



PLUMBERS LOCAL 98 FRINGE BENEFIT FUNDS

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ANNUAL NOTICE REGARDING SUSPENSION OF BENEFITS September 2023

The Plumbers Local 98 Defined Benefit Pension Plan (Plan), like most pension plans, contains suspension of benefit provisions. These provisions permit Plan Trustees to suspend monthly pension benefits when an individual engages in Plan Related Employment after retirement or continues in Plan Related Employment past normal retirement age.

This is an annual notice explaining the suspension of benefit rules in the Plan. However, a temporary waiver of these rules is in effect. Under this waiver, Pensioners who have been retired six full months can perform work covered by the 98 collective bargaining agreement for a Contributing Employer and receive their pension benefit, provided the Pensioner informs the Fund Office and Union that he/she is returning to work. **This notice does not change this temporary waiver, but understand the Trustees have the right to revoke this waiver at any time. Therefore, please do not rely on this waiver when deciding when to retire and commence pension benefits.**

PLAN PROVISIONS RELATED TO SUSPENSION OF BENEFITS

Plan Related Employment: As noted above, suspension of benefit provisions under the Plan permit the Trustees to suspend monthly pension benefits when an individual engages in Plan Related Employment after retirement, or continues in Plan Related Employment, past normal retirement age and prior to April 1st of the calendar year following the year the individual reaches age 70 ½. In summary, Plan Related Employment is:

For pension benefits accrued on or before September 1, 1996: 40 or more Hours of Service in a month following the completion of 400 Hours of Service in a Plan Year.

For pension benefits accrued between September 1, 1996, and January 1, 2000:

- If a Participant retired and did not return to work for at least six months following his/her retirement, 40 hours of work as a plumber, pipefitter, or sprinkler fitter for a contributing Employer in a month following the completion of 400 Hours of Service in a Plan Year; or
- If a Participant retired and did return to work within six months following his/her retirement, 40 hours of work as a plumber, pipefitter, or sprinkler fitter for a contributing Employer in a month following the completion of 40 Hours of Service in a Plan Year; or
- 40 hours of work in a month as a plumber, pipefitter, or sprinkler fitter for a non-contributing employer.

For pension benefits accrued between January 1, 2000 and January 1, 2007:

- If a Participant retired and did not return to work for at least six months following his/her retirement, 40 hours of work in the same Industry and in the same Trade or Craft in which the employees were employed at any time under the plan, including supervisory work, for a contributing Employer, in a month following the completion of 600 Hours of Service in a Plan Year;¹ or
- If a Participant retired and did return to work within six months following his/her retirement, 40 hours of work in the same Industry and in the same Trade or Craft in which the employees were employed at any time under the plan, including supervisory work, for a contributing Employer; or
- 40 hours of work in the same Industry and in the same Trade or Craft in which employees were employed at any time under the Plan, including supervisory work, for a non-contributing employer.

For pension benefits accrued on or after January 1, 2007:

- For Participants age 65 or over; 40 or more hours of work per month in the same Industry and same Trade or Craft within the Geographical Area covered by the Plan for a contributing or noncontributing employer.
- For Participants under age 65: Any employment (of any duration) in the construction industry in any geographic area.

Special Rule for Participants Under Age 65 Who Retired on or After May 1, 2010: Notwithstanding any rule to the contrary, the definition of “Plan Related Employment” as applied to the entire accrued benefit of any Participant under age 65 who retired on or after May 1, 2010, is any work related to the construction industry in any geographic area.

Employment with Apprenticeship Fund or Owners: Notwithstanding any term to the contrary, Plan Related Employment does not include: (a) employment as an instructor for the Metropolitan Detroit Plumbing Industry Training Trust Fund, or (b) work as an owner of an Employer if age 65 or above, no longer working with the tools of the trade, and such Employer has a collective bargaining agreement with the Union requiring contributions to the Fund.

Reporting and Verification Requirements: Every Pensioner must promptly notify the Trustees of any employment and provide the Trustees with information to verify such employment. A Pensioner must provide information requested by the Trustees, in their sole discretion, to confirm whether he/she is employed or unemployed or the nature of any employment. The Trustees may withhold benefit payments until such information is provided.

¹ The terms industry, trade or craft, and geographical area covered by the Plan have the meanings set forth in 29 CFR 2530-203-3, and include any supervisory or managerial activity which is reasonably related to the underlying skills associated with the trade or craft for which the individual was trained or in which he acquired his work experience.

Presumptions: Whenever the Trustees become aware that a Pensioner is engaged in Plan Related Employment and the Pensioner has not complied with the reporting requirements, the Trustees may, unless it is unreasonable to do so, act on the basis of the rebuttable presumption that the Pensioner has engaged in Plan Related Employment and suspend his/her benefits. Further, where the Plan Related Employment at issue is at a construction site, the Trustees may, unless it is unreasonable to do so, act on the basis of the rebuttable presumption that the

Pensioner engaged in such employment for the same employer for as long as that employer performed work at that construction site.

Notice of Suspension: A Pensioner shall receive a written notice during the first calendar month in which the Trustees suspend his benefit. The notice shall include a description of the reasons his benefit is being suspended, a general description of the suspension provisions, a copy of the Plan provisions related to suspension of benefits, an explanation of review procedures, and information required by 29 CFR 2530.203-3(b)(4).

Resumption of Payments: A Pensioner must notify the Fund Office when he is no longer engaged in Plan Related Employment. Once this is verified, the Pensioner's monthly retirement benefit shall become payable on the next regularly scheduled date for the payment of benefits. If a Participant received a benefit for a month in which his benefit should have been suspended, upon resumption of payments the Trustees shall withhold 100% of the initial monthly payment and up to 25% of subsequent monthly benefit payments until the Plan has been repaid all benefits which should have been suspended.

Employment Beneficial to the Industry: A Pensioner may return to employment in a position that is not covered by a collective bargaining agreement and not have his benefit suspended or delayed only if such employment is deemed by the Trustees as employment beneficial to the Plan, Participants and the unionized segment of the pipefitting industry. The criteria to be used in making such a determination include:

- i. Such employment does not fill a position covered by a collective bargaining agreement;
- ii. The position does not result in the impingement upon the jurisdictional claims of Plumbers and their Unions;
- iii. The position results in or provides an opportunity for the promotion or expansion of employment opportunities in covered employment for current or future Participants of the Plan;
- iv. The position is authorized or approved by the Union and is for an employer approved by the Board of Trustees; and
- v. The Pensioner was not employed in the same or similar position prior to his/her retirement date.

Waiver: From time to time, the Trustees in their sole discretion may lift in whole or in part the suspension rules for a period of time for Pensioners who have returned to Plan Related Employment, provided such waiver is applied to similarly situated Pensioners.

Regulations: These rules are interpreted according to the applicable Department of Labor regulations, which may be found in §2530.203-3 of the Code of Federal Regulations.

Working in Plan Related Employment after Normal Retirement Age: In general, the benefit of a participant who continues to work past normal retirement age is actuarially adjusted to the date of retirement. For purposes of the cash balance benefit, “actuarial equivalent” means the accumulated benefit in a Participant’s Individual Account as of the Participant’s Normal Retirement Age plus the Interest Credits to the Participant’s date of retirement (Annuity Starting Date). A Participant working past normal retirement age will continue to receive cash balance accruals for all hours worked per the terms of the Plan.

The above is a general summary of Plan provisions. Nothing in this summary is meant to change the Plan provisions in any way. Please see the Plan document for further details and contact the Fund Office with any questions.