



## SUMMARY OF MATERIAL MODIFICATIONS

for the

### CENTRAL PENSION FUND OF THE INTERNATIONAL UNION OF OPERATING ENGINEERS AND PARTICIPATING EMPLOYERS

This notice contains a Summary of Material Modifications to the Summary Plan Description (SPD), issued August 2022. This Summary of Material Modifications (SMM) supplements or modifies the information in your SPD regarding the Plan. Please keep this document with a copy of your 2022 SPD. For additional information about your benefit or to review the SPD, please visit the Central Pension Fund's website at [www.cpfioe.org](http://www.cpfioe.org).

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#### **1. Benefit Accrual Increase for Hours Worked February 1, 2023 through January 31, 2025**

Effective April 1, 2025, the benefit accrual rate for all hours worked during the period February 1, 2023, to January 1, 2025, will increase from 1.75% to 2.00%. This is a one-time increase that only applies to hours worked during this period. Thus, for hours worked both before (April 1, 2020, through January 31, 2023) and after that period (February 1, 2025, onward), the Benefit Accrual Rate remains unchanged at 1.75%. Furthermore, because the effective date of the increase is April 1, 2025, and is not retroactive, current retirees who worked during the specified period will see an increase to their monthly benefits beginning on or after April 1, 2025, without any retroactive lump-sum back payments.

For more information, please review the December 2024 Summary of Material Modifications, which can be found under the "Participant & Recipient Forms" section of the Central Pension Fund's website at [www.cpfioe.org](http://www.cpfioe.org).

#### **2. Automatic Beneficiary Revocation Upon Divorce**

Effective March 1, 2023, please note that the designation of a Participant's spouse as Beneficiary is automatically revoked upon divorce. As such, if you wish to name a former spouse as your beneficiary, you must complete and submit a new Designation of Beneficiary designation form after a divorce.

It is important to note that this does not apply to Participants who have retired and selected a Qualified Joint and Survivor Annuity. In that case, and in accordance with the Plan of Benefits, the Qualified Spouse would continue to be entitled to the survivor portion of the Participant's benefit unless, after the Participant and spouse divorce, the Fund receives a valid waiver of the former spouse's rights to receive the survivor benefits.

### **3. Medical Certification for Total & Permanent Disability**

For purposes of the medical certification required for a Disability Benefit (which is in addition to the requirement of a Social Security disability determination), the Fund will now accept any medical professional that qualifies as an “Acceptable Medical Source” under the Social Security Administration (which includes, for example, a Nurse Practitioner). For more information on who is considered an Acceptable Medical Source, please visit the Social Security Administration’s website or 20 CFR 404.1502.

### **4. Retirement Eligibility While Working in a Non-Covered Position**

In general, to be eligible to retire and begin receiving a benefit, you must terminate employment with an intent to permanently retire. While this continues to be the rule for most Participants, effective June 25, 2024, Participants who have reached Normal Retirement Age (65) and who are no longer working in a classification covered by a collective bargaining agreement, may continue working for a Participating Employer and commence receiving their retirement benefits, provided they are not otherwise working in disqualifying employment.

### **5. Recalculation of Benefits for Return to Work**

Effective January 1, 2025, a retiree who has reached the age of 65 and returned to work may have their benefit recalculated upon reaching 1,000 contribution hours. The 1,000 hours required under this rule need not be continuous, and the recalculation is performed upon request.

### **6. Alumni (former Bargaining Unit Personnel) Participation**

Subject to specific requirements, Participating Employers who contribute to the Central Pension Fund may extend participation to bargaining unit alumni employees that are currently not covered by any applicable collective bargaining agreement. If an employer seeks to have its bargaining unit alumni employees participate in the Fund, the employer must complete and execute the Fund’s Alumni Participation Agreement.

### **7. New Employer Rule: Free Look Exception for New Participating Employers**

While the Central Pension Fund does not have Employer withdrawal liability, the “Free Look Exception” provides an exception to the Fund’s withdrawal liability rules for new Employers provided certain conditions are met. One such condition is that if the new Employer’s obligation to contribute to CPF ceases, the employer must not have been contributing to the Fund for more than five (5) years.

### **Where to Get More Information**

For more information about this notice, you may contact Joseph J. Shelton, Chief Executive Officer, at the Fund Office located at 4115 Chesapeake Street, NW, Washington, DC 20016-4665, telephone number is 202-362-1000. For identification purposes, the official plan number is 001 and the plan sponsor’s employer identification number or “EIN” is 36-6052390.