Ohio Carpenters' Pension Plan
P.O. Box 31580, Independence, OH 44131
Phone: (800) 700-6756

ANNUAL FUNDING NOTICE
For the
OHIO CARPENTERS' PENSION PLAN

Introduction

This notice provides key details about your multiemployer pension plan, Ohio Carpenters' Pension Plan ("the Plan") for the plan year beginning May 1, 2024 and ending April 30, 2025 ("Plan Year")

This is an information notice. You do not need to respond or take any action.

This notice includes:
- Information about your Plan's funding status.
- Details on your benefit payments guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency.

What if I have questions about this notice, my Plan, or my benefits?

Contact your plan administrator at:

- BeneSys, Inc.
- Phone: 1-248-813-9800
- Address: 700 Tower Drive, Suite 300, Troy, Michigan 48098

To better assist you, provide your plan administrator with the following information when you contact them:

- **Plan Number:** 001
- **Plan Sponsor Name:** Ohio Carpenters' Pension Plan
- **Employer Identification Number:** 34-6574360

What if I have questions about PBGC and the pension insurance program guarantees?

Visit www.pbgc.gov/prac/multiemployer for more information. For specific information about your pension plan or pension benefits, you should contact your employer or plan administrator as PBGC does not have that information.

Federal law requires all traditional pension plans, also known as defined benefit pension plans, to provide this notice every year regardless of funding status. This notice does not mean your Plan is terminating.

How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the "funded percentage." The Plan divides its assets by its liabilities on the valuation date for the plan year to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the plan year and 2 preceding plan years is shown in the chart below. The chart also states the value of the Plan's assets and liabilities for the same period.

Funded Percentage			
	2024	**2023**	**2022**
Valuation Date	May 1	May 1	May 1
Funded Percentage	64.3%	63.9%	63.0%
Value of Assets	$2,226,119,814	$2,215,906,669	$2,187,107,986
Value of Liabilities	$3,464,166,358	$3,467,859,698	$3,471,597,389

Year-End Fair Market Value of Assets

To provide further insight into the Plan's financial position, the chart below shows the fair market value of the Plan's assets on the last day of the Plan Year and each of the two preceding plan years as compared to the actuarial value of the Plan's assets on January 1st.

- **Actuarial values (shown in the chart above)** account for market fluctuations over time. Unlike market values, actuarial values do not change daily with stock or market shifts.

- **Market values (shown in the chart below)** fluctuate based on investment performance, providing a more immediate snapshot of the Plan's funding status.

	April 30, 2025	April 30, 2024	April 30, 2023
Fair Market Value of Assets	$2,097,204,847*	$2,106,710,494	$2,125,775,647

** Estimated based on unaudited information*

Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan's funding status determines the steps a plan must take to strengthen its finances and continue paying benefits:

- **Endangered:** The plan's funded percentage drops below 80%. The plan's trustees must adopt a funding improvement plan.

- **Critical:** The plan's funded percentage falls below 65% or meets other financial distress criteria. The plan's trustees must implement a rehabilitation plan.

- **Critical and Declining:** A plan in critical status is also designated as critical and declining if projected to become insolvent – meaning it will no longer have enough assets to pay out benefits – within 15 years (or within 20 years under a special rule). The plan's trustees must continue to implement the rehabilitation plan. The plan's sponsor may seek approval to amend the plan, including reducing current and future benefits.

The Plan was in critical status in the Plan Year because it is projected to have an accumulated funding deficiency within the next nine years.

To improve the Plan's funding situation, the trustees adopted a rehabilitation plan. The rehabilitation period was May 1, 2013 through April 30, 2023 or the date the Plan's Actuary certifies it has emerged from critical status.

The rehabilitation plan was most recently updated in May 2023. The current rehabilitation plan includes the following provisions:

Establishment of Supplemental Contributions	Effective October 1, 2010, a "supplemental contribution" was established. A supplemental contribution is a portion of the total contribution rate that is not included in calculating benefits. The supplemental contribution rates outlined below are rates for journeymen. Because total contribution rates for apprentices are typically lower than total contribution rates for journeymen, the supplemental contribution rate for an apprentice is set proportionally lower by a ratio that is approximately equivalent to the ratio between the apprentice's total contribution rate and the total contribution rate of a corresponding journeyman. However, in some rare cases, extenuating circumstances could cause the supplemental contribution rate for certain apprentices to be temporarily higher or lower than a standard proportionality ratio would produce.

