SUMMARY OF MATERIAL MODIFICATIONS TO THE
BRICKLAYERS LOCAL NO. 16 PENSION PLAN
EFFECTIVE JANUARY 1, 2020

To: Plan Participants and Beneficiaries
From: Board of Trustees of the Bricklayers Local No. 16 Pension Plan

The purpose of this notice is to advise you of important changes to certain benefits you receive as a Participant in the Bricklayers Local No. 16 Pension Plan (the “BAC 16 Plan”). Capitalized terms in this Notice have the same meaning as in the Plan Document and its updates.

The Bricklayers Local No. 16 Pension Plan has merged into the B.A.C. Local No. 3 Pension Plan (the “BAC 3 Plan”). The effective date of the merger is December 31, 2019.

The merger will not adversely affect your accrued benefits earned as of December 31, 2019; that is, the value of your accrued benefit earned as of December 31, 2019 will not be any lower after the merger than your accrued benefit immediately before the merger.

Due to the merger, the following plan provisions were changed effective January 1, 2020.

Normal Form of Payment for Unmarried Participants
If you earned credit under the BAC 16 Plan and you are not married when you commence benefits under either an Early or Normal Retirement, the normal form of benefit is a Single Life Annuity.

For benefits that are accrued on or after January 1, 2020 under the BAC 3 Plan, the normal form of benefit, if you are not married when you commence an Early or Normal Retirement, is a Single Life Annuity with a three-year certain guarantee of the benefit.

This is a more valuable benefit since your retirement benefit may be guaranteed for three (3) years compared with zero (0).

This change will not impact benefits earned prior to January 1, 2020. For benefits accrued prior to January 1, 2020, the normal form of benefit for a non-married Participant will continue to be a Single Life Annuity.

Early Retirement Eligibility
If you earned credit under the BAC 16 Plan, you will be eligible to retire on an Early Retirement Pension at age 55 if you have completed at least ten (10) years of Credited Service or ten (10) years of Vested service.

If you work at least one hour on or after January 1, 2020 under the BAC 3 Plan, you will be eligible to retire on an Early Retirement Pension at age 55 or older if, at the time of your retirement, you have earned at least eight (8) years of Vesting Credit since any permanent Break-in-Service.
This is a more valuable benefit since you may be eligible to retire early with only eight (8) years of Vesting Credit, compared with (10) years of Credited or Vested Service.

**Early Retirement Pension**

If you earned credit under the BAC 16 Plan, your monthly amount of Early Retirement Pension, if eligible, is equal to the Actuarial Equivalent of the monthly amount of Normal Retirement Pension to which you are entitled to at 62 years of age.

If you work at least one hour on or after January 1, 2020 under the BAC 3 Plan, the Early Retirement Pension is determined by reducing the Normal Pension by 0.5% for each month the Early Retirement Date precedes the Normal Retirement Date (or Unreduced Retirement Date, if eligible).

This is a more valuable benefit since you may be eligible to receive an early retirement benefit with a smaller reduction.

**Unreduced Retirement Eligibility**

If you earned credit under the BAC 16 Plan, there is no unreduced early retirement pension. You must wait until your Normal Retirement Age (generally age 62) to receive an unreduced pension.

Effective January 1, 2020, your benefits accrued on or after January 1, 2020 are eligible to be paid as an Unreduced Retirement pension if you have attained age 60 and have earned at least five (5) years of Vesting Credit.

This is a more valuable benefit since you may be eligible to receive an unreduced retirement benefit as early as age 60 with only five (5) years of Vesting Credit, compared with no Unreduced Retirement benefit being available to you.

This change will not impact benefits earned prior to January 1, 2020. Your benefits accrued prior to January 1, 2020 are not payable at an unreduced amount prior to Normal Retirement Age.

**Disability Retirement**

If you earned credit under the BAC 16 Plan, there is no Disability Pension.

If you work at least one hour on or after January 1, 2020 under the BAC 3 Plan, you are eligible to receive a Disability Pension if you (a) becomes totally and permanently disabled; (b) at the time of the commencement of such permanent and total disability you have accumulated at least five (5) years of Vesting Credit since any permanent Break-in-Service; and (c) you worked at least three hundred (300) hours in Covered Employment within the Plan Year or the immediately preceding Plan Year in which the disability occurs.

