

NATIONAL ELEVATOR INDUSTRY PENSION PLAN

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To: All Participants in the National Elevator Industry Pension Plan, I.U.E.C. Locals and Regional Directors

From: Robert O. Betts, Jr.
Executive Director for the Board of Trustees

OVERVIEW OF BENEFIT IMPROVEMENTS AND OTHER AMENDMENTS TO THE PLAN

The Trustees of the National Elevator Industry Pension Plan are pleased to announce several benefit improvements to the Plan.

Active Participant Increases

1. If you work in Covered Employment on or after January 1, 2015, your **Applicable Benefit Rate** will increase from \$98.00 to \$103.00 provided you: (a) complete at least 700 hours of work in Covered Employment in the Plan Year 7/1/2014-6/30/2015 or a subsequent Plan Year, or (b) complete at least 700 hours of work during the 12 months preceding your last day of Covered Employment.
2. Your **Applicable Benefit Rate** will apply for your hours of Benefit Service prior to **July 1, 2015**.
3. A **Periodic Benefit Rate** will be used for your hours of work on and after July 1, 2015. Effective July 1, 2015, the Periodic Benefit Rate will be \$110.00.

The following example illustrates how these two benefit increases will affect the amount of your monthly pension benefit:

<i>Kevin retires in November 2016 at the age of 62. At that time, he has a total of 52,275 hours of Benefit Service prior to July 1, 2015 and an additional 2,100 hours of Benefit Service beginning July 1, 2015.</i>	
<p style="text-align: center;">Kevin's Monthly Pension without this Benefit Improvement</p> <p><i>Kevin's entire monthly pension benefit will be determined based on an Applicable Benefit Rate of \$98.00:</i></p> <p style="text-align: center;"><i>Total Hours: 52,275 + 2,100 = 54,375 hours</i></p> <p style="text-align: center;"><i>Years of Benefit Service: 54,375 ÷ 1,700 = 31.985 years</i></p> <p style="text-align: center;"><i>Monthly pension benefit: 31.985 x \$98.00 = \$3,134.53</i></p>	<p style="text-align: center;">Kevin's Monthly Pension with Benefit Improvement</p> <p><i>Kevin's monthly pension benefit will be based on his Applicable Benefit Rate for hours worked prior to July 1, 2015 and his Periodic Benefit Rate for hours worked beginning July 1, 2015:</i></p> <p><i>Years of Benefit Service pre-7/1/2015:</i></p> <p style="text-align: center;"><i>52,275 ÷ 1,700 = 30.750 years</i></p> <p><i>Years of Benefit Service beginning 7/1/2015:</i></p> <p style="text-align: center;"><i>2,100 ÷ 1,700 = 1.235 years</i></p> <p style="text-align: center;"><i>Pre-7/1/2015 benefit: 30.750 x \$103.00 = \$3,167.25</i></p> <p style="text-align: center;"><i>Post 6/30/2015 benefit: 1.235 x \$110.00 = <u>\$ 135.85</u></i></p> <p style="text-align: center;"><i>Total monthly pension benefit: \$3,303.10</i></p>
<p><i>The amount of Kevin's monthly pension benefit will be adjusted for any Surviving Spouse Pension he elects if he is married or for a Certain and Life benefit if he is single.</i></p>	

Retiree Increases

Effective January 1, 2015, Normal Retirement, Early Retirement and Disability Retirement Retirees' benefits were increased as follows:

- For participants who retired prior to February 1, 1985, the monthly benefit rate will not be less than **\$55.00**
- The pension benefits for participants who retired during the period February 1, 1985 through January 31, 1999 were increased by **3%**.
- The pension benefits for participants who retired during the period February 1, 1999 through January 31, 2008 were increased by **2%**.
- The pension benefits for participants who retired during the period February 1, 2008 through January 31, 2015 were increased by **1%**.

These Retiree increases also apply to the benefits of surviving spouses (Surviving Spouse Pensions and Pre-Retirement Spouse's Benefits) and beneficiaries (Pre-Retirement Death-in-Service Benefits and Certain and Life Benefits). These increases do not apply to Early Vested Pensions or Normal Vested Pensions.

Other Benefit Improvements

Disability Pension Conversion Rights for Retirees Receiving Early Vested Pensions.

