

Cement Masons & Plasterers Trust Funds

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Administered by
Welfare & Pension Administration Service, Inc.

April 1, 2020

**TO: All Retirees
Cement Masons and Plasterers Retirement Trust**

RE: Temporary Change in Suspension of Benefit Rules for Hours Worked in the State of Alaska

The suspension of benefit rules have been temporarily changed to allow Participants who retired **on or before March 1, 2020** to return to work for up to 1,200 hours of service with any contributing employer **in the State of Alaska** during the period of July 1, 2020 through June 30, 2021 without these hours counting toward a suspension of monthly retirement benefits. The first contributory hour or service worked in the State of Alaska beginning July 1, 2020 will count toward determining whether the participant has met this 1,200 hour threshold. **This temporary change ends June 30, 2021 and the regular suspension rules will apply for hours worked on and after July 1, 2021.** The regular rules and temporary change are further described below.

Regular Suspension Rules for Return to Work

Post-Retirement Service: Under the Plan's regular suspension rules, 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. There are separate suspension rules under the Alaska Trowel Trades Pension Trust ("Alaska Plan") for benefits earned prior to the April 1, 2019 merger.

For any benefits earned under the Cement Masons and Plasterers Retirement Trust ("Plan"), which includes post-merger benefits earned for work in Alaska, "Post-retirement service" means all employment:

- (1) within the State of Washington or Alaska;
- (2) in an industry in which employees participating in the Plan earn Credited Service whether or not under a collective bargaining agreement or Associate Agreement; and
- (3) in a trade or craft in which you were employed while earning Credited Service, or in a supervisory capacity over such trade or craft.

For any benefits earned prior to April 1, 2019 under the Alaska Plan, "Post-retirement service" means all employment:

- (1) within the State of Alaska;
- (2) in a job classification included in Article II of the Operative Plasterers and Cement Masons International Association of the United States and Canada, whether or not the employment is under the bargaining agreement; and
- (3) in the industry in which contributing employers participate (any business activity of the type engaged in by the contributing employers).

General Plan Suspension Rules (see the Plan booklet for additional details):

- For retirees under age 63 who earned benefits in Washington (or in the merged Plan), you may work up to 500 hours in post-retirement service each Plan Year (April 1 through March 31) without a suspension of monthly retirement payments. After working 500 hours, monthly retirement payments are suspended for any month you work in post-retirement service, plus an additional six-months. 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 500 hours.

- For retirees age 63 or older who earned benefits in Washington (or in the merged Plan), you may work up to 350 hours in post-retirement service in a Plan Year (April 1 – March 31) without a suspension of monthly retirement payments. After you work 350 hours, your payments are suspended for any month in which you work over 40½ hours in the same Plan Year.
- Generally, for retirees who earned benefits in Alaska prior to the merger, you may work 500 or more hours in post-retirement service during a July 1 through June 30 period (“applicable period”) without a suspension of these pre-merger monthly retirement payments. These benefits are suspended for any month (or four or five week pay period ending in a calendar month) during the remainder of the applicable period in which you work 40 or more hours in post-retirement service. There is also an exception to these regular rules that allows those retired before July 1, 2019 to work up to 1,000 hours in the State of Alaska for any contributing employer during the period July 1, 2019 through June 30, 2020 without these hours counting toward any of the regular suspension rules. Note, any benefits you earn after the merger will be separately subject to the suspension rules above.

Temporary Change-- Alaska Contributory Hours Credited from July 1, 2020 through June 30, 2021 Do Not Count Toward Suspension of Monthly Benefits For Those Previously Retired

This temporary change applies to *Participants with a retirement effective date on or before March 1, 2020*. If your retirement effective date is after March 1, 2020 this temporary change does not apply to you.

Under the temporary change, you can work **up to 1,200 hours in the State of Alaska for any employer contributing to the Plan** from July 1, 2020 through June 30, 2021 without the hours counted as hours worked in post-retirement service. Hours worked in the State of Alaska for any contributory employer that exceed 1,200 will count toward the regular suspension rules.

This temporary change does not affect any retirement benefits that were suspended or subject to suspension for hours worked before July 1, 2020 under the regular and exception suspension rules. The regular suspension and existing exception rules also continue to apply to you if you have a retirement date after March 1, 2020. The temporary change is scheduled to end June 30, 2021, and the regular rules will apply for hours worked in post-retirement service on or after July 1, 2021.

Examples of Temporary Change

Example 1—Washington Retiree Under Age 63 Whose Benefits Were Not Suspended:

You are a retiree under age 63 that earned all of your benefits in this Plan for work in Washington. You worked 499 hours in post-retirement service between April 1, 2020 and June 30, 2020 under the Regular Suspension Rules. You then stopped working so your monthly retirement benefits would not be suspended. You may return to work in Alaska on or after July 1, 2020 under this Temporary Change and no benefits will be suspended for July 2020 through June 2021, if you work no more than 1,200 hours **in the State of Alaska for a contributory employer** during July 1, 2020 through June 30, 2021 and do not work for a Washington employer during July 1, 2020 through March 31, 2021. Note, you could continue to work in Alaska or return to work in Washington on or after April 1, 2021 and your benefits would not be suspended as long as you do not exceed the 500 hour threshold that would apply to post-retirement service with respect to hours worked after this date.

