



**PIPEFITTERS LOCAL 636  
FRINGE BENEFIT FUNDS**  
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TO: All Participants in the Pipefitters Local No. 636 Defined Contribution Retirement Trust

RE: Changes in Investment Options Effective July 15, 2024

DATE: June 14, 2024

The Board of Trustees of the Pipefitters Local No. 636 Defined Contribution Retirement Trust (“Trust”) has recently reviewed the current investment options offered through the Trust and, upon the recommendation of the Trust’s Investment Consultant, have decided, to make certain changes effective July 15, 2024. This notice explains these changes.

- The Loomis Sayles Core Plus Bond Class N (NERNX) will be replacing the PIMCO Total Return II Fund Institutional Class (PMBIX). Loomis Sayles is a high conviction manager exhibiting strong excess performance over prior trailing periods especially in comparison to the Trust’s current investment manager, PIMCO.**

If you have an existing balance in or future contributions directed to the PIMCO Total Return II Fund Institutional Class Fund, your balance and future contributions will automatically be merged into the Loomis Sayles Core Plus Bond Fund Class N as outlined below:

<b>If, as of 2:00 p.m. Eastern Time on July 15, 2024, you are invested in:</b>	<b>On July 17, 2024, you will be invested in:</b>
PIMCO Total Return II Fund Institutional Class (PMBIX)	Loomis Sayles Core Plus Bond Class N (NERNX)

If you do not want your balance and/or future contributions transferred as outlined above, you must make your investment change(s) prior to 2:00 p.m. Eastern Time on July 15, 2024. If you do not make any changes prior to 2:00 p.m. Eastern Time on July 15, 2024, you will not have access to the balance in your account that is invested in the PIMCO Total Return II Fund until 9:30 a.m. Eastern Time on July 17, 2024, at which time this balance will have been transferred as outlined above.

*What are the objectives of the new fund?*

Loomis Sayles Core Plus Bond Fund Class N Fund seeks to achieve a high total investment return through a combination of current income and capital appreciation. Under normal market conditions, the Fund will invest at least 80% of its net assets in bonds, which include debt securities of any maturity. In addition, the fund will invest at least 65% of its net assets in investment grade securities, which may include cash and cash equivalent securities. The Fund will generally seek to maintain an effective duration of +/- 2 years relative to the Bloomberg U.S. Aggregate Bond Index. The Fund may also invest up to 20% of its assets in below investment-grade fixed-income securities and up to 10% of its assets in non-U.S. denominated securities. The Fund’s investments may include securities issued by U.S. and non-U.S. corporations and governments, securities issued by supranational entities, U.S. government-sponsored agency debenture and pass-through securities, commercial mortgage-backed and other asset-backed securities, and inflation-linked securities. The strategy’s flexible nature should lead to strong performance across most credit cycles.

*What are the fees for the new fund?*

The fee for Loomis Sayles Core Plus Bond Fund Class N (NERNX) is 40 basis points.

*Why is this change taking place?*

PIMCO Total Return II Fund Institutional Class (PMBIX) transition to Loomis Sayles Core Plus Bond Fund Class N (NERNX) is supported by Loomis' strong performance record as seen through the option's strong relative outperformance of its benchmark over the year-to-date, 1-year, 3-year and 10-year time periods based on average annualized returns. Loomis Sayles is a high conviction manager that is quality replacement to PIMCO Total Return II Fund Institutional Class (PMBIX).

2. **The Loomis Sayles Core Plus Bond Fund Class N (NERNX) will be replacing the Morgan Stanley Long Duration Government Opportunities Fund Class I (USGDX). Loomis Sayles is a high conviction manager exhibiting strong excess performance over prior trailing periods especially in comparison to the Trust's current investment manager, the Morgan Stanley Long Duration Government Opportunities Fund (USGDX).**

If you have an existing balance in or future contributions directed to the Morgan Stanley Long Duration Government Opportunities Fund (USGDX), your balance and future contributions will automatically be merged into the Loomis Sayles Core Plus Bond Fund Class N as outlined below:

<b>If, as of 2:00 p.m. Eastern Time on July 15, 2024, you are invested in:</b>	<b>On July 17, 2024, you will be invested in:</b>
Morgan Stanley Long Duration Government Opportunities Fund (USGDX)	Loomis Sayles Core Plus Bond Fund Class N (NERNX)

If you do not want your balance and/or future contributions transferred as outlined above, you must make your investment change(s) prior to 2:00 p.m. Eastern Time on July 15, 2024. If you do not make any changes prior to 2:00 p.m. Eastern Time on July 15, 2024, you will not have access to the balance in your account that is invested in the Morgan Stanley Long Duration Government Opportunities Fund until 9:30 a.m. Eastern Time on July 17, 2024, at which time this balance will have been transferred as outlined above.