The Trustees have amended the Plan to allow an eligible disabled retiree who initially elected to receive an Early Vested Pension to convert that Early Vested Pension to a Disability Retirement Pension provided he either:

- Filed on or prior to his Effective Date of Early Vested Pension an application for Social Security Disability Benefits that was approved by Social Security, or
- Received a Social Security Disability award stating that he was disabled prior to the date of his Early Vested Pension.

The Disability Pension conversion rules that apply to a retiree receiving Early Retirement Pension are used to determine an Early Vested retiree's eligibility to convert his pension to a Disability Retirement Pension.

Special Disability Pension Conversion Rights for Surviving Spouses of Early Retirees.

Generally, the Plan will treat a Disability Pension conversion election by a surviving spouse or beneficiary as if the participant elected to convert his Early Retirement Pension to a Disability Retirement Pension the day prior to his date of death. However, the Trustees amended the Plan to provide that in the event a deceased participant was married to a Qualified Spouse on his Effective Date of Early Retirement and elected a Surviving Spouse pension form other than a 100% Surviving Spouse Pension form, the Plan will treat his surviving Spouse's election as if the participant retired on a Disability Retirement Pension on the day prior to his date of death and elected the 100% Surviving Spouse Pension, and died the next day.

Each of these benefit improvements and other non-substantive changes to the Plan are described in the following Modification to the National Elevator Industry Pension Plan Summary Plan Description.

**MODIFICATIONS TO THE NATIONAL ELEVATOR INDUSTRY PENSION PLAN
SUMMARY PLAN DESCRIPTION**

The following modifications to the Plan’s Summary Plan Description reflect the benefit improvements and other changes to the Plan discussed above:

- **Page 6, “Highlights of the Plan” is amended by revising the Normal Retirement Pension highlight as follows:**

Normal Retirement Pension	<ul style="list-style-type: none"> ▪ You are eligible for a Normal Retirement Pension if you cease Covered Employment after you reach age 65. ▪ Your monthly benefit is your Applicable Benefit Rate times your years of Benefit Service prior to July 1, 2015 plus your Periodic Benefit Rate times your years of Benefit Service earned on and after July 1, 2015.
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- **Page 11, the last paragraph under the heading “Service” is amended as follows:**

Years of Benefit Service are used to determine the amount of your pension benefit. You earn Benefit Service throughout your career based on how many hours you work in Covered Employment. Your years of Benefit Service are then multiplied by your Applicable Benefit Rate for your Benefit Service prior to July 1, 2015 and your Periodic Benefit Rate for your Benefit Service on and after July 1, 2015 (see page 17) to determine the amount of your monthly (unreduced) pension benefit.

- **Page 14, “Eligibility Requirements for a Pension” is amended by revising the paragraph below the subheading “Normal Retirement Pension” as follows:**

Normal Retirement Pension

You are eligible for a Normal Retirement Pension if you cease Covered Employment on or after age 65. The amount of the Normal Retirement Pension is equal to your Benefit Service multiplied by your Applicable Benefit Rate (for your Benefit Service prior to July 1, 2015) or your Periodic Benefit Rate (for your Benefit Service earned on or after July 1, 2015), as discussed on page 17.

- **Page 16, the last paragraph of the subsection “Disability Retirement Pension” is amended as follows:**

If you are receiving an Early Retirement Pension or Early Vested Pension, you may convert this pension into a Disability Retirement Pension if you meet the following requirements:

- You file an application for Social Security Disability Benefits on or prior to your Early Retirement or Early Vested Retirement Effective Date that is approved by Social Security or receive a Social Security Disability award stating that you were disabled prior to your Early Retirement or Early Vested Retirement Effective Date;
- Your Social Security Entitlement Date is within 24 months of the date of your Early Retirement or Early Vested Retirement Effective Date; and
- You otherwise qualify for a Disability Retirement Pension.

A Retiree receiving an Early Retirement Pension or Early Vested Retirement Pension must elect to convert his pension to a Disability Retirement Pension by completing an Election Form included with the Notice of Eligibility to Convert and returning it to the Benefits Office so that the completed Election Form is received within 30 days of the date of the Notice of Eligibility to Convert.

