

**MILLWRIGHTS' LOCAL NO. 1102  
SUPPLEMENTAL PENSION FUND**

**SUMMARY PLAN DESCRIPTION**



prepared by  
TIC International Corporation

December 1, 2023

## A MESSAGE FROM THE BOARD OF TRUSTEES

Dear Fund Participant:

This booklet is a Summary Plan Description, an “**SPD.**” It summarizes important information about the Millwrights’ Local No. 1102 Supplemental Pension Plan, referred to in this SPD as “the Plan.”

This SPD describes benefits available to individuals who participate in the Plan—called “**Participants**”—and benefits available to Participants’ eligible family members and others—called “**Beneficiaries.**”

This SPD generally describes how the Plan works, Plan eligibility, benefit application rules and explains the history, organization, and purpose of the Plan employer contributions to the Trust through which Plan benefits are provided and Plan administration. It also provides contact information for the Fund Office.

The Fund’s Board of Trustees created the Plan to control how retirement and other benefits are earned and distributed to eligible Plan Participants and Beneficiaries. The Plan is a formal legal document called -- the Millwrights’ Local No. 1102 Supplemental Pension Plan (“the **Plan**”). If there is any conflict between this SPD and the Plan, the Plan always controls. The Plan is available from the Fund office.

The Fund and Plan both are controlled by an eight-member Board of Trustees. Four trustees are appointed by Local 1102. Four trustees are appointed by the Michigan Conveyor Manufacturers Association (“**MCMA**”). All Plan and Trust decisions are made only by the Board of Trustees or a committee of Trustees or other person that the Board has authorized to act. The Board is assisted by various professionals, as discussed ahead.

The Plan and Fund together are a multiemployer pension plan and trust subject to the Employee Retirement Income Security Act (“**ERISA**”), 29 United States Code §1001, *et seq.*, a federal law covering certain fringe benefit plans.

More information about the Plan is provided in this SPD. You can ask the Fund office any questions you have about the Plan either by mail to 6525 Centurion Drive, Lansing, Michigan, 48917-9275 or by telephone at 517-321-7502 or 888-228-6700 (toll free).

Information is also available at [www.millwrights1102benefits.org](http://www.millwrights1102benefits.org)

**THE BOARD OF TRUSTEES OF MILLWRIGHTS'  
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## ABOUT THE SUPPLEMENTAL PENSION FUND

Millwrights' Local No. 1102 and the Michigan Conveyor Manufacturers Association (**MCMA**), an association of employers whose employees include Local 1102-represented workers, created the Supplemental Pension Plan in 1970 through collective bargaining. The Plan provides retirement and other benefits for eligible participating workers—“**Participants**”—and the workers' eligible family members and others—“**Beneficiaries**.”

The Plan is regulated by the Employee Retirement Income Security Act of 1974 (“**ERISA**”), a federal law covering certain fringe benefit plans.

The Plan (and the Fund which holds assets used to provide Plan benefits) is a collectively-bargained jointly-trusted labor-management trust and “defined contribution money purchase pension plan.”

Benefits are funded mainly by collective bargaining agreement-required contributions to the Fund made by employers based on hours of covered work. The amount of contributions is based on hours of covered work that bargaining unit employees perform for employers, who pay the contributions as required by collective bargaining agreements negotiated between Local 1102 and the Association. You may view the collective bargaining agreements at the Fund office or mail the Fund Office and request copies of Collective bargaining agreements through which the Fund is maintained.

The Plan keeps an individual account for each Participant. That account keeps track of the contributions made by that individual's contributing employer or employers that are allocated to the account, and the accounts' pro rata share of investment gains, losses or charges (such as the expenses needed to administer the Plan and Fund).

As explained earlier, the Plan and the Fund both are governed by an eight-member Board of Trustees. The Board of Trustees, not any individual Trustee, is responsible for operating the Plan. Four Trustees are appointed by Local 1102 and are referred to as the “**Union Trustees**.” Four Trustees are appointed by MCMA and are referred to as the “**Employer Trustees**.”

In general, the Board of Trustees decides how the Plan will operate, sets Fund policies and rules, and oversees Fund operations with the assistance of the Fund administrator and other professionals. The Fund's Employer Identification Number (EIN) is 38-6216941. The Plan's plan number is 001.

The Trustees have contracted with TIC International Corporation (“TIC”) to be the Plan’s third-party administrator and to manage day-to-day operations. Other professionals like investment consultants, investment managers, a CPA firm and lawyers work with the Trustees and TIC to help operate and the Plan and manage Plan assets.

The Plan is audited every year by an independent certified public accountant as required by federal law. The Trustees also file annual reports with the federal government and provide other reports and disclosures to the government and Participants.

More information about the Millwrights’ Local No. 1102 Supplemental Pension Plan, the Fund, their operation and the professionals employed to assist with Plan operations is available from the Fund office. You also can request a copy of the formal Plan document by making a written request to the Fund office.

## **INFORMATION THAT PARTICIPANTS MUST PROVIDE TO THE FUND**

Participants must provide the Fund office with a complete and current Beneficiary Designation Form.

These forms set out each Participant's current contact information and identify the Participant's beneficiary or beneficiaries. To-be-completed forms are available from the Fund office.

Out-of-date or incomplete information may delay processing a Participant's or Beneficiary's application for Plan benefits or may otherwise interfere with or delay benefit decisions.

