



CARPENTERS TRUSTS

of Western Washington

Health and Security Retirement Vacation Industry Fund

Carpenters Retirement Plan of Western Washington

Summary of Material Modifications (SMM)

January 1, 2019

Introduction

The Board of Trustees approved a temporary amendment to the Post-Retirement Service rules in the Carpenters Retirement Plan of Western Washington (“Plan”). The amendment temporarily eliminates a recalculation penalty that affects participants who retired under Rule of 80 Early Retirement (“Rule of 80 Retirees”). The amendment is effective January 1, 2019 and applies only for Post-Retirement Service during 2019 and 2020.

Current Plan Terms

The Plan suspends benefit payments to all retirees who work more than 480 hours of Post-Retirement Service. Post-Retirement Service is work in the building and construction industry in any area (under age 65) and within the geographic area covered by the Plan (age 65 and older). The term “building and construction industry” means business activities of the types engaged in by any employers maintaining the Plan, and the term “work in the building and construction industry” means work of the type performed by employees or associate 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. Rule of 80 Retirees who return to work before age 65 and work more than 480 hours in a calendar year are also subject to a benefit recalculation penalty following the suspension. Specifically, monthly benefits are recalculated using Regular Early Retirement reduction factors. This can represent a significant reduction in benefits.

Amended Terms for Rule of 80 Retirees

The amendment approved by the Trustees temporarily eliminates the benefit recalculation for Rule of 80 Retirees for Post-Retirement Service in 2019 and 2020 only. Following a suspension, a Rule of 80 Retiree’s benefit payments will resume with the Rule of 80 subsidy. In addition, if a Rule of 80 Retiree works more than 500 hours of Post-Retirement Service in a calendar year, new accruals will be calculated using the Rule of 80 subsidy.

Action Required

If you are under age 65 and a Rule of 80 Retiree and you return to covered employment in 2019 or 2020 for more than 480 hours, please complete a “Notification of Temporary Exception to Post-Retirement Service For 2019-2020” form and return it to Carpenters Trusts to ensure proper calculation of your benefit when your suspension ends. These forms are available from Carpenters Trusts.

Questions?

If you have any questions concerning the temporary amendment to the Plan’s Post-Retirement Service rules, please contact Retirement Services at Carpenters Trusts: (800) 552-0635 or ctww.org.