



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: December 12, 2018
Re: Updates to Provisions Related to Disability Claims

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.

Effective April 1, 2018, the Board of Trustees determined to amend the Plan with respect how disability is determined for purposes of receiving certain benefits. Those Plan changes require updates to the following provisions of the 2016 SPD:

Section II.B.2, appearing on page 5 of the 2016 SPD, is revised to read as follows:

2. PENSION CREDIT FOR PERIODS OF MILITARY SERVICE

You will receive up to 5 years of Pension Credit for periods of military service if you (1) had at least one year of Pension Credit before the period of military service, and (2) you are available for Covered Employment within 90 days of discharge from uniformed services or after recovery from a disability continuing after your discharge (as determined by the Department of Veteran Affairs), as well as any other credits that you are entitled to by law. If you die while performing qualified military service, you will receive vesting credit for the period of your service and your survivors will be entitled to any additional benefits (other than benefit accruals relating to the period of service) as if you had resumed and then immediately terminated employment on account of death

Section II.B.3, appearing on page 5 of the 2016 SPD, is revised to read as follows:

3. PENSION CREDIT FOR PERIODS OF TOTAL DISABILITY

You may qualify to receive Pension Credit for periods of disability if you had at least one year of Pension Credit prior to the period of disability.

For each week you are unable to work due to disability, you will be deemed to have had earnings in Covered Employment for up to 26 weeks per calendar year. In order to qualify for this benefit, you must provide the Fund Office with proof that you are receiving Social Security Benefits, Short Term or Long Term Disability Benefits, or Workers Compensation Benefits. If you have exhausted those benefits, but still suffer from the same disability that qualified you for such benefits, you may submit a certification from your treating physician establishing your continued disability preventing you from resuming Covered Employment. Your physician must certify that he/she is treating you for the same disability that qualified you for third-party benefits and that the disability continues to prevent you from working in Covered Employment. The Fund may periodically require you to provide an

updated physician’s certification. You are required to notify the Fund immediately if third-party benefits cease and you are unable to provide a physician’s certification of continued disability, in which case disability crediting will cease. In no event can you receive such earnings credits in excess of 104 weeks for your lifetime. The amount of the weekly waivers earnings is 1/26th of the minimum earnings requirement in the calendar year, except that such waivers earnings are reduced by any actual earnings you have (or are credited for) during a week in which you would be entitled to weekly waivers earnings.

Section II.D.1, appearing on page 7 of the 2016 SPD, is revised to read as follows:

1. GRACE PERIODS TO AVOID BREAKS IN SERVICE

The Plan allows a “grace period” in certain situations where you will not have a Break in Service even if you do not work in Covered Employment during that time – as shown below.

Reason For Non-employment	Grace Period (where Break in Service will not occur)
Employment under road show contracts of the International Union	up to 5 years
Service as an officer of the International Union	up to 4 years
Periods when: <ul style="list-style-type: none"> • your absence from Covered Employment was due to a proven disability,* or • your absence from Covered Employment was due to Military Service (Call the Fund Office for applicable requirements.) 	up to 4 years

- “Proven disability” means a disability established as described in II.B.3 above.

In addition, effective January 1, 1985, if you are absent from Covered Employment because of pregnancy, birth of a child or adoption, or care of a child after birth or adoption, then you will be eligible for a grace period that will prevent a one-year Break in Service. The grace period applies to the year in which the absence began, or the next year, as applicable.

Section III.D, appearing on page 11-12 of the 2016 SPD, is revised to read as follows:

D. Disability Pension

Eligibility: You are eligible for a Disability Pension if you:

- become Totally and Permanently Disabled before age 65,
- have at least 10 years of Pension Credit, including at least one year of Pension Credit in either of the two calendar years immediately preceding or in the year in which the disability occurred, and
- retire on or after April 1, 1992.

Amount: The monthly amount of a Disability Pension equals the monthly amount of the Normal Pension, based on your Pension Credits earned up to the date of your retirement. Disability Pension benefits commence on the first day of the month following five months of

disability. As a Disability **Pensioner**, you will be required to provide initial and continued proof of your **Total and Permanent Disability**. The Board of Trustees shall rely upon a Social Security Disability Award as proof of Total and Permanent Disability. If you lose entitlement to Social Security Disability Benefits prior to age 65, you are required to immediately report such fact to the Fund Office and your Disability Pension shall cease.

