

CONNECTICUT CARPENTERS BENEFIT FUNDS

IMPORTANT NOTICE – April 2017

To: All Active and Retired Plans Participants

The Boards of Trustees of the Connecticut Carpenters Pension, Health and Annuity Funds want to inform you about a recent change in the definition of “Plan Year” in each Fund, along with the impact you will see (if any) for each Fund. Please be advised of the following:

➤ *What is this Change?*

For accounting and reporting purposes, the Pension, Health and Annuity Plans all operate on a twelve month fiscal year, which we call the “Plan Year.” Currently, the terms of each related Plan (the Connecticut Carpenters Pension, Health and Annuity Plans) provide that the respective Plan’s “Plan Year” runs from April 1st through the March 31st of the immediately following year.

The Funds’ Boards of Trustees recently decided to amend each Plan to change the definition of Plan Year so that the twelve month fiscal year will now be the calendar year (January 1st through December 31st). Pursuant to those amendments, here is a listing of the upcoming Plan Years for each Plan:

- ✓ Recently Ended Plan Year: April 1, 2016 through March 31, 2017
- ✓ Current Plan Year: April 1, 2017 through December 31, 2017 (note this is a “short” year)
- ✓ All future Plan Years: January 1st through December 31st

➤ *How will this Change Impact the Funds, if at all?*

1. Pension Fund. The Pension Plan amendment will merely impact the date that the Pension Fund must file and distribute various reports, such as its annual audit (conducted by the Pension Fund’s independent accounting firm), Form 5500 filing, and annual funding notice or “AFN.” *This will not impact the determination of your eligibility, benefit accruals (Pension Credits), breaks in service, vested status, and the like in any way. All of those determinations will continue to be calculated on an April 1st through the immediately following March 31st basis.* For these specific purposes, the Pension Plan has adopted a new definition of the term “Benefit Year” (which will run from April 1st through the March 31st of the immediately following year) so that all of those determinations remain consistent with current Pension Plan operations.
2. Health Fund. Similar to the Pension Fund, the Health Plan amendment will just impact the date that the Health Fund must file and distribute various reports, such as its annual audit (conducted by the Health Fund’s independent accounting firm), Form 5500 and Form 990 filings, summary annual report or “SAR,” and Summary of Benefits and Coverage or “SBC.” *The determination of your Health Fund eligibility, along with that of any of your eligible dependents, will continue to be made looking at the hours you worked in the immediately preceding calendar year, and the Health Plan’s “Eligibility Year” will continue to run from March 1st through the end of February in the immediately following year. All Health Plan limitations, such as maximum payment amounts, certain examination frequencies (e.g., eye exams), and deductibles and out-of-pocket maximums, will continue to be determined on a calendar year basis as they have in the past.*

3. Annuity Fund. The Annuity Plan amendment will also impact the date that the Annuity Fund must file and distribute various reports, such as its annual audit (conducted by the Annuity Fund's independent accounting firm), Form 5500 filing, and summary annual report or "SAR." *In addition*, this change will impact the Annuity Fund annual statements you receive and certain other tests which the Annuity Plan must run. For the plan year that just ended (April 1, 2016 through March 31, 2017), you will receive your annual statement at the normal time, which will be in July of 2017. For the current "short" plan year noted above (April 1, 2017 through December 31, 2017), you will receive your statement at some point in April of 2018 and it will only reflect investment results and expenses for that specific nine-month period. Thereafter, you will receive your annual statements for future January 1st through December 31st plan years in approximately April of the immediately following year. As an example of one of the tests our Annuity Plan conducts, Voluntary after-tax contributions are currently limited to 10% of your compensation from contributing employers during the period April 1st through the immediately following March 31st. On and after January 1, 2018, this 10% test will be run on a calendar year basis.

This Notice is intended to be a brief description of the topic described. In any situation involving Funds benefits, the documents governing the Funds will control. It constitutes a Summary of Material Modifications to the Health, Pension and Annuity Funds, and we are furnishing it to you in accordance with U.S. Department of Labor regulations §§2520.104b-3 and 2590.715-2715(b).

Please keep this Notice with your Summary Plan Descriptions for future reference and contact the Benefit Office with any questions. All benefits are subject to amendment and/or termination as the Trustees may determine to be in the best interests of the Funds' participants and beneficiaries.

For the **Pension, Health and Annuity Funds** Board of Trustees,

Richard S. Monarca, Fund Director

April 2017