



June 1, 2012

TO: All Participants, Beneficiaries, Participating Local Unions, and Contributing Employers

FROM: Board of Trustees

**RE: Carpenters Pension Trust Fund for Northern California
Notice of Reduction in Future Accruals**

Effective July 1, 2012 the Collective Bargaining Agreement provides for increases in the Contributions paid into the Carpenters Health and Welfare and Pension Funds. We have been advised that of the new money earmarked for benefits, \$0.35 is to be allocated to Health and Welfare and \$0.30 to Pension. These increases will not reduce wages.

Even though the Scheduled Contribution Rate for Pension is increasing, in order to keep the Monthly Benefit at approximately the same amount each year, the Accrual Rate Percentage of Contribution Factor will continue to decrease. The new money is intended to increase the financial stability of the Fund by paying more towards unfunded liabilities. The same number of Hours in Covered Employment will continue to earn approximately the same dollar value benefit each year.

These changes do not affect benefits earned prior to July 2012. *If you are currently retired and receiving a monthly benefit payment from the Pension Fund, your payments will continue uninterrupted.*

| Effective Date | Scheduled Contribution Rate | Accrual Rate Percentage of Contribution Factor | Monthly Benefit, Assuming 1,740 Hours (Sample) |
|-------------------------------|-----------------------------|--|---|
| July 1, 2010 to June 30, 2011 | \$6.90 | 1.75% | \$210.11 |
| July 1, 2011 to June 30, 2012 | \$8.40 | 1.44% | \$210.47 |
| July 1, 2012 to June 30, 2013 | \$8.70 | 1.39% | \$210.42 |
| July 1, 2013 to June 30, 2014 | \$8.85 | 1.36% | \$209.43 |
| July 1, 2014 to June 30, 2015 | \$9.00 | 1.34% | \$209.84 |
| July 1, 2015 to June 30, 2016 | \$9.15 | 1.32% | \$210.16 |
| Starting July 1, 2016 | \$9.30 | 1.30% | \$210.37 |

For more information about this notice or the Pension Plan in general, please contact the Trust Fund Office at:

Carpenter Funds Administrative Office of Northern California, Inc.
P.O. Box 2280
Oakland, California 94621-1418
Toll-Free: (888) 547-2054 or (510) 633-0333
www.carpenterfunds.com
benefitservices@carpenterfunds.com

Only the full Board of Trustees is authorized to interpret the Pension Plan. The Board has discretion to decide all questions about the Plan, including questions about your eligibility for benefits and the amount of any benefits payable to you. Plan rules and benefits may change from time to time. If this occurs, a written notice will be issued explaining the change. Please be sure to read all Plan communications and keep information about changes with your Plan booklet.