*What are the objectives of the new fund?*

Loomis Sayles Core Plus Bond Fund Class N Fund seeks to achieve a high total investment return through a combination of current income and capital appreciation. Under normal market conditions, the Fund will invest at least 80% of its net assets in bonds, which include debt securities of any maturity. In addition, the fund will invest at least 65% of its net assets in investment grade securities, which may include cash and cash equivalent securities. The Fund will generally seek to maintain an effective duration of +/- 2 years relative to the Bloomberg U.S. Aggregate Bond Index. The Fund may also invest up to 20% of its assets in below investment-grade fixed-income securities and up to 10% of its assets in non-U.S. denominated securities. The Fund's investments may include securities issued by U.S. and non-U.S. corporations and governments, securities issued by supranational entities, U.S. government-sponsored agency debenture and pass-through securities, commercial mortgage-backed and other asset-backed securities, and inflation-linked securities. The strategy's flexible nature should lead to strong performance across most credit cycles.

*What are the fees for the new fund?*

The fee for Loomis Sayles Core Plus Bond Fund Class N (NERNX) is 40 basis points.

*Why is this change taking place?*

The Morgan Stanley Long Duration Government Opportunities Fund (USGDX) is a long-duration strategy that is highly sensitive to interest rates changes that may exert imprudent risks for investors. The transition to Loomis Sayles Core Plus Bond Fund Class N (NERNX) as a practical option is supported by Loomis' strong performance record as seen through the option's strong relative outperformance of its benchmark over the year-to-date, 1-year, 3-year and 10-year time periods based on average annualized returns. Loomis Sayles is a high conviction manager that is quality replacement to the Morgan Stanley US Government Securities (USGDX).

3. **The Credit Suisse Commodity Return (CRSOX) Fund is being removed from the Pipefitters Local 636 Defined Contribution Investment Fund line-up.**

**If you have an existing balance in or future contributions directed to the Credit Suisse Commodity Return (CRSOX) Fund, your balance and future contributions will automatically be transferred to the applicable age-based T. Rowe Price Retirement Target Date Fund based on your current age and an assumed retirement age of 65 as indicated on the below chart.**

