

Cement Masons & Plasterers Trust Funds

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Administered by
Welfare & Pension Administration Service, Inc.

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**To: All Washington Participants and Their Spouses
Cement Masons and Plasterers Retirement Plan**

From: Board of Trustees

RE: Summary of Material Modifications to Retirement Plan

The Board of Trustees recently adopted some amendments to the Cement Masons and Plasterers Retirement Plan which are described in this notice.

CHANGE IN SUSPENSION OF BENEFIT RULES

The suspension of benefit rules have been changed to: increase the maximum number of hours that may be worked by a retiree under age 63 before benefits are suspended; and to suspend benefits for work in Alaska. The current rules and amended rules are described below.

Current Suspension of Benefit Rules

Under the Plan, if you retire and later go back to work in “post-retirement service” your monthly retirement payments are suspended if you work more than the maximum hours allowed.

Definition of Post-Retirement Service. “Post-retirement service” currently means all employment:

- (1) within the State of Washington;
- (2) in an industry in which Employees earning Credited Service are employed whether or not under a Collective Bargaining Agreement or associate agreement; and
- (3) in a trade or craft in which the Employee was employed while earning Credited Service, or in a supervisory capacity over such trade or craft.

Suspension Rules for Retired Employees under Age 63. If you are a retiree under age 63, you may currently work up to 480 hours in post-retirement service each Plan Year (April 1 through March 31) without a suspension of monthly retirement payments. After working 480 hours, monthly retirement payments are suspended for any month you work in post-retirement service, and for an additional six-months before payments resume. However, the additional six months of suspended benefits is waived on a one-time basis if you notified the Administration Office in writing of your return to work before working the 480 hours. If you are employed as an Apprentice Instructor for an Apprenticeship Trust sponsored by Local 528 you may work 730 hours in a plan year before benefits are suspended.

Suspension Rule for Retired Employees Age 63 or Older. If you are age 63 or older, you may work up to 350 hours in post-retirement service in a Plan Year (April 1 – March 31). After you work 350 hours, your payments are suspended for any month in which you work over 40½ hours in the same Plan Year. If you are employed as an Apprentice Instructor for an Apprenticeship Trust sponsored by Local 528 you may work 600 hours in post-retirement service before benefits are suspended.

Amended Suspension of Benefit Rules

Definition of “Post-Retirement Service.” The definition of “post-retirement service” has been amended effective April 1, 2019, to include employment in Alaska as well as Washington. This change only applies to the portion of your benefits earned on and after April 1, 2019. The portion of your benefits earned prior to April 1, 2019 will only be suspended if you return to work in Washington.

This means that if your post-retirement service is in Alaska, and you exceed the maximum number of hours that may be worked during a plan year, the portion of your benefits accrued prior to April 1, 2019 will not be suspended while the portion of your benefits accrued on and after April 1, 2019 will be suspended. If your post-retirement service is in Washington and you exceed the maximum number of hours that may be worked during a plan year, then both the benefits earned before and after April 1, 2019 will be suspended.

Increase in Maximum Hours that May be Worked for Retirees under Age 63. Effective April 1, 2019, the maximum number of hours that may be worked in a plan year by retirees under age 63 has been increased from 480 to 500. The additional six months of suspended benefits is waived on a one-time basis if you notify the Administration Office in writing of your return to work before working the 500 hours.

The maximum number hours that may be worked by an Apprenticeship Instructor has not changed and will continue to be 730 for retired employees under age 63. Nor has there been a change to the maximum number of hours that may be worked by retirees age 63 or older, which will remain at 350 hours (or 600 hours for Apprenticeship Instructors).

REDUCTION IN HOURS REQUIRED FOR A YEAR OF SERVICE

A Year of Service is used to determine vesting and a one-year break in service, as well as eligibility for certain benefits. Currently, you must work 500 Hours of Service in a plan year to earn a Year of Service. This will continue to be the hours requirement for plan years commencing before April 1, 2019.

However, the Trustees amended the Plan for plan years commencing on and after April 1, 2019, to require that your work only 400 Hours of Service in a plan year to earn a Year of Service.

PRERETIREMENT DEATH BENEFITS

If you qualify, a preretirement death benefit is provided to your eligible beneficiary if you die before retirement. The Plan has several types of preretirement death benefits. The benefit provided depends upon your Years of Service, age and your marital status at the time of your death. The Trustees have made several improvements to the preretirement death benefits. Here is a description

of each of the preretirement death benefits, and the changes made by the Trustees. The changes are effective for participants who die on or after April 1, 2019.

