



# Benefit Funds

PENSION | HEALTH & WELFARE | 401K

## **SEIU National Industry Pension Fund (NIPF)**

**EIN/PN: 52-6148540 / PN 001**

### **Summary of Material Modifications (SMM) to the Plan**

Date: June 30, 2020

To: Participants and Beneficiaries of the SEIU National Industry Pension Fund

From: Board of Trustees

RE: Recent Changes to the NIPF

The Board of Trustees has amended the SEIU National Industry Pension Fund (the “Plan”) to adjust and clarify the application process and timing for disability pensions and for a participant who dies during the application process. Both amendments are described below along with an updated Board of Trustees listing.

#### **Changes to the Disability Pension Application Process and Commencement of Benefits**

The Plan has been amended to modify the criteria for establishing a Permanent and Total Disability and the retroactive period available for establishing the Effective Date of the pension once approved. Effective for Disability Pension applications submitted to the Plan on or after January 1, 2018, Covered Employees will be required to submit proof of a Social Security Disability Award as evidence of a Permanent and Total Disability. The prior standard that required you to submit a physician’s statement or other evidence of your disability, in addition to a Social Security Disability Award, if applicable, no longer applies. Effective January 1, 2018, a Social Security Disability Award is the sole criteria for establishment of a Permanent and Total Disability under the Plan provisions.

In addition, for Disability Pension applications submitted to the Fund on or after January 1, 2018, the Effective Date for the commencement of the Disability Pension will be the **later** of:

- (a) The first day of the seventh month following the month of the disability onset as stated on the Participant’s Social Security Disability Award; or
- (b) The first day of the sixth month prior to the month in which the application for a Disability Pension is filed with the Fund.

Here is an example:

A Covered Employee became permanently and totally disabled in July 2019 and applied to the Social Security Administration for disability benefits in September 2019. He then receives a Social Security Disability Award in October 2020 and files an application for benefits with the Fund in that same month after receiving the Social Security Award Notice. In this situation, the Effective Date for the commencement of the Covered Employee's Disability Pension will be the later of:

- (a) February 1, 2020, the first day of the seventh month following the month of the disability onset (July 2019); or
- (b) April 1, 2020, the first day of the sixth month prior to the month the Covered Employee files an application with the Fund (October 2020).

Therefore, the Effective Date would be April 1, 2020. The Covered Employee would receive a retroactive catch-up payment for the April 2020 through October 2020 monthly payments, and then monthly payments prospectively from November 2020.

### **Death During Application Process**

Effective January 1, 2019, the Plan was amended to modify the benefits payable when a Participant dies after submitting a pension application, but during the period in which the application process is not yet completed.

- (1) Participants with a Surviving Spouse. If a Participant with a Surviving Spouse dies after applying for a pension benefit but before benefit payments begin, the Surviving Spouse may have the option to elect between the preretirement Survivor's Annuity and one of the Spousal Pension options.

If a Participant dies after applying for a pension benefit but has not elected a form of benefit payment, the Surviving Spouse may elect to receive:

- (a) The preretirement Survivor's Annuity (50% Spousal Pension); or
- (b) The 75% Spousal Pension option; or
- (c) The 100% Spousal Pension option.

**Example 1:** On April 1, Joe submits a completed pension application. Joe dies on April 20, before he has submitted his election of a form of benefit payment. Joe is survived by his spouse of 10 years, Jane. Jane will receive the preretirement Survivor's Annuity (50% Spousal Pension), or she may elect to receive the survivor portion of the 75% or 100% Spousal Pension instead.

If a Participant dies after applying for a pension benefit and has elected a form of benefit payment, the Surviving Spouse may elect to receive:

- (a) The preretirement Survivor's Annuity; or
- (b) The form of benefit actually elected by the Participant before his or her death.

**Example 2:** On April 1, Margaret submits a completed pension application and elects the 75% Spousal Pension. Payments are scheduled to begin on July 1. Margaret dies on June 1 (before payments have begun.) Margaret is survived by her spouse of 5 years, Michael. Michael will receive the preretirement Survivor's Annuity, or he may elect to receive the survivor portion of the 75% Spousal Pension (which would have been payable if Margaret had survived until benefits had commenced) instead of the preretirement Survivor's Annuity.

- (2) **Participants Without a Surviving Spouse.** If a Participant dies after applying for a pension benefit and electing the Single Life Annuity with a 60-month guarantee, but before the Participant's Pension Effective Date, and the Participant does not have a Surviving Spouse eligible for a benefit under the Plan, the 60-month guaranteed benefit will be paid to the designated beneficiary as elected by the Participant.

**Example 3:** On April 1, Albert submits his completed pension application and elects the Single Life Annuity with 60-month guarantee. Payments are scheduled to begin on July 1. Albert dies on June 1 (before payments have begun). Albert is not married, and he has named his brother, Allan, to be his designated beneficiary. Allan will receive the 60 guaranteed payments (as elected by Albert).

As a reminder, an individual legally married to a Participant, joined with the Participant in a civil union, or registered as a domestic partner with the Participant will be treated as a "spouse" under the Plan. A "spouse" is also a "Surviving Spouse" eligible for a benefit under the Plan if (1) the spouse or spouse equivalent was married to the Participant (or a partner in a civil union or registered as a domestic partner) for at least one year before the death of the Participant and (2) the marriage, civil union, or domestic partnership had not ended due to death, divorce, or dissolution before the death of the Participant. The "Surviving Spouse" rules have not changed.

## **New Trustees Appointments**

New Trustees that have been appointed to the Board since the SPD was last issued. Following is the current Board of Trustees:

Union Trustees:	Arun Ivatury (Board Chair)
	Roderick S. Bashir
	Emanuel Pastreich
	April Verrett
	David Huerta
Management Trustees:	Christopher Bouvier
	Thomas E. LaMartina
	Edward J. Manko (Board Secretary)
	Frank A. Maxson
	John J. Sheridan

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Please contact the SEIU Benefits Fund Office if you have any questions and the staff can assist you. Keep this with your other important Plan documents. In the event that there is any discrepancy between this document and the Plan Document governing the Plan, the terms of the Plan Document will govern.