In the event a married Early Retiree who otherwise satisfies the Disability Retirement conversion requirements set forth above dies before the Social Security Administration provides notification that he is disabled, the Early Retiree’s surviving Qualified Spouse or beneficiary may elect to convert his Early Retirement Pension to a Disability Retirement Pension. Generally, the Plan will treat such election as if the participant elected to convert his Early Retirement Pension to a Disability Retirement Pension the day prior to his date of death. However, if the deceased participant was married to a Qualified Spouse on his Early Retirement Effective Date and elected a Surviving Spouse pension form other than a 100% Surviving Spouse Pension form, the Plan will treat his surviving Spouse’s election as if the participant retired on a Disability Retirement Pension and elected the 100% Surviving Spouse Pension on the day prior to the participant’s date of death.

- **The Section of the SPD “The Amount of Your Pension” (pages 17-29) is amended in its entirety as follows:**

The Amount of Your Pension

FAST FACTS:

- The amount of your pension depends on your Benefit Service, Applicable Benefit Rate, Periodic Benefit Rate, age, and the form of payment option you elect at retirement.
- In general, your monthly pension benefit is equal to your Benefit Service times your Applicable Benefit Rate (for your Benefit Service before July 1, 2015) *plus* your Benefit Service times your Periodic Benefit Rate (for your Benefit Service beginning July 1, 2015). The result is then reduced for early retirement and form of payment, if applicable.

APPLICABLE BENEFIT RATE AND PERIODIC BENEFIT RATE

In General

The amount of your pension is a product of your years of Benefit Service prior to July 1, 2015 and your Applicable Benefit Rate plus the product of your years of Benefit Service on and after July 1, 2015 and your Periodic Benefit Rate.

Your Applicable Benefit Rate is the Applicable Benefit Rate that would be applied to your hours of Benefit Service prior to July 1, 2015 on your last day of Covered Employment provided you completed at least 700 hours of work in Covered Employment during the 12 months preceding that date. If you do not meet this 700 hour requirement, your Applicable Benefit Rate is the Applicable Benefit Rate in effect on the last day of the most recent Plan Year (June 30th) in which you completed at least 700 hours of work in Covered Employment. Applicable Benefit Rates apply to hours of work in Covered Employment prior to July 1, 2015. If you leave Covered Employment and later return to Covered Employment, more than one Applicable Benefit Rate may apply to your Benefit Service prior to July 1, 2015 (See “Multiple Applicable Benefit Rates” on page 8).

Periodic Benefit Rates apply to hours you work in Covered Employment on and after July 1, 2015. Your Periodic Benefit Rate is the rate in effect on your last day of Covered Employment on or after July 1, 2015. A Periodic Benefit Rate will be applied to your Benefit Service earned on and after the effective date of that Periodic Benefit Rate.

The following chart should be used to determine what your Applicable Benefit Rate would be:

APPLICABLE DATE	APPLICABLE BENEFIT RATE PER YEAR OF FUTURE BENEFIT SERVICE (1,700 HOURS)	RATE PER YEAR OF PAST BENEFIT SERVICE
From 1/1/15 through 6/30/15	\$103.00	\$103.00
From 1/1/08 through 12/31/14	\$98.00	\$98.00
From 1/1/07 through 12/31/07	\$93.00	\$93.00
From 1/1/01 through 12/31/06	\$90.00	\$90.00
From 1/1/00 through 12/31/00	\$86.00	\$86.00
From 1/1/99 through 12/31/99	\$80.00	\$80.00
From 1/1/98 through 12/31/98	\$75.00	\$75.00
From 1/1/97 through 12/31/97	\$72.00	\$72.00
From 1/1/96 through 12/31/96	\$69.00	\$69.00
From 1/1/95 through 12/31/95	\$68.00	\$68.00
From 1/1/94 through 12/31/94	\$66.00	\$66.00
From 1/1/93 through 12/31/93	\$64.00	\$64.00
From 1/1/92 through 12/31/92	\$63.00	\$63.00
From 1/1/91 through 12/31/91	\$60.00	\$60.00
From 1/1/90 through 12/31/90	\$57.00	\$57.00
From 1/1/89 through 12/31/89	\$53.00	\$53.00
From 1/1/88 through 12/31/88	\$50.00	\$50.00
From 1/1/87 through 12/31/87	\$44.00	\$44.00
From 1/1/86 through 12/31/86	\$40.00	\$40.00

