

**SUMMARY OF MATERIAL MODIFICATION TO  
THE ANNUITY FUND OF INTERNATIONAL UNION OF OPERATING ENGINEERS,  
LOCAL UNION 94-94A-94B, AFL-CIO**

**To: All Participants and Beneficiaries of the Annuity Fund of International Union of Operating Engineers, Local Union 94-94A-94B, AFL-CIO**

**From: Board of Trustees**

**Re: Recent Plan Changes**

**Date: October 18, 2024**

---

*This document is a Summary of Material Modification (“SMM”) intended to notify you of a change to the Annuity Fund of International Union of Operating Engineers, Local Union 94-94A-94B, AFL-CIO (the “Plan”). This document is intended to satisfy the requirements for issuance of a SMM under the Employee Retirement Income Security Act of 1974, as amended from time to time. You should take the time to read this SMM carefully and keep it with your Summary Plan Description (“SPD”) that was previously provided to you. If you need another copy of the SPD, or if you have any questions regarding this change to the Plan, please contact the Fund Office during normal business hours at: 331-337 West 44<sup>th</sup> Street, New York, 10036, telephone number (212) 459-8948. This SMM is also available online at [www.local94.com](http://www.local94.com) under “Notices”.*

The Board of Trustees is pleased to inform you that pursuant to the SECURE 2.0 Act of 2022, effective January 1, 2024, the Plan’s small benefit payment limit has increased from \$5,000 to \$7,000. This means that, if at the time your Individual Account is to be distributed to you (or if the payment is on account of your death or the death of your Spouse or beneficiary, as the case may be), the value of your Individual Account balance does not exceed \$7,000 (including any rollover contributions you made to the Plan and any earnings thereon), your entire Individual Account balance will be paid in a lump-sum payment, and no other form of benefit payment will be permitted under the Plan.

I.

The first paragraph in the Section titled **Forms of Payment** on page 11 in the SPD has been updated to read as follows with the new language underlined:

If your Individual Account balance does not exceed \$1,000 (including any rollover contributions you made to the Plan and any earnings thereon) and is payable for any reason under the terms of the Plan, your entire Individual Account will be distributed to you in a single lump sum payment when you have “separated from service.” In addition, if at the time your Individual Account is to be distributed to you (or if the payment is on account of your death or the death of your Spouse or beneficiary, as the case may be) the value of your Individual Account balance does not exceed \$7,000 (including any rollover contributions you made to the Plan and any earnings thereon), your entire Individual Account will be paid in a lump-sum payment, and no other form of benefit payment shall

be permitted under the Plan. If your Individual Account balance exceeds \$7,000 (including any rollover contributions you made to the Plan and any earnings thereon), unless you elect an optional form of benefit distribution, as described below, the value of your Individual Account will be used to purchase from an insurance company (selected by the Trustees) a nonforfeitable and nontransferable “qualified annuity.” The amount of the monthly benefit that will be payable to you under a qualified annuity will depend on many factors, including the amount in your Individual Account, certain interest rate and other assumptions used by the insurance company, and your (and, if applicable, your Spouse’s) age. A qualified annuity means:

...

## II.

The last paragraph in the Section titled **Survivor Benefits** on page 14 in the SPD has been updated to read as follows with the new language underlined:

...

Notwithstanding the foregoing, if your Individual Account balance is \$1,000 or less, your Spouse will receive such amount as a single lump sum payment as soon as administratively practicable following the date the Fund Office receives notification of your death. In addition, if, at the time your Individual Account is to be distributed to your Spouse or beneficiary (as the case may be) the value of your Individual Account balance does not exceed \$7,000 (including any rollover contributions you made to the Plan and any earnings thereon), your entire Individual Account will be paid in a lump-sum payment, and no other form of benefit payment will be permitted under the Plan.

## III.

The second paragraph in the Section titled **How to Apply for Benefits** on page 16 in the SPD has been updated to read as follows with the new language underlined:

...

As discussed previously, if you have not attained your required distribution date and your Individual Account balance exceeds \$7,000 (including any rollover contributions you made to the Plan and any earnings thereon); you may request that distribution of your Individual Account balance commence immediately following the event that entitles you to the distribution of your Individual Account. Alternatively, you may leave your Individual Account balance in the Plan even after you are eligible for a distribution, until you elect to have distributions under the Plan commence. You will be required to commence distributions once you reach your required distribution date, however.

...

This SMM is intended to provide you with an easy-to-understand description of material changes that have been made to the Plan. While every effort has been made to make this description as complete and as accurate as possible, this SMM, of course, cannot contain a full restatement of the terms and provisions of the Plan. The Board of Trustees or its duly authorized designee, reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Plan, or any benefits provided under the Plan, in whole or in part, at any time and for any reason, in accordance with the applicable amendment procedures established under the Plan and the Agreement and Declaration of Trust establishing the Plan (the "Trust Agreement"). The Trust Agreement is available at the Fund Office and may be inspected by you free of charge during normal business hours. No individual other than the Board of Trustees (or its duly authorized designee) has any authority to interpret the plan documents, make any promises to you about benefits under the Plan, or to change any provision of the Plan. Only the Board of Trustees (or its duly authorized designee) has the exclusive right and power, in its sole and absolute discretion, to interpret the terms of the Plan and decide all matters arising under the Plan.