



benefit plans
HEALTH & RETIREMENT SERVICES

www.carpdc.org/BenefitServices/Pension

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October 16, 2017

Re: Important Notice to Certain Participants of the Pension Plan of Carpenters' Pension Trust fund of St. Louis (Plan) Regarding Reduction of Anticipated Future Benefit Accruals
This Notice is made pursuant to requirements in ERISA Section 204(h)

Dear Member:

Our records indicate that you are currently an Electrical member in your 1st – 10th term of apprenticeship. This notice is to inform you of an important change in Future Benefit Accruals beginning November 1, 2017. Please read this carefully to determine how this may impact your future benefit accruals in the Plan.

Background (Plan as of October 31, 2017)

Currently, no employer contributions are made to the Plan on behalf of 1st – 5th term Electrical apprentices. As a result, these apprentices do not currently receive any benefit accruals (nor any vesting credit) for work performed for an employer who otherwise contributes to the Pension Plan.

Employer contributions are currently paid into the Plan for Electrical apprentices who are in their 6th – 10th terms. Electrical apprentices in their 6th – 10th terms currently receive the same benefit accruals (and vesting credit) as journeymen for hours worked in Covered Employment.

What's New beginning November 1, 2017

Under the Associated Electrical Contractors collective bargaining agreement effective on November 1, 2017, employers will be required to contribute to the Pension Plan for ALL Electrical apprentices, 1st – 10th term, working in Covered Employment, and all Electrical apprentices, 1st – 10th term, will accrue benefits at a rate that is 75% of the journeyman rate for hours worked in Covered Employment. However, for apprentices who are already in their 6th – 10th term on October 31, 2017, the benefit accrual rate will remain the same as the journeyman rate. On and after November 1, 2017, all apprentices, 1st – 10th term, will earn vesting credit on the same basis as journeymen

The changes in benefit accruals can be illustrated by the following example:

During the 2017 Plan Year (5/1/16 – 4/30/17), apprentice Andy is in his 3rd term, and apprentice Bob is in his 6th term. From November 2016 – April 2017, each of them works 1,200 hours for a contributing employer. Andy receives no benefit accrual. Bob accrues a benefit of \$63.08, at the journeyman rate (\$50.42 + \$0.0633 for each hour over 1,000). During the 2018 Plan Year (5/1/17 – 4/30/18), Andy and Bob again work 1,200 hours each during the period of November 2017 – April 2018. Andy accrues a benefit of \$47.31 (75% of the journeyman rate). Bob again accrues \$63.08, because he was already in his 6th term before the changes took effect on November 1, 2017. When Andy begins his 6th term, after November 1, 2017, he will continue to accrue benefits at 75% of the journeyman rate until he completes his apprenticeship.

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Important Changes to Plan for Certain Participants

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Other Important Information

As noted, if you were a 6th – 10th term apprentice as of October 31, 2017, and remain in the apprenticeship program in accordance with the Plan rules, there will be no reduction in the rate of accrual of benefits you earn on or after November 1, 2017. Also, Journeymen will continue to accrue the same pension benefits they did prior to November 1, 2017.

Please be assured that the Plan change described above only affects future benefits that have not yet accrued. It will not affect any benefits that you have already accrued and earned as of October 31, 2017. These benefits cannot be decreased.

Should you have any questions regarding these changes, please contact the Pension Office, Monday through Friday, 7 am – 4:30 pm:

By phone: (314) 644-4802, option 2

Toll-free: (877) 232-3863, option 2

By email: pension@carpdc.org

Sincerely,

Carpenters' Pension Trust Fund of St. Louis

cc: Contributing Employers