

LOCAL 463 PENSION FUND
PRESENTS ITS
SUMMARY PLAN DESCRIPTION

Effective November 1, 2019

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November 1, 2019

TO ALL MEMBERS:

One of the achievements for which our Local is widely acclaimed is the establishment of the Local 463 Pension Fund and Trust (collectively, the “Plan” and/or “Fund”). Our Plan was the first amalgamated type pension plan to be established in our entire International Union. We were the first to deal effectively with the need to provide retirement benefits for employees of small employers in the electronic and machine fields.

Our pioneering lead, way back in 1955, in providing pensions for workers employed in small shops was followed some years later by our District, then our International and finally by the National AFL-CIO.

Today, this Plan is maintained pursuant to collective bargaining agreements that have been entered into between Local 463, IUE-CWA, and each Contributing Employer.

The International Union also advised us that our Plan was the first amalgamated Plan in any blue collar union to provide severance pay benefits, and the "30 and Out" provision, as part of a small shops pension program.

Since establishing this pension plan in 1955, our continuing goal has been to enable you to live in dignity and financial independence during the years that you are too old to work, and too young to die.

The Plan is a result of long planning, hard work and determined bargaining on the part of the Local 463 Union leadership, and the teamwork, backing and unity of the membership behind that leadership.

Our Plan has made a pioneering beginning and laid a sound foundation on which we will continue to build. Since its inception, pension benefits were increased tenfold. Pension benefits

for pensioners already retired have also been increased ten times. We know that our members today would not trade these benefits for the cents per hour they represented in collective bargaining and more.

The Fund is administered jointly by Employer and Union Trustees in the sole interests of the employees covered by this pension plan. Our books are open and the Fund is in full compliance with all the requirements of the Employee Retirement Income Security Act (“ERISA”) of 1974, and subsequent Federal legislation.

We take pride in the honest, democratic, efficient and full disclosure methods employed in reporting and operating the Plan.

The Trustees of the Local 463 Pension Fund take pleasure in presenting this booklet for your use and the information of your family. It describes the benefits available to you and your family; the rules by which they are regulated and the procedures to follow to obtain the benefits. We can all be proud of the pioneering accomplishment of our pension program and its record of progress.

With the continued cooperation of the membership, we can look forward to even greater strides in the future.

Sincerely,

KENNETH IRVING

President

PENSION PIONEERS

The first contract providing for the Plan was signed by Par-Metal Products and Local 463 on January 25, 1955, marking the fourth anniversary of our Local. This historic agreement launched our pioneering pension program.

Since then, many companies have joined the Plan under which thousands of Local 463 members and their families have been provided an increasing measure of security, as the years go by.

Our continuing goal is to enable our members to live in dignity and financial independence during the years that they are too old to work, and too young to die.

FIRST BENEFITS PAID

The Plan began payment of benefits in January 1956. The first Pension Benefit was \$1 per month of Credited Service based on \$0.05 per hour contribution. Today the minimum Employer contribution is \$0.25 per hour. Employees of new shops coming into the Plan have all their Past Service credited after a period of time. In addition, we have a record of increasing benefits for pensioners already retired.

Active members can look forward eventually to Pension Benefits equal to or greater than their primary Social Security benefits, which is our continuing goal, as we negotiate increased Employer contributions in each contract.

Members who transfer from one Local 463 shop which contributes to the Pension Fund to another carry their accrued pension credits with them.

FIRST "30 AND OUT" PENSION BENEFIT PAID

Virtually unheard of among multi-employer pension plans, the Plan provides a "30 and Out" pension benefit, regardless of age. Members who work for thirty years or more for an Employer who is obligated to contribute can retire no matter how young they are, based on the

formula in the Plan. The presentation of the first "30 and Out" pension benefit check was on March 1, 1977.

ADMINISTRATION

The Plan is administered by a Board of Trustees consisting of an equal vote by Union Trustees and Employer Trustees. None of the Trustees are paid by the Fund for this work and all of the Trustees are bonded for the faithful performance of their duties.

The benefits described in this booklet are a summary of and subject to the Plan Document and the rules and regulations of the Fund adopted by the Board of Trustees. If any provisions in this Summary Plan Description conflict with any provisions in the Plan Document, the Plan Document controls. The action of the Board of Trustees with respect to all such rules and regulations shall be conclusive upon all participants, beneficiaries and any other individuals claiming benefits under the Plan. The Board of Trustees and/or its duly authorized designee(s) has the exclusive right, power and authority, in its sole and absolute discretion, to administer, apply and interpret the Plan, and to decide all matters arising in connection with the operation or administration of the Plan. The Plan is administered by the Fund Office under the supervision of the Trustees. Please refer to "Appeals" below for information regarding how to appeal any action of the Fund Office. The decisions of the Trustees are final and conclusive and are binding on all persons.

ELIGIBILITY FOR MEMBERSHIP

Employees covered by a contract between their Employer and Local 463 which requires contributions to be made to the Fund are eligible to participate in this Plan. Your membership in the Plan commences on the date your Employer is obligated to make contributions to the Fund according to the terms of the applicable collective bargaining agreement.

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GENERAL INFORMATION

Date of the Plan Year

The date of the end of the Plan Year is December 31. The records of the Plan are kept on a calendar year basis.

Fund Registration

The Fund is registered and approved as tax-exempt by the IRS and the Employer Identification Number (“EIN”) is 111800729. The Plan is also registered with the U.S. Department of Labor and has been assigned W P File number 77094.