If a Participant's address or personal information changes, the Participant should provide updated personal information to the Fund office *immediately*. To ensure security and accuracy, the Participant must notify the Fund of information changes *in writing*, not by telephone.

The Fund, Local 1102, the contributing employers, and MCMA all are separate entities. Even if Local 1102 and the Participant's employer know of changes in a Participant's contact information, the Participant still must provide separate written notice of the changes directly to the Fund office.

The Fund office contact information is:

**Millwrights' Local No. 1102 Supplemental Pension Fund  
6525 Centurion Drive  
Lansing, Michigan 48917-9275**

**517-321-7502 phone  
517-321-7508 fax  
888-228-6700 toll free**

[www.millwrights1102benefits.org](http://www.millwrights1102benefits.org)

# **QUESTIONS AND ANSWERS ABOUT THE FUND**

The following is an explanation of how the Plan functions and important provisions in a question-and-answer format. Please contact the Fund Office if you want additional information.

## **THE PLAN AND HOW IT WORKS**

### **Q1. What is the Millwrights' Local 1102 Supplemental Pension Fund?**

**A.** The Fund is a collectively-bargained fringe benefit trust that receives and invests employer contributions to provide benefits to eligible persons. How, when and to whom those benefits are paid is determined by the Plan, which was adopted, and has been amended from time to time by the Fund through its Board of Trustees.

The Plan is a “defined contribution plan,” meaning that employers make contractually-required monetary contributions to the Fund which are held in trust by the Fund and allocated by the Plan to individual Participants’ accounts. The contributions are used to pay for retirement benefits, and certain other benefits specified in the Plan, but only for eligible Participants and their eligible beneficiaries.

### **Q2. Who makes Fund decisions?**

**A.** The Fund’s Board of Trustees is responsible for administering both the Plan that states how benefits are earned and paid, and the Fund that holds and invests assets used to provide Plan benefits.

Four Trustees are “Union Trustees” selected by Local 1102. Four Trustees are “Employer Trustees” selected by the Michigan Conveyor Manufacturers Association (MCMA).

MCMA-affiliated employers employ Local 1102-represented workers, are signatories to collective bargaining agreements with Local 1102, and make contributions to the Fund as required by the governing collective bargaining agreements.

The Board of Trustees and its Trustee members are fiduciaries, obligated under ERISA to operate the Plan and Fund in the interests of Participants and Beneficiaries. The Board is assisted by the Fund administrator and other professionals, discussed next.

### **Q3. Who operates the Fund?**

**A.** The Board of Trustees operates both the Plan and the Fund but is, assisted by professional service providers selected, monitored, and directed by the Board.

TIC International Corporation (“**TIC**”) is retained as the Plan’s third-party administrator which—subject to direction from the Trustees—manages and administers the day-to-day operation of both the Plan and the Fund.

Other professionals also help manage the day-to-day operation of the Plan and the Fund. The Board has retained an investment consultant to monitor and supervise Fund investments and investment managers to actually invest the Fund assets used to pay Plan benefits. The investment consultant and investment managers are also fiduciaries under federal pension law, which means that they are bound by law to act in the best interests of Plan participants and beneficiaries. Fund legal counsel provides advice about legal and regulatory issues that affect the Plan, the Fund and their operations.

### **Q4. What is the Fund’s fiscal year or “plan year”?**

**A.** The Fund and Plan use a May 1 to April 30 “plan year,” to keep track of important factors that relate to your Plan benefits and participation. The Fund’s first “plan year” was from May 1, 1970 through April 30, 1971. [The Fund, as required by law, uses a calendar year for reporting distributions to participant and beneficiaries for income tax purposes.]

### **Q5. Who contributes to the Fund?**

**A.** Employers who are parties to collective bargaining agreements with Local 1102 make contributions to the Fund in amounts set by the collective bargaining agreements. Participants do not—and cannot—contribute to the Fund.

The collective bargaining agreements requiring employer contributions are available for inspection by Participants at the Fund Office. A Participant also may obtain copies of collective bargaining agreements from the Fund Office by making a written request for them. A full list of contributing employers is available for inspection by Participants at the Fund office, and a Participant can obtain an employer list from the Fund office by making a written request.

**Q6. Who is a Participant?**

A. A Plan Participant is an employee or former employee of a contributing employer under a collective bargaining agreement that requires Fund contributions who is or may become eligible for Plan benefits. An employee doing covered work becomes a Participant on the first day of the second month after s/he first performs covered work for a contributing employer.

**Q7. How does the Fund account for contributions?**

A. Employer contributions are allocated—credited—to individual bookkeeping accounts maintained under the Plan. The Plan, subject to some exceptions, credits each Participant’s account with employer contributions made for that individual Participant. Participant accounts also are allocated a share of investment earnings, investment losses or other charges like the expenses of operating the Plan and Fund.

**Q8. How do Participants “vest”—become entitled to—their accounts?**

A. A Participant “vests”—becomes entitled to his/her account—on the first day of the month after the individual has earned two Plan years of credited contributions. A Participant is credited with a Plan year of credited contributions for each Plan year in which s/he is credited with the lesser of (1) contributions of \$100 in that Plan year or (2) contributions attributed to a minimum of 870 hours of work in that Plan year without a Permanent Break In Service (explained below).