From 1/1/85 through 12/31/85	\$32.00	\$32.00
From 1/1/84 through 12/31/84	\$29.00	\$29.00
From 1/1/83 through 12/31/83	\$26.00	\$26.00
From 7/1/81 through 12/31/82	\$23.00	\$23.00
From 7/1/80 through 6/30/81	\$18.00	\$18.00
From 10/1/79 through 6/30/80	\$16.00	\$16.00
From 7/1/78 through 9/30/79	\$15.00	\$15.00
From 4/1/76 through 6/30/78	\$11.00	\$8.00
From 7/1/73 through 3/31/76	\$10.00	\$7.00
From 7/1/70 through 6/30/73	\$8.00	\$4.00

The following chart should be used to determine what your Periodic Benefit Rate would be:

EFFECTIVE DATE OF PERIODIC BENEFIT RATE	PERIODIC BENEFIT RATE PER YEAR OF FUTURE BENEFIT SERVICE (1,700 HOURS)
Hours of work in Covered Employment on and after 7/1/2015	\$110.00

Example:

Joe retires in December 2015 at the age of 65. Between July 1, 2015 and Joe's last day of Covered Employment, Joe worked 850 hours in Covered Employment. Prior to July 1, 2015, Joe worked 42,500 hours in Covered Employment. He has not had a break-in-service.

$$\begin{aligned} \text{Applicable Benefit Rate: } & 42,500 \text{ hours}/1,700 = 25.000 \text{ years} \times \$103.00 = \$2,575.00 \\ \text{Periodic Benefit Rate: } & 850 \text{ hours}/1,700 \text{ hours} = 0.500 \text{ years} \times \$110.00 = \$ \underline{55.00} \\ \text{Total Monthly Benefit} & = \$2,630.00 \end{aligned}$$

The amount of Joe's monthly pension benefit will be adjusted for any Surviving Spouse Pension he elects if he is married or for a Certain and Life benefit if he is single.

Minimum Applicable Benefit Rate

As of January 1, 2015, a retiree's monthly pension under the Plan will be the greater of:

- The monthly benefit the retiree (or surviving beneficiary) is receiving as of December 31, 2014, including adjustments previously elected for early retirement and benefit options, if applicable, and including previously adopted retiree benefit increases; or
- The retiree's (or surviving beneficiary's) monthly benefit recalculated on the basis of an Applicable Benefit Rate of \$55.00 and then applying the same adjustments previously elected for early retirement and benefit options, if applicable, but not applying previously adopted retiree increases.

Except for retired elevator inspectors, this does not apply to those retirees in receipt of a Vested Retirement Pension.

NORMAL RETIREMENT PENSION

To determine the amount of a Normal Retirement Pension, multiply your years of Past Benefit Service, if any, and your years of Future Benefit Service earned prior to July 1, 2015 by your Applicable Benefit Rate and multiply your years of Future Benefit Service earned on and after July 1, 2015, by your Periodic Benefit Rate.

Example:

John retires in August 2016 at the age of 65. His Applicable Benefit Rate is \$103.00 and he has no breaks-in-service. His Periodic Benefit Rate is \$110.00. He has 54,400 hours of Future Benefit Service prior to July 1, 2015 and 2,125 hours of Future Benefit Service on and after July 1, 2015. The amount of John's monthly pension will be:

$$\begin{aligned} \text{Future Benefit Service (before 7/1/2015): } & 54,400/1,700 = 32.000 \text{ years} \times \$103.00 = \$3,296.00 \\ \text{Future Benefit Service (beginning 7/1/2015): } & 2,125/1,700 = 1.250 \text{ years} \times \$110.00 = \$ \underline{137.50} \\ \text{Total Monthly Benefit: } & \$3,433.50 \end{aligned}$$

John will be entitled to a monthly pension of \$3,433.50. This amount will be adjusted for any Surviving Spouse Pension he elects if he is married or for a Certain and Life benefit if he is single.

IMMEDIATE AND DEFERRED EARLY RETIREMENT PENSION

If you retire between the ages of 55 and 65, the amount of your immediate Early Retirement Pension will be:

- If your Effective Date of Early Retirement Pension is on or after your 58th birthday, the amount of the Normal Retirement Pension based on your Benefit Service as of your Effective Date of Early Retirement Pension, or
- If your Effective Date of Early Retirement Pension is before your 58th birthday, the amount of the Normal Retirement Pension reduced by $\frac{1}{4}$ of 1% for each full calendar month between your Effective Date of Early Retirement Pension and the first day of the month following your 58th birthday.