Special Survivor Benefit for Spouse or Minor Children

Current Special Survivor Benefit. If you die before retirement, a monthly benefit equal to 50% of your accrued Normal Retirement benefit is payable to your surviving spouse, or if there is no spouse to your surviving minor children, provided you: (1) have 10 Years of Service, and at least 750 Hours of Service in the last three consecutive plan years prior to your death; or (2) are at least age 55 and have 10 Years of Service. Reciprocal service is not counted to determine eligibility. This benefit lasts for the spouse's lifetime if you are married, or until the last minor child attains age 18 if you are unmarried.

Changes Made to Special Survivor Benefit. The Trustees amended the Special Survivor Benefit to allow a surviving spouse (but not a minor child) to elect the new Lump Sum Death Benefit (described below) instead of the Special Survivor Benefit. If the Special Survivor Benefit becomes payable to the surviving spouse, it will not be less than the actuarial value of the Lump Sum Death Benefit.

Qualified Preretirement Survivor Annuity ("QPSA") for Spouse

Current QPSA. If you are vested but do not qualify for the Special Survivor Benefit, your surviving spouse receives the spousal portion of the 50% Joint and Survivor form of payment, known as the QPSA. If you die after attaining the earliest retirement date, the QPSA begins the first day of the month following your death and continues for your spouse's lifetime. If you die before attaining your earliest retirement date, then payment of the QPSA is delayed to the first day of the month following the date you would have attained the earliest retirement date and continues for your spouse's lifetime. Your earliest retirement date is the earliest date you would have been eligible for a retirement benefit based upon your Years of Service, which is at age 55 if you have 10 or more Years of Service, and age 63 if you have 5 but less than 10 Years of Service.

Changes Made to QPSA. The Trustees amended the QPSA to allow your surviving spouse to commence benefits the first day of the month following your death, rather than waiting until you would have attained the earliest retirement age. The amount payable will continue to be the spousal portion of the 50% Joint and Survivor Option but will be subject to an additional actuarial adjustment if benefits begin prior to what would have been your earliest retirement date.

In lieu of the QPSA, your surviving spouse may now elect the new Lump Sum Death Benefit (which will not be less than the actuarial value of the QPSA).

Lump Sum Death Benefit

Current Lump Sum Death Benefit. If you are vested with 10 Years of Service, including at least one Year of Credited Future Service and die prior to retirement but do not qualify for either the Special Survivor Benefit or the QPSA, then your beneficiary currently receives a \$5,000 lump sum death benefit.

Your beneficiary is your lawful spouse. If there is no lawful spouse, you may designate any beneficiary (including your former spouse). If no designation is made, then the lump sum is

payable in the following order of priority: to your surviving children (in equal shares); to your parents; to your brothers and sisters; to your estate.

Changes Made To Lump Sum Death Benefit. The \$5,000 Lump Sum Death Benefit will no longer be an option. Instead, your beneficiary receives a Lump Sum Death Benefit equal to 100% of the accruing contributions (other than Individual Account contributions), made or required to be made to the Plan on your behalf, provided you are vested with at least 5 Years of Service, including at least one year of Credited Future Service.

Your surviving spouse is your beneficiary. If there is no surviving spouse, you may designate any beneficiary (including your former spouse). If no designation is made, then the lump sum is payable in the following order of priority: to your surviving children (in equal shares); to your parents; to your brothers and sisters; to your estate.

Your surviving spouse may elect this new Lump Sum Death Benefit in lieu of the Special Survivor Benefit or the QPSA. If your surviving spouse elects this Lump Sum Death Benefit in lieu of the QPSA, it will not be less than the actuarial value of QPSA.

Individual Account Death Benefit

Current Individual Account Death Benefit. Currently, if you are not married at the time of death, your beneficiary will not receive a preretirement death benefit payable with your Individual Account, unless you have 10 or more Years of Service at the time of death. (If you are married and vested with three or more Years of Service, a preretirement death benefit is payable to your surviving spouse.)

Changes Made to Individual Account Death Benefit. The Trustees amended the Plan so that if you are not married, your beneficiary is now eligible for a preretirement lump sum death benefit payable with your Individual Account provided you are vested with three or more Years of Service (rather than the 10 Years of Service previously required).

CONTACT INFORMATION

This notice provides only a summary of the benefits provided by the Plan and the changes that were made. Please keep this notice with your booklet. If you have questions you may refer to the Plan booklet or contact Tammy P. at the Trust Administration Office, 206-441-7574 or 800-732-1121, extension 3203.

Board of Trustees
Cement Masons and Plasterers Retirement Plan

<p>This notice is provided in accordance with Section 204(h) of the Employee Retirement Income Security Act of 1974, as amended, and Section 4980F of the Internal Revenue Code of 1986, as amended, and constitutes a summary of material modifications to the 2013 Edition of the Summary Plan Description for the Plan.</p>
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