A Participant may also become fully “vested” by reaching Normal Retirement Age. Before November 1, 2014, vesting because of age occurred when a Participant turned age 55. On and after November 1, 2014, automatic vesting occurs when the Participant turned, or turns, age 62. Of course, once a Participant is vested, s/he remains vested in all past and future contributions until his/her account balance is distributed.

If a Participant does not vest based on either being credited with two years of credited contributions or because s/he reached Normal Retirement Age, and the Participant experiences a Permanent Break In Service, the Participant is not vested, that Participant’s account is forfeited, and that non-vested Participant is not entitled to any Plan benefits.

**Q9. What is a Permanent Break In Service?**

**A.** A Break In Service occurs when a Participant is credited with/ fewer than 435 work hours for a contributing employer during a Plan year, from May 1 through April 30. A Permanent Break In Service occurs when a Participant has five consecutive Break In Service years. This might happen when a non-vested Participant leaves the industry or does not work for a contributing employer for a five-year period.

Sometimes, Participants are credited with Hours of Work even though they are not working for a contributing employer (certain absences due to the birth of a child for example). This credit is limited to no more than 435 hours in any Plan year. You can contact the Fund office to find out if you can receive credit for time when you did not actually work for a contributing employer.

At the time of a Permanent Break In Service, the Participant's non-vested account is permanently forfeited. Forfeited accounts generally are used to pay Fund expenses, benefiting current and vested Participants. If a non-vested Participant who had a Permanent Break In Service later returns to the industry and again works for contributing employers, that Participant, once eligible, will have a new account created for him/her, subject to the Plan rules at the time of return.

## **FUND INVESTMENT AND ACCOUNT VALUATION**

### **Q10. How does the Fund invest and value assets?**

**A.** Fund assets—consisting of employer contributions and investment earnings—are managed and invested by investment professionals, selected by the Board of Trustees and monitored by the Board of Trustees, the administrator and a professional investment consultant. All investments, except Participant loans, are made from combined Fund assets, not individual accounts. Overall assets are valued by an independent professional auditor at least once a year. The individual Plan accounts of Participants and Beneficiaries are valued by the Plan monthly.

The Fund provides each Participant with an annual statement showing (1) the Participant's Plan account value as of the end of the previous Plan year and (2) the current valuation. The current valuation reflects the immediate past Plan year's employer contributions, credited investment earnings or losses, any allocable forfeitures and credited expenses and charges, leaving a net valuation. The individual accounts of Participants who have active Plan loans (loans that are still being paid) also will be adjusted for loan activities such as loans made, repaid, or (at the time of their distribution) defaulted.

## **BENEFITS**

### **Q11. When are Participants entitled to receive Fund benefits?**

**A.** Eligible Participants are entitled to Fund benefits **(1)** when they retire; **(2)** when they become totally and permanently disabled; **(3)** when they terminate employment with all contributing employers for 45 days, which includes one complete calendar month, and experience one of several specified financial hardships; or **(4)** when they have terminated employment with all contributing employers for 23 consecutive months and are not performing any Millwright work in the geographic area of Local 1102.

### **Q12. How does a Participant qualify for retirement benefits?**

**A.** Eligible Participants generally become entitled to normal retirement benefits at age 62 or older, at the time they retire, which, at a minimum requires that they stop working and terminate their employment with all contributing employers with the intention that they intend to permanently stop working. Participants who have been credited with at least two years of service also may elect to retire at age 55, provided they otherwise meet the requirements for retirement because of age.

A Participant may retire before age 62 if the Participant has 30 or more years of service with contributing employers (counting pre-1997 service with employers contributing to the Carpenters' Pension Trust Fund-Detroit and Vicinity or by the Michigan Carpenters' Pension Fund, totaling 80 or more points consistent with the Index 80 requirements under those Carpenters' Funds) or the Participant reached Age 55 with a vested account balance, provided the Participant stops working for a minimum of 45 days with the intention that s/he no longer will work.

The Fund office can assist eligible Participants in determining their individual entitlement to retirement benefits under Plan requirements.

### **Q13. When are Participants entitled to receive Total and Permanent Disability ("TPD") benefits?**

**A.** An eligible Participant becomes entitled to TPD benefits if the Fund determines, based on medical evidence that the Participant cannot work as a Millwright because of a physical or mental disability. Medical evidence may be presented to the Fund by the Participant and may be obtained by the Fund from an independent medical examination required by the Fund. There are exclusions from

TPD benefits entitlement under certain circumstances, including for Participant disabilities intentionally self-inflicted or that occurred as the result of Participant involvement in felonious activity or the illegal use of narcotics.

The Fund office can assist eligible Participants in determining their individual entitlement to TPD benefits under Plan requirements.

**Q14. When are Participants entitled to receive termination benefits?**

**A.** An eligible Participant becomes entitled to Fund benefits after termination from industry employment, which occurs after 23 consecutive months during which the Participant did not work for a contributing employer and did not work as a Millwright in the geographic area covered by Local 1102.

An eligible Participant also may be entitled to separation benefits if the Participant has retired under either the Carpenters' Pension Trust Fund-Detroit and Vicinity or the Michigan Carpenters' Trust Fund.

The Fund office can assist eligible Participants in determining their individual entitlement for benefits by reason of termination of employment.

**Q15. What benefits are paid at retirement, TPD, or separation?**

**A.** An eligible Participant entitled to benefits at retirement or due to TPD or termination, is entitled to benefits determined by the value of the Participant's Plan account as of the last valuation before the Participant's retirement, TPD, or separation.

