

# Iron Workers Local Union No. 5 and Iron Workers Employers Association Employees Pension Trust Fund

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Administered by  
Welfare & Pension Administration Service, Inc.

July 11, 2024

Dear Participant:

This notice, referred to as a Summary of Material Modifications (SMM), describes an important change to the benefits provided by the Iron Workers Local Union No. 5 and Iron Workers Employers Association Employees Pension Plan (Plan). We encourage you to read this notice carefully and to keep it with your Summary Plan Description.

## INTRODUCTION

Effective June 1, 2024, pursuant to the terms of the collective bargaining agreement negotiated by the Ironworkers Local Union No. 5, active participants in the Ironworkers Local Union No. 16 Pension Plan will have contributions made on their behalf to both the Ironworkers Local Union No. 16 Pension Plan and this Plan. These “Eligible IW 16 Participants” will be considered new participants in this Plan and will earn benefit accruals based on this Plan’s provisions. However, special vesting and eligibility provisions will apply to determine when Eligible IW 16 Participants will be entitled to receive benefits from this Plan. The purpose of this SMM is to explain the special vesting and eligibility provisions that apply to Eligible IW 16 Participants.

## ELIGIBLE IW 16 PARTICIPANTS

“Eligible IW 16 Participants” are those Participants in this Plan who are also active members of the Ironworkers Local Union No. 16 Pension Fund on or after June 1, 2024.

## BENEFITS ACCRUED UNDER THIS PLAN

Beginning June 1, 2024, an Eligible IW 16 Participant, who has contribution made on their behalf into this Plan will be considered a new active Participant and earn an accrual based on this Plan’s provisions. The accruals earned under this Plan are based on a contribution percentage formula.

$$\text{Accrual Earned} = \text{Contributions made on your behalf into this Plan} \times 1.0\% \text{ multiplier}$$

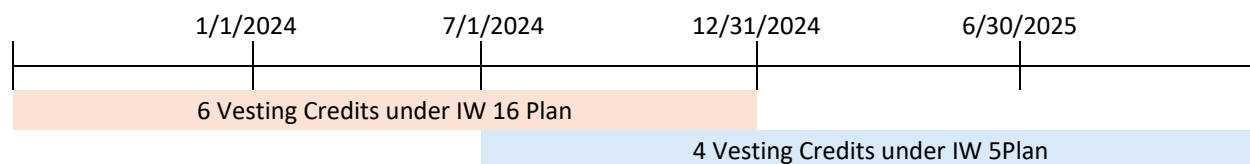
## SPECIAL VESTING PROVISIONS FOR ELIGIBLE IW 16 PARTICIPANTS

For Eligible IW 16 Participants, Years of Vesting Service accrued under the Ironworkers Local Union No. 16 Pension Plan prior to January 1, 2025, will count towards vesting service for this Plan. Accordingly, if you are an Eligible IW 16 Participant, your Vesting Service for this Plan shall be the total of (1) the Years of Service for Vesting you accrued under the terms of this Plan; and (2) the Years of Vesting Service you accrued under the Ironworkers Local Union No. 16 Pension Plan before January 1, 2025.

When calculating vesting service for this Plan, Participants may not have more than one (1) Year of Vesting Service in any Plan Year.

These vesting service credits apply **only** for the purposes of determining whether an Eligible IW 16 Participant is vested under this Plan.

**EXAMPLE:** Let's assume an Eligible IW 16 Participant worked 1600 hours each year for 10 years.



<u>PLAN YEAR</u>	<u>PERIOD</u>	<u>VC EARNED</u>	<u>PLAN YEAR</u>	<u>PERIOD</u>	<u>VC EARNED</u>
IW 16 Pension Plan			IW 5 Pension Plan		
2019	Jan '19 - Dec '19	1	2025	Jul '24 - Jun '25	1
2020	Jan '20 - Dec '20	1	2026	Jul '25 - Jun '26	1
2021	Jan '21 - Dec '21	1	2027	Jul '26 - Jun '27	1
2022	Jan '22 - Dec '22	1	2028	Jul '27 - Jun '28	1
2023	Jan '23 - Dec '23	1			
2024	Jan '24 - Dec '24	1			

The Eligible IW 16 Participant has earned 4 Vesting Credits (VC) under the IW 5 Plan, but IW 5 Plan will recognize the 6 Vesting Credits earned under the IW 16 Pension Plan as of December 31, 2024, for vesting purposes for a total of 10 Vesting Credits.