The Fund will not penalize you for bona fide efforts you make to return to work. If you receive Disability Pension Benefits, you will be allowed to engage in gainful employment (provided the Fund Office has been notified) for up to nine months without having your Disability Pension Benefits discontinued, as long as such work does not result in your losing entitlement to Social Security Disability Benefits. If you continue employment for more than nine months, your Disability Pension will cease at the end of the nine-month period. If your employment terminates before the end of the nine-month period, and you are still receiving Social Security Disability Benefits, your Disability Pension will continue.

Section IV.D, appearing on page 13 of the 2016 SPD, is revised to read as follows:

D. Exception for Disability

You may work in Covered Employment for up to nine months without having your Disability Pension benefits suspended, as long as such work does not result in your losing entitlement to Social Security Disability Benefits.

Section V.D.3, appearing on page 18 of the 2016 SPD, is revised to read as follows:

3. TERMINAL ILLNESS DISABILITY

If you are vested, disabled and die with a terminal illness before retirement, you will be considered to have retired on a Disability Pension on the day before you died. An illness is considered terminal if your physician certifies that at the time of your death he/she was treating you for a terminal illness, you were expected to live less than one year, and the terminal illness rendered you totally and permanently disabled. In this case, if you are married, a 100% Joint and Survivor Pension will be payable as if you had elected that form of pension on the day before died. The 10 Year Guarantee payment form will apply if you and your spouse had previously rejected the Joint and Survivor form of benefit in accordance with the Plan's rules, or if no election had been made and the spouse elects the 10 Year Guarantee.

Section VI.F, appearing on pages 21-22 of the 2016 SPD, is revised to read as follows:

F. Claims and Appeals

You will receive a written notice of the decision on your application for benefits (your "claim") within 90 days (unless special circumstances require up to an additional 90 days, in which case you will be notified of the delay and the expected date of a decision).

If your application is denied, a written notice of denial will describe (1) the specific reason or reasons for the denial, (2) the Plan provisions on which the determination is based, (3) any additional information or material required to perfect the claim and an explanation of why it is necessary, and (4) the Plan's review procedures and the time limits applicable to those procedures, including a statement of your right to institute a civil legal action under Section 502(a) of the Employee Retirement Income Security Act of 1974 ("ERISA") following an adverse benefit determination on review.

You or your authorized representative may request a review of the denial within 60 days of the date you receive the denial notice. You or your representative may review pertinent documents and other materials relevant to your claim. You or your representative may submit written comments, documents, records and other information (regardless of

whether they were submitted with your original claim). Requests for review must be made in writing and sent to the Board of Trustees.

A decision on review will be made by the Trustees (or a committee designated by the Trustees, as long as the committee does not include the person who reviewed your initial claim or a subordinate of that person) at the next regularly scheduled Board of Trustees meeting that follows receipt of the petition for review. However, if the request for review is received during the 30 days before the date of that meeting, the decision will be made no later than the date of the second meeting following the Plan's receipt of the request for review. If special circumstances require an extension of time, the decision may be made at the third meeting following receipt of the request, as long as you are notified in writing that an extension is needed. That notice will describe the special circumstances and tell you when you can expect a decision on appeal.

When the Board of Trustees makes a decision on your appeal, you will receive a written notice stating (1) the reason for the decision, (2) the Plan provisions on which the decision is based, (3) a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents and other information relevant to the claim, and (4) a statement describing your right to obtain additional information regarding the Plan's appeals process, including your right to bring a civil action under ERISA. This notice will be provided, in writing or electronically, within five (5) business days after the decision is made.

A decision on an appeal by the Board will be final. However, the Board may, in its discretion, agree to rehear an appeal for good cause shown.

Designating an authorized representative. You may designate an authorized representative to file your claim for a benefit or to appeal a denied claim. To do this, you must file a written designation with the Fund Office.

Section IX.N, appearing on page 29 of the 2016 SPD, is revised to read as follows:

N. Total and Permanent Disability (or Totally and Permanently Disabled)

When a Participant is unable to engage in any further gainful employment, and the disability has lasted for at least five consecutive months and the disability is expected to last another seven months. The Board of Trustees shall rely upon a Social Security Disability Award as proof of Total and Permanent Disability.

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.