2010 Contribution Changes	• For work performed under bargaining agreements covering Carpenters, Floorlayers, Millwrights, or Pile Drivers: The initial journeyman supplemental contribution rate was 30¢ per hour. • For work performed under Residential bargaining agreements: The initial journeyman supplemental contribution rate was 5¢ per hour. However, if the total journeyman contribution rate is less than $1.00 per hour, there was no supplemental contribution required. • For covered work performed for one of the few employers that have an individual participation agreement with the Plan: The initial journeyman supplemental contribution rate varied by agreement, ranging from a minimum of zero to a maximum of 30¢ per hour.
2011 Contribution Changes	• For work performed under bargaining agreements covering Carpenters, Floorlayers, Millwrights, or Pile Drivers: The journeyman supplemental contribution rate was increased to 60¢ per hour. • For covered work performed for one of the few employers that have an individual participation agreement with the Plan: The journeyman supplemental contribution rate varied by agreement, ranging from a minimum of zero to a maximum of 60¢ per hour.
2012 Contribution Changes	• For work performed under bargaining agreements covering Carpenters, Floorlayers, Millwrights, or Pile Drivers: The journeyman supplemental contribution rate was increased to 90¢ per hour. • For covered work performed for one of the few employers that have an individual participation agreement with the Plan: The journeyman supplemental contribution rate varied by agreement, ranging from a minimum of zero to a maximum of 90¢ per hour.
2013-2016 Annual Contribution Changes	• For work performed under bargaining agreements covering Carpenters, Floorlayers, Millwrights, or Pile Drivers: The journeyman supplemental contribution rate will be increased by 87¢ per hour in each year. • For work performed under all other bargaining agreements or individual employer participation agreements: The journeyman supplemental contribution rate will be increased by 20¢ per hour in each year. However, for journeyman benefit-credited contribution rates (i.e. the total contribution rate minus the supplemental contribution rate) that were less than $1.00 per hour in 2012, the journeyman supplemental contribution rate will be increased by only 10¢ per hour in each year.
2017-2022 Annual Contribution Changes	• For work performed under bargaining agreements covering Carpenters, Floorlayers, Millwrights, or Pile Drivers: The journeyman supplemental contribution rate will be increased by 60¢ per hour in each year. • For work performed under all other bargaining agreements or individual employer participation agreements: The journeyman supplemental contribution rate will be increased by 20¢ per hour in each year. However, for journeyman benefit-credited contribution rates (i.e. the total contribution rate minus the supplemental contribution rate) that were less than $1.00 per hour in 2012, the journeyman supplemental contribution rate will be increased by only 10¢ per hour in each year. • After the 2022 increases no further increases are required.
November 1, 2017 Credited Contribution Rate Change	For work performed on or after November 1, 2017, 40% of the credited contribution will be reclassified as a supplemental contribution. This change was made to pay for the new stabilized income formula, which includes expected annual increases to the benefit earned.
January 1, 2011 Benefit Change	Reduced the benefit multiplier to 1% (was previously 3.8%) of benefit-credited contributions for work performed on or after January 1, 2011.

May 1, 2013 Benefit Changes	● For retirements commencing on or after May 1, 2013, replaced the "Rule of 80" unreduced early retirement eligibility provision with a "Rule of 85" unreduced early retirement eligibility provision. However, active participants retiring with at least 80 points receive a special early retirement reduction of only 3% for each point less than 85 earned at retirement (6% for each point if retiring from inactive status). These changes apply only to benefits earned on or after May 1, 2013. Benefits earned prior to May 1, 2013 are not affected by these changes. ● For deaths occurring on or after May 1, 2013, eliminated the following death benefits: ○ Lump Sum Normal Death Benefit ○ Lump Sum Supplemental Death Benefit ○ Additional $1,500 Lump Sum Death Benefit
May 1, 2014 Benefit Changes	● For retirements commencing on or after May 1, 2014, eliminate "Rule of 80" and "Rule of 85" unreduced early retirement eligibility provisions. This change applies to all earned benefits. However, participants who have earned at least 80 points by May 1, 2014 are grandfathered under the prior unreduced early retirement provisions described in the "May 1, 2013 Benefit Changes" section above. ● For retirements commencing on or after May 1, 2014, establish a special early retirement eligibility rule for participants retiring on or after age 55 with at least 30 years of service. The early retirement reduction for these participants will be only 1% for each year that retirement age is less than age 62. ● For disabilities commencing on or after May 1, 2014, reduce the disability benefit to 75% (previously 100%) of accrued benefit. ● For work performed under bargaining agreements covering Carpenters, Floorlayers, Millwrights, or Pile Drivers: The benefit-credited portion of the journeyman contribution rate will be reduced by 50¢ per hour and the supplemental contribution portion of the journeyman contribution rate will be increased by 50¢ per hour. This change applies only to contributions for work performed on or after May 1, 2014. The amount of change for apprentices will be proportionally lower using the same ratio-based methodology described in the "Establishment of Supplemental Contributions" section above.
November 1, 2017	● For accruals on or after November 1, 2017, a stabilized income formula for calculating the accrued benefit was implemented. Benefits prior to this date are unchanged.
May 1, 2018	● Any inactive vested participant who initially retires on or after May 1, 2018 will have an actuarial equivalent early retirement reduction factor from age 62 applied to their benefit amount. Grandfathered participants and those with 30 or more years of service are not affected by this change.

