

## IMPORTANT NOTICE TO PARTICIPANTS

December 2006

### RE: REDUCTION IN FUTURE BENEFITS

To All Plan Participants:

The Trustees of the Wisconsin Carpenters' Pension Fund announce the following Benefit Accrual Rate modification effective January 1, 2007.

### DECREASE IN THE BENEFIT ACCRUAL RATE

#### Active Participants

As you know, your monthly retirement benefit is based on the contributions paid in on your behalf, multiplied by the Benefit Accrual Rate in effect at the time the hours were worked.

Effective January 1, 2007, contributions paid in on your behalf (beginning with the work month of January 1, 2007) will recognize a decrease in the Benefit Accrual Rate from 3.00% to 2.50%.

Listed below are the Benefit Accrual Rates applicable to Active Participants and the effective dates for each rate:

		<u>Benefit Accrual Rate</u>
Through February 2003	--	4.05%
March 1, 2003 – December 31, 2006	--	3.00%
Effective January 1, 2007	--	2.50%

Listed below is an example of how the above rates would be used to calculate a Normal Retirement Benefit:

#### Example:

Participant retires on August 1, 2007 on a Normal Retirement Benefit

Contributions through February 2003:  $\$50,000 \times 4.05\% =$   
\$2,025.00

Contributions March 1, 2003 - December 31, 2006:  $\$10,000 \times 3.00\% = 300.00$

Contributions January 1, 2007 – July 31, 2007:  $\$ 5,000 \times 2.50\% =$   
125.00

TOTAL COMBINED BENEFIT ►

\$2,450.00

#### **Retired Participants and Deferred Vested Participants**

Participants who retired or terminated while vested prior to January 1, 2007, and do not return to work in covered employment after January 1, 2007, will not be affected by the adoption of this decrease in the Benefit Accrual Rate.

#### **Retired Participants Returning to Work**

The current Suspension of Benefit rules allow Retired Participants to return to work and, in turn, accrue additional pension benefits. Those Retired Participants who are actively working or elect to return to work on or after January 1, 2007 will recognize a decrease in the Benefit Accrual Rate from 3.00% to 2.50% on contributions paid in on their behalf beginning with the work month January 2007.

#### **Deferred Vested Participants Returning to Work**

Your monthly retirement benefit is based on the contributions paid in on your behalf, multiplied by the Benefit Accrual Rate in effect at the time of your break-in-service (as defined in the Summary Plan Description) from the Fund.

Effective January 1, 2007, contributions paid in on your behalf (beginning with the work month of January 2007), will recognize a Benefit Accrual Rate of 2.50%.

**To All Participants:**

**This reduction in the Benefit Accrual Rate does not affect those benefits earned prior to January 1, 2007.**

Please keep this Notice with your current SPD for future reference.

If, after reading this Notice you have questions regarding this change, please feel free to contact the Fund Office. Staff will be glad to help you.

Yours very truly,

THE BOARD OF TRUSTEES