Pension Guaranty

In compliance with the Employee Retirement Income Security Act of 1974 (“ERISA”), this Plan's benefits are insured by the Pension Benefit Guaranty Corporation as follows:

Benefits under this Plan are insured by the Pension Benefit Guaranty Corporation (“PBGC”) if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, Early Retirement Benefits, and certain disability and survivor's Pensions. However, PBGC does not guarantee all types of benefits under covered Plans and the amount of benefit protection is subject to certain limitations. The PBGC guarantees vested benefits at the level in effect on the date of Plan termination. However, if a Plan has been in effect less than five years before it terminates, or if benefits have been increased within the five years before Plan termination, the whole amount of the Plan's vested benefits or the benefit increase may not be guaranteed. In addition, there is a ceiling on the amount of monthly benefit that PBGC guarantees, which is adjusted periodically.

For more information on the PBGC insurance protection and its limitations, ask your Plan Administrator or the PBGC. Inquiries to the PBGC should be addressed to the Office of Communications, PBGC, 1200 K Street N.W., Washington, D.C. 20006 or mypension@pbgc.gov.

Plan Funding

The benefits are paid by the Fund, which is financed by contributions received from Employers who sign a collective bargaining agreement with the Union in which the Employer agrees to make contributions to the Fund for employees in a bargaining unit represented by the Union. Such Employers are called "Contributing Employers" and employment with such Employer is "Covered Employment." Contributing Employers currently make monthly contributions for compensated hours within the scope of the applicable collective bargaining agreements.

Administrator

This Pension Fund is a defined benefit plan and is administered by a Board of Trustees with an equal vote by Union Trustees who are designated by the Union, Local 463, IUE-CWA, AFL-CIO ("Local 463"), and Employer Trustees who are designated by the Contributing Employers. The contributions collected are used to provide pension benefits payable to the participants of the Fund and their beneficiaries.

Membership in the Plan

Your membership in the Pension Plan commences on the date your Employer is obligated to make contributions to the Fund on your behalf in accordance with the terms of the collective bargaining agreement with Local 463.

CREDITED SERVICE

Past Service Credit

Credit for Past Service is given for the seniority you have prior to the date on which your Employer became obligated to contribute up to a maximum of three years for each year of Future Service credit after that date. However, once you have accrued six years of Future Service credit,

you will be given credit for all past service with your Employer. All your Credited Service after the date your Employer became obligated to contribute counts toward Future Service.

Future Service Credit

a. Effective January 1, 1976, there shall be two forms of future service which will be credited on the following basis:

(1) Future Eligibility Service: For vesting purposes, beginning on the Employer's Applicable Effective Date (the date that your employer was obligated to start contributing to the Plan), a member shall be credited with one-tenth year of Future Eligibility Service credit for each full 100 compensated hours during any calendar year for which the Employer was obligated to contribute to the Fund. No one shall be credited with more than ten-tenths' credit in any calendar year.

(2) Future Benefit Service: For benefit calculation purposes, beginning on the Employer's Applicable Effective Date, a member shall be credited with one-tenth year's credit for each full 168 compensated hours during any calendar year for which the Employer was obligated to contribute to the Fund. No one shall be credited with more than ten-tenths' credit in any calendar year.

Hours Counted

All hours for which an employee received pay for work are included, and up to 501 hours per year for which an employee received pay for vacation time, sick leave, holidays, etc., so long as contributions are made on your behalf. Up to 501 hours will be included for time an employee is absent for pregnancy, childbirth, adoption or childcare following birth or adoption. Overtime or premium pay hours are counted as single hours for this purpose.

Transfer from Shop to Shop

If you leave the employ of one Contributing Employer and, at any time prior to your termination of membership described below, take a bargaining unit job with another Contributing Employer, all your Credited Service for pension purposes is automatically transferred. This means that you can continue to build toward your Pension Plan benefits over the years without being solely dependent on continuous employment in any one place.

Veterans

Credited Service accumulated by members who go into the armed forces remains intact during their absence, provided they return to work with a Contributing Employer within 120 days of their military discharge.

Termination of Membership

Membership in the Plan is terminated automatically when a member:

- Dies;
- Has not been credited with at least five-tenths of a year (contribution for 500 compensated hours) credit from a Contributing Employer during a calendar year; or
- Applies for and receives a Pension Benefit of any kind under the Plan.

Reinstatement of Membership

If your membership has been terminated because you did not receive the required credit during the one-year period, you can start again as a new member by becoming employed by a Contributing Employer.

If your membership has been terminated because you are receiving a Pension Benefit, and you decide to return to Covered Employment, your membership will be reinstated.

Rule of Parity

If a non-vested member terminates his/her membership in the Plan, by failing to have been credited with at least five-tenths of a year (contributions for at least 500 compensated hours credit from Contributing Employers during a calendar year), he/she can reinstate all service credits lost due to his/her termination, if he/she again becomes a member of the Plan by returning to Covered Employment within a period of time from his/her last date of Covered Employment that is equal to the greater of five years or the number of years of Credited Service earned prior to his/her break in Covered Employment.

- **Example 1**

You had a Break-in-Service after having earned three years of Credited Service. You return to work for a Participating Employer four years after your last date of Employment. Your three years of Credited Service is reinstated.

- **Example 2**

You had a Break-in-Service after having earned three years of Credited Service. You return to work for a Participating Employer six years after your last date of employment. Your three years of Credited Service are forfeited.

- **Example 3**

You had a Break-in-Service after having earned seven years of Credited Service. You return to work for a Participating Employer six years after your last date of employment. Your seven years of Credited Service is reinstated.