## SPECIAL ELIGIBILITY PROVISIONS FOR ELIGIBLE IW 16 PARTICIPANTS

The Trustees have also adopted special provisions used to determine whether an Eligible IW 16 Participant is eligible for certain types of pensions under this Plan.

These special provisions are as follows:

- **Normal Pension.** If you are an Eligible IW 16 Participant, you may qualify for a Normal Pension if:
  - You are an active employee at the time you retire, and
  - You cease working in covered employment, and
  - You reach Normal Retirement Age.

For Eligible IW 16 Participants, Normal Retirement Age is age 65 or, if later, the fifth anniversary of your participation in this Plan or the Ironworkers Local Union No. 16 Pension Plan. As with all other Participants, Eligible IW 16 Participants must generally be vested in order to be eligible for any benefit from the Plan. The special vesting rules described above are used to determine whether an Eligible IW 16 Participant is vested.

- **Unreduced Service Pension:** Participants may be eligible for an "Out at 55" or "Out at 59" Service Pension. Participants who earn their first Vesting Hour of Service in this Plan on or after September 1, 2013, shall not be eligible for the "Out at 55" Service Pension. In general, Eligible IW 16 Participants will become a Participant of this Plan after the date of this change and will only be eligible for the "Out at 59" Service Pension.

For Eligible IW 16 Participants, Years of Vesting Service accrued under the Ironworkers Local No. 16 Pension Plan prior to January 1, 2025, will be considered Years of Service for Vesting accrued under this Plan.

If you are an Eligible IW 16 Participant, you will be eligible for an “Out at 59” Service Pension if you have reached age 59 and either:

- You have accrued at least 30 of the following: Years of Service for Vesting accrued in this Plan plus Years of Vesting Service accrued under the Ironworkers Local No. 16 Pension Plan prior to January 1, 2025; or
- You have both:
  - At least 10 of the following: Years of Service for Vesting accrued in this Plan plus Years of Vesting Service accrued under the Ironworkers Local No. 16 Pension Plan prior to January 1, 2025; and
  - Sufficient contributions made on your behalf in another plan sponsored by a local union, other than Local 5, that is affiliated with the International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers such that if those contributions were treated as if they were earned under the Plan, you would have 30 full years of vesting service under the Plan.
- **Early Retirement Pension (Reduced for Retiring Before Age 65):** For Eligible IW 16 Participants, hours for which Employer Contributions were made to the Ironworkers Local No. 16 Pension Fund prior to June 1, 2024, will be considered Employer Contributions made to this Fund and Years of Vesting Service accrued under the Ironworkers Local No. 16 Pension Plan prior to January 1, 2025, will be considered Years of Service for Vesting in this Plan.

If you are an Eligible IW 16 Participant, you will be eligible for an Early Retirement Pension if you have reached age 55 and meet the following requirements:

- You have been covered for a minimum of 20 years in a bargaining unit which has a contract with the International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers, of which a minimum of 5 of those years were in a bargaining unit which has a contract with Local 5; and
- The following equals at least 10,000 hours: Hours on which employer contributions were made on your behalf to this Plan plus hours on which employer contributions were made on your behalf of the Ironworkers Local Union No. 16 Plan prior to June 1, 2024.
- **“Out at 62” Unreduced Early Retirement Pension:** For Eligible IW 16 Participants, Years of Vesting Service accrued under the Ironworkers Local Union No. 16 Pension Plan prior to January 1, 2025, will be considered Years of Service for Vesting under this Plan.

