



Building Trades United Pension Trust Fund
Milwaukee & Vicinity

IMPORTANT NOTICE FOR

NEW RETIREES AND ONCE A YEAR REMINDER TO CURRENT RETIREES

This material is given to each newly retired Participant, and as a reminder to all Retirees once a year. The material describes:

- The suspension of your pension benefits under certain circumstances when you return to Plan-related employment after retirement;
- why and how you must prove you have terminated service with all Employers when applying for Early retirement Benefits; and
- How your pension benefits may be increased due to your return to covered employment.

It is important for you to understand the rules when making plans for your employment after retirement.

SUSPENSION OF BENEFITS

For what kind of work after retirement are benefits suspendible?

Your retirement benefits may be suspended (not paid) if you return to “Plan-related Employment.” Plan-related Employment means you

- work in the construction industry or any other industry involved in the same types of business activities in which covered Employees were working when your benefits started; and
- perform the work in Wisconsin or other geographic areas covered by collective bargaining agreements requiring contributions to this Fund; or work outside of this Fund’s jurisdiction and transfer the hours and credits to this Fund; and

- work in any trade or craft covered under any collective bargaining or other written agreement requiring Employers to make contributions to this Pension Fund, or at a job for which you qualify because of skills you learned while practicing your trade, regardless of whether or not the work you are doing is subject to any collective bargaining agreement.

A certain amount of work in Plan-related Employment is permitted after retirement benefits begin before benefits are suspended, as explained in the next paragraph.

Limited amount of work permitted.

You may return to a limited amount of Plan-related Employment and still receive your Normal or Deferred Vested Benefit. Your retirement benefit is suspendible for those months in which you work 40 or more hours, after having reached 320 hours in prior calendar months in any calendar year.

This rule also applies when you work for an employer obligated to make contributions to another pension fund if contributions are being transferred on your behalf to this Fund under a reciprocity agreement after retirement benefits begin.

The same number of hours may be worked without causing suspension of Early Retirement or Early Deferred Vested Benefits provided your return to Plan-related Employment doesn't violate the standards for terminated service explained on pages 3&4.

You must notify the Fund Office.

You must notify the Fund Office whenever you accept Plan-related Employment with an employer or if you are self-employed. If you fail to notify the Fund Office of your return to work and it becomes known that you are working, it will be presumed that you worked full time at the construction site or sites for as long as your employer worked at those sites. To avoid having benefits suspended, you must establish, upon request and to the Trustees' satisfaction, that you have not worked 40 or more hours in a month after having previously worked 320 hours in that calendar year. Additionally, you must prove that you have stopped working in order to have your benefit payments resumed.

When will benefits again be payable?

If your benefits are suspended because you exceeded the maximum hours of Plan-related Employment, your benefit is again payable on the earlier of:

- The next January 1; or
- the first of the month after the Fund receives notice that Plan-related Employment has ended.

Benefit payments may start as late as the first day of the third month following the month your employment ends.

If your benefits were suspended because you failed to notify the Fund Office of your return to work, to have your benefits resumed you must: (1) prove that you have ceased working or (2) prove you are not working in excess of the hourly limitations.

What if you receive benefit payments you are not entitled to received?

If benefits are paid for any month for which benefits should have been suspended under the Pension Plan, amounts will be deducted from future benefit payments until the Fund has been paid back in full. The deduction will be at a maximum rate of 100% of the first resumed monthly benefit and 25% of subsequent monthly benefits until all overpaid benefits are repaid.

FOR THOSE WHO RETIRE AFTER NORMAL RETIREMENT AGE: WHEN TO BEGIN COUNTING THE 320 HOURS.

All hours you have worked since your **Benefit Effective Date** count toward the initial 320 hours you may work. The Benefit Effective Date is the first day of the month after you reached Normal Retirement Age. You can find your Benefit Effective Date in the box in the upper left-hand corner of the benefit illustration sheet you receive between 30 and 90 days before your retirement benefits begin.

