



MEBA PENSION TRUST – MONEY PURCHASE BENEFIT PLAN SUMMARY OF MATERIAL MODIFICATIONS

This Summary of Material Modifications (“SMM”) advises you of changes in the information contained in Summary Plan Description (“SPD”) for the MEBA Pension Trust - Money Purchase Benefit Plan (“Plan”), as required by the Employee Retirement Income Security Act of 1974, as amended. The Plan’s Trustees have amended the Plan to: (1) implement automatic distributions for small accounts of Terminated Participants, absent affirmative direction as to form of payment by the Participant; (2) increase the age that triggers required minimum distributions and permit a surviving spouse to elect to be treated as the employee for required minimum distributions; (3) confirm that in administering the Plan, the Trustees may reasonably rely on the truth, accuracy, and completeness of all information you provide, and (4) provide that overpayments will be handled in accordance with the Plan’s Recovery of Overpayments Policy. The SPD is changed as described below.

WHEN YOUR BENEFITS CAN BE PAID

As described on page 9 of the SPD, your benefits under the Plan can be paid to if you Retire or terminate Covered Employment. A new paragraph is added to Page 9 in between the paragraph entitled “Payments upon Your Death” and “Required Payments upon Reaching Age 72” to read as follows:

Small Account Distributions upon Termination of Employment

Effective September 1, 2024, if you are a “Terminated Employee” and your Plan account balance is less than \$1,000, it will automatically be paid to you in a single lump sum. If your account balance is between \$1,000 and \$7,000 at your Termination of Employment, you can receive a payment of benefit. Please refer to “How Your Benefit Can Be Paid,” beginning on page 11. A “Terminated Employee” means a Participant who has not worked Covered Employment for a minimum of three (3) consecutive years. The date on which a Participant becomes a Terminated Employee represents their “Termination of Employment.”

1. On page 9 of the SPD, the language under the heading “Required Payments upon Reaching Age 72” is revised to read as follows (new language shown in ***bold italics***):

Required Payments upon Reaching *Required Beginning Date Age 72*

Unless you request an earlier distribution, the MPB Plan is legally required to start making required minimum distributions by April 1 following the later of the calendar year in which you ~~reach age 72 (age 70½, for those Participants who attained age 70½ before January 1, 2020)~~ ***attain your Required Beginning Date***, or if you are still working at that age (and are not a 5% or more owner

of an Employer), when you stop working in Covered Employment. *Effective January 1, 2024, the term “Required Beginning Date” means—*

- (i) *age 70½ if you attain age 70½ prior to December 31, 2019;*
- (ii) *age 72 if you attain age 72 after December 31, 2019, and prior to January 1, 2023;*
- (iii) *age 73 if you attain age 72 after December 31, 2022, and age 73 before January 1, 2033; and*
- (iv) *age 75 if you attain age 74 after December 31, 2032.*

If you are a 5% or more owner of an Employer, you must begin receiving required minimum distributions even if you are still working in Covered Employment. If you die before you begin receiving a distribution of your account, and if your surviving Spouse is your sole beneficiary, your surviving Spouse will have the same distribution options you would have (as described on page 11). In addition, required minimum distributions to the surviving Spouse will begin by the later of December 31 of the calendar year immediately following the calendar year in which you died, or by December 31 of the calendar year in which you would have attained your Required Beginning Date as described above.

If, for any reason, you cannot be located by the time a required minimum distribution is payable to you, then the IRS may require you to pay an excise tax on the required distributions. This is one reason it is important to keep your contact information up to date.

HOW YOUR ACCOUNT CAN BE PAID - AUTOMATIC DISTRIBUTION OF SMALL ACCOUNTS

As described on page 9 of the SPD, your benefits under the Plan can be paid to if you retire, terminate Covered Employment and, as described above, effective September 1, 2024, if you have a Termination of Employment.

As noted on page 11 of the SPD, when you are eligible for payment you may choose to have your Plan account paid as a single lump sum, a life or joint and survivor annuity (depending on your marital status), installment payments, or a direct rollover to in Individual Retirement Account (IRA) or another tax-qualified retirement plan.

On page 11 of the SPD, the following is added after the first paragraph under the heading “How Your Benefit Can Be Paid”:

However, if your account balance is less than \$1,000, it will automatically be paid to you in a single lump sum when you are first eligible to take a distribution. Further, effective September 1, 2024, if you Retire, terminate Covered Employment or have a Termination of Employment, and your account balance is between \$1,000 and \$7,000, unless you affirmatively elect one of the distribution options described above at the time you are first eligible to take a distribution, your account will be automatically rolled over to an Individual Retirement Account (IRA) established in your name, with an IRA recordkeeper selected by the Plan’s Trustees. This transfer will occur without your consent (or the consent of your beneficiary in the event of your death).

2. On page 13 of the SPD, the following is added immediately before the heading “Overpayments”:

REASONABLE RELIANCE BY PLAN ADMINISTRATOR

The Plan Administrator and others responsible for Plan operations, management of assets and provisions of benefits under the Plan may reasonably rely on the truth, accuracy, and completeness of all information and consents, elections, etc., without limitation, that you, your beneficiary, or alternate payee under a qualified domestic relations order make to the Plan.

The Plan Administrator and others responsible for the Plan do not have the duty to inquire into any information provided. In addition, it is the responsibility of the Participant, spouses of Participants, Beneficiaries, and alternate payees to update the Plan with any relevant data.

3. On page 13 of the SPD, the paragraphs under the heading “Overpayments” are modified to read as follows (new language shown in *bold italics*):

Effective January 1, 2024, if the Plan makes an Overpayment (that is, if the Plan pays an amount of benefits greater than the amount to which you, your spouse, your Beneficiary, an alternate payee, or any other person is entitled), the Plan will take steps to correct the overpayment ***in accordance with the Plan’s Recovery of Overpayments Policy***. ~~The Plan can do this by offsetting the future benefits of you or any person who is entitled to future benefits with respect to you. For example, the Plan may offset future benefits, including death benefits and survivor benefits. The Plan may also take legal action to recover overpayments.~~

The Plan shall have a constructive trust, lien, and/or equitable lien by agreement in favor of the Plan on any overpayment. Any such amount will be deemed to be held in trust by any person, including an attorney, for the benefit of the Plan until paid to the Plan. By accepting benefits from the Plan, you and any person who is entitled to future benefits with respect to you agree that a constructive trust, lien, and/or equitable lien by agreement in favor of the Plan exists with regard to any Overpayment.

The Plan ~~will~~ ***may*** be entitled to recover attorneys’ fees and costs related to the collection of an overpayment. By accepting benefits from the Plan, you and any person who is entitled to future benefits with respect to you affirmatively waive any defenses available to you in any action by the Plan or Trustees to recover Overpayments or amounts due under any other rule of the Plan, including but not limited to a statute of limitations defense or a preemption defense, to the extent permissible under applicable law.

If you have any questions regarding these changes, contact the Pension Department at the Plan Office by calling 410-547-9111 or 800-811-6322. Keep this notice with your SPD so that when you refer to the SPD, you will be reminded of the change described in this notice.



Patricia Kelly, Executive Director