Example:

Frank leaves Covered Employment December 2016 at the age of 55 and has no break-in-service. He has 45,050 hours of Future Benefit Service prior to July 1, 2015 and 2,975 hours of Future Benefit Service on and after July 1, 2015. Frank's Applicable Benefit Rate would be \$103.00 for Future Benefit Service earned prior to July 1, 2015, and his Periodic Benefit Rate would be \$110.00 for Future Benefit Service earned beginning July 1, 2015. Since Frank is only 55 and has chosen to have payments begin immediately, his normal monthly pension will be reduced by $\frac{1}{4}$ of 1% for each full calendar month between his Effective Date of Early Retirement Pension (age 55) and his 58th birthday: $\frac{1}{4}\% \times 36 \text{ months} = 9\%$ reduction. Accordingly, he will receive 91% of his normal monthly pension.

Future Benefit Service prior to July 1, 2015: $45,050/1,700 = 26.500 \text{ years} \times \$103.00 = \$2,729.50$

Future Benefit Service beginning July 1, 2015: $2,975/1,700 = 1.750 \times \$110.00 = \underline{\$ 192.50}$

Total normal monthly pension benefit: $\$2,922.00$

Percentage of normal monthly pension Payable for Early Retirement Pension $\times .91$

Monthly Early Retirement Pension: $\$2,659.02$

Frank will receive an Early Retirement Pension of \$2,659.02 per month, adjusted for any Surviving Spouse Pension he elects if he is married or for a Certain and Life benefit if he is single.

Example:

Joe leaves Covered Employment in February of 2005 at the age of 55 with 46,750 hours of Future Benefit Service. Although he does not return to Covered Employment, Joe elects to defer his Early Retirement Pension until age 58. The Applicable Benefit Rate for an employee who leaves Covered Employment in February 2005 is \$90.00.

Future Benefit Service: $46,750/1,700 = 27.500 \text{ years} \times \$90.00 = \$2,475.00$

Monthly Deferred Early Retirement Pension Benefit: $\$2,475.00$

Joe will begin receiving \$2,475.00 per month on the first day of the month following his 58th birthday in 2015. This amount will be adjusted for any Surviving Spouse Pension he elects if he is married or for a Certain and Life benefit if he is single.

NORMAL VESTED PENSION

If you leave Covered Employment before age 55 and are vested, you will receive a Normal Vested Pension that will not begin until you are 65. The Normal Vested Pension will be calculated in the same manner as a Normal Retirement Pension based on your Benefit Service. You may also begin receiving your Vested Pension prior to age 65 as an Early Vested Pension (see below).

Example:

Nick left Covered Employment in August 2002 at the age of 52. He is not eligible for an Early Retirement Pension because he left Covered Employment before the age of 55. However, Nick is vested and is eligible for a pension. Nick has 34,000 hours of Future Benefit Service. The Applicable Benefit Rate for an employee who leaves Covered Employment in August 2002 is \$90.00.

Future Benefit Service: $34,000/1,700 = 20.000 \text{ years} \times \$90.00 = \$1,800.00$

Total normal monthly pension benefit at age 65: $\$1,800.00$

In 2015, at age 65, Nick can begin receiving Normal Vested Pension payments of \$1,800.00 a month, which will be adjusted for any Surviving Spouse Pension he elects if he is married or for a Certain and Life benefit if he is single.

EARLY VESTED PENSION

If you leave Covered Employment before the age of 55 and are vested, you are eligible for a pension, and you may elect to have your pension payments begin at any age between 55 and 65. The Early Vested Pension will be the amount of your Normal Retirement Pension based on your Benefit Service, and because you will be receiving benefits for a longer period of time, reduced by ½ of 1% for each full calendar month between the date your Early Vested Pension Benefit commences and the first day of the month following your 65th birthday. The following chart shows the percentage of the Normal Retirement Benefit you will receive as of the month of your birthday if you elect to begin receiving your Vested Pension as an Early Vested Pension.

