



MICHIGAN REGIONAL COUNCIL OF CARPENTERS

FRINGE BENEFIT FUNDS

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CARPENTERS PENSION TRUST FUND-DETROIT AND VICINITY

To: All Retirees

Re: Changes to Suspension of Benefits Rules

As you know by now a number of changes were made to the Detroit Carpenters Pension Plan to comply with the federal law known as the Pension Protection Act (PPA). Some of these changes affected the suspension of benefits rules, which are intended to encourage the hiring of active participants to generate new hours for the Pension Plan, rather than retirees. The new rules, effective September 1, 2013, can be summarized as follows:

1. **Early Retirees** (those that retired before age 62) regardless of whether they retired under the reduced or one of the unreduced pensions (including the so-called Index 80/85 pensions), can no longer work **ANY** hours in the industry, trade, or craft within the Plan's geographic jurisdiction. Keep in mind that for some work, such as setting up displays out of town and work covered by various UBC International Agreements, the covered geographic area goes well beyond the state of Michigan.

***Example:** If you retired with either an early reduced benefit, or an unreduced Index 80 or 85 pension, but have **not** yet attained age 62 and perform any work covered by MRCC contracts in the state of Michigan (or outside the state if it is considered covered work), your pension benefits will be suspended under the Plan's suspension of benefits rules. As noted, work covered by other agreements, such as national and regional contracts, which normally call for contributions to the Pension Plan (such as the UBC International Agreements, certain display agreements, etc.), will also result in such suspensions.*

2. **Normal Retirees** (who retired at age 65 or older) and **Early Retirees over age 62** can work a maximum of 39 hours per month in the industry, trade or craft within the Plan's geographic jurisdiction, without having their benefits suspended. Of course, exceeding that hour limit will result in a suspension of your benefits. What type of work is covered is determined in the same way as in Example 1, by looking at the industry, trade or craft, as well as the geographic area.
3. **Vested Deferred Retirees** cannot work **ANY** hours in the industry, trade or craft and Plan's geographic jurisdiction until **age 65** and then no more than 39 hours per month.
4. **Age 70 ½.** Once any retiree reaches age 70 ½, the foregoing rules will no longer apply.
5. **Multiple Retirements.** In order to prevent abuse, retirees (**under age 65**) desiring to again become active participants after they retire, will now be required to meet a one year waiting period before they can "retire" again – to prevent abuse with multiple retirements. The one year waiting period starts at the time a retiree ceases being an "active" participant.

***Example:** If you un-retire by actively working at the trade and stop working in, say the month of May, you will have to wait a full year -- until the May of the following year to start drawing your pension again.*

Please note that during times of full employment in certain industries, the Trustees may partially lift the suspension of benefits rules, in order to man that work. For example, if Millwrights have full employment, the Trustees may lift the suspension of benefits rules for that industry only, and allow retirees to perform work in that industry so that those work hours will not be lost.

Keep in mind that these summaries address general provisions of the new rules. Your situation may be unique. You can contact the Fund office at **(800) 572-2525** to seek clarification of your individual status, or if you have any questions regarding this matter.

Very truly yours,

Carpenters' Pension Trust Fund – Detroit and Vicinity