PENSION BENEFITS

Relevant Dates and Retirement Events

You become vested under the Plan once you earn five (5) years of (a) Future Eligibility

Service or (b) 1,000 hours of credit in a Plan year. Under the Plan, you can retire under any of the following events:

1) For an Early Retirement Benefit, when you reach at least age 55 and have earned 15 years of credited service;

2) For a Normal Retirement Benefit, when you reach 65 (“Normal Retirement Age”) or the fifth anniversary of your participation in the Plan, if that date is later;

3) For a “Thirty and Out” Retirement Benefit, when you have earned at least thirty (30) years of credited service, and your Employer has made certain minimum hourly contributions on your behalf, as explained below.

4) For a Disability Retirement Benefit, when you reach at least age 50, have earned 15 years of credited service, and have been awarded a Social Security Disability Pension.

Commencement of Retirement Benefits

You cannot start to receive a pension from the Plan until you retire from employment. You cannot defer commencement of your pension beyond the later of the April 1st following the calendar year of the later of 1) your attainment of age 70½, or 2) your termination of employment with your Employer. Retirement Benefits are payable as of the first day of the month following your termination of employment with your Employer (or the date which you can start payment of a Deferred Retirement Benefit), provided that you meet all eligibility and application requirements. Your pension benefits shall continue for your lifetime unless they are suspended, as explained below.

If you commence benefits after April 1st following the year you turned 70½, your pension will be increased actuarially to take into account the period following your attainment of age 70½ during which you did not receive benefits under the Plan because of continued employment.

Normal Retirement Benefit

You can collect the Normal Retirement Benefit provided you:

- are at least 65 years old; and
- have earned 5 or more years of Past or Future Eligibility Service or any combination thereof, provided at least one year is Future Eligibility Service.

Your Normal Retirement Benefit rate depends on the rate of contributions made by your Employer pursuant to a collective bargaining agreement.

a. Upon your termination of employment on or after January 1, 2015 or incurral of an initial break-in-service after 2014, you will receive the sum of (i) plus (ii) where:

(1) for service through December 31, 2010, you will receive A. plus B.:

A. \$23.10 per month multiplied by years of credited service earned, **plus**

B. \$5.78 per month for each additional 5 cents per hour of Supplemental Contributions multiplied by years of credited service earned during which your Employer was obligated to contribute such Supplemental Contributions, and

(2) for service after 2010, the member will receive A. plus B. where:

A. Is a monthly benefit equal to 4% multiplied by the total contributions required to be made on the your behalf from 2011 through 2015, **plus**

B. Is a monthly benefit equal to 2% multiplied by the total contributions required to be made on your behalf for service earned on or after January 1, 2016.

b. Upon your termination of employment between January 1, 2000 and December 31, 2014, you will receive the sum of (1) plus (2) where:

(1) for service through December 31, 2010, you will receive:

- A. \$23.10 per month multiplied by years of credited service earned, **plus**
- B. \$5.78 per month for each additional 5 cents per hour of Supplemental Contributions multiplied by years of credited service earned during which your Employer was obligated to contribute such Supplemental Contributions, and

(2) For service after 2010, you will receive A. plus B. where:

- A. Is a monthly benefit equal to 1% multiplied by the total contributions required to be made on your behalf during 2011 and 2012, plus
- B. Is a monthly benefit equal to 2% multiplied by the total contributions required to be made on your behalf for service earned on or after January 1, 2013.

c. Upon your termination of employment on or after January 1, 1997 and January 1, 2000 - \$22.00 per month multiplied by years of credited service earned

plus

\$5.50 per month for each additional 5 cents per hour of Supplemental Contributions multiplied by years of credited service earned during which your Employer was obligated to contribute such Supplemental Contributions.

d. Upon your termination of employment on or after January 1, 1991 and January 1, 1997 - \$20.00 per month multiplied by years of credited service earned

plus

\$5.00 per month for each additional 5 cents per hour of Supplemental Contributions multiplied by years of credited service earned during which your Employer was obligated to contribute such Supplemental Contributions.

e. Upon your termination of employment between January 1, 1990 and January 1, 1991 - \$15.00 per month multiplied by years of credited service earned

plus

\$4.00 per month for each additional 5 cents per hour of Supplemental Contributions multiplied by years of credited service earned during which your Employer was obligated to contribute such Supplemental Contributions.

f. Upon your termination of employment prior to January 1, 1990 - \$10.00 per month multiplied by years of credited service earned

plus

\$2.50 per month for each additional 5 cents per hour of Supplemental Contributions multiplied by years of credited service during which your Employer was obligated to contribute such Supplemental Contributions.

Early Retirement Benefit

You can collect the Early Retirement Benefit provided you:

- are at least 55 years old; and
- have earned 15 years or more of Past or Future Eligibility Service or any combination thereof provided at least one year is Future Eligibility Service.

Your benefit rate for Early Retirement is determined on the basis of the same rates per month per year of Credited Service as for the Normal Retirement Benefit, and then reduced for each month that you are less than age 65 at the time of your retirement. This reduction is necessary because a person retiring at an early age receives pension benefits for a much longer time than someone retiring at age 65 or older.

For the regular Early Retirement Benefit, the monthly benefit is reduced by five-tenths of 1% (.5%) for each month by which you are younger than age 65, which amounts to a 6% reduction a year.

Deferred Retirement Benefit

If you cease to be employed prior to attainment of age 65, and have earned at least 5 (five) but less than 15 (fifteen) years of Past or Future Eligibility Service or any combination thereof, including at least one year of Future Eligibility Service, you have a non-forfeitable right to a pension payable when you reach age 65. The amount of the Monthly Deferred Retirement Benefit, which is payable no earlier than the first of the month following your 65th birthday, will be the benefit that you accrued as of the date you left employment. Please note that if you do not have any hours of covered employment following December 31, 1998, you need to have earned at least ten (10) years of service as opposed to five (5) years.