The Fund office can assist eligible Participants in determining their individual entitlement for retirement, disability, or separation benefits and the amount of those benefits.

**Q16. What benefits are paid upon hardship after termination of employment?**

**A. Terminated Participants who experience one of several specific** financial hardships identified in the Plan may be eligible for a Hardship Distribution. To be eligible, the Participant must have terminated employment with all covered employers for at least 45 days, including one complete calendar month, and show that s/he experienced one of several "financial hardships," at which point they can receive a limited distribution of not more than the amount needed to alleviate the

financial hardship. A Hardship Distribution is available *only* in the following circumstances:

1. To prevent a mortgage foreclosure or default (land contract) on your primary residence; or
2. To pay your child's college tuition at an accredited college or similar secondary educational institution; or
3. To prevent your eviction from an apartment in which you reside; or
4. To pay child support arrearages; or
5. To prevent property tax forfeiture of your primary residence.

The Trustees can require that a hardship distribution be paid directly to the person who must receive the hardship-related payment.

If a Participant is eligible for a loan from the Fund, he or she must apply for the loan before applying for a Hardship Distribution. A participant can only apply for two Hardship Distributions in a calendar year. Total Hardship Distributions are limited to the lesser of one half (1/2) of a Participant's vested Fund Account Balance or a lifetime Fifty Thousand Dollars (\$50,000) maximum. The maximum amount that can be distributed under the Hardship Distribution Program includes any previous defaulted loans, prior hardship distributions, tax withholdings, any current loan balance, and late loan fees.

## **BENEFITS PAYMENT OPTIONS**

### **Q17. How can my Plan retirement benefits be paid?**

**A.** Different benefits payment options are available depending on each eligible Participant's individual circumstances and choices.

#### **1. The eligible Participant's account value is less than \$5,000.**

The Fund will pay the Participant a one-time lump-sum based on the Participant's account value. The Participant still must apply for this benefit unless s/he has reached the required minimum distribution age (which is currently age 72, or age 73 for persons who reach age 72 after December 31, 2022 and before January 1, 2033). The Board of Trustees will continue to automatically adopt all regulatory changes impacting required minimum distribution age. The \$5,000 mandatory distribution

limit includes any monies that already may have been paid to you under the Plan (for example, previous Hardship Distributions and defaulted Plan loans). No spousal consent is required for married Participants to receive this form of payment. The lump sum payment can be rolled over into an IRA if the Participant elects.

**2. The eligible Participant's account is valued at \$5,000 or more and the Participant is not married or if the married Participant and the Participant's spouse agree.**

The Fund can provide a one-time lump-sum payment based on the Participant's account value, periodic partial payments based on the Participant's account value or purchase an annuity contract from a licensed insurance company that pays benefits for the Participant's lifetime.

The Fund office will provide Participants with information to help them decide on these choices. If the lifetime annuity benefit is selected, it provides a lifetime monthly benefit paid to the Participant in an amount computed based on the Participant's account value and life expectancy. The lump sum payment also can be rolled directly into an IRA if the Participant elects.

**3. If the eligible Participant's account is valued at \$5,000 or more and the Participant is married for one year or more.**

The Fund can provide a one-time lump-sum payment based on the Participant's account value, or periodic partial payments based on the Participant's account value, provided the Participant's spouse consents to one of their forms of payment. Otherwise, the Fund can, through an insurer, pay the eligible Participant's benefit in the form of a Joint and 50%, 75%, or 100% Survivor Annuity through the purchase of any contract from a licensed insurance company.

If a lifetime coverage form of benefit is elected, that choice includes a lifetime monthly benefit paid to the Participant, and a monthly benefit paid to the Participant's spouse, in amounts computed based on the Participant's account value, the Participant's life expectancy, and the Participant's spouse's life expectancy.

If the Participant dies first, the Participant's surviving spouse will continue to receive the 50%, 75%, or 100% monthly payment amount

for life depending on the survivor payment that was elected. If the spouse dies first, the Participant will continue to receive the unchanged monthly payment amount for life.

All annuities will be purchased by the Fund from, and the lifetime monthly payments will be paid by, a licensed insurance company.

The Fund office will provide Participants with information to help them decide among the available choices, including annuity choices.

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As explained above, an unmarried Participant, a Participant married less than one year or a married Participant with the consent of his/her spouse may choose periodic partial payments from the Fund. This choice is discussed in more detail next.

**Q18. How do periodic benefits payments work?**

**A.** Where an eligible Participant chooses periodic benefits payments from the Fund, those payments may be made monthly, quarterly, or annually, in consistent amounts, based on the Participant's account value, subject to the following requirements:

1. the Participant's account value must be \$5,000 or more;
2. the Participant must have retired under the Plan's normal, early, or disability retirement terms, or must have terminated employment with all contributing employers for at least 23 months;
3. the selected periodic payment would not cause more than 84% of the Participant's account value to be paid in the first year of periodic payments; and
4. if married, the Participant must provide, with the Participant's spouse's valid written consent, a written waiver of any right otherwise available to a Joint and Survivor Annuity.

If the Participant returns to work as a Millwright for more than 39 hours in any month, the Participant's periodic payments will be suspended, to resume after a two-year period during which the Participant does not work as a Millwright more than 39 hours in any month.

An administrative fee will be deducted from each periodic payment in amounts set by the Trustees, subject to change. The fee currently is \$10 per check.

