



Pension Fund of Local No. One, I.A.T.S.E.

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SUMMARY OF MATERIAL MODIFICATIONS TO THE PENSION FUND OF LOCAL NO. ONE, I.A.T.S.E.

To: All Participants in the Pension Fund of Local No. One, I.A.T.S.E.
From: Scott Cool, Director of Fund Administration
Date: April 18, 2019
Re: One-Time Exception to the Suspension of Benefit Rules

This document is a Summary of Material Modifications ("SMM") intended to notify you of important changes made to the Pension Fund of Local No. One, I.A.T.S.E. (the "Plan"). You should take the time to read this SMM carefully and keep it with the copy of the Summary Plan Description ("SPD") that was previously provided to you. If you need another copy of the SPD or if you have any questions regarding these changes to the Plan, please contact the Fund Office during normal business hours at 320 West 46th Street, 6th Floor, New York, New York, 10036, telephone number (212) 247-5225, or visit our web site at www.FundOneIATSE.com.

1. Suspension of Benefits

Effective November 14, 2018, the Board of Trustees amended the Plan rules related to the suspension of pension benefits for working in disqualifying employment. These rules can be found in Section IV of your SPD.

Prior to this amendment, if a pensioner under age 60 worked in any disqualifying employment, or from age 60 to 64 worked more than four days or shifts during a month, his/her benefit would be suspended for the month(s) of disqualifying employment and the following 6 months. If the pensioner also failed to notify the Fund Office of the disqualifying employment, the suspension would be further extended to 12 months following the month(s) of disqualifying employment.

The amendment provides a one-time exception to these suspension rules so that for the first occurrence, the suspension will be equivalent to the pensioner's earnings in disqualifying employment. For example, assume a pensioner under age 60 with a monthly benefit of \$1,000 earned \$2,000 in disqualifying employment during a single month and failed to notify the Fund Office, and that this is the first time the pensioner's benefit has been suspended. Prior to this amendment the participant would have been suspended for that month and the following 12 months, and would have therefore lost \$13,000 in pension benefits. Under the new rule the suspension would only be for 2 months since 2 months of his \$1,000 monthly benefit is equal to the \$2,000 he earned in disqualifying employment.

Please note that since this is a one time exception, if this same pensioner subsequently engages in disqualifying employment at any time prior to age 65, the existing rules will then apply and the suspension will be for up to 12 months following the period of disqualifying employment.

If you have any questions about this new and limited exception to the Plan rules for suspension of pension benefits, please call the Fund Office at (212)247-5225.

2. Special Distribution to Retirees and Their Beneficiaries

All retirees and their beneficiaries on the rolls as of December 1, 2018 received an extra one-time lump sum payment of \$2,000 per benefit. In cases where a pension benefit has been divided because of a Qualified Domestic Relations Order ("QDRO") or because of multiple beneficiaries, the lump sum amount was allocated pro rata. This special distribution was based on discrete special circumstances present in a particular plan year and there is no guarantee that such circumstances will exist next year or in any future year.

This SMM 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 as accurate as possible, this SMM, of course, cannot contain a full restatement of the terms and provisions of the Plan. If any conflict should arise between this SMM and the Plan, or if any point is not discussed in this SMM or is only partially discussed, the terms of the Plan will govern in all cases.

The Board of Trustees or its duly authorized designee, reserves the right, in its sole and absolute discretion, to 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 Agreement and Declaration of Trust establishing the Plan (the "Trust Agreement"). The Trust Agreement is available at the Fund Office and may be inspected by you free of charge during normal business hours.

No individual other than the Board of Trustees (or its duly authorized designee) has any authority to interpret the plan documents, make any promises to you about benefits under the Plan, or to change any provision of the Plan. Only the Board of Trustees (or its duly authorized designee) has the exclusive right and power, in its sole and absolute discretion, to interpret the terms of the Plan and decide all matters arising under the Plan.