



NOTICE OF CHANGE IN DISABILITY BENEFITS IN THE  
PENSION TRUST FUND FOR OPERATING ENGINEERS

**DATE:** March 16, 2012  
**TO:** Participants, alternate payees, and participating employers of the Pension Trust Fund for Operating Engineers Pension Plan  
**FROM:** The Board of Trustees  
**SUBJECT:** Notice of Changes in Disability Benefits

The Pension Plan has been modified effective April 1, 2012 to make some changes to its disability benefits.

Up until now a participant with between five and ten Years of Credited Service was not eligible for a disability benefit if his social security disability effective date was after his 62<sup>nd</sup> birthday. For those participants who had not reached their Normal Retirement Age by January 1, 2012, this rule has been changed to allow participants in this situation to retire on an actuarially equivalent disability benefit effective January 1, 2012.

Another change was to modify the factors for the Husband-and-Wife form of benefit. Prior to April 1, 2012 they were based on a factor of 89% for spouses of the same age. The 89% adjustment was increased or decreased by 1 / 30 of one percent for each month that your spouse is older or younger than you. Effective for retirements on or after April 1, 2012, the 89% factor has been changed to 82%. The same 1 / 30 of one percent adjustment will continue to apply if you and your spouse are not the same age.

**For example, say your monthly benefit is \$1,000 and your spouse is 12 months younger than you.**

Before Amendment:	Husband-and-Wife Adjustment =	$89.0\% - [12 \text{ months} \times 1 / 30\%] = 88.6\%$
	Husband-and-Wife Pension =	$88.6\% \times \$1,000 = \$886$ for participant's life with \$443 payable to surviving spouse.
After Amendment:	Husband-and-Wife Adjustment =	$82.0\% - [12 \text{ months} \times 1 / 30\%] = 81.6\%$
	Husband-and-Wife Pension =	$81.6\% \times \$1,000 = \$816$ for participant's life with \$408 payable to surviving spouse.