Rippe, Chris Shaffer

This announcement serves as a Summary of Material Modifications (SMM) for the Sheet Metal Workers Local No. 20 Gary Area Pension Fund (EIN 35-6057213/ PN 001). Full details are contained in the documents that establish the Plan provisions. If there is a discrepancy between the wording here and the documents that establish the Plan, the document language will govern. Please keep this SMM with your Summary Plan Description (SPD) for future reference.

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