This is a more valuable benefit since you may be eligible to receive a disability pension after accumulating five (5) years of Vesting Credit, compared with no disability pension being available to you.

**Pre-Retirement Death Benefit – Single Participants**

Under the BAC 16 Plan, there is no pre-retirement death benefit payable to unmarried participants.

Effective January 1, 2020, under the BAC 3 Plan, the beneficiary of a single, vested participant who dies prior to retiring, is entitled to a lump sum equal to his or her accrued benefit as of the date of death, multiplied by thirty-six (36).

This is a more valuable benefit since a beneficiary of a single participant may be eligible to receive a pre-retirement death benefit in the event of death, compared with no pre-retirement death being available to single participants.

**Pre-Retirement Death Benefit – Married Participants**

Under the BAC 16 Plan, the spouse of a married, vested participant who dies prior to retiring, is entitled to the survivor portion of a 50% Joint and Survivor Pension payable at the later of the participant’s date of death or the participant’s Earliest Retirement Date.
The spouse of a married, vested participant that worked at least one hour on or after January 1, 2020 under the BAC 3 Plan and dies prior to retiring, is entitled to either 1) the survivor portion of a 100% Joint and Survivor Pension payable as of the participant’s date of death, or 2) a lump sum equal to the participant’s accrued benefit as of his date of death multiplied by thirty-six (36).

This is a more valuable benefit since the 100% Joint and Survivor benefit pays more than the 50% Joint and Survivor benefit to a surviving spouse.

**Vesting Credit**

If you earned credit under the BAC 16 Plan, a participant earns 0.1 year of vesting credit for the first 300 hours of credited service plus 0.1 year for each additional 100 hours up to 900 (0.7 for 900 hours, but less than 1,000). Anything at or above 1,000 earns 1.0 year of vesting credit per Plan Year.

Effective July 1, 2019, a participant earns 0.3 year of vesting credit for each 300 hours plus 0.1 year for each additional 100 hours up to a maximum of 1 year of vesting credit per Plan Year.

Note that the hours worked between July 1, 2019 and December 31, 2019 count for vesting credit under both the Local 16 Plan and the Local 3 Plan.

**Vesting Credit for twelve (12) month period ending June 30, 2020**

If you earn at least one thousand (1,000) hours as defined in either the Local 16 Pension Plan or the Local 3 Pension Plan during the twelve (12) month period ending June 30, 2020, you shall receive one (1) year of Vesting Credit under the Local 3 Plan. If you worked more than three hundred (300) hours but less than one thousand (1,000) hours during the twelve (12) month period ending June 30, 2020, you shall receive partial credit under the Local 3 Plan in accordance with the schedule in Section 3.1 of the Local 3 Plan Document, whether or not you worked more than three hundred (300) hours during the six (6) month period ending December 31, 2019 and therefore may have received full or partial credit in accordance with the terms of the Local 16 Pension Plan.

This Notice shall serve as a Summary of Material Modifications to your Plan and should be kept with your current Summary Plan Description for future reference. This Summary is intended to provide you with an easy-to-understand description of certain changes to the Plan. While every effort has been made to make this description as complete and accurate as possible, this Summary cannot contain a full restatement of the terms and provisions of the Plan. If any conflict should arise between this Summary and the Plan, or if any point is not discussed in this Summary or is only partially discussed, the terms of the Plan will govern in all cases.

The Board of Trustees of the B.A.C. Local No. 3 Pension Plan will assume plan administrative duties over the new, merged plan. The administrative office will continue to be BeneSys Administrators, P.O. Box 1607, San Ramon, CA 94583 and you may continue to direct your benefits questions to this office at (925) 208-9995. If you have any questions about the plan merger, please contact the Administrative Office.

The Trustees of the Plan reserve the right, in their sole and absolute discretion, to interpret, amend, modify or terminate the Plan, or any benefits provided under the Plan, in whole or in part, at any time and for any reason, in accordance with the applicable amendment procedures established under the Plan and the Trust agreement establishing the Plan.

_This document has been uploaded and is available on the participant website at:_

www.BAC3-brickbenefits.org