AGE WHEN PAYMENT BEGINS	PERCENTAGE OF NORMAL PENSION BENEFIT YOU RECEIVE
65 and 0 months	100%
64 and 0 months	94%
63 and 0 months	88%
62 and 0 months	82%
61 and 0 months	76%
60 and 0 months	70%
59 and 0 months	64%
58 and 0 months	58%
57 and 0 months	52%
56 and 0 months	46%
55 and 0 months	40%

The Early Vested Pension reduction is ½ of 1% for each full calendar month between the date your Early Vested Pension commences and the first of the month following your 65th birthday. For example, if your Early Vested Pension commences when you are age 60 and 4 months, you will receive a monthly Early Vested Pension benefit equal to 72% of your normal pension benefit (0.5% x 56 months = 28% reduction).

Example:

Bob left Covered Employment in September 2008 at age 50. Since he terminated Covered Employment prior to age 55, he is ineligible for an Early Retirement Pension. Bob, however, is vested. Bob has 37,400 hours of Future Benefit Service. He elects to begin receiving his Early Vested Pension in September of 2015 when he is 57 years old. In September of 2008, when Bob left Covered Employment, his Applicable Benefit Rate was \$98.00. Since Bob has elected to receive payments beginning at age 57, he will receive 52% of his normal monthly pension benefit.

$$\begin{aligned} \text{Future Benefit Service: } & 37,400/1,700 = 22.000 \text{ years} \times \$98.00 = \$2,156.00 \\ \text{Total normal monthly pension benefit at age 65: } & \$2,156.00 \\ \text{Percentage Payable for Early Vested Pension: } & \underline{x .52} \\ \text{Monthly Early Vested Pension: } & \$1,121.12 \end{aligned}$$

Bob's monthly pension beginning at age 57 will be \$1,121.12, and will be adjusted for any Surviving Spouse Pension he elects if he is married at that time or for a Certain and Life benefit if he is single.

DISABILITY RETIREMENT PENSION

A Disability Retirement Pension is calculated like a Normal Retirement Pension. Payments may begin at any age as long as you meet the eligibility requirements.

Example:

George becomes Totally and Permanently Disabled and receives a Social Security Award effective May 2016 when he is 45 years old. George worked over 700 hours in the 12 months preceding his Disability retirement and did not have a break-in-service. At this point, George has 34,000 hours of Future Benefit Service prior to July 1, 2015 and 1,870 hours of Future Benefit Service on and after July 1, 2015. On the effective date of his Social Security Award, the Applicable Benefit Rate was \$103.00 for Future Benefit Service and the Periodic Benefit Rate was \$110.00. This applies to George as follows:

$$\begin{aligned} \text{Future Benefit Service prior to July 1, 2015: } & 34,000/1,700 = 20.000 \text{ years} \times \$103.00 = \$2,060.00 \\ \text{Future Benefit Service beginning July 1, 2015: } & 1,870/1,700 = 1.100 \text{ years} \times \$110.00 = \underline{\$ 121.00} \\ \text{Monthly Disability Retirement Pension: } & \$2,181.00 \end{aligned}$$

George's Disability Retirement Pension will be \$2,181.00 per month, subject to an adjustment for any Surviving Spouse Pension if he is married or for a Certain and Life benefit if he is single.

MULTIPLE APPLICABLE BENEFIT RATES

Under certain circumstances your monthly pension may be calculated using more than one Applicable Benefit Rate. This will happen if:

- You leave Covered Employment after you are vested or for one of the reasons specified under the Break in Future Service Section on page 31, and you later return to Covered Employment, or
- You have a Break-in-Service on or after July 1, 1973 and your service is restored upon your return to Covered Employment.

Under these circumstances, the portion of the monthly pension you accrued for Benefit Service earned prior to July 1, 2015 will be calculated in two parts:

- Your Benefit Service at the time you first left Covered Employment or preserved your pension credits multiplied by your Applicable Benefit Rate at that time, plus,
- Your Benefit Service (through June 30, 2015) after your return to Covered Employment multiplied by your subsequent Applicable Benefit Rate when you retire.

However, if you complete 5 years of Vesting Service after your return to Covered Employment, your subsequent Applicable Benefit Rate will be applied to your total Benefit Service through June 30, 2015.