The Fund office will, upon request, provide information to assist Participants in making decisions about periodic payments.

**Q19. What death benefits are paid?**

**A.** An eligible vested Participant is entitled to a death benefit payable to the Participant's beneficiary or beneficiaries. The death benefit is determined based on the Participant's account value and benefits status at the time of death.

If a vested Participant dies *before collecting* any Fund benefits, the death benefit is paid as follows:

1. If the Participant *is married* at the time of death, the Participant's surviving spouse, upon application, is entitled to the Participant's account value in either a lump-sum payment or in periodic payments or, if the Participant's account value is \$5,000 or more, through an insured annuity that pays periodic lifetime payments based on the Participant's account value and the surviving spouse's life expectancy.
2. If the Participant *is not married or is married for less than one year* at the time of death, the Participant's beneficiaries are entitled to receive their shares of the Participant's account value in lump-sum payments.

If a vested Participant dies *while collecting* Fund benefits, the death benefit is paid as follows:

1. If the Participant dies while collecting periodic payments, the Participant's beneficiaries are entitled to receive their shares of the Participant's remaining account value in lump-sum payments.

2. If the Participant dies while collecting a 50%, 75%, or 100% Joint and Survivor Annuity, the Participant's surviving spouse named in the annuity contract will receive annuity payments at the appropriate percentage for that surviving spouse's lifetime.
3. If the Participant was not married for at least a year, or had a Life Survivor purchase with his Plan account, the annuity payments end and no additional Plan benefit of any kind will be paid.

## **MORE ON BENEFITS**

### **Q20. Are there legal considerations that may affect benefits?**

**A.** The short answer is that there may be legal considerations. These may be related to the laws governing benefits and benefits plans, to changes in those laws, to laws and court orders affecting married couples and parents, to amendments to the Plan permitted or required by law, and to legal requirements governing the Fund.

For example, the Fund will be required to comply with Internal Revenue Service and Department of Labor requirements or with divorce and child support orders called Qualified Domestic Relations Orders (“**QDROs**”).

In general, the laws governing the Fund will be applicable to all similarly situated Participants, so all similarly-situated Participants will be treated similarly and even-handedly.

The Fund generally will adopt policies and procedures to help Participants navigate legal requirements that affect their Plan benefits. Participants may obtain these policies and procedures and select additional information from the Fund office to help answer questions about their individual situations. But, the Fund cannot provide specific personal legal assistance to Participants, so Participants should consult with their own personal lawyers about legal issues that directly affect them.

### **Q21. Are benefits taxable as income?**

**A.** The general answer is that (1) benefits are taxable as income when the Participant or Beneficiary receives benefits and (2) Participant accounts are not subject to income tax while the accounts are held by the Fund. Participants may direct general questions to the Fund office, but for specific information and individual advice about taxes and tax planning, a Participant should consult the Participant's personal tax advisor.

## BENEFICIARIES

### Q22. Who are Beneficiaries?

A. If a Participant is married, the Participant's beneficiary is the Participant's spouse *unless the Participant waives having the spouse as automatic beneficiary by completing a Beneficiary Designation Form naming a non-spouse beneficiary that both* to which the Participant and the Participant's spouse have agreed. The Agreement must be shown to the parties, by the Participant naming the beneficiary and signing the form and the spouse agreeing to waive automatic beneficiary rights by signing the form naming a different beneficiary that is witnessed by a Plan representative or Notary Public. Once a spouse consents to the designation of someone else as the Participant's Beneficiary, that consent cannot be revoked unless the Participant revokes that Beneficiary Designation Form. The Participant's Spouse must consent to any new Beneficiary Designation Form naming any person other than the Spouse as primary beneficiary.

If a Participant is not married, or the above procedure is followed by a Participant and spouse to name a non-spouse beneficiary, the Participant's beneficiary is any person identified by the Participant as the Participant's beneficiary on the required Beneficiary Designation Form. A Participant may designate one beneficiary or multiple beneficiaries.

If a Participant dies without designating a beneficiary, or all designated beneficiaries died before the Participant's death, the Participant's benefits will be paid in the following priority order, subject to any governing legal restrictions:

to the Participant's spouse, or

to the Participant's children, or

to the Participant's parents, or

to the Participant's estate.

For example, absent any governing legal restrictions, if a married vested Participant dies without designating a beneficiary, the Fund will pay the benefits entirely to the Participant's surviving spouse. If an unmarried vested Participant dies, the Fund will pay the Participant's benefits entirely to the Participant's surviving child or in equal amounts to the Participant's surviving children. If the Participant

has no surviving spouse or children, the benefits will be paid entirely to the Participant's surviving parents, and so on, in the order listed above.

To name a beneficiary or to change the designation of a beneficiary or beneficiaries, a Participant must complete a Beneficiary Designation Form and deliver it by mail or in person to the Fund office. To-be-completed Beneficiary Designation Forms are available from the Fund office.

Payments to beneficiaries, whether designated by the Participant or not, may be affected by QDROs or other legal considerations, discussed earlier in this SPD.

The Fund office can assist Participants in making sure that their decisions about designating beneficiaries are properly communicated to the Fund and the Fund office can answer general questions about designating beneficiaries. A Participant should consult the Participant's personal lawyer for specific information and individual advice about estate planning and legal considerations.

