



October 2024

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**Pipeline Industry Pension Fund
Pipeline Industry Benefit Fund
Pipeline Industry 401(k) Fund**

***Important Information to the Membership
Summary of Material Plan Modifications***

The Board of Trustees of Pipeline Industry Pension Fund, Pipeline Industry Benefit Fund, and Pipeline Industry 401(k) Fund met on April 4, 2024, June 10, 2024, and August 29, 2024, and approved changes to the respective Plans as summarized below. These important pension plan, health and welfare plan, and 401(k) plan changes will affect active participants, spouses, children, and retirees.

Pipeline Industry Pension Fund

The following pension improvements and changes will be implemented for participants earning pension credits and retired participants in the Pipeline Industry Pension Fund (PIPF):

1. Increase the accrual rate retroactive for all Journeyman participants' past years to \$250 provided the participant does not have a break in service of two years or more and increase the Helper rate for all Helper participants to \$166 provided the participant does not have a break in service of two years or more. This benefit increase is retroactive for anyone retiring January 1, 2024, or later. Future year accrual rates will be \$250 for Journeymen and \$166 for Helpers.
2. Retired participant members or widows who retired prior to January 1, 2024, and are in pay status on December 31, 2023, will receive a 5% increase effective January 1, 2024.
3. PIPF will issue a full 13th check in 2024 for participants who retired prior to January 1, 2024, and are in pay status on December 31, 2023. If the participant died before January 1, 2024, and

their designated beneficiary is in pay status on January 1, 2024, the beneficiary will get a 13th check based on their beneficiary amount. The 13th check will be equivalent to a full monthly benefit after the 5% increase is added.

IMPORTANT DISCLAIMER

Pension benefit increases are approved only when the actuarial consultants have confirmed that the Pipeline Industry Pension Fund is in a sound financial position and any improvement will not jeopardize the long-term goals of the Plan. A 13th check is a one-time benefit, not an ongoing benefit, and is based entirely on the Fund's circumstances at the time. Participants/retirees/beneficiaries should not assume that the same or similar benefit will be approved in any future years.

In-Service Distribution Accruals Earned

4. In accordance with the provisions of the Plan prior to January 1, 2013, a retiree age 62 or older could work and receive their monthly pension benefit as an In-Service Distribution; however, accruals earned while working were limited or offset based on the benefit payments received and in most cases the retiree did not receive the full accruals for continued work. The Trustees have again temporarily suspended this offset rule, extending it through December 31, 2026. If you are a retiree age 62 or older receiving an In-Service Distribution, you may continue to receive your monthly pension check and earn the full accrual of benefits based on the hours worked, with no offset for payments received, through December 31, 2026.

Pipeline Industry Benefit Fund

The following benefit improvements and changes will be implemented for participants and retired participants in the Pipeline Industry Benefit Fund (PIBF):

1. Effective January 1, 2025, active participants will have the option to opt out of the PIBF plan. This is available one time only with the option to opt back in one time only and can be done for individual dependents; however, if the participant opts out, all dependents must opt out as well. Forms to opt-out or opt-in to the Plan are posted on the PIBF website under the "Forms" tab, "H&W," and are due by December 15, 2024, to be effective January 1, 2025. Additional criteria to opt-out or opt-in, including proof of minimum essential coverage, will be detailed on the form. This provision will be in place until December 31, 2026, unless extended by the Board of Trustees.
2. Effective January 1, 2024, the Fund does not cover any charges related to gene therapy, whether those therapies have received approval from the U.S. Food and Drug Administration (FDA) after March 23, 2010, or are considered experimental or investigational. This includes medical and pharmaceutical charges.

Health Reimbursement Arrangement (HRA)

3. The Trustees have again approved the continuance of the HRA for 2025. The HRA benefit will continue to be \$4,000 per year for active members for single or family coverage. Active

members on COBRA will continue to be \$4,000 per year for single or family coverage. Separate coverage for spouses and children who are on COBRA is \$2,000 per year. The HRA amount for a retired member with covered dependents is \$4,000 per year and single retired members and retired widows is \$2,000 per year. HRA benefits are available for months with active, COBRA, or retiree coverage only.

Pipeline Industry 401(k) Fund

The following benefit improvements and changes will be implemented for participants and retired participants in the Pipeline Industry 401(k) Fund (401(k)):

Additional SECURE 2.0 provisions adopted

1. 401(k) funds payable upon death to a participant's beneficiary previously could be paid out over the lifetime of the beneficiary. Retroactively effective to January 1, 2023, death benefits must be paid out within 10 years.
2. 401(k) funds payable upon death to a participant's beneficiary could automatically be distributed upon the participant's death if the balance of the account is \$5,000 or below. Effective January 1, 2024, this amount is now \$7,000.

REMINDER OF GRANDFATHERED HEALTH PLAN STATUS: *The Plan is a group health plan that believes it is a "grandfathered health plan" under the Patient Protection and Affordable Care Act (the "Affordable Care Act"). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans (for example, the requirement for the provision of preventive health services without any cost sharing). However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act (for example, the elimination of lifetime limits on benefits).*

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the Fund office, at the address and telephone number listed on page 1. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

Sincerely,



Renée E. Vause

Director