For purposes of the multiple benefit rate rules, you will be deemed to have left Covered Employment if you fail to work at least 200 hours in any 36-month period. However, prior to June 30, 1998, you will not be deemed to have left Covered Employment after being vested if:

- You leave Covered Employment because there is no available covered work;
- You do not leave the elevator industry of participating Employers;
- You are registered on the referral list of your home IUEC local union;
- You regularly contract the local for work opportunities;
- You are available for work in Covered Employment;
- You do not refuse work when offered; and
- Your total absence from Covered Employment (for all absences covered by this section) does not exceed:
 - Six (6) years if your pension effective date is between July 1, 1997 and December 31, 1997; and
 - Five (5) years if your pension effective date is January 1, 1998 to June 30, 1998.

You and your local union must submit sufficient proof that you satisfy the foregoing conditions for this rule to apply to you. This limited exception to the above 200-hour rule automatically expired on June 30, 1998.

Example:

Andy left Covered Employment in September 1998 when he was vested with 38,675 hours of Future Benefit Service. The Applicable Benefit Rate at that time was \$75.00 for Future Benefit Service. Andy returned to Covered Employment in June 2013 and subsequently retired in May 2016 at the age of 59. He accrued 3,400 hours of Future Benefit Service after his return to Covered Employment and prior to July 1, 2015 and accrued an additional 2,125 hours of Future Benefit Service on and after July 1, 2015. The Applicable Benefit Rate at the time he retired was \$103.00, and the Periodic Benefit Rate for his Benefit Service earned beginning July 1, 2015 was \$110.00. Andy's monthly benefit is:

1. Before leaving Covered Employment:

$$\text{Future Benefit Service: } 38,675/1,700 = 22.750 \text{ years} \times \$75.00 = \$1,706.25$$

Plus

2. After return to Covered Employment:

$$\text{Future Benefit Service prior to July 1, 2015: } 3,400/1,700 = 2.000 \text{ years} \times \$103.00 = \$206.00$$

$$\text{Future Benefit Service beginning July 1, 2015: } 2,125/1,700 = 1.250 \text{ years} \times \$110.00 = \underline{\$137.50}$$

$$\text{Total Monthly Benefit: } \$2,049.75$$

Andy will receive a monthly benefit of \$2,049.75, adjusted for any Surviving Spouse Pension if he is married or for a Certain and Life benefit if he is single. However, if Andy had completed 5 years of Vesting Service after he returned to Covered Employment in 2013, his monthly pension accrued prior to September 1998 would have been calculated on the basis of his subsequent Applicable Benefit Rate of \$103.

TEMPORARY SUPPLEMENTAL PENSION BENEFIT

Generally, if you are in receipt of an Early Retirement Pension as of July 1, 1996 or thereafter, you are eligible for a monthly Temporary Supplemental Pension Benefit.

- A participant who has worked as an elevator inspector within six months of his retirement date will be eligible for this temporary benefit.
- The amount of this Temporary Benefit is equal to \$5 multiplied by your years of Benefit Service (based on Past and Future Service), but in no event greater than your Social Security benefits.
- This Temporary Supplemental Pension Benefit is generally payable for Early Retirements that were in effect as of July 1, 1996; however, for Early Retirements effective August 1, 2003 or later, the Temporary Supplemental Benefit does not commence until the first of the month following the month the retiree turns age 58.
- The Temporary Supplemental Benefit will cease when you are eligible to receive 80% of your Social Security benefit, but not beyond your death.

Your Social Security benefit is reduced for age based on your full benefit age, which changes with your year of birth. The table below shows the ages you would be eligible to receive 80% of your Social Security benefit, based on your year of birth:

YEAR OF BIRTH	AGE FOR 80% BENEFIT
1943 – 1954	63 years
1955	63 years and 2 months
1956	63 years and 4 months
1957	63 years and 6 months
1958	63 years and 8 months
1959	63 years and 10 months
1960 or later	64 years

The Temporary Supplemental Pension Benefit is not payable to a Disability Retirement Pensioner, including one that has been converted from an Early Retirement Pension. The Temporary Supplemental Pension Benefit is also not payable to a spouse or beneficiary, upon your death.