## **LOANS AND TRANSFERS**

### **Q23. Can a Participant Borrow from the Participant's Fund Account?**

- A.** The Fund has a loan program, which is subject to the following requirements.
- 1.** The Participant's account value must total \$12,500 or more at the time of the loan request.
  - 2.** A Participant may have two outstanding Fund loans at a time provided there is 12 months between the start of the first loan and the new loan. The Participant must also be current on their first loan to get a second loan.
  - 3.** A Participant may not get a Fund loan if the Participant defaulted on an earlier Fund loan.
  - 4.** The Participant must pay interest at the rate set by the Fund based on market interest rates. The rate may change from time to time to account for changes in market interest rates and other factors.
  - 5.** For all loans taken after January 1, 2023, the Participant must use Automated Clearing House (ACH) electronic payment system to pay back the loan.

6. The loan must be repaid in five years or less, in equal monthly repayment installments consisting of loan principal and interest.
7. A loan may not be greater than 40% of the Participant's total account value, or \$50,000, whichever is less.
8. Loan repayment installments must be paid to the Fund office on the 25th day of each month. A \$10 fee per late payment is charged. If a participant misses four payments, the Fund is obligated to report that to the Internal Revenue Service, which may charge the Participant with tax liability computed on the unpaid loan amount, unpaid interest, and late fees. The Participant also is barred from receiving future loans. When the Participant becomes eligible for a Plan distribution, the Fund will "foreclose" on the loan, reduce the delinquent Participant's account value by the outstanding loan amount.
9. The Participant must sign a promissory note and other documents evidencing the loan, which if the Participant is married, includes obtaining his/her spouse's consent to the loan. A Participant loan is treated as the separate asset of the Plan account of the Participant to whom the loan is made.

The Fund is responsible for "arm's length" administration of its loan program and must act in the best interests of all Participants.

Loan applications and more information about Participant loans are available from the Fund office.

**Q24. Can a Participant assign, pledge, or sell the Participant's benefits?**

**A.** Generally, a Participant cannot assign, pledge, or sell the Participant's benefits rights or account value to others. A portion of the Participant's account may, however, be used to secure a Plan Loan under the Fund's loan program, or may be restricted based on a court-issued Qualified Domestic Relations Order ("**QDRO**") which may direct benefits or account assets to be used to pay or secure a Participant's divorce, alimony, or child support obligations.

A QDRO is an order or judgment in a divorce, separation, child custody, or paternity case that assigns Fund benefits to meet a Participant's legal obligations

which, generally, arise under state law. A QDRO might, for example, assign a portion of a Participant's Fund benefits to the Participant's former spouse.

When a Participant or other person presents a court order affecting Fund benefits, the Fund attorneys review the order, determine whether it satisfies legal requirements governing the Fund, communicate their determination to the Participant and, as appropriate, to the Participant's personal attorney, and advise the Fund on appropriate accommodation of the QDRO. The Fund charges a fee to appropriately allocate the QDRO review expense to the individual Participant. Presently, the fee is \$400 per review, but is subject to change.

Participants may direct questions to the Fund office. The Fund office, however, does not and cannot provide any legal or personal advice to Participants about QDRO or other legal obligations.

For advice and more information about QDRO and other legal obligations, Participants should consult their personal lawyers, particularly lawyers representing them in matters affecting their spouses, former spouses, children, and responsibilities under family law.

**Q25. Can a Participant “rollover” a Fund account into an IRA or another retirement plan?**

**A.** Fund distributions that are not periodic payments or hardship distributions generally may be rolled over into an IRA or other employer plan that accepts rollover contributions. A Participant who becomes eligible for a distribution that qualifies for rollover treatment will be given a choice whether to receive that distribution in the form of a “direct rollover”. The advantage of a direct rollover is that the Fund will not withhold income tax on that distribution, which will let the Participant or Beneficiary receiving the distribution roll over the entire amount of the distribution. While Participants who elect to receive Fund distributions as cash payments also may rollover the distributions they receive, at least 20% of the distribution is withheld as income tax. This means that if the Participant or Beneficiary who receives the distribution wants to roll over the entire distribution, s/he may have to replace the amount of income tax withheld with their own money to accomplish this.

The Fund accepts only employer contributions. The Fund does not accept Participant contributions or “rollover” contribution funds from other retirement plans. Questions about contribution sources and “rollover” may be directed to the Fund office.

## **BENEFITS CLAIMS**

### **Q26. How does a Participant make a claim for benefits?**

**A.** The first step in making a benefits claim is to request from the Fund Office either a Retirement or Termination Application to complete. The Fund Office will provide the Participant with an Application (including estimated benefit amounts) and available benefit options—lump sum, annuities, etc.—that is to be completed by the Participant to communicate the Participant’s choice about benefit payment options.

A Participant should submit an Application reasonably in advance of the Participant’s planned retirement date. Married Participants and their spouses generally are required to make their retirement benefits payment choice within the 90 days before the benefits are to begin.

The completed Application Form should be submitted by the Participant with copies of all pertinent documents, including as applicable:

the Participant’s birth certificate and driver’s license, and

if, married, the married Participant’s marriage certificate or marriage license, the spouse’s birth certificate and driver’s license, or

if previously married, the previously-married Participant’s divorce judgment (with all attachments and pertinent orders) and, if applicable, the former spouse’s death certificate.

The Fund will generally begin benefits within two weeks of the Fund’s receipt of an eligible Participant’s completed and approved Application for Benefits Form. If the application submitted is not complete, the Fund generally will notify the Participant what is missing and assist the Participant in fully complying with the application process.