"Thirty and Out" Retirement Benefit

You shall be entitled to apply for a Pension, regardless of age, provided that on the last day you have been employed by your Employer, you have:

- Earned at least thirty years of Past or Future Eligibility Service or any combination thereof; and
- Earned one year of Future Eligibility Service; and
- A minimum of 30 cents an hour of contributions made on your behalf if your termination of employment is prior to January 1, 1990, and a minimum rate of 40 cents of contributions made on your behalf if your termination of employment is on or after January 1, 1990.

The amount of this benefit shall be equal to the greater of the Thirty Year Retirement Benefit or the Normal Retirement Benefit actuarially reduced for each month by which you are less than 65 years of age.

Disability Award Retirement Benefit

You can collect the Disability Award Retirement Benefit if you

- are at least 50 years old; and
- have earned 15 or more years of Past or Future Eligibility Service or any combination thereof, provided one year is Future Eligibility Service; and
- have been awarded a Social Security Disability Pension.

The amount of the Disability Pension is calculated in the same manner as the Normal Retirement Benefit.

Joint and Survivor Options

The Plan has a benefit called the 50% Joint and Survivor Pension Benefit (“QJSA”) under which you receive a reduced benefit for as long as you live, and if you have a spouse when you retire, upon your death your spouse will receive 50% of that reduced benefit as survivor annuity for as long as your spouse lives if your spouse survives you. In lieu of the QJSA, you may opt to receive a further reduced benefit for as long as you live, and if you have a spouse when you retire, upon your death your spouse will receive 75% of that reduced benefit as a survivor annuity (a Qualified Optional Survivor Annuity, or “QOSA”) for as long as your spouse lives if your spouse survives you. Both the QJSA and QOSA will be adjusted to be actuarially equivalent to the value of your single life annuity.

Since under this benefit the pension you earned covers two people, your Pension Benefit is reduced by a certain percentage, depending on whether 1) you elect the QJSA or QOSA, and 2) on your age and your spouse's age at retirement. For example, if you elect the QJSA, if you are 65 and your spouse is 62 at your retirement, your pension will be reduced to 84.92%, and your spouse will get one half of what you were getting if your spouse survives you. The amount

of the reduction depends on the ages of both spouses at the time the option becomes effective.

If you are married when you retire, your pension will automatically be paid to you as a QJSA unless you reject this form of benefit in writing with the written consent of your spouse. If you are not married at retirement, or if you reject the QJSA (with spousal consent), your pension will not be reduced by a Joint and Survivor factor, and you will receive your full benefit for your lifetime.

If you receive the QJSA or QOSA, you shall not be entitled to any Death Benefit.

If you are married with at least five (5) years of credited service earned, and you die before you actually retire, your spouse shall be entitled to a Qualified Pre-Retirement Survivor Annuity Benefit (“QPSA”). If you die after you reached earliest retirement age (age 55) but before you reached 65, your spouse will automatically receive the QPSA as if you had retired on the day prior to your death (unless you had notified the Fund Office in writing with the written consent of your spouse that you had elected to reject that benefit). However, your spouse has the option to defer commencement of a QPSA until you would have attained Normal Retirement Age, or 65. If you die prior to reaching age 55, your spouse will be eligible to receive a QPSA payable when you would have reached age 55.

However, if you are eligible for the QPSA, the amount of your beneficiary’s lump sum Death Benefit (defined below) at your death will be reduced by the present value of the QPSA.

Death Benefit

If you die prior to retirement, a Death Benefit will be paid to your named beneficiary. This provision does not apply, however, if you have chosen the QJSA or QOSA option for your pension benefits. The Death Benefit for each year of future benefit service (ten-tenths, or a minimum of 1680 compensated hours during any one year) is \$75, subject to a three-year

qualifying period which applies to all new members. For example: after qualifying, two (2) years of future benefit service would be \$150 and four (4) years would be \$300.

Special forms, affidavits and releases are necessary, in addition to a copy of the death certificate, when an application is made for the Death Benefit. A time limit of three (3) years has been set for collection of the Death Benefit. The three (3) years starts at the time of death. Failure to apply within that time will result in the forfeiture of the Death Benefit.

You may change your beneficiary for the Death Benefit at any time.

Severance Pay Benefit

The Severance Pay Benefit was eliminated as of October 27, 2017. If you believe that you were entitled to this benefit on or before October 27, 2017, please refer to an earlier version of this Summary Plan Description.

Suspension of Benefits

If you retire and start receiving pension benefits and then return to employment with a Contributing Employer, whether or not your position is Covered Employment, your pension will be suspended for each month that you work forty (40) or more hours in that calendar month. If you continue to work past Normal Retirement Age, your pension will be considered suspended even though you never started to receive pension benefits.

If you have started receiving an Early Retirement Benefit, are under age 65 and return to work with a Contributing Employer, whether or not your position is Covered Employment, you will not receive a pension benefit during any month of such re-employment, regardless of the number of hours worked.

When you reach age 65 or when your pension benefits begin you will receive a notice referring you to the Plan's rules regarding the suspension of benefits. The Plan will also notify

you during the first month in which your benefits are suspended, describing the specific reasons for the suspension and including a copy of the relevant Plan provisions. The Department of Labor regulations that apply to the suspension of benefits may be found in Section 2530.203-3 of the Code of Federal Regulations.

