



November 27, 2006

TO: All Active Participants

**FROM: Board of Trustees
Carpenters Health and Welfare Trust Fund for California**

RE: New Eligibility Rules for Retiree Health Coverage

Effective for retirements on and after January 1, 2007, the Retiree Health and Welfare Plan has new eligibility rules with regard to recent attachment work history and reciprocity with the Southwest Carpenters Health and Welfare Trust.

Recent Attachment Work History Requirements

In addition to satisfying the minimum pension credit requirements for the Carpenters Pension Trust Fund for Northern California or a related plan, you must also satisfy new recent attachment work history requirements. Please note that you must satisfy all of the following requirements in order to be eligible for Retiree health coverage.

1. In each of the 2 calendar years immediately preceding the calendar year in which your pension effective date occurs, you must have worked at least 300 hours in covered employment for a Contributing Employer, during which time contributions were required to be paid into the Active Employees' Plan A, Plan B, or Plan R. For purposes of this provision, you may count hours worked in the year of retirement even if you do not work a full calendar year. (You may also count hours of disability credit granted under the provisions of the Active Employees' Plan and hours of disability credit granted under the provisions of the Carpenters Pension Trust Fund for Northern California.);
2. AND, in 3 of the last 5 calendar years immediately preceding the calendar year in which your pension effective date occurs, you must have worked at least 400 hours per year in covered employment for a Contributing Employer, during which time contributions were required to be paid into the Active Employees' Plan A, Plan B, or Plan R. You may count hours worked in the year of retirement even if you do not work a full calendar year. (Disability credits may not be used to satisfy this requirement);
3. AND, during the calendar year in which your pension effective date occurs, and in each of the 2 immediately preceding calendar years, you must not have engaged in any hours of work for wages or profit, including self-employment, in the Building and Construction Industry for an entity that is not a Contributing Employer or not a Contributing Employer to a related plan that is signatory to the International Reciprocal Agreement for Carpenters Health and Welfare Funds.

You must make the required self-payments in the form and manner determined by the Board of Trustees.

“Building and Construction Industry” means all building construction and all heavy, highway and engineering construction, including but not limited to construction, erection, alteration, repair, modification, demolition, addition or improvement in whole or in part of any building, structure, street (including sidewalk, curb and gutter), highway, bridge, viaduct, railroad, tunnel, airport, water supply, irrigation, flood control and drainage system, sewer and sanitation project, dam, powerhouse, refinery, aqueduct, canal, river and harbor project, wharf, deck, breakwater, jetty, quarrying of breakwater or riprap stone, or any other operation incidental to such construction work. This includes renovation work, maintenance work, mill-cabinet or furniture manufacturing or repair work or installation of any modular systems or any other premanufactured materials performed for any public or private employer.

Reciprocity with the Southwest Carpenters Health and Welfare Trust

The provisions for reciprocity with the Southwest Carpenters Health and Welfare Trust have been revised. Please read the new provisions below.

In general, if you are receiving a Service Pension from the Carpenters Pension Trust Fund for Northern California that is based on reciprocal pension credits from the Southwest Carpenters Pension Trust, the Fund in which you had the majority of your years of service will usually provide your retiree health and welfare coverage, provided you satisfy any recent attachment eligibility requirements of the health and welfare fund. If the majority of your years of service are with the Carpenters Pension Trust Fund for Northern California, but your most recent years of service are in Southern California, you may use hours worked under the Southwest Carpenters Health and Welfare Trust to satisfy this Fund's recent attachment eligibility requirements described in items 1 through 3 above.

However, if you would satisfy this Fund's eligibility requirements in items 1 through 3 above (even if you did not have the Southwest Carpenters pension credits), you may choose this Fund's retiree health and welfare coverage instead, subject to the following conditions:

- If you elect coverage under this Fund, the required self-payment amount will be based on the years of service under this Fund only and not on the combined years of service under the two trust funds.
- You may not change to the Southwest Carpenters Health and Welfare Trust later.

If you elect to have health and welfare coverage provided by the Southwest Carpenters Health and Welfare Trust, you will not be eligible for benefits under this Fund.

You may not change your trust fund selection after retirement for any reason. Coverage will not be transferred from one trust fund to the other.

The Board of Trustees maintains the right to change or discontinue the types and amounts of benefits under this Plan. This notice is intended as a summary only, and actual Plan documents will be used to interpret the Plan. Only the full Board of Trustees is authorized to interpret the 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. No individual Trustee, Employer, or Union Representative has authority to interpret this Plan on behalf of the Board or to act as an agent of the Board.

Please keep this notice with your benefit booklet. If you have any questions regarding your benefits, please refer to the appropriate Carpenters Health and Welfare Trust Fund for California Summary Plan Description or contact the Trust Fund Office at (510) 633-0333 or toll free at (888) 547-2054.