- The example at the top of Page 27 is updated as follows:

Example:

Brian, a married employee, retires in July 2016 at age 65 and receives a Normal Retirement Pension. He has 50,150 hours of Future Benefit Service prior to July 1, 2015 and 2,125 hours of Future Benefit Service on and after July 1, 2015. His Applicable Benefit Rate is \$103.00 for each year of Future Benefit Service prior to July 1, 2015, and his Periodic Benefit Rate is \$110.00 for each year of Future Benefit Service earned beginning July 1, 2015. Brian is married and is 3 years older than his spouse. Under the 50% Surviving Spouse Pension, he will receive 91.6% of his monthly benefit. His monthly benefit would be:

Future Benefit Service prior to July 1, 2015: $50,150/1,700 = 29.500$ years \times \$103.00 = \$3,038.50
 Future Benefit Service beginning July 1, 2015: $2,125/1,700 = 1.250$ years \times \$110.00 = \$ 137.50
 Total Monthly Benefit: \$3,176.00

Percentage Payable under 50% Surviving Spouse Pension \times .916
 Total Monthly Pension Benefit: \$2,909.22

Brian will receive \$2,909.22 per month. Upon Brian's death, his spouse will receive one-half of his reduced benefit. In other words, she will receive \$1,454.61 per month for her life.

- Page 35, the subheading "If You Return to Work in Covered Employment" is revised as follows:

If You Return to Work in Covered Employment

If you return to Covered Employment and earn at least one year of Vesting Service, you will be entitled to a re-computation of your pension, based upon any additional Benefit Service you earn and your age when your pension resumes. The portion of your pension based on Benefit Service earned prior to your initial retirement will be calculated using the Applicable Benefit Rate and Periodic Benefit Rate (in the case of Benefit Service beginning July 1, 2015) in effect at your initial retirement. The portion of your pension based upon Benefit Service earned after your return to work will be calculated using your subsequent Applicable Benefit Rate and Periodic Benefit Rate. Your pension will be adjusted for the months that you received benefits and the months your pension was suspended for work if that work was disqualifying and would have been disqualifying if you had attained age 65. Any election you made when you first retired concerning your type of benefit (e.g., Normal, Early) will remain in effect. However, you may be entitled to elect a different form of benefit with respect to the Benefit Service earned after your return to Covered Employment.

- The example on Page 39 is updated as follows:

Example:

Jim, a married employee, terminates Covered Employment in October 2015 at age 48. He has 40,800 hours of Future Benefit Service prior to July 1, 2015 and 425 hours of Future Benefit Service beginning July 1, 2015. His Applicable Benefit Rate is \$103.00 and his Periodic Benefit Rate is \$110.00. His monthly benefit at age 65 would be:

Future Benefit Service prior to July 1, 2015: $40,800/1,700 = 24.000$ years \times \$103.00 = \$2,472.00
 Future Benefit Service beginning July 1, 2015: $425/1,700 = 0.250$ years \times \$110.00 = \$ 27.50
 Vested Pension at Age 65: \$2,499.50

Jim dies two years later at age 50 and has a surviving spouse, age 46. His spouse would be eligible for a monthly benefit, payable when Jim would have been age 55. The benefit would be:

Deferred Vested Benefit: \$2,499.50
 Percentage Payable for Early Vested Pension \times .40 = \$999.80
 Percentage Payable for 50% Husband and Wife Pension \times .916 = \$915.82
 Percentage Payable to Spouse \times .50 = \$457.91

Jim's wife would receive a benefit of \$457.91 per month beginning in October 2022.

- The example at the top of Page 40 is updated as follows:

Example:

Sam, an unmarried vested employee, dies while in Covered Employment. He has 30,500 hours of Future Benefit Service prior to July 1, 2015 and 2,100 hours of Future Benefit Service on and after July 1, 2015. His Applicable Benefit Rate is \$103.00 and his Periodic Benefit Rate is \$110.00. His monthly benefit at age 65 would be:

Future Benefit Service prior to July 1, 2015: $30,500/1,700 = 17.941 \text{ years} \times \$103.00 = \$1,847.92$

Future Benefit Service beginning July 1, 2015: $2,100/1,700 = 1.235 \text{ years} \times \$110.00 = \underline{\$ 135.85}$
\$1,983.77

The monthly benefit payable for 10 years to his beneficiary would be:

\$1,983.77 x .50 = \$991.89

- Forms of Payment (renaming certain forms):

The names of the pension benefit forms for married Participants have been updated. The 50% Husband and Wife Pension, the 75% Husband and Wife Pension and the 100% Husband and Wife Pension will now be the 50% Surviving Spouse Pension, the 75% Surviving Spouse Pension and the 100% Surviving Spouse Pension.