It is your responsibility to inform the Fund Office, in writing, within thirty (30) days after you begin working for a Contributing Employer. If you are working for a Contributing Employer and you fail to notify the Fund Office, the Trustees will presume that you are working for at least forty (40) hours a month until you notify them that you are no longer working for a Contributing Employer or that you are working fewer than forty (40) hours a month.

If you decide to return to retirement and stop working for a Contributing Employer, your Pension Benefits will be resumed no later than the third month after the last month in which your benefits were suspended. You must notify the Fund Office when you stop working for a Contributing Employer and you must submit an application for benefits. When your benefits resume, you will receive a pension in the same amount as your original pension plus an increase for any additional tenths of a year's credit you may have earned during the period you returned to work. However if your benefits commence after age 70½, the accrued benefit payable to you will be increased actuarially to account the period after age 70½ during which you did not receive benefits under the Plan due to suspension. If you were receiving an Early Retirement Benefit and returned to work and had your benefit suspended, your benefits will be recalculated to compensate for the suspension of benefits prior to age 65.

If your benefits are suspended, you have the right to appeal that determination to the Trustees by filing a written appeal within sixty (60) days of the suspension notice. The Trustees shall consider the appeal in accordance with the appeal procedures described below.

If you received pension payments that should have been suspended due to employment with a Contributing Employer, the Plan will deduct that amount from your future benefit payments once your payments from the Plan resume. The Plan may withhold up to 100% of your first pension payment upon resumption, which may include up to the first three months of resumed pension payments. Thereafter, the Plan may withhold no more than 25% of your monthly pension benefit until the total overpayment is recovered. If you die before the Plan can recoup the entire amount of payments made while you worked for a Contributing Employer and your benefits should have been suspended, the benefit payments to any beneficiary, other than a surviving spouse, will be offset as well until the overpayment is completely recovered.

Recovery of Overpayments

If you receive any payment from the Plan in excess of the amount that you were entitled to receive from the Plan (due to mistake, the Plan's reliance on information you submitted, including false or fraudulent statements or continuation of payments after death, among other things), then, once the Plan requests repayment in writing, you are obligated to repay the Plan in full, and the Trustees may also seek interests and costs. Repayment may be made by a lump sum or a payment schedule, or the Plan may deduct that amount from your future benefit payments, if any. Thereafter, the Plan may withhold no more than 25% of your monthly pension benefit until the total overpayment is recovered.

APPLICATION FOR BENEFITS

Application for benefits may be made at the Fund Office or by mail. You will be required to produce proof of age, your Union membership card and your Social Security card for identification. If you are applying for a Joint and Survivor Benefit, you must provide proof of your age and your spouse's age and your marriage certificate.

If you are applying for the Disability Award Retirement Benefit, you must also provide your certificate of the Social Security Disability Pension Award.

YOUR RIGHTS UNDER THE PLAN

As a participant in the Local 463 Pension Plan, you are entitled to certain rights and those rights are protected by the Agreement and Declaration of Trust of the Plan, the appeal procedures and Federal law, the Employee Retirement and Income Security Act (“ERISA”).

Many years before it was required by ERISA, our members received a Summary Annual Report, which we continue to publish and distribute each year. Copies of the Report, and other documents and filings regarding the Plan, are always available for inspection at the Plan Office, 303 Smith Street, Suite 8, Farmingdale, NY 11735, (631) 393-2963. If you have any questions about your Plan, you should contact the Plan Administrator.

Upon written request to the Plan Administrator, you may order copies of documents and filings regarding the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500) and updated SPD, provided you pay reasonable costs of copying and mailing. A complete list of Contributing Employers may be obtained by members and beneficiaries upon written request to the Plan Administrator, and is available for examination during normal business hours at the Plan Office. Members and beneficiaries may also receive from the Plan Administrator, upon written request, information as to whether a particular employer is a Contributing Employer under the Plan and, if so, the employer’s address. The Plan Sponsor is the Board of Trustees of the Local 463 Pension Fund, with Trustees appointed by Local 463 and Contributing Employers having an equal vote.

The rights of all participants are protected by our Trust agreement, appeal procedures and the courts under Federal law. The agency administering ERISA, which covers the Fund, is the

U.S. Department of Labor, Employee Benefits Security Administration. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of EBSA, U.S. Department of Labor, listed in your telephone directory, or the:

Division of Technical Assistance and Inquiries
Employee Benefits Security Administration (EBSA)
U.S. Department of Labor
200 Constitution Avenue N.W.
Washington, DC 20210-0002

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of EBSA, or by visiting the Department of Labor's website: www.dol.gov.

You can obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age (age 65) and, if so, what your benefits would be at normal retirement age should you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once a year.

The Board of Trustees who are responsible for the operations of the Plan have certain duties and responsibilities. These people are called "fiduciaries" of the Plan and have a duty to act prudently and in the interest of you and other Plan participants and beneficiaries. If your claim for a benefit is denied in whole or in part you will receive a written explanation of the reason for the denial. You have the right to have the Trustees review and reconsider your claim, as explained in the "Appeals" section, below.

ADDITIONAL INFORMATION

All questions relating to the Local 463 Pension Fund may be directed to the Fund Office.

Local Union officials and staff and Employers are not agents of the Fund and the Fund is not responsible for any information provided by any such person. Employees of the Fund may provide information to members as an accommodation. However, any such information shall not be binding on the Fund.

The Fund accepts responsibility only for information authorized by the Board of Trustees in reply to written requests addressed to such Board of Trustees.

Mailing Address

You should keep the Fund Office informed of your current address in order to make sure you receive notices and any benefits to which you may be entitled.

