

ALASKA CARPENTERS TRUST FUNDS

March 15, 2024

You are receiving this letter because you have a benefit in the Southern Alaska Carpenters Retirement Plan (Pension Plan) and/or the Alaska Carpenters Defined Contribution Trust Fund.

ALASKA CARPENTERS TRUST FUNDS AND SOUTHWEST CARPENTERS BENEFIT PLANS ARE JOINING FORCES

Effective June 1, 2024, the Alaska Carpenters Trust Funds – Health and Welfare, Defined Benefit and Defined Contribution – are merging into the Southwest Carpenters Benefit Plans.

Why the change? Members told us that participating in the same plans that other members of the Western States Regional Council of Carpenters have would make more sense – it would give members more flexibility, help stretch the dollars that go into benefits further, and enhance the long-term sustainability of benefits.

Starting June 1, all benefits will be administered by the Carpenters Southwest Administrative Corporation or CSAC, generally under the terms and provisions of the Southwest Carpenters benefit plans.

You'll receive more information in the coming weeks and months from the Carpenters Southwest Administrative Corporation (the administrative office for the Southwest Carpenters plans) about the transition.

In the meantime, nothing changes until June 1.

Watch your mail and email!

Be sure to watch your home mailbox and your email for information from the Carpenters Southwest Administrative Corporation.



DEFINED CONTRIBUTION PLAN

Effective June 1, 2024, the Alaska Carpenters Defined Contribution Trust Fund (Alaska DC Fund) will be merged into the Southwest Carpenters Annuity Fund (Southwest DC Fund). The recordkeeper for the Southwest Fund is Empower Retirement. The investment options under the Southwest DC Fund are different but also include target date investment funds as well as a range of stock and fixed-income style investments. In the Southwest DC Fund, you will still be able to choose how your account is invested.

If you have an account balance under the Alaska Carpenters Defined Contribution Trust Fund, you can make changes to your investment elections through the Alaska Plan's current plan recordkeeper (Milliman USA) until May 21st. After May 21st, you must wait until your account is set up under the Southwest plan. At the beginning of June, your account balance under the Alaska plan will be transferred to the Southwest plan and will initially be invested in a target date fund based on your age. *Watch for more information from the Carpenters Southwest Administrative Corporation with details about this transition, important deadlines, and your investment options.*

If you come back to work in covered employment, benefits for hours worked on and after June 1, 2024 will be provided under the Southwest Carpenters Benefit Plans and you will be provided with details at that time.

DEFINED BENEFIT PENSION

There will be a few changes to the Southern Alaska Carpenters Retirement Plan (Alaska DB Plan) as it merges into the Southwest Carpenters Pension Plan (Southwest DB Plan):

- After the merger, variable annuity pension plan benefits earned from January 1, 2015 through May 31, 2024 will adjust fully for both positive and negative investment returns. Previously, positive adjustments were limited to 8% per year. Going forward positive adjustments will not be limited, but there will not be shore up payments to retirees if the underlying benefit is less than the high water mark benefit. *Watch for a more detailed explanation of this change in the next few weeks.*
- If you go back to work, those who work under the plan June 1, 2024 and later will accrue pension benefits at a higher base rate than under the current plan under Southwest DB Plan rules, although it will no longer adjust with future investment returns.

If you have not yet started your pension benefit: Benefits and plan provisions earned prior to June 1, 2024 will not be affected by the merger. If you return to work on or after June 1, 2024 the new benefits will be earned under the Southwest DB Plan, but your benefit earned prior to June 1, 2024 will be unchanged. If you want to begin receiving your Alaska DB Plan pension on or before June 1, 2024, you must file your application with the Alaska Carpenters Trust Funds Administrative Office by April 15, 2024. After April 15, 2024, you will need to file your application for your Alaska DB Plan pension with CSAC.

If you are currently receiving a pension benefit: **No action is required at this time.** Your benefit payments will continue uninterrupted:

- The payment option that you elected when you started your benefit will not change.
- Any prior tax withholding information or direct deposit information will continue with your payments from the Carpenters Southwest Administrative Corporation
- You will receive two 1099-R forms for your 2024 tax preparation (one from the Southern Alaska Carpenters Retirement Plan and one from the Southwest Carpenters Pension Plan).
- Your June 2024 pension payment will come from the current plan administrator, and starting in July 2024, your pension payment will come from the Southwest Plan (CSAC).

You will receive information from the Carpenters Southwest Administrative Corporation with details about how to contact them regarding your pension in the coming weeks and months.

QUESTIONS?

If you have questions, contact the Alaska Carpenters Trust Funds Administrative Office at (907) 561-7575 or toll-free at (800) 478-4431. Starting June 1, 2024, you should contact CSAC for assistance at (213) 386-8590 or toll-free at (800) 293-1370 (Pacific Time Zone).

This notice contains information about the Alaska Carpenters Trust Funds and the Southwest Carpenters Benefit Plans. Although we have made every effort to ensure this notice is accurate, provisions of the official plan documents will govern in case of any discrepancy.