



SUMMARY OF MATERIAL MODIFICATIONS

To the International Painters and Allied Trades Industry Annuity Plan
From the IUPAT Industry Pension Fund Board of Trustees

Distribution List

Plan Participants

Participating District Councils and Local Unions

Participating Employers

This is a summary of recent changes affecting your benefits under the International Painters and Allied Trades Industry Annuity Plan (the “IUPAT Industry Annuity Plan” or “Plan”). It is a “Summary of Material Modifications” to the 2015 Summary Plan Description (“SPD”) for the Plan and is distributed in compliance with the Employee Retirement Income Security Act (ERISA). You should keep this information with your SPD as it reflects changes in the information in the SPD.

DESCRIPTION OF THE CHANGE

The Plan provides that a Participant may apply for a distribution on or after his or her “Severance Date.” Previously, this was defined as the date that a Participant terminated employment with the Contributing Employers for a period of time that showed a “separation from service” under IRS guidance, normally at least 12 months. However, a separate rule delayed a distribution of money attributable to contributions after 1989 for six (6) months for every calendar quarter in which a Participant performed other work in the “Painting and Allied Trades Industry,” as defined in the Plan, union or non-union, without Annuity Plan contributions (“Non-covered Employment”).

The Plan has been amended to modify the rules on Non-covered Employment that prevent a distribution. The Plan now explicitly reflects past practice to provide that the “Severance Date” is the first day of the calendar month after twelve calendar months have passed in which the Participant performed no “Covered Employment” (work for which an employer is required to contribute to the Annuity Plan) and no Non-covered Employment. The definition of “Non-covered Employment” that prevents a distribution was amended to limit Non-covered Employment to work for a person or organization (including self-employment) that does not have an agreement with the IUPAT to contribute to any retirement plan. As a result of this change, a Participant may now apply for a distribution from the Annuity Plan even if he or she continues to work for an IUPAT employer who previously contributed to the Annuity Plan but now only contributes to the Pension Plan.

To illustrate, assume Joe Painter began work under the Annuity Plan in 2000 and worked for with a Contributing Employer, ABC Painting. In connection with a new contract, ABC Painting stops contributing to the Annuity Plan for work after 2019. Joe nonetheless continues to work for ABC Painting. He now may apply for a distribution from the Plan on January 1, 2021.

Assume instead that Joe Painter did not continue to work for ABC Painting but instead worked for XYZ Painters for two weeks in November, 2020. XYZ Painters does not have an agreement with an IUPAT Local Union or District Council to contribute to a retirement plan. In that event, Joe Painter may not apply for a distribution until June 1, 2021 (a delay of six months from January 1, 2021) or, if he continues to work for XYZ Painters, a later date.

QUESTIONS

The Fund Office will be happy to answer your questions and the concerns that inevitably accompany a change in benefits. Please feel free to contact the Fund Office toll free at (800) 554-2479, at (410) 564-5500, or write to the Fund Administrator at pension@iupat.org or via the address on this letter.