### **Q27. When will my benefit claim be decided?**

**A.** The Fund generally will decide your claim in 30 days, unless special circumstances exist. If the Fund cannot decide your claim because of special circumstances or because you have not provided all of the needed information, the Fund will notify you that it will not be deciding your claim until a later date and the date by which your claim will be decided. The notice will tell you the information that you need to supply the Fund so that it can decide your claim. You will be sent

final notice of the Fund's decision on your claim within 5 days of the meeting at which the Fund's decision is made.

## **BENEFITS DENIALS AND APPEALS**

### **Q28. What if benefits are denied?**

A. When you submit an application for benefits, the Fund Office will determine whether you are eligible and the amount of the benefit payable to you, if any.

Your request for benefits will be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Administrative Manager will furnish you with a written notice of this denial. This written notice must be provided to you within a reasonable period of time after the receipt of your claim by the Administrative Manager. For disability benefits, this time period is generally 45 days from receipt of your claim, and for other benefits it is 90 days. These times may be extended if necessary. The written notice must contain the following information:

- a. The specific reason or reasons for any denial;
- b. Specific reference to those Plan provisions on which any denial is based;
- c. A description of any additional information or material necessary to correct your claim and an explanation of why such material or information is necessary; and
- d. Appropriate information as to the steps to be taken if you or your beneficiary wishes to submit your claim denial for review and your right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination on appeal.
- e. A description of the Plan's claim review procedures, the time limits under the procedures and a statement regarding the claimant's rights to bring a civil action under ERISA 502(a) following an adverse benefit determination on appeal;
- f. For disability claims, a copy of the internal rule, guideline, or protocol that was relied upon to make the adverse determination or a statement

that such rule was relied upon and that a copy of such rule will be provided free of charge to the claimant upon request.

### **Q29. May I Appeal If my Claim for Benefits is Denied?**

**A.** Yes. If your application for benefits is either totally or partially denied for any reason, the Fund Office will provide you with a written explanation of why your claim was denied and what information, if any, you must supply to the Fund to complete your claim.

If the Fund Office intends to deny your claim, the Fund Office generally will contact you before you are sent final notice that your claim is denied. You may, but are not required to ask the Fund Office to informally reconsider its decision on your claim before you receive final notice of your claim's denial if you think that the Fund Office has made a mistake. The Fund Office, at that time, may ask you to provide additional information which might assist in the reevaluation of your claim. If you still do not agree with the action taken on your claim, you have the right to appeal to the Trustees for further review as follows:

- a. Upon the denial of your claim for any benefit provided by the Plan, you may file your request for review, in writing, with the Fund Office.
- b. **YOU MUST FILE THE CLAIM FOR REVIEW NO LATER THAN 60 DAYS (180 DAYS FOR DISABILITY CLAIMS) AFTER YOU HAVE RECEIVED WRITTEN NOTIFICATION OF THE DENIAL OF YOUR CLAIM.**
- c. You may review all pertinent documents relating to the denial of your claim and submit any issues and comments, in writing, to the Fund Office.
- d. Your claim for review must be given a full and fair review. If your claim is denied, the Administrative Manager must provide you with written notice of this denial as described earlier. For appeals filed within 30 days of a regularly scheduled Board of Trustees' meeting, you must be notified of the decision within 5 days after the second meeting following the receipt of your notice of appeal. For appeals filed more than 30 days before a regularly scheduled Board of Trustees' meeting, you must be notified of the decision within 5 days after the next Board of Trustees' meeting. There may be times when

this period may be extended. This extension may only be made, however, where there are special circumstances that are communicated to you in writing within the applicable period. If there is an extension, a decision shall be made as soon as possible, but not later than the third meeting after receipt by the Administrative Manager of your claim for review.

- e. The Trustee's decision on your claim for review shall be communicated to you in writing and shall include the following:
1. The specific reasons for the denial;
  2. Specific references to the pertinent Plan provisions on which the decision was based;
  3. A description of any additional material or information necessary for the claimant to perfect the claim, and an explanation of why such material or information is necessary; and
  4. Appropriate information as to the steps to be taken if the claimant wishes to submit his claim for review.
  5. A description of the Plan's claim review procedures, the time limits under the procedures and a statement regarding the claimant's right to bring a civil action under ERISA 502(a) following an adverse benefit determination on appeal, not later than one (1) year from the date of mailing by the Plan Administrator of the notice of the adverse benefit determination on appeal;
  6. For disability claims, a copy of the internal rule, guideline or protocol that was relied upon to make the adverse determination or a statement that such rule was relied upon and that a copy of such rule will be provided free of charge to the claimant upon request.
  7. If any medical or vocational experts were involved in making the Adverse Benefit Determination, those experts must be identified, their explanations must be included, and the notice must note whether the expert advice was relied upon. If the Plan disagrees with the expert's opinion, the notice must include the basis for disagreeing with the expert opinion; and

8. All notices shall be in a culturally and linguistically appropriate manner. If the claimant is domiciled in any United States county where ten percent or more of the population residing in that county is literate in only in the same non-English language, then the Plan shall ensure the following: (a) language services are provided in the applicable non-English language; (b) notices include a statement prominently displayed in the applicable non-English language clearly indicating how to access the language services provided by the Plan; and (c) language services are sufficient to allow claimants to understand their rights and obligations in regards to effectively filing claims and appeals.

