

United Food & Commercial Workers Local Union #1189 and St. Paul Food Employers Defined Contribution Plan

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IMPORTANT NOTICE

Summary of Material Modifications (No. 1)

To: All Interested Parties

From: The Board of Trustees

Date: October 2024

Re: Catch-Up Contributions for Participants Aged 60-63 and New Ages at Which Required Minimum Distributions Must be Made.

This notice summarizes changes to the UFCW Local 1189 and St. Paul Food Employers Defined Contribution Plan (“Plan”) relating to catch-up contributions and deadlines for Required Minimum Distributions (“RMDs”) resulting from two pieces of recent legislation known as the Setting Every Community Up for Retirement Enhancements Acts 1.0 and 2.0.

Catch-Up Contributions

The Plan permits catch-up contributions in excess of the maximum annual amount an individual may contribute to the Plan (\$23,000 in 2024) beginning in the year you turn 50. These “regular” catch-up contributions are limited to an annual dollar amount (\$7,500 in 2024) set by the IRS. Effective January 1, 2025, the annual catch-up amount will increase to the greater of \$10,000 or 150% of the regular catch-up amount if you are ages 60-63. At age 64, the annual catch-up contribution limit returns to the amount.

For example, assuming the limits set forth above do not change for 2025, the maximum amount you would be allowed to contribute to the Plan in that year would be:

- Under age 50 - \$23,000 (no-catch up contributions permitted).
- Ages 50-59 - \$30,500 (\$23,000 + \$7,500).
- Ages 60-63 - \$34,250 (\$23,000 + \$11,250 (\$7,500 X 150%)).
- Ages 64 and above - \$30,500 (\$23,000 + \$7,500).

Please note that if you participate in more than one 401(k) plan during a year, these contribution limits apply to the combined amount of contributions made to all plans.

RMDs

An RMD is the minimum amount you must withdraw from the Plan to satisfy federal tax rules once you reach a certain age. The Plan was recently amended to increase the age at which RMDs must be taken. Effective January 1, 2023, generally, the ages at which you must begin taking your RMDs are as follows:

- If you were born before to July 1, 1949. Your RMDs must commence by April 1 of the calendar year following the year in which you attain age 70½ (or, if later, the April 1 following the calendar year in which your employment in a position covered by a Contribution Agreement ends).
- If you were born after June 30, 1949 but before January 1, 1951. Your RMDs must commence on or before April 1 of the calendar year following the year in which you attain age 72 (or, if later, the April 1 following the calendar year in which your employment in a position covered by a Contribution Agreement ends).
- If you were born on or after January 1, 1951 but before to January 1, 1959. Your RMDs must commence on or before April 1 of the calendar year following the year in which you attain age 73 (or, if later, the April 1 following the calendar year in which your employment in a position covered by a Contribution Agreement ends).
- If you were born on or after January 1, 1959. Your RMDs must commence on or before April 1 of the calendar year following the year in which you attain age 75 (or, if later, the April 1 following the calendar year in which your employment in a position covered by a Contribution Agreement ends).

Please keep this Summary of Material Modifications with your Summary Plan Description. If you should have any further questions or questions in general, feel free to contact the Plan Administrator, Wilson-McShane Corporation, by calling 952-854-0795.