

SIGN, PICTORIAL AND DISPLAY UNION LOCAL NO. 591 AFL-CIO PENSION PLAN

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Administered for the Trustees by:
TIC International Corporation

SUMMARY OF MATERIAL MODIFICATIONS

To: All Active Vested and Retired Participants in the Sign, Pictorial and Display Union Local No. 591 AFL-CIO Pension Plan (Plan)

Re: **Suspension of Plan Benefits upon Return to Work**

The Board of Trustees of the Sign, Pictorial and Display Union Local No. 591 Pension Fund (Fund) amended the Plan's distribution options to suspend the benefits of retired participants who return to work in the trade before reaching age 65. This suspension operates regardless of whether you return to work under a collective bargaining agreement, as long as you work within the jurisdiction of the collective bargaining agreement. This new rule is effective for work months beginning after January 2021.

Q-1 Why did the Trustees adopt this amendment?

A-1 This amendment was adopted as part of the Rehabilitation Plan adopted by the Trustees. That plan, called an "All Reasonable Measures Rehabilitation Plan, represents the Trustees' judgment that returning the Plan to financial health cannot be accomplished just by increasing employer contributions or reducing the benefits of active participants. It is the Trustees judgment that one of the problems with the Plan is the number of younger participants who can be expected to have longer working careers in the industry, which, in turn, provides the Plan with a longer period to fund their eventual retirement benefits.

Q-2 How does the suspension work?

A-2 If you retire before age 65 and you return to work, your pension benefit will be suspended in any month in which you work more than 60 hours in the painting and display trade in Michigan. This suspension applies automatically effective for the month following the month after each and every month during which you work. You are required to inform the Fund when you return to work, but your benefit will be suspended whether or not you provide the Fund with required notice. Stated another way, your benefit will be suspended for any month after you work more than 60 hours in the painting and display trade in Michigan whether or not the Fund knows that you are working.

Q-3 What is "work in the trade"?

A-3 "Work in the trade" is a broad concept. It includes more than just the work that you performed under the collective bargaining agreement before you retired. Work that you acquired the skills to perform during your career also counts as work in the trade. So, for example, if you begin work as a manager for a display company or an events coordinator, you also may be performing work that will cause your Plan retirement benefit to be suspended.

Q-4 Will I receive any other notice of this rule and how it applies?

A-4 Yes. The Fund will provide you with an annual suspension of benefits notice to remind you of this rule and how it applies to you. But, the Plan's new suspension of benefits rule will apply to you regardless of whether you actually receive this annual notice.

Q-5 What happens if I receive benefits for a period during a period during which they are suspended?

A-5 If you receive benefits when they are suspended you should return the check to the Fund Office immediately. If you don't return the check, the Trustees, at their election, can either sue you for repayment of the benefit that you kept improperly or reduce future benefit payments to collect back, benefits that were paid when they were suspended. Your repayment obligation may be more than just the net amount paid to you. Depending on the circumstances, it also can include state and federal tax withheld from your benefit payment. So, it is in your best interest to return any overpayment that you received because you returned to work immediately.

Q-6 Will I accrue benefits if I return to work?

A-6 Yes. You will accrue benefits if you return to work after you retire. Your benefit will be adjusted once a year and will be reflected in your benefit payments for the following year.

Q-7 Are there any circumstances when my retirement benefits will not be suspended if I return to work?

A-7 Yes. Your retirement benefits will only be suspended if you return to work in the painting and display trade in the Plan's jurisdiction (as explained in Q&A 2 and 3). And, the Trustees can decide to suspend the application of the new suspension of benefits rule if there is so much work in the jurisdiction that retirees are needed to perform work that cannot be performed by active participants. Notice will be provided to retirees if the Trustees decide to suspend the application of the new suspension of benefits rule.

Please contact the Fund Office if you have any questions about the application of the new suspension of benefit rule on your Plan benefits.

**Board of Trustees
Sign, Pictorial and Display Union Local No. 591
AFL-CIO Pension Fund**