

# NORTHERN CALIFORNIA PIPE TRADES TRUST FUNDS

Health & Welfare • Pension • Supplemental Pension

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## NOTICE OF MATERIAL MODIFICATIONS TO THE NORTHERN CALIFORNIA PIPE TRADES PENSION PLAN

The Board of Trustees of the Northern California Pipe Trades ("NCPT") Pension Plan ("Pension Plan") is pleased to announce that the Board has liberalized the Plan's Partial Disability Retirement Benefit to provide greater monthly Partial Disability Retirement Benefits for those who have had greater years of Vesting Credit under the Pension Plan. Years of Vesting Credit obtained through Pro-rata Reciprocal Credits will not count toward the determination; however, incoming Reciprocal contributions will count toward the determination.

Effective for any new Partial Disability Retirements on or after October 1, 2005, the Board amended the Pension Plan to provide that the level of a Participant's monthly Disability Retirement Benefit will be based on the number of years of Vesting Credit earned under the Plan, which means those working in Covered Employment the longest will receive a higher disability benefit. In calculating your Partial Disability Retirement Benefit under the NCPT Pension Plan, the Plan will multiply your years of Vesting Credit by four percent (4%) of the full Disability Retirement Benefit for which you would otherwise qualify had you received a permanent and total disability award from Social Security. Your years of Vesting Credit obtained through Pro-rata Reciprocal Credits will not count in this determination; however, incoming Reciprocal contributions will count toward the determination.

Example: 17.44 years of Vesting Credit would entitle you to 70% of your full pension (17.44 x 4%, equals 70% of your full pension). If 2.0 of the years of Vesting Credit resulted from Pro-rata Reciprocal Credits, then the benefit would be 62% (15.44 x 4% equals 62% of your full pension).

The maximum Partial Disability Retirement Benefit is 100% of the Full Disability Retirement Benefit. The minimum Partial Disability Retirement Benefit remains at 50% of the Full Disability Retirement Benefit.

This Amendment does not impact any existing Partial Disability Retirement determinations that have been approved prior to October 1, 2005. Thus, if you are already receiving a Partial Disability Retirement Benefit or it has been approved prior to October 1, 2005, your Partial Disability Retirement Benefit amount will not change.

**REMINDER:**

The Plan's Independent Medical Review Organization makes the evaluation and determination whether you are totally and permanently disabled from performing the duties of the trade (qualifying you for the Partial Disability Retirement Benefit).

As a result, disabled Participants are urged to apply for a permanent and total disability benefits under Social Security prior to or at the same time you apply for a Partial Disability Retirement with the NCPT Pension Plan. If within two years of the onset of a Partial Disability Retirement, the Retiree secures a total and permanent disability award from Social Security, the Retiree may apply for conversion from Partial Disability Retirement Benefits to Full Disability Retirement Benefits.

As a reminder, to be eligible for a Partial Disability Retirement Benefit, a Participant's disability must have continued for at least six consecutive months, the Participant must have been credited with at least 300 hours of Covered Employment during any one of the three Plan years ending with the year that the disability began, and the Participant must have:

- 1) Ten or more years of Vesting Credits, regardless of age, or
- 2) At least five years of Vesting Credits, and at least five years of Benefit Credits, and attained age 55 or older.

If you have any questions, please contact the Trust Fund Office at (925)356-8921, extension 228.

Board of Trustees