If you are granted a personal hearing by the Trustees, you may appear in person or choose a representative to appear on your behalf.

If you are not granted or you do not wish to make a personal appearance before the Trustees, the Fund Office Manager will present your written statement and other pertinent information.

The Trustees, or a Committee appointed by them and authorized to act on their behalf, will act on your request for review and will notify you of their decision.

The appeal will generally be presented to the Trustees, or a designated subcommittee, at their next regular meeting. You will be informed in writing of their decision.

As described above, you will receive notice of the decision in writing, including the reasons for the decision and references to the specific Plan provisions on which the decision is based as described above. You will also be provided with notice about your right to reasonable access to review and obtain free of charge, copies of all documents, records and other information *relevant* to *your* claim for benefits, and an explanation of the Fund's remaining *voluntary* appeal procedures and *your* right to sue the Fund if you still believe that your claim was denied improperly. You may, at *your* own expense, *have* legal representation at any stage of these procedures but you may not begin any legal action, including proceedings before administrative agencies, until you exhaust the Plan's internal appeal procedure.

If you have any questions about the *review* procedures described *above*, please

contact the Fund Office. Address your written questions to:

Millwrights Local No. 1102 Supplemental Pension Fund  
6525 Centurion Drive  
Lansing, Michigan 48917

**Q30. What can I do if my Claim is denied on Appeal?**

**A.** You still have the right to bring a lawsuit to challenge the denial of your claim for benefits, if the Trustees deny it in whole or in part. But you must bring that lawsuit within one year after the Trustees notify you of the final denial of your claim. This can happen either if you do not appeal a claim that is denied by the Fund Office to the Board of Trustees as described above or you appeal your denied claim to the Board of Trustees and the Trustees still deny part, or all of your benefit claim. If you bring a lawsuit, you may serve that lawsuit on the Fund Administrator, any Trustee or the Fund's legal counsel.

**MISCELLANEOUS INFORMATION ABOUT THE FUND**

**Q31. Does the Fund have “reciprocity” with other benefits plans?**

**A.** Yes, with *some* others. Participants sometimes work as Millwrights outside Local 1102's jurisdiction, in other areas of the country. The Fund has “reciprocity” agreements with *some* other defined contribution pension benefits plans.

“Reciprocity” agreements make it possible for some contributions earned by Participants in other locations to be made to the Local 1102 Fund.

Further information about “reciprocity” is available from the Fund office.

**Q32. Can the Fund and Plan be changed or discontinued?**

**A.** Yes, subject to various legal requirements. While the Fund intends to continue indefinitely, the Fund and the Plan may be changed or discontinued. If the Plan is changed or Fund discontinuation is planned, Participants generally will be notified. In the event of discontinuation, all Participants' vested accounts will be maintained for the benefit of the Participants or will be distributed to the Participants or their Beneficiaries as required by the Plan and governing law.

As the Fund is a defined contribution plan, individual account values are determined by employer contributions, and the earnings or losses on those contributions less Fund expenses, allocated to individual accounts. If the Fund is discontinued, each Participant will automatically become fully vested as of the discontinuation date. In the event of discontinuation, the Trustees are to arrange a final audit, to provide certain notices to Participants and Beneficiaries, and to otherwise make legally-required reports to the government and disclosures to Participants and Beneficiaries.

While the following circumstances are not likely to occur, Fund discontinuation and Plan termination may be required if:

1. There is no individual who can qualify for Fund benefits, or
2. Local 1102, all the contributing employers, and the Trustees agree to discontinue the Fund and Plan, or
3. The government requires discontinuation of the Fund and Plan, or
4. All employers cease making contributions.

Fund obligations with regard to changes and discontinuation are subject to ERISA, the law enacted by the United States Congress as the Pension Reform Act of 1974, federal legislation intended to protect employees and retirees and their family members who are Participants and Beneficiaries in federally-regulated fringe benefits plans.

### **Q33. Where is more information available?**

**A.** More information about the Fund and the Plan is available from the Fund office. In addition, information may be requested from Millwrights' Local No. 1102, from Local 1102 officers and representatives, and from the Participant's employer. Further, the next section of this SPD summarizes ERISA rights.

## **YOUR ERISA RIGHTS**

As a Participant in Millwrights' Local No. 1102 Supplemental Pension Fund, under the Millwrights' Local No. 1102 Supplemental Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Fund Participants are entitled to the following ERISA rights.

**You are Entitled to Receive Information About Your Plan and Benefits. You are Entitled:**

**to examine**, without charge, at the Fund office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of Employee Benefits Security Administration.

**to obtain**, upon written request to the Plan administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.

**to receive** a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of this summary annual report.

**to obtain** a statement telling you whether you have a right to receive a pension at normal retirement age (age 62) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

**You are Entitled to Prudent Actions by Plan Fiduciaries.**

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and Beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

## **You are Entitled to Enforce Your Rights.**

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court.

If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

## **You are Entitled to Assistance with Your Questions.**

If you have any questions about the Fund or your Plan, you should contact the Plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

**For additional information you may contact:**

**Millwrights' Local No. 1102 Supplemental Pension Fund  
c/o TIC International Corporation  
6525 Centurion Drive  
Lansing, Michigan 48917-9275**

**517-321-7502 phone  
517-321-7508 fax  
888-228-6700 toll free**

**[www.millwrights1102benefits.org](http://www.millwrights1102benefits.org)**