

WISCONSIN LABORERS' PENSION PLAN
4633 LIUNA WAY, SUITE 201
DEFOREST, WI 53532
608-842-9103

Summary of Material Modifications

July 2022

Dear Participant:

The Board of Trustees of the Wisconsin Laborers' Pension Fund (the "Plan") has approved certain changes to the Plan. This notice describes the changes in detail below. Please review this notice carefully and keep it with your Summary Plan Description ("SPD") booklet.

PLAN CHANGES:

Change to the criteria for determining the monthly amount of a Regular Pension.

In determining the monthly amount of your Regular Pension (as shown on page 3 of your SPD), effective as of September 1, 2022, the following bullet point is added for work in Covered employment on or after August 1, 2022 to the criteria which determines the monthly amount of your Regular Pension:

- 1.75% of total contributions used for accrual purposes and required to be made on your behalf for work in Covered Employment on or after August 1, 2022.

Note that, for the contributions for Covered Service on and after August 1, 2022, \$0.25 of contributions made by your Employer on your behalf, which were formerly counted as "Supplemental Contributions" (contributions which were not in the determination of your benefit), will be included as contributions for work in Covered Employment and included in the determination of your benefit.

Temporary change to the Plan's Suspension of Benefit Rules.

In response to the abundance of work and the demand for skilled and experienced workers, the Trustees previously adopted a temporary rule allowing Pensioners other than those receiving a Disability Pension to return to work for up to 710 hours a year without pension benefits being suspended. That temporary rule is being extended, for an additional year.

Specifically, between the August 1, 2022 through July 31, 2023 Pension Credit Year, Pensioners who are younger than age 62 and return to work in Covered Employment for which contributions are required to be paid to the Pension Fund will only have their benefit suspended after they work 710 hours in the Pension Credit Year. For Pensioners age 62 or older, after reaching 710 hours, benefits will be suspended for any month for the remainder of the Pension Credit Year in which they work 40 hours or more in a month. As a result, a Pensioner who returns to work in Covered Employment for which contributions are required to be paid to the Pension Fund will not have his or her benefit suspended if he works 710 hours or less during this period.

HOW THE CHANGE TO THE CRITERIA FOR DETERMINING THE MONTHLY AMOUNT TO A REGULAR PENSION MAY AFFECT THE BENEFITS YOU EARN:

The above-noted benefit improvement could potentially increase the monthly amount of your pension benefit as noted in the following example:

Pat, a participant in the Plan, worked a total of 1,000 hours for the 2021 Plan Year (August 1, 2021 to July 31, 2022). He is expected to work the same number of hours in the 2022 Plan Year (August 1, 2022 to July 31, 2023). For Plan Year 2021, his Employer contributed \$5,190 (\$5.19 per hour) to the Plan on Pat's behalf, plus Supplemental Contributions totaling \$3,710 (\$3.71 per hour). The same total contributions are expected to be made for Plan Year 2022.

- For the 2021 Plan Year, Pat earned Pension Credit totaling **\$64.88** ($\$5,190 \times 1.25\%$).
- For the 2022 Plan year, contributions for work in Covered Employment made on behalf of Pat are expected to be \$5,440 (\$5.44 [$\$5.19 + \0.25] per hour times 1,000 hours). Pat is expected to earn Pension Credit totaling **\$95.20** ($\$5,440 \times 1.75\%$).

The Trustees view the above change as an important step in providing secure retirement benefits to future retirees. The Trustees plan to develop an approach to provide future benefit improvements in a prudent manner in the event the Plan's funding levels continue to improve.

HOW THE TEMPORARY CHANGE TO THE PLAN'S SUSPENSION OF BENEFIT RULES MAY AFFECT BENEFITS YOU EARN:

Participants who are younger than age 62:

Paula, a participant in the Plan, commenced Early Retirement Pension benefits in 2021 at age 60. She returned to work in Covered Employment in August 2022 and informed the Plan. She worked a total of 710 hours for the 2022 Plan Year (August 1, 2022 to July 31, 2023). Because she did not work more than 710 hours in Covered Employment, the Plan did not suspend her benefits for the entirety of the 2022 Plan Year, despite her working in Disqualifying Employment. Paula notified the Plan that she will continue working in Covered Service after July 31, 2023. Her benefit will be suspended in the 2023 Plan Year if she works more than 710 hours.

Participants who are age 62 or older:

Peter, a participant in the Plan, commenced Regular Retirement Pension benefits in 2021 at age 65. He returned to work in Covered Employment in August 2022 and informed the Plan. He worked a total of 890 hours in the 2022 Plan Year (710 hours from August 1, 2022 to January 31, 2023, and then 30 hours each of the months that followed until July 31, 2023). Despite working more than 710 hours in Disqualifying Employment in the 2022 Plan Year, because he did not work more than 40 hours per month in Covered Employment after working 710 hours, the Plan did not suspend his benefits. Peter notified the Plan that he will continue working in Covered Service after July 31, 2023. His benefits will be suspended for the 2023 Plan Year if he works more than 710 hours and then works 40 or more hours a month.

If you have any questions regarding these changes, please contact the Fund Office at the address and telephone number shown above.

Sincerely,

Board of Trustees
Wisconsin Laborers' Pension Fund

This notice is a Summary of Material Modifications (SMM), within the meaning of Section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. This notice describes important changes to the Plan. You may find full details in the most recent Summary Plan Description and Plan Document that establish the Plan provisions. The Trustees reserve the right to amend, modify, or terminate the Plan at any time.