

Summary of Material Modifications

Date: November 20, 2018

To: All Active Participants working in the Albany/Adirondack jurisdiction of the Northeast Carpenters Pension Plan

From: The Board of Trustees of the Northeast Carpenters Pension Plan

The purpose of this Notice is to inform you of the changes that have been made to the Northeast Carpenters Pension Plan. This Notice contains important information concerning your pension benefits.

You should keep this Summary of Material Modifications ("SMM") together with your Summary Plan Description ("SPD") at all times. The two documents should be read together for an accurate description of your current pension benefits. If you have any questions, you may contact the Fund Office.

The following amendment to your SPD is effective January 1, 2019.

The section labeled "Earning Benefits", the last paragraph at the bottom of page 4 of your SPD is amended to read in its entirety as follows:

"For the purposes of subsection (a) through the end of the 2018 Plan Year, Contributions will be based on the first \$5.67 per hour required to be made to the Fund on behalf of Participants performing work in the former Albany/Adirondack Fund jurisdiction. For the purposes of subsection (a) after the 2018 Plan Year through the end of the 2023 Plan Year, the first \$3.60 of hourly contributions will be excluded from earning benefits under the Plan for Contributions required to be made to the Fund on behalf of any Participant performing work as a journeyman in the former Albany/Adirondack Fund jurisdiction. Apprentices will be proportionally affected based on their hourly contribution rate compared to the journeyman hourly contribution rate in the former Albany/Adirondack Plan jurisdiction."

The following examples illustrate this change in the rules of the Plan.

Suppose you work as a journeyman in the Albany/Adirondack jurisdiction of the Plan for 200 hours in 2018 and 200 hours in 2019 and your contribution rate goes from \$9.25 per hour in 2018 to \$9.40 per hour in 2019. Under the old rules, you would have earned \$11.34 per month in 2018 and 2019 since your benefit was calculated using only the first \$5.67 of hourly contributions (200 hours times \$5.67 per hour times 1% benefit accrual

rate equals \$11.34 monthly benefit earned for those 200 hours). After this change, your monthly benefit accrual will remain \$11.34 for 2018 since the change does not take effect until 2019, but will increase to \$11.60 per month for 2019 (\$9.40 per hour minus \$3.60 per hour = \$5.80 per hour for benefit accrual purposes; \$5.80 per hour times 200 hours times 1% benefit accrual rate equals \$11.60 per month earned in 2019).

If you are an apprentice in 2019 and your contribution rate is \$2.35 per hour and the journeyman's rate is \$9.40 per hour, your first 90 cents per hour will not go toward a benefit accrual through 2023 since \$3.60 times the ratio of \$2.35/\$9.40 is 90 cents per hour.

Please note that prior to the change, any increase in the contribution rate to the Pension Fund for a journeyman or an apprentice would not have increased the benefits earned under the Plan through the 2023 Plan Year. After the change, all increases to the contribution rate to the Pension Fund after 2018 will result in a proportional increase in benefits earned in the future.

If you have any questions, you may contact the Fund Office.