

NECA-IBEW
PENSION TRUST FUND
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NECA-IBEW PENSION TRUST FUND

DECATUR, ILLINOIS



DECEMBER 2020

IMPORTANT NOTICE TO PARTICIPANTS

DECEMBER 2020

As required by the Employee Retirement Income Security Act of 1974, the Board of Trustees has prepared this Summary of Material Modifications (“SMM”) to notify you of material changes to the Summary Plan Description of the NECA-IBEW Pension Plan.

TEMPORARY WAIVER OF SUSPENSION OF BENEFIT RULES – CALENDAR YEAR 2021

The Trustees, in response to a shortage of electrical workers, approved a temporary waiver of the Pension Fund’s Suspension of Benefits rules for calendar year 2021. As you are aware, the Pension Fund’s rules generally provide for a Suspension of Benefits for a retiree who returns to employment for forty (40) or more hours per month in certain employment described in the Pension Fund’s Suspension of Benefits rules. Employment that results in a suspension of pension benefits is generally referred to as Disqualifying Employment. The temporary waiver of the Pension Fund’s Suspension of Benefits rules permits certain eligible retirees to return to covered and contributory employment for a period of time without a loss or suspension of pension benefits from the Pension Fund. The following is a summary of the features of the temporary waiver:

- **The temporary waiver is effective from January 1, 2021 through December 31, 2021.** This waiver automatically expires on December 31, 2021.
- **The temporary waiver is available to all normal or early retirees with a pension effective date of December 2020 or earlier.**
- **Normal or early retirees with a pension effective date of December 2020 or earlier will be permitted to return to “covered and contributory employment” only and will be permitted to work for up to 600 hours during the above period without a loss of pension benefits.** “Covered and contributory employment” work or service for which an employer is required to make contributions to the Pension Fund under a collective bargaining agreement.
- Once a retiree has worked 600 hours in “covered and contributory employment” during the term of the temporary waiver, the retiree will no longer be able to take advantage of this waiver and the normal Suspension of Benefits rules (which permit work in the electrical industry for less than forty (40) hours per month) will apply.
- This temporary waiver does not apply to retirees who work for covered employers where no contributions are required, retirees who work for covered employers where contributions are required by a participation agreement, retirees who work for non-covered employers in the electrical industry, or retirees who work in employment that is not covered and contributing employment as described above.
- Disability pensioners are not eligible under this temporary waiver.
- To be eligible for the temporary waiver, retirees MUST complete and submit the Temporary Return to Work Notification to the Fund Office. **If a retiree returns to work in Disqualifying Employment and fail to submit the form, the Retiree’s pension benefits will be suspended.**

More information regarding the temporary waiver, including the Notice to Retirees and a copy of the Temporary Return to Work Notification form, can be found on the Pension Fund’s website (www.neca-ibew.org) under the under “Documents and Forms” tab.

The Summary Plan Description was amended to incorporate language from the Plan Document related to participant's obligation to notify the Fund Office if they return to employment. Failure to notify the Fund Office entitles the Pension Fund to presume that you are working in Disqualifying Employment and will result in the suspension of your monthly pension benefits.

The following language updates the language currently set forth on page 25 of the 2018 Summary Plan Description:

SUSPENSION OF BENEFITS

If you are entitled to receive or are receiving a Normal Retirement, Early Retirement or Deferred Vested Benefit, your benefit will be "suspended" (i.e. forfeited) for any month during which you work 40 or more hours in Disqualifying Employment. "Disqualifying Employment" means employment in the same industry, in the same trade or craft and in the same geographic area in which you worked prior to benefit commencement or entitlement.

If you are receiving a pension benefit, you must notify the Fund Office after starting and stopping any work regardless of whether you believe the work may constitute Disqualifying Employment. If you do not notify the Fund Office that you have returned to work, then, as stated in the Plan Document, the Fund will presume that you are working 40 or more hours per month in Disqualifying Employment and your benefits will be suspended. Your benefits will not be repaid or otherwise start again until you notify the Administrative Manager that you are working less than 40 hours per month and demonstrate that you were not employed in Disqualifying Employment in all months in question. It is your responsibility to demonstrate that you are not (or were not) working in Disqualifying Employment.

A form is available from the Pension Fund to notify them when you return to work. In addition to submitting the required form, you may be required to provide additional records (including, for example, employment records, payroll records, tax records, etc.) to demonstrate that you are not (or were not) working in Disqualifying Employment.

When your benefits resume, your first payment will include the regular monthly payments plus benefits you missed for months in which you worked less than 40 hours. The first payment can be reduced up to 100% for payments you received during months when you worked 40 hours or more. Later payments can be reduced up to 25% until any overpayment is satisfied.

If you return to employment with an Employer and are past your required beginning date (April 1st of the calendar year following the calendar year in which you attain age 70- 1/2), you will not be subject to suspension of benefits. If you are past your required beginning date, your benefit will be recalculated from the first hour of Service earned after returning to employment.

The Plan's rules regarding suspension of benefits, recalculation of benefits upon reemployment, offset of benefits, suspension notification, presumptions, advance determination and suspension appeal procedures appear at Article XIII of the Plan document. You may obtain a copy of these rules free of charge by contacting the Fund Office.

CHANGE TO AGE FOR REQUIRED MINIMUM DISTRIBUTIONS

Federal law mandated that participants in pension plans begin receiving minimum required distributions April 1 of the calendar year following the calendar year the participant attained age 70 ½. A change to federal law now allows these required distributions to begin April 1 of the calendar year following the calendar year in which the participant attained age 72.

Your plan has been amended to adopt this change. As a result, should you choose to delay your pension distributions, your required distributions will not be required to begin until April 1 of the calendar year following the calendar year in which you attain age 72.

If you have any questions regarding this change, please contact the Fund Office at 217-875-0254.

Sincerely,

Board of Trustees

This SMM provides only highlights of recent changes to the NECA-IBEW Pension Trust Fund's Plan Documents. Full details are contained in the Plan Documents (which include the Plan Document and Summary Plan Description). If there is a discrepancy between the wording here and the wording in the Plan Documents, the wording in the Plan Documents will control and govern.