The Plan is not projected to emerge from critical status until after the end of the rehabilitation period. However, under federal pension law, if a plan has exhausted all reasonable measures in an effort to improve funding, its rehabilitation plan is considered acceptable even if the plan is not projected to emerge from critical status until after the end of its rehabilitation period. In June 2023, the Board of Trustees determined that this updated rehabilitation plan represents an exhaustion of all reasonable measures that can be taken by the Plan. Therefore, the rehabilitation plan is considered acceptable.

You may request a copy of the Plan's rehabilitation plan, by contacting the plan administrator. You can also ask for any updates to the rehabilitation plan and the actuarial and financial data showing actions taken to improve the Plan's finances.

If the Plan is in endangered, critical, or critical and declining status for the plan year ending April 30, 2026, a separate notification of that status has or will be provided.

<u>Participant and Beneficiary Information</u>

The following chart shows the number of participants and beneficiaries covered by the Plan on the last day of the Plan Year and the two preceding plan years.

Number of participants and beneficiaries on last day of relevant plan year	2025*	2024	2023
1. Last day of plan year	April 30	April 30	April 30
2. Participants currently employed	12,519	10,294	9,791
3. Participants and beneficiaries receiving benefits	13,815	13,755	13,714
4. Participants and beneficiaries entitled to future benefits (but not receiving benefits)	4,781	5,334	5,318
5. Total number of covered participants and beneficiaries *(Lines 2 + 3 + 4 = 5)*	31,115	29,383	28,823

** The numbers for the Plan Year reflect the plan administrators reasonable, good faith estimate.*

Funding & Investment Policies

Funding Policy

Every pension plan must establish a funding policy to meet its objectives. The funding policy relates to how much money is needed to pay promised benefits. The Plan's funding policy is to satisfy the minimum funding standards under ERISA, and to comply with the terms of the collective bargaining agreements.

Investment Policy

Once money is contributed to the Plan, the money is invested at the direction of the Plan's Board of Trustees, the members of which are fiduciaries with respect to the Plan. Specific investments are made in accordance with the Plan's investment policy. Generally speaking, an investment policy is a written statement that provides the fiduciaries who are responsible for plan investments with guidelines or general instructions concerning various types or categories of investment management decisions. Limits exist on the amount of money invested in any underlying security, and with any money manager in order to keep the investment portfolio well diversified.

As of the end of the Plan Year, the Plan's assets were allocated among the following investment categories as percentages of total assets:

Asset Allocations	Percentage
Public Equity	39.7%
Private Equity	11.4%
Investment grade debt instruments	19.8%
High-Yield debt instruments	5.4%
Cash and cash equivalents	2.0%
Real estate	9.4%
Other	12.3%

The average return on assets for the Plan Year was estimated to be 4.53%.

Right to Request a Copy of the Annual Report

Pension plans must file an annual report, called the **Form 5500**, with the U.S. Department of Labor. The Form 5500 includes financial and other information about these pension plans.

You can get a copy of your Plan's Form 5500:

- **Online:** Visit www.efast.dol.gov to search for your Plan's Form 5500.
- **By Mail:** Submit a written request to your plan administrator.
- **By Phone:** Call 202-693-8673 to speak with a representative of the U.S. Department of Labor, Employee Benefits Security Administration's Public Disclosure Room.

The Form 5500 does not include personal information, such as your accrued benefits. For details about your accrued benefits, contact your plan administrator.

Summary of Rules Governing Plans Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by the PBGC, below), the plan must apply to the PBGC for financial assistance. PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

Benefit Payments Guaranteed by the PBGC

Only vested benefits – those that you've earned and cannot forfeit – are guaranteed.

What PBGC Guarantees

PBGC guarantees "basic benefits" including:

- Pension benefits at normal retirement age.
- Most early retirement benefits.
- Annuity benefits for survivors of plan participants.
- Disability benefits for disabilities that occurred before the earlier of the date the plan terminated or the sponsor's bankruptcy date.

