

U.A. Local No. 393 Benefit Funds

HEALTH & WELFARE, SUB, DEFINED BENEFIT PENSION AND DEFINED CONTRIBUTION

6293 San Ignacio Ave ■ San Jose, CA 95119 ■ P.O. Box 2460 ■ San Jose, CA 95109-2460
 (408) 588-3751 ■ (408) 436-8210 fax ■ Staff@ualocal393benefits.org ■ www.ualocal393benefits.org

NOTICE OF MATERIAL MODIFICATIONS

to the

U.A. LOCAL NO. 393 DEFINED CONTRIBUTION PLAN

(As restated November 1, 2021)

Date: December 2024
To: All Active Participants in the U.A. Local No. 393 Defined Contribution Plan
From: Board of Trustees
Re: New “Higher Catch-Up” Category for Contribution Limits - ***effective Jan. 1, 2025***

This document is a Summary of Material Modifications (“Summary”) intended to notify you of the important changes made to the U.A. Local No. 393 Defined Contribution Plan (“Plan”) since the Summary Plan Description was last distributed to you. Please note that, in the event of conflict between this Summary and the terms of the Plan, the terms of the Plan will govern.

As you may know, in the 2025 taxable year, the amount you can voluntarily contribute to your 401(k) account is \$23,500 and the standard catch-up contribution limit for participants who turn age 50 (or older) in 2025 is \$7,500.

Effective January 1, 2025, and as per SECURE Act 2.0, the IRS has created a new “Higher Catch-Up” category for individuals who attain age 60 but do not attain age 64 before the close of the taxable year.

The Trustees have amended the Plan so that if you fall into this category, then your maximum catch-up contribution in the 2025 Plan Year is the greater of:

- i. \$10,000, or
- ii. an amount equal to 150% of the standard catch-up contribution limit for that year.

For 2025, eligible participants could defer $\$23,500 + (\$7,500 \times 1.5) = \$34,750$.

For all other participants eligible for catch-up contributions, including those who do not reach at least age 60 during the tax year, or who will attain age 64 or older in the tax year, then the standard catch-up contribution limit for that year will apply (\$7,500 for the year 2025).

These changes will make it easier for plan participants who meet the above age requirements and would like to save more for retirement to do so. If you have any questions about the new “Higher Catch-Up” or any questions concerning this Summary, the Plan or your benefits, please contact the Pension Department at the telephone number above. To change your deferral, download a new form at ualocal393.org/fringe-benefits and return it to your local union.

These changes are made pursuant to Amendment 7 to the Formal Plan Rules of the Defined Contribution Plan, which can be found on www.ualocal393benefits.org (in the documents tab).