Because you are applying for your retirement benefit to start after reaching your Normal Retirement Age, your monthly benefit is actuarially increased. The actuarial increase makes up for benefit payments you were entitled to receive between your Benefit Effective Date and your Annuity Starting Date (the date your monthly benefit payments actually begin).

When calculating your actuarial increase and determining the months in which you were entitled to receive benefit payments between your Benefit Effective Date and your Annuity Starting Date, the suspension of benefit rules are applied to all the hours you worked in Plan-related employment since your Benefit Effective Date.

Please note: If you continue working or return to work after your Annuity Starting Date, you need to figure out if you have already reached 320 hours for the calendar year. Remember to include all hours in this calendar year, which you worked AFTER your Benefit Effective Date, even if they were worked BEFORE your Annuity Starting Date.

IMPORTANT INFORMATION TO PARTICIPANTS APPLYING FOR OR RECEIVING EARLY RETIREMENT

In order to comply with current Internal Revenue Service regulations concerning early retirement, it is necessary for a Participant who wishes to receive Early Retirement Benefits or Early Deferred Vested Benefits to show under all the facts and circumstances that they have a genuine intent to retire, or in other words, to terminate service with all contributing employers who contribute to the Plan.

How do I prove I intend to Retire?

Proof of your intent to retire is demonstrated in several ways.

1. At the time you apply for Early Retirement or Early Deferred Vested Benefits, you will be asked to answer specific questions about your intent to retire. (For example, you will be asked to provide the date you will be terminating your employment relationship with your employer.) These questions will be used to help determine if you have terminated service with all construction employers who contribute to the Plan.

2. One important proof of your termination of service will be the absence of any Employer contributions for at least sixty (60) days after your Effective Date of benefits. **Note:** This includes hours and contributions transferred to this Fund from another pension fund under a reciprocity agreement.
3. No other facts may indicate you intend to continue significant work in the construction industry. For example, if the Trustees become aware that you have requested or accepted significant job assignments, this would be inconsistent with an intent to retire, even if the work would begin later than sixty (60) days after your Effective Date of benefits.

What happens if I return to work?

If you return to work within sixty (60) days of your Effective Date of benefits and contributions are received on your behalf, the Trustees must assume you have not retired. In such event, approval of your Early Retirement or Early Deferred Vested Benefit will be rescinded, and the Trustees will request repayment of all benefits paid. You would then be required to file a new application for benefits at some future date when you have ceased working.

If you return to work more than sixty (60) days after your Effective Date of benefits and contributions are received on your behalf, the Trustees will examine all of the facts and circumstances of your termination of service and any re-entry into construction work. If these facts and circumstances indicate you never genuinely intended to retire, approval of your Early Retirement or Early Deferred Vested Benefit will be rescinded, and the Trustees will request repayment of all benefits paid.

Can I return to work without losing my benefits?

YES. The Trustees understand that even genuinely retired persons may occasionally have opportunities to earn extra income by doing some work in the construction industry.

Assuming an intent to retire has been established, you may return to work in Plan-related Employment as described earlier in this notice. Please note the requirements to show an intent to retire described above apply only to Participants who apply for Early Retirement Benefits or Early Deferred Vested Benefits.

PENSION CREDIT FOR WORK AFTER RETIREMENT

Current accrual of benefits on return to work after retirement.

If you perform at least 300 hours of covered work in a Plan Year or calendar year after retirement, those hours may increase your monthly benefit. The benefit rates used for hours credited after your retirement are the rates in effect when the hours were worked. If the credit is earned in a Plan Year, the increase starts with benefit payments on the June 1 following the Plan Year in which the hours were worked. If the credit is earned in a calendar year, the increase starts on the June 1 following the end of the calendar year in which the credit was earned.

<p><i>When you have questions or are in doubt about the effect of your work on Pension Fund benefits please call the Pension Fund office and a member of the Pension Benefits and Communications Department will talk it over with you.</i></p>
