



SHEET METAL WORKERS' LOCAL UNION NO. 80

FRINGE BENEFIT FUNDS

P.O. Box 1408 / Troy, MI 48099-1408 / (248) 641-4980 (800) 400-7710

TO: All Annuity Fund Participants

FROM: Board of Trustees
Sheet Metal Workers' Local Union No. 80 Annuity Fund

RE: Catch-up Contributions for Participants Age 50 and Over

DATE: January 15, 2020

Effective January 1, 2020, the Board of Trustees has amended the Fund's Plan, to provide for catch-up contributions. If you are age 50 and older (as of the end of the Calendar Year) you will be allowed to make additional contributions via salary reduction (elective deferral) to the Fund. For the 2020 Calendar Year, you could make up to an additional \$6,500 in elective contributions. As such, for 2020 Calendar Year, a participant over the age of 50 can defer up to \$19,500 in elective deferrals and an additional \$6,500 in catch-up contributions for a total of \$26,000.

In order to implement this new option, for any participant who will be 50 years or older as of the end of the 2020 Calendar Year, the Board of Trustees has increased the maximum contribution for the pre-tax deferral contributions (401(k) contributions) from \$9.00 per hour to \$13.00 per hour. There has been no change to the minimum hourly contribution which is 50¢ per hour.

To permit participants to take advantage of this, and make or change their current elections if they wish, the Fund is having a special election period from **January 1, 2020 – March 15, 2020**. After this special election period, all regular rules will resume.

As a reminder, you may enter into a salary reduction agreement within seven (7) calendar days of your hire date, and that agreement terminates as of your last weekly wage from that employer. If you work for your employer for more than six months, you may change or revoke your election no more frequently than once each calendar year, effective July 1. In order to elect, change or terminate a pre-tax deferral contribution, you must:

- (1) complete the Salary Reduction Agreement for Pre-Tax Elective Deferral - 401(k) Authorization, Election and Enrollment Form (available from the Fund Office and on the Fund's web-site – www.sheet80fringe.org),
- (2) give the employer's Payroll Department the employer's copy of the Form, retaining the employee's copy of the Form for your records; and
- (3) mail the original to the Fund Office.

There are still several legal limits imposed by law on the amount of contributions that the Fund can accept and retain in a year, and if your deductions are found to exceed those limits, the Fund will be obligated to pay back some of your pre-tax elective deferral contributions to you, and report this amount to IRS.

You can request an Election Form from the Fund Office or on the Fund's web site – www.sheet80fringe.org.

Access to information about your Annuity Fund account is available via the website, www.yourplanaccess.com/benesys, by telephone, (248) 641-4980 or by mail P.O. Box 1408, Troy, MI 48099-0189.