Amendment and Termination of the Plan

Although the Trustees intend to continue the Plan indefinitely, they reserve the right, in their sole and absolute discretion, to amend the Plan in accordance with the Agreement and Declaration of Trust of the Fund and applicable law. The Union and the Contributing Employers may also discontinue the Plan. Upon a full termination of the Plan, Plan assets will be allocated to provide benefits in accordance with the applicable provisions of the Trust Agreement and Federal law.

APPEALS

Any problem which you may have should be taken up with the Fund Office. A member or beneficiary who is denied benefits, or has their benefits reduced or terminated, must appeal to the Board of Trustees in writing within sixty (60) days of the date of the notification of rejection of any benefit. If you are appealing a denial of a Disability Retirement Benefit in pay status, you must request appeal to the Board of Trustees in writing within one hundred and eighty (180) days of the date of notification of termination of the benefit. **If you fail to appeal within sixty (60)**

days (or one hundred eighty (180) days, in the case of a Disability Retirement Benefit), you will waive your right to review.

Your appeal must state the reasons that you dispute the denial, reduction or termination of benefits and attach any relevant documents. Upon request and free of charge, you will have access to, and copies of all documents relevant to your claim for benefits.

The Trustees will review all appeals and make a decision no later than the date of the Board of Trustees meeting following the receipt of the appeal, unless the appeal is filed less than 30 days before the date of such meeting. In such case, a decision will be made by no later than the date of the second Board of Trustees meeting following the receipt of the appeal. If special circumstances require a further extension of time for the Trustees' review, a decision shall be made no later than the third meeting of the Board of Trustees' following receipt of the appeal, and the Plan Administrator shall provide you with a written notice of the extension, describing the special circumstances and the date as of which the decision will be made, prior to the commencement of the extension. The Plan Administrator will notify you in writing of the decision no later than ten (10) days after the decision is made.

If the Trustees rule in your favor on the appeal, this ruling will be binding and conclusive.

If the Trustees deny the appeal, the notice of the decision will include specific reasons for the decision, and will cite the specific Plan provisions on which the decision is based. The notice will also include a statement indicating that you or your authorized representative is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to your claim for benefits and a statement explaining your right to bring a civil lawsuit under ERISA following an adverse benefit determination of your appeal. The decision will also include a statement of your right to bring a civil action under

ERISA Section 502(a) of ERISA.

If the Board of Trustees denies your appeal, the ruling will also be binding and conclusive unless you start legal proceedings challenging the Board's ruling. Any such legal proceedings must be brought within one (1) year of the Trustees' decision on your appeal, and only after you have exhausted the Plan's appeal procedures.

Your Benefit Statement

If you believe that you are entitled to pension credits for Covered Employment that are not reflected in the Fund's records of your employment history, you must make a formal appeal to the Board of Trustees, as detailed immediately above in "Appeals." You will have two (2) years from the date of your annual benefit statement to challenge the statement's accuracy with respect to the number of your pension credits. Once this two (2) year period has lapsed, you will have waived your right to challenge this number of pension credits as earned through the date of the statement according to the Fund Office's records.

If you file an appeal regarding your statement, you must provide documentation of Covered Employment that you believe is not reflected in the Fund's records, including, but not limited to, Social Security records, pay stubs, W-2 forms, or any other proof supporting the claim that you worked additional time.

QUESTIONS & ANSWERS

Q. Does the Plan require compulsory retirement?

A. No. Retirement under the Plan is voluntary.

Q. Do I pay for the Plan?

A. No. The Plan is non-contributory and financed completely by Employer contributions, set by the applicable Union contract, for each hour for which a member receives

pay. No member may contribute.

Q. Does the Plan affect my Social Security?

A. No. This Plan is completely independent of Social Security. The benefits of this Plan are in addition to anything you get from Social Security and are intended to provide you with additional retirement income and financial security.

Q. Is there any maximum on benefits?

A. Under the Internal Revenue Code, a participant cannot accrue or be paid an annual benefit greater than \$225,000 in 2019. However, there is no limit on the number of pension credits that you can accrue for years of service in covered employment under this Plan.

Q. Can I change my beneficiary?

A. If you are married, your beneficiary is your legal spouse. Therefore, if you want to change your beneficiary to someone other than your spouse, you will need your spouse's written consent. This does not apply to the beneficiary for the Death Benefit. Your Shop Chairman or the Fund Office will supply a new enrollment card for designating your beneficiary on request.

Q. Can any of my benefits be assigned, mortgaged or pledged?

A. No. This is expressly prohibited by the Plan, except as may be directed by a Qualified Domestic Relations Order ("QDRO"). One may obtain a copy of the Plan's QDRO Procedures, without charge, from the Plan Administrator.

Q. Can I collect Pension Benefits before I reach age 65?

A. Yes. Under the Early Retirement, Disability Retirement Benefit or 30 and Out Benefit.

This summary and Questions and Answers are only brief explanations of the more important provisions of the Pension Plan. They are not intended to change the Plan in any way.

Official Name Of Plan	Local 463 Pension Fund
Plan Number	001
Type Of Plan	Defined Benefit Pension Plan
Plan Funding	Employer contributions and investment earnings are held in a trust fund to provide benefits and pay the administrative expenses incurred in administering the Plan.
Name Of Sponsor	The Board of Trustees of the Local 463 Pension Fund, 303 Smith Street, Suite 8, Farmingdale, NY 11735
Funding of Benefits	All contributions to the Fund are made by contributing employers under the Plan in accordance with their written agreements.
Participating Employers	The Fund Office has a list of Contributing Employers and will provide you, upon written request, with names and addresses of Employers, as required by 29 C.F.R. §§ 2520.104b-1 and 2520.104b-30. You may also request the Fund Office in writing to send you or make available to you for examination at the Fund Office during normal business hours a copy of any collective bargaining agreement which requires contributions to this Fund.
Taxpayer Identification Number (EIN)	111800729
Plan Year	January 1 - December 31
Effective Date	This Plan became effective February 1, 1955, and has been restated several times to comply with the requirements of law. The most recent restatement was effective January 1, 2019.
Plan Administrator	The Board of Trustees (631) 393-2963 303 Smith Street, Suite 8, Farmingdale, NY 11735
Agent For Legal Process Service	Service of legal process may be made upon a Plan Trustee or the Plan Administrator at the address listed above.