If you are an Eligible IW 16 Participant, you will be eligible for an Unreduced Early Retirement Pension if you have reached age 62, have 30 years of service and meet the following requirements:

- You are an Active Participant in this Plan at the time you retire; and
- You have at least 10 of the following: Years of Service for Vesting you accrued under this Plan plus Years of Vesting Service you accrued under the Ironworkers Local Union No. 16 Pension Plan prior to January 1, 2025; and
- The remainder of the years are service credited under a Related Plan; and

- You earn a year of vesting service under this Plan, or under the Ironworkers Local Union No. 16 Plan prior to January 1, 2025, in five of the 10 years immediately prior to retiring. This requirement may be waived by the Trustees in certain circumstances.
- **Termination (“Vested”) Pension:** Like all Participants, Eligible IW 16 Participants have a vested right to receive a Normal Pension under the Plan once they have earned five or more years of vesting service. As explained above, for Eligible IW 16 Participants, Years of Vesting Service accrued under the Ironworkers Local Union No. 16 Pension Plan prior to January 1, 2025, shall count towards vesting service for this Plan. Therefore, if you are an Eligible IW 16 Participant and you are not an Active Participant at the time you apply for benefits under this Plan, you will have a vested right to receive a Normal Pension under this Plan once you have earned five or more years of vesting service with the application of these special vesting provisions.

Only the eligibility provisions for these types of pensions have been modified for Eligible IW 16 Participants. There are no special provisions for eligibility for a Disability Pension. The requirements for a Pro-Rata (Partial) Pension are also unchanged, except that the special eligibility provisions described in this SMM are used to determine if an Eligible IW 16 Participant is lacking sufficient pension credit to be eligible for a different kind of pension in this Plan.

#### **Death Benefits for Eligible IW 16 Participants**

The Plan will pay a Pre-Retirement Survivor Annuity on behalf of Eligible IW 16 Participants under the same terms and conditions as other Participants in the Plan. Specifically, if an Eligible IW 16 Participant is vested and dies before pension payments from this Plan begin, the Plan will pay an Early Survivor Pension to the Surviving Spouse of the Eligible IW 16 Participant.

If an Eligible IW 16 Participant does not have a Surviving Spouse, or the Surviving Spouse waives the Early Survivor Pension, the Plan may pay an Alternate Death Benefit on behalf of the Eligible IW 16 Participant. For the purposes of determining eligibility for the Alternate Death Benefit for an Eligible IW 16 Participant, Years of Vesting Service accrued under the Ironworkers Local Union No. 16 Pension Plan prior to January 1, 2025, will be considered Years of Credited Service under this Plan.

Accordingly, an Alternate Death Benefit is available if you are an Eligible IW 16 Participant, an active Participant in this Plan at the time of your death and:

- You are not eligible for an Early Survivor Pension, but your years of credited service under the Plan (870 hours of employment each year for which employer contributions were made on your behalf) plus your Years of Vesting Service accrued under the Ironworkers Local Union No. 16 Pension Plan prior to January 1, 2025, totals at least five; or
- You are married and eligible for an Early Survivor Pension, but your Surviving Spouse properly waives such a pension.

## **RECIPROCAL AGREEMENT CONTRIBUTIONS**

Under the Iron Workers International Reciprocal Pension Agreement “Transfer of Contributions” arrangement, employer contributions made to a Cooperating Pension Fund will be transferred to a Participant’s Home Fund. The Ironworkers Local Union No. 16 Pension Plan will remain the Home Fund for Eligible IW 16 Participants. Eligible IW 16 Participants may not have employer contributions earned under another plan transferred to this Plan; instead, those employer contributions may be transferred to the Ironworkers Local Union No. 16 Pension Plan.

## **CONCLUSION**

The changes detailed in this SMM will enable Eligible Participants of the Ironworkers Local Union No. 16 Pension Plan to receive pension benefits from this Plan on a timely basis. These modifications will also serve to bridge the differences in the two pension plans that provide valuable benefits to members of the Ironworkers Local Union No. 5.

As always, if you have any questions regarding this notice or any other matter relating to the Plan, please feel free to contact the Fund Office, Welfare & Pension Administration Services, Inc. at 7525 SE 24th, Suite 200, Mercer Island, WA 98040 or by calling (877) 367-0541.

## **Board of Trustees**

### **Iron Workers Local Union No. 5 and Iron Workers Employers Association Employees Pension Plan**

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