



# MO-KAN TEAMSTERS TRUST FUNDS

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## MO-KAN TEAMSTERS PENSION FUND

06/05/2025

Dear Participant:

The Board of Trustees would like to inform you of a change reflected in an Amendment recently adopted to the Mo-Kan Teamsters Pension Fund (the “Plan”) with respect to the application of hours accumulated in the Reserve Bank of Hours. The change is described in this notice, which serves as a summary of material modification (SMM).

### THE CHANGE AND HOW IT MAY AFFECT YOU

Effective for retirements on or after January 1, 2025, the rules for applying the Reserve Bank of Hours have been expanded to reflect that the Participant’s Reserve Bank of Hours may be applied for Pension Credit and benefit accrual purposes to a Participant’s first year of work in Covered Employment upon satisfaction of the following conditions:

- The Participant completed more than 500 hours of work in Covered Employment in the Participant’s first year of work in Covered Employment; and
- The Participant is credited with more than 20 years of vesting service.

#### Example

**Before the change** - Jason retires at age 65 on December 31, 2025 with 21.5 years of service under the Plan. He worked 550 hours in his first year of work in Covered Employment during 2004 and a total of 2,000 hours during each plan year from January 1, 2005 through December 31, 2025. The employer contributions were made on Jason’s behalf for his work in Covered Employment throughout his career. Accordingly, his monthly benefit will be calculated based on his years of service times the accrual rate(s) based on the contribution rates made on his behalf as follows:

- 1) \$100 accrual rate x 11.5 years of service (1/1/2004 – 12/31/2015) = \$1,135.25; **plus**
- 2) \$103.00 accrual rate x 8.0 years of service (1/1/2016 – 12/31/2023) = \$824.00; **plus**
- 3) \$113.30 accrual rate x 2.0 years of service (1/1/2024 – 12/31/2025) = \$226.60

#### **Total**

**\$2,186.00 (rounded)**

**After the change** - Jason will retire with 22 years of service because he will be able to apply up to 450 Reserve Bank of Hours to his first year of work in Covered Employment during which he originally only completed 550 hours of work in Covered Employment. Note that the added Reserve Bank of Hours cannot make the total hours of work in Covered Employment for that year exceed 1,000 hours. Accordingly, his new monthly pension amount would be **\$2,221.00 (rounded)**. This amount was derived by adding an additional **\$35.25** to the monthly amount for the additional 450 Reserved Bank of Hours applied to his first year of work in Covered Employment.

**Questions?** If you have any questions regarding this Plan change or the Pension Plan in general, please call or write the Fund Office.

Sincerely,

The Board of Trustees

*This announcement letter contains only highlights of certain provisions of the Mo-Kan Teamsters Pension Fund. Complete details are contained in the official Plan Document. In case of conflicts between the wording in this announcement letter and the wording in the official Plan Document, the Plan Document always governs. All plans are subject to change without prior notice to participants.*