LOCAL 463 Pension Fund

SUMMARY OF MATERIAL MODIFICATION Important Information About Your Benefits

June 2, 2022

Dear Participant:

This Notice, called a “Summary of Material Modification” or “SMM,” advises you of a changes in the information that was presented to you in the Local 463 Pension Fund Summary Plan Description or “SPD,” effective November 1, 2019. The Trustees of the Local 463 Pension Fund (the “Fund”) made these changes to the plan of benefits (the “Plan”) effective for the plan year starting January 1, 2021. Please read this SMM carefully and if you have any questions, please contact the Fund Office at 631-393-2963.

I. Commencement of Retirement Benefits

For participants reaching age 70½ on or after January 1, 2020, the Plan has been amended to require that you must start your pension benefits by April 1st of the year after you reach age 72 or the year after you terminate employment with your Employer, whichever is later. The Plan has also been amended to provide that if you reach or reached age 70½ on or after September 1, 2012, you may now start your pension *without* terminating your employment.

Accordingly, the first paragraph of the section of your SPD entitled “Commencement of Retirement Benefits,” found on page 6, is deleted in full and replaced with the following:

You cannot start to receive a pension from the Plan until you terminate from employment. However, if you reach age 70½ on or after September 1, 2012, you may start to receive a pension without terminating employment.

You cannot defer commencement of your pension beyond the April 1st following the calendar year in which you 1) reach age 72 (age 70½ if you reached age 70½ before January 1, 2020) or 2) terminate employment with your Employer, whichever is later. Retirement Benefits are payable as of the first day of the month following your termination of employment with your Employer (or the date which you can start payment of a Deferred Retirement Benefit), provided that you meet all eligibility and application requirements. Your pension benefits shall continue for your lifetime unless they are suspended, as explained below.

If you commence benefits after April 1st following the year you turned 70½, your pension will be increased actuarially to take into account the period following your reaching of age 70½ during which you did not receive benefits under the Plan because of continued employment.

You shall be eligible for a Retirement Benefit (*e.g.*, Normal Retirement Benefit, Early Retirement Benefit, Disability Award Retirement Benefit, “Thirty and Out” Retirement Benefit) only after you have terminated Covered Employment with a Contributing Employer except as explained above in the first two paragraphs of this section.

II. Suspension of Benefits

The Plan's suspension of benefits provisions have been amended. The Plan has added the term "disqualifying employment," which is employment that will cause payment of your pension benefits to be suspended. The definition of disqualifying employment was also clarified to include that to be disqualifying, the employment must be in a trade or craft in which the pensioner was employed at any time and in the geographic area covered by the Plan. Further, the Plan was amended to eliminate an additional basis for suspending benefits in the case of reemployment by participants who were younger than age 65 and who were receiving an Early Retirement Benefit.

To reflect these changes, the section of the SPD entitled "Suspension of Benefits," found on pages 13-15, is deleted in full and replaced with the following:

If you retire and started receiving pension benefits and then return to employment prior to reaching age 70½ at a trade or craft in which you were employed at any time under the Plan, in the geographic area covered by the Plan, and with a Contributing Employer, whether or not your position is Covered Employment, this employment will be "disqualifying employment," and your pension will be suspended for each month that you work forty (40) or more hours in that calendar month.

Once your pension has been suspended, and you have terminated your disqualifying employment, you must apply to the Fund Office for resumption of your monthly pension benefit.

If you continue to work past Normal Retirement Age (age 65), your pension will be considered suspended even though you never started to receive pension benefits. The benefit you have accrued at Normal Retirement Age will not be actuarially increased for any time period in which your benefits are subject to suspension except as explained below.

Once you approach age 65 or when your pension benefits begin you will receive a notice referring you to the Plan's rules regarding the suspension of benefits. The Plan will also notify you during the first month in which your benefits are suspended, describing the specific reasons for the suspension and including a copy of the relevant Plan provisions. The Department of Labor regulations that apply to the suspension of benefits may be found in the Code of Federal Regulations at 29 C.F.R. Section 2530.203-3.

If you retire and then start working any number of hours, it is your responsibility to inform the Fund Office, in writing, within thirty (30) days after you begin working. If you are working and you fail to notify the Fund Office, the Trustees will presume that you are working for at least forty (40) hours a month in disqualifying employment until you notify them that you are no longer working or that you are working fewer than forty (40) hours a month.

If you decide to return to retirement and stop working in disqualifying employment, your Pension Benefits will be resumed no later than the first day of the third calendar month after the calendar month in which you ceased to be employed in disqualifying employment, provided that you have complied with the Plan's procedures for notifying the Plan that you have ceased to be employed. You must also submit an application for benefits. When your benefits resume, you will

receive a pension in the same amount as your original pension plus an increase for any additional credit you may have earned during the period you returned to work. If your benefits commence after age 70½, the accrued benefit payable to you will be increased actuarially to account the period after age 70½ during which you did not receive benefits under the Plan due to suspension.

