

SOUTHERN NEVADA CULINARY AND BARTENDERS PENSION PLAN

P O Box 43449 Las Vegas, Nevada 89116

Telephone: (702) 369-0000

Fax: (702) 369-2198

***** IMPORTANT INFORMATION REGARDING YOUR PENSION BENEFIT *****

***** PLEASE READ CAREFULLY*****

**TO: PARTICIPANTS OF THE SOUTHERN NEVADA CULINARY AND BARTENDERS
PENSION PLAN**

DATE: FEBRUARY 17, 2017

RE: INCREASE IN PLAN BENEFITS AND DISABILITY PENSION AMENDMENT

INCREASE IN PLAN BENEFITS

The Board of Trustees of the Southern Nevada Culinary and Bartenders Pension Plan (the "Plan") is very pleased to announce that it has approved an increase in pension benefits for all active participants by 10%.

There are two important parts to this increase:

First, you will receive a 10% increase in all benefits you earn on or after January 1, 2016.

Second, you will receive a 10% increase in all of the benefits you earned after 1975, as long as you were actively employed in 2016 (meaning that you worked at least 300 hours in covered employment in 2016) and you did not start to receive your pension before 2016.

Please note that if you did not work at least 300 hours in 2016 because you retired in 2016, you are still eligible for the 10% increase on all benefits you earned after 1975, as long as you worked at least 300 hours in 2015. If you did not work 300 hours in 2016 and did not retire in 2016, then you will not be entitled to the 10% increase going back to 1976 (but you will still be eligible for the 10% increase for any benefits you earn for work done after 2016 and any years after that).

These examples help explain how the benefit increase works:

Example 1

Participant A started working on January 1, 2016 and works 2,000 hours each year for 10 years, through 2025. Participant A's pension is determined as follows:

Monthly Benefit Before the 10% increase: \$343.90 per month (\$34.39 for each year)

Monthly Benefit After the 10% increase: \$378.30 per month (\$37.83 for each year)

After the increase, Participant A's pension is \$34.40 per month higher than it was before the increase.

Example 2

Participant B started working on January 1, 2009 and works 2,000 hours each year for 20 years, through 2028. Participant B's pension is determined as follows:

Monthly Benefit Before the 10% increase: \$687.80 per month (\$34.39 for each year)

Monthly Benefit After the 10% increase: \$756.60 per month (\$37.83 for each year)

After the increase, Participant B's pension is \$68.80 per month higher than it was before the increase. Because Participant B worked more than 300 hours in 2016, the 10% increase applies to all of Participant B's pension.

Example 3

Participant C started working on January 1, 2005 and worked 2,000 hours every year through 2015, but then worked only 150 hours in 2016 and did not work after 2016. Participant C's benefit does not increase because he did not work at least 300 hours in 2016.

Example 4

Participant D started working on January 1, 2005 and worked 2,000 hours every year through 2015, but then worked only 150 hours in 2016 and retired in 2016.

Monthly Benefit Before the 10% increase: \$378.29 per month (\$34.39 for each year)

Monthly Benefit After the 10% increase: \$416.13 per month (\$37.83 for each year)

After the increase, Participant D's pension is \$37.84 per month higher than it was before the increase. Because Participant D retired in 2016 and worked more than 300 hours in 2015, the 10% increase applies to all of Participant D's pension credit.

If you retired in 2016 and are eligible for the increase, the Trust Fund Office is currently working on making automatic adjustments to your monthly benefit payments, and you will receive the increase in the near future.

DISABILITY PENSION AMENDMENT

In addition to the increase in benefits, the Board of Trustees has expanded disability benefits under the Plan. Previously, participants were not eligible for a disability pension on the basis of any mental or emotional illness or condition, or any condition relating to alcoholism or drug abuse. These exclusions have been eliminated. For disabilities beginning on or after January 1, 2017, a participant who is totally and permanently disabled due to a mental or emotional illness or condition, or any condition relating to alcoholism or drug abuse is eligible for a disability pension as long as the participant meets the other requirements necessary to receive a disability pension.

GENERAL INFORMATION

The terms of the 10% benefit increase and change in the disability exclusions will be reflected in a formal Plan amendment to be adopted by the Board, and that amendment will govern in the event of any conflict with this announcement.

If you need a copy of the Summary Plan Description or if you have any questions regarding these changes to the Plan, please contact the Trust Fund Office at 702-369-0000.