



Connecticut Plumbers and Pipefitters Pension Fund

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Summary of Material Modifications to the Connecticut Plumbers & Pipefitters Pension Fund

This Summary of Material Modifications (“SMM”) describes changes to the Connecticut Plumbers & Pipefitters Pension Fund (“Fund”) and supplements the Summary Plan Description (“SPD”) for the Fund. You should read this SMM very carefully and retain this document with your copy of the SPD for future reference.

Dear Plan Participant:

The Board of Trustees is pleased to announce the following benefit improvements to the Plan, effective January 1, 2017:

Effective for Pension Effective Dates on or after January 1, 2017:

- An increase in the monthly accrual rate from \$52.00 to \$58.00 per Pension Credit earned on or after January 1, 2017,
- An increase in the monthly accrual rate from \$52.00 to \$58.00 per Pension Credit earned from January 1, 1995, through December 31, 2016,
- An increase in the maximum number of Pension Credits from 35 to 40 that you can earn under the Plan.

These improvements will apply to Participants who retire on or after January 1, 2017, and who work at least 1,200 hours in Covered Employment. Of the 1,200 hours in Covered Employment, up to 600 hours in calendar year 2016 will be applied, and the balance up to 1,200 will be applied for work in Covered Employment in calendar year 2017 or later. This work requirement does not have to be met in one calendar year. However, this improvement is subject to the 3-year Break in Service rule. If you have an absence of at least 3 years during which you do not earn at least 1/12 Pension Credit, your benefit earned prior to that Break in Service period will be based on the Accrual Rate earned prior to the Break, and any Pension Credit earned after the Break period will be based on the Accrual Rate you earn after your return to work.

The Pension Credits in the following examples are based on Pension Credits earned from January 1, 1995:

Example 1. You have 34 Pension Credits as of 2015. You work 1,200 hours in 2016 and 1,800 hours in 2017 for an additional 2.0 Pension Credit. Because you met the work requirement

(600 hours applied from 2016 and 600 hours applied from 2017) your benefit will be based on 14 Pension Credits at \$56.00 and 22 Pension Credits at \$58.00, for a total of 2,060.00.

Example 2. You have 9 Pension Credits as of 2015 and you work 600 hours in 2016, 400 hours in 2017, and 1,200 hours in 2018, you will meet the work test of completing 1,200 hours. You will have a total of 10 and 10/12 Pension Credit, based on the \$58.00 Accrual Rate or \$628.33.

Example 3 includes a 3-year Break in Service. You have 14 Pension Credits as of 2016 and do not work in 2017 through 2019 but return to work in 2020 and complete 1,200 hours in 2020, you will have a total of 15 Pension Credits. However, because of the 3-year Break in Service, you cannot meet the work test to increase the Accrual Rate *on all* your Pension Credits earned prior to your Break beginning in 2017. Therefore, your benefit will be based on 14 Pension Credits at \$52.00 and 1 Pension Credit at \$58.00 for a total of \$786.00.

Example 4 includes a repaired 3-year Break in Service. If you have 14 Pension Credits as of 2015 and do not work in 2016 through 2018 but return to work (prior to collecting your pension benefit) in 2019 and complete 1,200 hours in the years 2019 - 2023, you will earn an additional 5 Pension Credits, and you will have a total of 19 Pension Credits. Because you have repaired your 3-year Break in Service and you meet the work test, the increase in the Accrual Rate will be applied to all Pension Credits, including those earned prior to your break beginning in 2016. Therefore, your benefit will be based on 14 Pension Credits earned prior to 2016 at \$58.00 and 5 additional Pension Credits earned after 2015 at \$58.00, for a total of \$1,102.00.

If you have previously retired and started to collect your pension, and you return to work in Covered Employment, you will be eligible for the higher accrual rate on any additional Pension Credits that you earn on or after January 1, 2017, provided you work for at least 1,200 hours in Covered Employment by working at least 600 Hours after January 1, 2016, and at least 600 Hours after January 1, 2017. If you reached the 35 Pension-Credit maximum at the time you retired, you will be entitled to earn up to 5 additional Pension Credits for work in Covered Employment on or after January 1, 2017. The Pension Benefit you earned prior to your retirement will not be modified by this Plan change. Keep in mind that the Pension Benefit you are currently receiving is subject to the Plan's Suspension of Benefits rules.

Please feel free to call the Fund Office at (860) 571-9191, if you have any questions regarding these particular changes or about our benefits, in general.

Sincerely,

BOARD OF TRUSTEES