If your benefits are suspended, you have the right to appeal that determination to the Trustees by filing a written appeal within sixty (60) days of the suspension notice. The Trustees shall consider the appeal in accordance with the appeal procedures described below.

If you received pension payments that should have been suspended due to disqualifying employment, the Plan will deduct that amount from your future benefit payments once your payments from the Plan resume. The Plan may withhold up to 100% of your first pension payment upon resumption, which may include up to the first three months of resumed pension payments. Thereafter, the Plan may withhold no more than 25% of your monthly pension benefit until the total overpayment is recovered. If you die before the Plan can recoup the entire amount of payments made while you worked for a Contributing Employer and your benefits should have been suspended, the benefit payments to any beneficiary, other than a surviving spouse, will be offset as well until the overpayment is completely recovered.

III. Early Retirement Benefit

The first sentence of the section of your SPD entitled “Early Retirement Benefit,” found on page 9, is modified to clarify as follows (additions in bold and underlined text):

You can collect the Early Retirement Benefit provided you:

- are at least 55 years old **but have not yet reached age 65;** and
- have earned 15 years or more of Past or Future Eligibility Service or any combination thereof provided at least one year is Future Eligibility Service.

IV. Claims and Appeals

The Plan has clarified its appeals provisions. The section titled “Appeals,” on pages 18-20 your SPD, has been retitled “Claims and Appeals” and has been amended to more thoroughly explain the Plan’s benefits claims process and to clarify that the claims and appeals processes are different in the case of a Disability Award Retirement Benefit.

Accordingly, the section is deleted in full and replaced with the following:

Claims and Appeals

Claims for Benefits

All initial claims for benefits under the Plan shall be made to the Fund Office. The Fund Office will make a decision on your claim within ninety (90) days. If special

circumstances require an extension of the time for the Fund Office to respond, the 90-day period may be extended up to an additional ninety (90) days. In that case, you will be notified in writing about the special circumstances and the date by which the Fund Office expects to make a final decision.

If your claim is denied, in whole or in part, the Fund Office will provide you the reasons for the denial and state the specific Plan provisions on which it was based, a description of the Plan's appeals procedures, a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim, and statement of your right to bring a civil action under ERISA section 502(a) after you file an appeal with the Board of Trustees. If the Fund Office needs additional information from you to process your claim, the Fund Office will also provide you with a description of any additional information needed from you and why it is needed.

- **Disability Award Retirement Benefit:** If your claim is for a Disability Award Retirement Benefit, a decision will be made within forty-five (45) days of the date of your claim, unless an extension of time is needed due to circumstances beyond the control of the Fund Office, in which case the 45-day period may be extended up to an additional thirty (30) days. In that case, you will be notified in writing about the standards for a Disability Award Retirement Benefit, any issues which prevented the Fund Office from making a decision on your claim, and any additional information needed from you to resolve those issues.

If your claim for a Disability Award Retirement Benefit is denied, in whole or in part, the Fund Office will provide you the internal rules, guidelines, or other criterion on which it was based or state that those are available to you at no charge upon request. The Fund Office will provide an explanation for disagreeing with or not following the determination of the Social Security Administration disability determination you presented. The Fund Office will also provide you a description of the Plan's appeals procedures, a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim, and statement of your right to bring a civil action under ERISA section 502(a) after you file an appeal with the Board of Trustees.

Appeals

A member or beneficiary who is denied benefits, or has their benefits reduced or terminated, must appeal to the Board of Trustees in writing within sixty (60) days of the date of the notification from the Fund Office. If you fail to appeal within sixty (60) days, you will waive your right to review.

Your appeal must state the reasons that you dispute the denial, reduction or termination of benefits and attach any relevant documents. Upon request and free of charge, you will have access to, and copies of all documents relevant to your claim for benefits.

- **Disability Award Retirement Benefit:** If you are appealing a denial, reduction, or termination of a Disability Award Retirement Benefit, you must request appeal to the Board of Trustees in writing within one hundred and eighty (180) days of the date of notification from the Fund Office. If you fail to appeal within one hundred eighty (180) days, you will waive your right to review.

Your appeal must state the reasons that you dispute the denial, reduction or termination of benefits and attach any relevant documents. Upon request and free of charge, you will have access to, and copies of all documents relevant to your claim for benefits.

The Trustees will review all appeals and make a decision no later than the date of the Board of Trustees meeting following the receipt of the appeal, unless the appeal is filed less than thirty (30) days before the date of such meeting. In such case, a decision shall be made by no later than the date of the second Board of Trustees meeting following the receipt of the appeal. However, if special circumstances require an extension of time for the Trustees' review of an appeal, a decision shall be made no later than the third meeting of the Board of Trustees' following receipt of the appeal. The Board of Trustees shall provide you with a written notice of the extension, prior to the time the extension starts, describing the special circumstances and the date as of which a final decision is expected to be made.

The Board of Trustees will notify you in writing of the decision no later than five (5) days after the decision is made. The Trustees' decision is final. If the Trustees deny the appeal, the notice of the decision will include specific reasons for the denial and will cite the specific Plan provisions on which the decision is based. The notice will also include a statement indicating that you or your authorized representative is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to your claim for benefits and a statement explaining your right to bring a civil lawsuit under ERISA Section 502(a). Any legal proceedings to challenge the Trustees' decision on your appeal must be brought within one (1) year of the Trustees' decision, and only after you have exhausted the Plan's appeal procedures as stated above.

Please keep this SMM with your SPD for future reference. If you have any questions regarding this SMM, please contact the Fund Office at 631-393-2963.

Sincerely,

The Board of Trustees