<u>Target Date Fund</u>	<u>Dates of Birth</u>	<u>Historical Rates of Return Net Fees</u> <u>as of October 31, 2021*</u>					<u>Morningstar</u> <u>5 Year Risk</u> <u>Return/Rating**</u>	<u>Prospectus</u> <u>Gross</u> <u>Expense Ratio</u>
		<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>		
<b>T. Rowe Price Retirement 2060 Fund R Class</b>	1/1/1999 – <i>any date after</i>	-22.78%	-24.17%	3.50%	7.06%	N/A	N/A	1.14%
<b>T. Rowe Price Retirement 2055 Fund R Class</b>	1/1/1995 – 12/31/1998	-22.72%	-24.16%	3.53%	7.06%	8.21%	Above Average/ Average	1.14%
<b>T. Rowe Price Retirement 2050 Fund R Class</b>	1/1/1990 – 12/31/1994	-22.70%	-24.10%	3.58%	7.11%	8.24%	Above Average/ Average	1.13%
<b>T. Rowe Price Retirement 2045 Fund R Class</b>	1/1/1985 – 12/31/1989	-22.61%	-24.02%	3.56%	7.11%	8.23%	High/ Average	1.12%
<b>T. Rowe Price Retirement 2040 Fund R Class</b>	1/1/1980 – 12/31/1984	-6.83%	2.37%	12.07%	11.15%	9.93%	High/Above Average	1.10%
<b>T. Rowe Price Retirement 2035 Fund R Class</b>	1/1/1975 – 12/31/1979	-21.48%	-22.74%	2.84%	6.44%	7.72%	High/Above Average	1.09%
<b>T. Rowe Price Retirement 2030 Fund R Class</b>	1/1/1970 – 12/31/1974	-20.33%	-21.42%	2.49%	6.00%	7.27%	High/Above Average	1.08%
<b>T. Rowe Price Retirement 2025 Fund R Class</b>	1/1/1965 – 12/31/1969	-18.84%	-19.83%	2.15%	5.49%	6.69%	High/High	1.05%
<b>T. Rowe Price Retirement 2020 Fund R Class</b>	1/1/1960 – 12/31/1964	-17.73%	-18.62%	1.65%	4.87%	5.98%	High/High	1.03%
<b>T. Rowe Price Retirement 2015 Fund R Class</b>	1/1/1955 – 12/31/1959	-17.21%	-18.08%	1.28%	4.20%	5.22%	Above Average/ High	1.01%
<b>T. Rowe Price Retirement 2010 Fund R Class</b>	1/1/1947 – 12/31/1954	-16.95%	-17.83%	0.85%	3.64%	4.47%	Average/Above Average	0.99%
<b>T. Rowe Price Retirement Balanced Fund R Class</b>	<i>Anyone born before 1/1/1947</i>	-4.52%	0.98%	7.14%	6.25%	5.33%	Average/Average	0.99%

If you have an existing balance in or future contributions directed to the Credit Suisse Commodity Return, your balance and future contributions will automatically be merged into your applicable target date fund as outlined below:

<b>If, as of 2:00 p.m. Eastern Time on July 15, 2024, you are invested in:</b>	<b>On July 17, 2024, you will be invested in:</b>
Credit Suisse Commodity Return - CRSOX	T. Rowe Price Retirement Target Date Fund based on your current age and expected retirement date

If you do not want your balance and/or future contributions transferred as outlined above, you must make your investment change(s) prior to 2:00 p.m. Eastern Time on July 15, 2024. If you do not make any changes prior to 2:00 p.m. Eastern Time on July 15, 2024, you will not have access to the balance in your account that is invested in the Credit Suisse Commodity Return Fund until 9:30 a.m. Eastern Time on July 17, 2024, at which time this balance will have been transferred as outlined above.

*What are the objectives of the new fund?*

A target-date fund is designed to provide an easy to understand solution through a portfolio whose asset mix becomes more conservative as the target date (usually retirement) approaches. The fund's manager will adjust the fund's underlying asset allocation as time passes, generally moving from more aggressive investments (i.e., stocks) to more conservative investments (i.e., bonds) as the fund's target date approaches.

*What are the fees for the new fund?*

Refer to the chart above for the fee for the T. Rowe Price Retirement Target Date Fund based on your birth date.

*Why is this change taking place?*

While this type of investment can offer significant return potential over the long term, it could alternatively experience large losses over short periods of time. Commodity investing exposes investors to risks including, but not limited to, commodity price movements, world events, import controls, worldwide competition, government regulations, weather, disease, and economic conditions. Commodity-linked investments may be more volatile and less liquid than the underlying commodity itself. Participants that wish to gain access to commodities can do so at their discretion through the brokerage window with Fidelity, which members are already utilizing to gain access to investments not offered in the core line-up (subject to Plan investment limitations).

#### **4. Increase in cash out limit**

Effective May 14, 2024, in the following circumstances, if the amount in an account does not exceed \$7,000, a distribution must be taken as a lump sum of the account balance (this limit used to be \$5,000):

- A Participant who is eligible for a distribution due to a Break in Service can obtain partial distribution upon request once every six months, but if the account balance after the requested distribution is less than \$7,000, the entire balance will be distributed.
- Surviving Spouses and beneficiaries can obtain partial distributions upon request once every six months, but if the account balance after the requested distribution is less than \$7,000, the entire balance will be distributed.
- Under certain circumstances, upon attainment of age 59 ½ an actively working Participant may receive an in-service distribution, subject to a minimum distribution of \$7,000, or the entire account balance if it is less than \$7,000.

Please contact the Fund Office with any questions.