What PBGC Does Not Guarantee

PBGC does not guarantee certain types of benefits, including:

- A participant's pension benefit or benefit increase until it has been part of the plan for 60 full months. Any month in which the multiemployer plan was insolvent or terminated due to mass withdrawal does not count toward this 60-month requirement.
- Any benefits above the normal retirement benefit.
- Disability benefits in non-pay status.
- Non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

Determining Guarantee Amounts

The maximum benefit PBGC guarantees is set by law. Your Plan is covered by PBGC's multiemployer program. The maximum PBGC guarantee is $35.75 per month, multiplied by a participant's years of credited service.

PBGC guarantees a monthly benefit based on the plan's monthly benefit accrual rate and your years of credited service. The guarantee is calculated as follows:

1. Take 100 percent of the first $11 of the Plan's monthly benefit accrual rate.
2. Take 75 percent of the next $33 of the accrual rate.
3. Add both amounts together.
4. Multiply the total by your years of credited service to determine your guaranteed monthly benefit.

Example 1: Participant with a Monthly $600 Benefit and 10 Years of Service.

1. Find the accrual rate: $600/10 = $60 accrual rate
2. Apply the PBGC formula:
   Take 100 percent of the first $11 = $11
   Take 75 percent of the next $33 = $24.75
3. Add the two amounts together: $11 + $24.75 = $35.75
4. Multiply by years of credited service: $35.75 x 10 years = $357.50

In this example, the participant's guaranteed monthly benefit is $357.50.

Example 2: Participant with a Monthly $200 Benefit and 10 Years of Service.

1. Find the accrual rate: $200/10 = $20 accrual rate
2. Apply the PBGC formula:
   Take 100 percent of the first $11 = $11
   Take 75 percent of the next $9 = $6.75
3. Add the two amounts together: $11 + $6.75 = $17.75
4. Multiply by years of credited service: $17.75 x 10 years = $177.50

In this example, the participant's guaranteed monthly benefit is $177.50.

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Notice of Critical Status
For
Ohio Carpenters' Pension Plan

This is to inform you that on July 29, 2025 the Plan Actuary certified to the U.S. Department of the Treasury and to the Plan Sponsor that the Plan is in critical status for the plan year beginning May 1, 2025. Federal law requires that you receive this notice. In the future you will receive an annual update of this status and the progress the Plan is making towards the goals described below.

Critical Status

The Plan is still considered to be in critical status because it is projected to satisfy the following:

Projected accumulated funding deficiency within the current or next 9 plan years

The Plan's actuary projects that, if no further action is taken, the Plan has an existing accumulated funding deficiency for the plan year ending April 30, 2026. Note, "accumulated funding deficiency" means that contributions would be insufficient to satisfy Federal requirements; it does not mean that the Plan would become bankrupt or run out of money.

As required by law, the Plan Actuary's certification includes only contribution rate increases that have been codified in collective bargaining or participation agreements.

Rehabilitation Plan and Possibility of Reduction in Benefits

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the Plan. A rehabilitation plan may involve reductions to future benefit accruals, increases to contribution rates, or both. The law also permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. The Plan offers the following adjustable benefits which may be reduced or eliminated (for participants not yet in pay status as of August 28, 2010) as part of any rehabilitation plan the Pension Plan may adopt:

- Disability benefits;
- Early retirement benefits or subsidies;
- Post-retirement death benefits;

Certain benefit changes were adopted pursuant to the rehabilitation plan effective January 1, 2011, May 1, 2013, May 1, 2014, and May 1, 2018. These changes were described in separate notices mailed to you on August 19, 2010, April 15, 2013, August 28, 2013, and April 2018, respectively. If the Trustees of the Plan determine that any additional benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions. Additionally, effective August 27, 2010, the Plan is not permitted to pay any lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical status.

Future Experience and Possible Adjustments

The rehabilitation plan is based on a number of assumptions about future experience and may need to be adjusted in the future if such assumptions are not met. Additional contribution rate increases and/or reductions in the rate at which benefits are earned may be needed if the Plan were to suffer asset returns below the expected 7.50% (in the 2025-26 plan year or later), a drop in the hours worked, or poor experience from other sources. If, at some point in time, the Trustees determine that further adjustments are necessary, you will receive a separate notice identifying and explaining the effect of those changes.

Where to Get More Information

You have a right to receive a copy of the rehabilitation plan and any updates to that plan. To receive a copy of the latest version, you may contact the Plan Administrator, BeneSys, Inc., at 700 Tower Drive, Suite 300, Troy, MI 48098 or by telephone at 248-813-9800.

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Important Plan Information