



NORTHWEST CARPENTERS TRUSTS

Health and Security Retirement Vacation Industry Fund

Northwest Carpenters Retirement Plan Summary of Material Modification

Purpose of Notice

The purpose of this notice is to advise you the Board of Trustees amended the post-retirement employment and suspension rules in the Northwest Carpenters Retirement Plan. These changes are for monthly benefits earned beginning January 1, 2023.

Post-Retirement Employment and Suspension of Benefits for Monthly Benefits Earned Beginning January 1, 2023

If you are retired under the Northwest Carpenters Retirement Plan and under age 65, you can work up to 480 hours in a calendar year in the building and construction industry without your monthly benefit being suspended. If you are age 65 and older, you can also work an additional number of hours not to exceed 40 hours/month without a suspension of your monthly retirement benefit.

If you exceed the applicable monthly thresholds, your monthly benefit under this plan will be suspended when you engage in post-retirement employment as described below. Your monthly benefit will be reinstated on the first day of the month following the appropriate suspension.

Before Age 65

To be deemed retired prior to attainment of age 65, you must sever or terminate your employment with all employers that contribute to the Trust. To sever or terminate employment with an employer, you must not have an arrangement to resume employment with that employer.

If you retire and subsequently work anywhere for wages or profit in the building and construction industry your benefits are subject to suspension as described below. Building and construction industry means business activities of the types engaged in by any employers maintaining the plan. Work means work of the type performed by employees covered by the plan or work which requires, directly or indirectly, the use of the same skills employed by an employee at any time under the plan.

If you work 480 hours or less in a calendar year, your monthly benefit from this plan will not be suspended. This is known as the "480 Hour Rule." If you work more than 480 hours in a calendar year, and you are under age 65, three months of retirement benefits will be suspended effective the first of the month following the month you exceeded 480 hours. For each month in which you work one or more hours thereafter, an additional one month of benefits will be suspended. Suspended means benefits will be withheld and no longer payable.

When you resume retired status following your suspension, your monthly benefit is recalculated. The monthly benefit you earned prior to your original retirement date resumes, plus an actuarial adjustment of the benefit not paid during the months your benefit was suspended. (The penalty that previously applied to those retirees exceeding the 480/580-hour threshold in which their entire benefit would be recalculated without the rule of 80 subsidy no longer applies for post-retirement employment beginning January 1, 2023.)

Any new monthly benefit you earned during your post-retirement employment will be payable at age 65. This new benefit amount is payable for the rest of your life or the joint lifetimes of you and your beneficiary depending on the form of payment you choose.

After Age 65

When you attain age 65, benefits are subject to suspension for work in the building and construction industry in the geographic area covered by the plan. The "480 Hour Rule" and what is known as the "40 Hour Rule" work together to determine when a benefit is suspended:

- During each calendar year, you may choose to work a total of 480 hours. During that period, there is no restriction on how many hours you may work in a specific month. Retirement benefits are not suspended if you work 480 hours or less during a calendar year.
- If you work 480 hours during a calendar year (as described above), you will be suspended for one month (for the month in which you exceed 480). If you work less than 40 hours in any month after the month the 480 hours was reached, your benefit is not suspended.
- If you work 40 hours or more in any month after the month the 480 hours was reached, your monthly benefit will be suspended accordingly.

Building and construction industry means business activities of the types engaged in by any employers maintaining the plan. Work means work of the type performed by employees covered by the plan or work which requires, directly or indirectly, the use of the same skills employed by an employee at any time under the plan.

For additional information about suspension of benefits, please see Article 6.4 in the Northwest Carpenters Retirement Plan booklet.

If you previously participated in the Oregon-Washington Carpenters-Employers Pension Plan, the rules that apply to benefits you earned prior to January 1, 2023 are the same as those that applied in that plan, administered on a calendar year basis. The rules that apply from January 1, 2023 are as described in this section. The key differences are:

- The 480-hour rule applies to all post-retirement employment, not just Covered Employment.
- You will earn additional benefits for all Hours of Service.
- Your monthly benefit payment for Hours of Service beginning January 1, 2023 will not resume each January 1 if you continue to work in post-retirement employment. You will need to contact the Trust Office once you resume retired status to begin payment of that portion of your benefit. Benefits earned in post-retirement employment after December 31, 2022 are not payable until age 65.
- The adjustment for additional accruals for Covered Employment will be made as of the first of the plan year following the year in which the benefit is earned, adjusted based on the Regular Early Retirement factors in effect on the date you resume retirement status.

Northwest Carpenters Individual Account Pension Plan

There are no suspension rules under the Northwest Carpenters Individual Account Pension Plan so retirees receiving a monthly benefit from this plan are not subject to the suspension rules described above for the Northwest Carpenters Retirement Plan.

As always, please contact Milliman Benefits Center with questions about your account and account balance in the Northwest Carpenters Individual Account Pension Plan. We strongly encourage you to register on the Milliman website to monitor your investment options and account balance: MillimanBenefits.com.

Questions?

Below are the most important customer service numbers for participants and dependents. Northwest Carpenters Trusts is open and staffed from 8:00 a.m. – 5:00 p.m. PST and is also working with participants and dependents in person. No appointment is required.

Northwest Carpenters Retirement Plan
Carpenters Retirement Plan – Retirement Services (800) 552-0635

Northwest Carpenters Individual Account Pension Plan
Milliman Benefit Center – (866) 767-1212

Northwest Carpenters Health and Security Plan
Medical Eligibility and Enrollment – Participant Services (800) 552-0635
Medical and Time Loss – Claims (800) 552-0635
Life Insurance – Claims (800) 552-0635
Employee Assistance Program – First Choice (800) 777-4114