Example 2—Alaska Retiree Under Age 63 Whose Benefits Are Not Suspended:

You retired February 1, 2020, are under age 63, and earned all of your benefits (some pre-merger and some post-merger) while working in Alaska. You worked 400 hours in post-retirement service between April 1, 2020 and June 30, 2020 under the regular suspension rules and 1,200 hours in post-retirement service **in the State of Alaska for a contributory employer** during July 1, 2020 through June 30, 2021. You then stop working on July 1, 2021.

Since you worked less than 500 hours in Alaska during the period April 1, 2020 through June 30, 2020 and not more than 1,200 hours during the period July 1, 2020 through June 30, 2021, your pre-merger benefits would not be suspended for any month during April 1, 2020 through June 30, 2021. This is because the 1,200 hours worked for a contributory employer in Alaska during the period July 1, 2020 and June 30, 2021 are excluded. Your post-merger benefits would also not be suspended for the period April 1, 2021 through June 30, 2021 because you only had 400 hours credited for your work in April through June of 2020 during the April 1, 2020 through March 31, 2021 plan year that counted toward post-retirement service (again, the 1,200 Alaska hours during July 1, 2020 through June 30, 2021 are excluded from this calculation).

Example 3—Alaska Retiree Under Age 63 Whose Benefits Are Suspended:

You retired February 1, 2020, are under age 63, and earned all of your benefits (some pre-merger and some post-merger) while working in Alaska. You work 1,200 hours in post-retirement service **in the State of Alaska for a contributory employer** during July 1, 2020 through March 31, 2021. You then work 200 hours per month in Alaska during the period from April through June of 2021 (for a total of 600 hours thus breaching the 500 hour threshold in June). You then re-retire on July 1, 2021.

In this example, you exceeded the 1,200-hour Temporary threshold for work in Alaska starting in April 2020. The **portion of your monthly retirement payments earned prior to April 1, 2020** would be suspended and permanently forfeited for June 2021 because you exceeded the Alaska Plan's 500 hour threshold in this month (after excluding the first 1,200 Alaska hours). This is because excess hours count toward the 40-hour monthly threshold that applies to work in Alaska once the 1,200 Temporary threshold and the 500 hour regular thresholds are breached. **Any monthly benefits you earned in this Plan after April 1, 2020** would not be suspended during the April 1, 2020 through March 31, 2021 plan year since there are no hours that count toward the regular suspension rules during this period. These post-merger benefits would, however, be suspended in June 2021 because the 600 hours worked under these rules during the April 1, 2021 through March 31, 2022 plan year (excess above 1,200 for work in Alaska) exceed the regular suspension rule threshold of 500.

Example 4—Washington Retiree Under Age 63 Whose Benefits Were Suspended Before July 1, 2020:

You are a Washington retiree under age 63 that retired on or before March 1, 2020. You worked 500 hours in post-retirement service between April 1, 2020 and May 31, 2020 without notifying the Administration Office. You work another 160 hours in June 2020 (for a total of 660 hours during the Plan Year April 1, 2020 to March 31, 2021) and then stop working. Your monthly retirement payments are suspended for June 2020, as well as for an additional six months because you failed to notify the Administration Office of your return to work. You may return and work up to 1,200 hours for a contributory employer in the State of Alaska between July 1, 2020 and June 30, 2021 and your monthly benefits will still resume in January 2021, after the six-month suspension has run.

Example 5—Washington Retiree Age 63 or Over Whose Benefits Were Not Suspended Before July 1, 2020:

You are a retiree age 64 that retired on or before March 1, 2020. You worked 350 hours in post-retirement service between April 1, 2020 and May 31, 2020. You then stop working. You may return to work in Alaska on or after July 1, 2020 under the temporary change. Your monthly retirement benefits will not be suspended, as long as you work no more than 1,200 hours in post-retirement service from June 1, 2020 through March 31, 2021 in the State of Alaska for a contributing employer.

As you analyze how you can work under the temporary change to the suspension rules without incurring a suspension of your benefits, keep in mind these guidelines:

- 1. The regular suspension rules for return to work still apply but the first 1,200 hours you work in Alaska for a contributing employer during July 1, 2020 through June 30, 2021 will not count toward the thresholds that apply under the general suspension rules;**
- 2. The 1,200 Alaska hours exception will not apply if your retirement effective date is after March 1, 2020;**
- 3. The 1,200 Alaska hours exception will not apply to any work for an employer in Washington; and**
- 4. If you earned benefits prior to April 1, 2020 under the Alaska Plan, benefits suspensions for these benefits are measured using a July 1 through June 30 period while any benefits you earn on or after April 1, 2020 have an April 1 through March 31 suspension measurement period.**

IMPORTANT REMINDER: If you retire on a Disability Retirement and return to work, retirement payments are immediately terminated.

This notice provides only a summary of the benefits provided by the Retirement Plan and the changes that were made. 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.