

# Tuscaloosa Plumbers & Steamfitters Local 372 Pension Plan

## Summary of Plan Benefits

The Local 372 Pension Plan is a defined benefit plan supported by contributions from your employer made to the Pension Plan on your behalf. The contributions are required by the collective bargaining agreement and the national reciprocal agreement when you are working outside the jurisdiction of Local 372. Contributions are not taxable nor are the investment earnings but you are required to pay taxes when you retire and begin to receive a monthly pension benefit. The following will provide a brief summary of some of the more important provisions concerning the Pension Plan and how you become eligible for a retirement benefit. A more complete description of the Pension Plan is available upon request and at no charge to you by contacting the Plan Manager. It is also important to note that this is one of two retirements you have available; the other is the National Pension Plan which should send you an annual record concerning its benefits.

**VESTING** – You can become vested in the plan for a guaranteed retirement benefit by working **5** years of vesting service under the Pension Plan. A year of vesting service is a year in which you have credited at least 1,000 hours of service. You may also vest by reaching your 5<sup>th</sup> anniversary of participation before incurring a one-year break-in-service which is a Plan year in which you work less than 300 hours. You must be vested in order to qualify for a retirement benefit.

**NORMAL RETIREMENT** – Your normal retirement date is the first of the month following your **65<sup>th</sup>** birth day if you have **5** years of vesting service or have reached your **5<sup>th</sup>** anniversary of Covered Employment and have not incurred a termination. You may defer your normal retirement to a later date but not beyond age 70½ years as that is the Internal Revenue Service mandatory retirement age.

**AGE-REDUCED EARLY RETIREMENT** – Your early retirement date is the first of the month following your **62<sup>nd</sup>** birth day if you have **5** years of vesting service. Early retirement requires that you stop work in Covered Employment in the Jurisdiction of Local 372. The IRS requires a separation from employment to validate an early retirement. Early retirement starts at age **62** and continues to age **65**, the normal retirement age. Early retirement will reduce your monthly benefit based on your age to account for the fact that you are retiring prior to your normal retirement date and will receive your retirement for a longer period of time. The early retirement age adjustment is **0.5%** times the number of months prior to your normal retirement date – Example:

Age 62 and 1 month or 35 months times .005 equals 17.5%.

If the monthly benefit is \$1,000.00 it would reduce to 82.5% or \$825.00.

**UNREDUCED EARLY RETIREMENT** – Your unreduced early retirement benefit requires that you have **25** years of vesting service and be age **62**. This benefit pays the full amount of the monthly benefit with no age reduction.

**DISABILITY RETIREMENT** – Your disability retirement date is the first of the month following the later of your attaining age **50**, the last date you work or the date Social Security declares you to be disabled if you have at least **9** years of vesting service. The disability benefit is age adjusted at 0.5% for the first 36 months and 0.25% for each additional month prior to the normal retirement date. This disability benefit does not apply to a disability incurred prior to July 1, 2016.

**RETIREMENT BENEFIT** – Your monthly retirement benefit is based on the number of hours you work in a Plan year, the contribution rate in force and the years from the Plan year end to your normal retirement age of 65 years. The hours are recorded by the Plan Manager and the Plan's Actuary calculates your monthly retirement amount. Your monthly pension benefit is paid in one of the Retirement Options offered by the Plan and selected by you.

**RETIREMENT OPTIONS** – The Pension Plan offers several retirement options including:

- **Normal Form** – Monthly benefit payable for life and guaranteed for at least 60 payments.
- **Life Annuity** – Monthly benefit payable for your lifetime
- **Joint & Survivor** – Monthly benefit payable for your lifetime that continues to your spouse for their life in the amount you select: 50%, 66-2/3%, 75%, or 100%.

The Plan Manager will obtain the value for each option and send it to you for your review and selection.

**PRE-RETIREMENT DEATH BENEFIT** – The Plan offers a pre-retirement death benefit if you are vested under the Plan. This benefit is the equivalent of the 66-23% Joint & Survivor benefit. An alternative benefit is offered if you are not married equal to the greater of 50% of the value of your vested benefit or 50% of all contributions.

**ADDITIONAL INFORMATION** – The Plan Manager can assist you with additional information concerning the Pension Plan. You may also receive a copy of the Summary Plan Description at no cost by contacting the Plan Manager.

**RETIREMENT APPLICATION** – A retirement application should be filed at least 45 days prior to retirement but not earlier than 180 days prior to the start date. Your final pension amount is based on hours worked up to the date of your retirement. Final hours may be received after your retirement date and especially if you are working outside the jurisdiction. Your retirement benefit will be based on the start date you select but may not be paid until 60 to 90 days after that date to allow for receipt of your final hours and processing. Retirements always start on the first of the month. When you are ready to retire and you know the date you are going to start your retirement you should contact the Plan Manager and file this application. This application provides the basic information needed to start the process. When received, the Plan Manager will order your monthly benefit amount and annuity options from the Pension Plan's actuary. The actuary provides the basic information needed for you to complete the retirement process.

When you are getting ready for retirement; remember that you will need the following items:

- **Your birth record**                      **Married:** ● Wife's birth record                      **Divorced:** ● Copy of any divorce decrees
- **Your driver's license**

**APPEAL PROCEDURE** – If you file a claim for benefit which is denied in whole or in part you have the right to appeal to the Board of Trustees. All you need do is write to the Trustees in care of the Plan Manager and describe why you believe your claim should have been approved. The Plan Manager can provide you with additional information on the appeal procedure and your rights under the Plan – Contact:

Plan Manager  
Robert Bedinger  
Alabama Administrators  
1717 Old Shell Road  
Mobile, AL 36604  
(251) 478-5412 or 1-800-221-7025

**Retirement Application: A retirement application should be filed at least 45 days prior to retirement but not earlier than 180 days prior to the requested retirement start date – Contact –**

**PLAN MANAGER – ALABAMA ADMINISTRATORS – (251) 478-5412 OR 1-800-221-7025**

**General Information:**

Plan Name:	Tuscaloosa Plumbers & Steamfitters Local 372 Pension Plan
EIN & Plan Number:	63-0267566 & 002
Plan Year:	July 1 <sup>st</sup> of the year through June 30 <sup>th</sup> of the following year
Agent for Legal Service:	Alabama Administrators, 1717 Old Shell Road, Mobile, AL 36604
Administrator:	Board of Trustees (2 Union Trustees and 2 Employer Trustees)
Current Contribution Rate:	\$4.40 per hour worked
Year of Service:	Plan Year in which the participant has credited 1,000 hours of service
One-Year Break:	Plan Year in which the participant has credited less than 300 hours of service

This is only a summary of benefits as of August 2017 and your eligibility is determined by the Plan at the time you apply for retirement. Different rules may apply if you have had a termination from Covered Service prior to retirement. Benefits may be based on the date you terminated from the Pension Plan. Your final monthly pension benefit can only be calculated by the Pension Plan's Actuary and will be sent to you when you apply for retirement or when requested.