

# U.A. Local No. 393 Benefit Funds

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

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### Enhanced Benefit Credit (Accrual)

For Plan Years 2024 – 2026, if you are eligible for an Unreduced Early Retirement and have not yet retired, you will receive an Enhanced Benefit Credit of an additional \$0.05 (an increase from \$0.12 to \$0.17) effective January 1<sup>st</sup> of the year following the year in which you first became eligible for Unreduced Early Retirement, provided you work a minimum of 100 hours in the year.

Once you are eligible for the Enhanced Benefit Credit, you will continue to remain eligible for each Plan Year between January 1, 2024 – December 31, 2026, provided you work at least 100 hours in each Plan Year.

Example 1: Participant became eligible for Unreduced Early Retirement in 2023 and worked at least 100 hours in 2024. They met the requirements for the Enhanced Benefit Credit effective January 1, 2024. Any hours worked in 2024 will accrue at \$0.17 per hour.

Example 2: Participant became eligible for Unreduced Early Retirement in 2024 and worked at least 100 hours in 2025. They met the requirements for the Enhanced Benefit Credit effective January 1, 2025. Hours worked in 2024 will accrue at \$0.12 per hour and beginning January 2025 hours worked will accrue at \$0.17 per hour as they worked at least 100 hours in 2025.

Example of Enhanced Benefit Credit (assuming effective January 1, 2024):

Plan Year	Hours Worked	Benefit Accrual Rate	Benefit Earned (Hours x Rate)
2018	2,080	\$0.11	\$228.80
2019	1,970	\$0.11	\$216.70
2020	2,080	\$0.11	\$228.80
2021	1,970	\$0.11	\$216.70
2022	1,400	\$0.12	\$168.00
2023	2,080	\$0.12	\$249.60
2024	1,800	\$0.17	\$306.00
		<b>Total Accrued Benefit</b>	<b>\$1,614.60</b>

### Defined Contribution Plan Overview

The Defined Contribution Plan provides an individual account for each participant. Your account is 100% vested at all times. It is funded by an employer contribution of \$11 per hour. You can choose to contribute an additional 401(k) amount per hour, in any whole dollar amount (\$1, \$2, \$3, etc). You can change your election up to 3 times per year.

The IRS limits the amount of 401(k) contributions you can make. Employer contributions do not count toward these limits. The 2024 limits are \$23,000 if you are under age 50, and \$30,500 if you are 50 and over.

### **When are you eligible to receive benefits from the Plan?**

All distributions require termination of employment in Industry Service, unless otherwise noted:

<b>Most Common</b>	<b>Less Common</b>
Your retirement under the Part A Plan	The <i>latest</i> of your retirement from Industry Service, attainment of age 65, or the fifth anniversary of participation in the Plan
If you become disabled	Age 52, 25+ Years of Benefit Credit under DB Plan, and permanently cease to perform all Industry Service
If you qualify for a hardship distribution	If you change membership to another U.A. Local, you may transfer your account to their Defined Contribution Plan
Required Minimum Distribution: April 1 <sup>st</sup> of the year following the year in which you attain age 73, even if still working	If you are active, employed with a contributing employer, and have never worked in non-signatory employment since becoming a participant in this Plan, you can take up to 25% of your account balance per year (age 62-64) or up to 100% of your account balance (age 65+)

If you are married while participating in the Plan, and then get divorced, your former spouse may be entitled to a portion of your pension benefits. The Administration Office can provide you a copy of the Plan's QDRO procedures and a sample order.

### **Benefit Options**

<b>Most Common</b>	<b>Less Common</b>
Lump Sum: One payment equal to your entire account balance.	<u>50%, 75%, and 100% Joint and Survivor Annuity*</u> : Monthly pension for the life of the participant, followed by a benefit for the life of the surviving spouse.
Partial Lump Sum: A payment which is less than your entire account balance.	<u>Single Life Annuity*</u> : Monthly pension for the participant's lifetime based on life expectancy (limited to the account balance).
Monthly installments	<i>*Annuity options are not chosen for many reasons: the Part A already provides a lifetime benefit, participants can purchase annuities on their own, and once elected, you no longer have the flexibility of taking as much or as little money out as you need.</i>

If you are under 55 and are not receiving a disability distribution, the only forms of benefit available to you are a Single Life Annuity or a Joint and Survivor Annuity.

All distributions, except required minimum distributions, are eligible for rollover to an IRA or qualified plan. If you do not elect a rollover, your distribution will have 20% federal tax withheld as required by law.

### **Death Benefits**

If you die before receiving all of your account, your remaining account will be paid to your spouse or other properly designated beneficiaries. A married participant must receive his or her spouse's consent in order to designate an alternative non-spouse beneficiary. If there is no spouse or properly designated beneficiary who survives you, your remaining account will be paid under the terms of the Plan to your living children, natural or adopted, if any; or if none, to your parents, if either are living; or if none, to your siblings, if any are living; or if none, to your estate.

The benefit forms for payment of death benefits to spouse beneficiaries are:

- Qualified Pre-Retirement Survivor Annuity (QPSA),
- Qualified Joint and 50% Survivor Annuity (QJSA),
- Joint and 75% Survivor Annuity, and
- Joint and 100% Survivor Annuity.

Your surviving spouse may choose to waive the QPSA or the QJSA and receive a lump sum, partial lump sum, or monthly installments.

The benefit forms for payment of death benefits to non-spouse beneficiaries are:

- Single Life Annuity (only available to certain Eligible Designated Beneficiaries; consult the Formal Plan Text for more information)
- Lump Sum,
- Partial Lump Sum, or
- Monthly Installments.

For all benefit forms other than the Single Life Annuity, the participant's account balance must be paid out within a certain number of years (consult the Formal Plan Text for more information).