

MICHIGAN CARPENTERS' FRINGE BENEFIT FUNDS

Michigan Carpenters' Health Care Fund
Michigan Carpenters' Pension Fund

Managed for the Trustees by:
TIC INTERNATIONAL CORPORATION

September 2022

IMPORTANT NOTICE TO ALL RETIREES

RE: Return to Work by Normal or Early Retirees

Dear Retiree:

The Trustees of the Michigan Carpenters' Pension Fund ("Fund") have decided to provide a *limited* waiver of the Fund's suspension of benefit rule from September 1, 2022 through February 29, 2024.

Limited Waiver for Work as a Carpenter or a Floor Layer

From September 1, 2022 through February 29, 2024, a Retiree, *who was retired, as defined in the Plan, for at least three months prior to the date they return to work*, may, *if advance notice of the return to employment is provided to the Fund Office using the enclosed form*, return to work as a Carpenter or a Floor Layer for an employer that has met the Apprentice ratio requirements of the Collectively Bargained Agreement to which they are signatory, without limitation and without incurring a suspension of benefits then in pay status as described below if contributions are received by the Fund as a result of that work. So, for the period from September 1, 2022 through February 29, 2024, there is no limit on the number of hours a Retiree who qualifies for the waiver can work as a Carpenter or a Floor Layer for a union contractor that is obligated to contribute to this Fund (or another fund with reciprocity) and has met the Apprentice ratio requirements of the Collectively Bargained Agreement.

How the Limited Waiver Works

Under the circumstances described above, the Fund will continue to pay the monthly benefit in lieu of any additional benefit accruals that a Retiree who returns to work and has contributions remitted to the Fund in his behalf may earn. Any additional monthly benefits that would have been payable shall be determined effective each January 1 following the calendar year in which the work was performed based on the Future Service Benefit Credit accrued from Credited Employer Contributions made or required to be made on behalf of the Retiree during his return to work subject to a reduction based on the value of benefits paid that would have otherwise been suspended. Each such net additional benefit payable under this paragraph shall be calculated in the same form of benefit in which the Retiree's monthly benefit is being paid and, where applicable, calculated using the ages of the retiree and his spouse upon his subsequent cessation of work in the same form which he elected when he first retired.

If the present value of Future Benefit Credit accrued by the Retiree during any month that he returned to work is lower than the actuarial value of the Retiree's benefit paid to the Retiree for that month, the Fund will not seek to recoup the difference; meaning, that the Retiree's current monthly benefit would not be reduced if the Retiree returns to work during this period.

How to Qualify for the Limited Waiver

If you have been retired for at least three months prior to the date you intend to return to work ***and*** you provide ***advance notice*** that you will be returning to work ***as a Carpenter or Floor Layer as described above and contributions are received by the Fund in your behalf***, you will receive your monthly pension benefits from the Fund no matter how many hours you work between September 1, 2022 through February 29, 2024. The waiver does not apply where the Carpenter or Floor Layer is working outside of the bargaining unit, does not provide advance notice, or retired less than three months prior to the date they return to work.

If you want to benefit from this limited waiver, you must immediately notify the Pension Department at the Fund Office if you return to work in any capacity regardless of whether you return to work for a non-contributing employer (e.g., non-union) or in a self-employed, supervisory, or managerial capacity. ***Failure to notify the Pension Department in a timely manner will prevent you from being able to take advantage of this limited waiver and may subject you to possible suspension of current and/or future Pension Benefits.***

Advance notice will allow the Fund Office to review whether the employer is in compliance with the Apprentice ratio requirements of the Collectively Bargained Agreement. ***If the employer is not in compliance with the Apprentice ratio requirements of the Collectively Bargained Agreement, your monthly pension benefit will be subject to the normal suspension rules under the Plan even if you meet each of the other criteria the limited waiver.***

Conclusion

This waiver is based on the current demand for experienced Carpenters and Floor Layers in the Fund's jurisdiction and is not anticipated to be continued indefinitely.

Please note that, except for the limited waiver explained above, the Plan's suspension of benefits rule applies to any Retiree who works for a contractor or is self-employed doing work anywhere in Michigan until the April 1st following the calendar year in which you reach age 70 ½ if you were born before July 1, 1949 or April 1st following the calendar year in which you reach age 72 if you were born after June 30, 1949. Such employment or self-employment will result in the suspension of your monthly pension benefit if it is in excess of the limitations in the Plan.

If you have questions about the limited waiver or the suspension of benefits provision of the Pension Plan, call the Fund Office.

Sincerely,
Board of Trustees
Michigan Carpenters' Pension Fund

encl.
cc: Carpenters' Local Unions