



New England Carpenters
Benefit Funds

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December 2017

Dear Participants of the New England, Connecticut and Rhode Island Carpenters Benefit Funds,

Effective January 1, 2018, we are pleased to announce the mergers of the various Benefit Funds for New England, Connecticut and Rhode Island. These mergers will strengthen the Funds financially now and into the future, through elimination of some duplicative administrative expenses and increased purchasing power of a member base of over 20,000. Stronger Funds will create more opportunity for financial security and stability for today's New England area Carpenters and future generations of Carpenters. ***It is important to note that although the "TRUSTS" are merging, there have been no changes to your benefits.*** Once the new Boards of Trustees are seated in January, they will conduct a full assessment of all the benefits.

The following is a brief summary of changes that will be effective January 1, 2018. Also included in this mailing is a list of answers to common questions that participants may have.

Boards of Trustees – All Funds

A new Combined Board of Trustees will be seated, with ten (10) Union trustees and ten (10) Employer trustees for the Pension, Health and Vacation Funds. For each group of trustees, seven (7) trustees will represent Massachusetts, Vermont, New Hampshire and Maine, two (2) trustees will represent Connecticut, and one (1) trustee will represent Rhode Island.

Also, effective January 1, 2018, for members of the Connecticut and Rhode Island Local Unions, a new Board of Trustees will be seated for the newly named Southern New England Carpenters Annuity Fund, with a total of seven (7) trustees: Four (4) Union Trustees, with two (2) representing Connecticut, one (1) representing Rhode Island, and EST Tom Flynn presiding as the fourth (4th) Labor trustee; and three (3) Employer trustees, with two (2) representing Connecticut and one (1) representing Rhode Island. (Despite the odd number, each side will have equal voting power.)

For the New England Carpenters Guaranteed Annuity Fund, there will be seven (7) Union trustees and seven (7) Employer trustees representing Massachusetts, Vermont, New Hampshire and Maine.

A sub-committee will be appointed for each region, and each sub-committee will consider issues specific to its region, such as appeals and benefits, and make recommendations to the Combined Board of Trustees.

Health Funds

The Connecticut Carpenters Health Fund and the Rhode Island Carpenters Health Fund will merge into the New England Carpenters Health Benefits Fund. There will be no benefit changes or network changes for any of the three (3) health funds on January 1, 2018, and Connecticut and Rhode Island participants will continue to be serviced by the existing Connecticut and Rhode Island Fund offices. Your current ID cards will continue to be valid on January 1, 2018 and there will be no interruption in your coverage.

Pension Funds

The Connecticut Carpenters Pension Fund and the Rhode Island Carpenters Pension Fund will merge into the New England Carpenters Pension Fund. There will be no benefit or accrual changes for any of the three (3) pension funds on January 1, 2018, and Connecticut and Rhode Island participants and retirees will continue to be serviced by the existing Connecticut and Rhode Island Fund offices. So you are aware, the Pension Funds have sought the required approval from the federal government (the agency is known as the Pension Benefit Guarantee Corporation or "PBGC"), and the Funds expect that the merger will be approved effective as of January 1, 2018. If not, the merger could be delayed, but this will not affect your benefits.

Annuity Funds

Connecticut and Rhode Island participants will receive a separate notification regarding the plan rules for the new merged Fund, which will be known as the Southern New England Carpenters Annuity Fund. Connecticut and Rhode Island participants and retirees will continue to be serviced by the existing Connecticut and Rhode Island Fund offices.

The New England Carpenters Guaranteed Annuity Fund will remain unchanged.

Vacation Funds

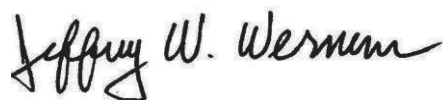
The New England Carpenters Vacation Savings Fund will administer Vacation contributions for Connecticut and Rhode Island participants for hours worked January 1, 2018 and later. The Connecticut and Rhode Island Fund offices will close the benefit year for Vacation contributions on December 31, 2017, and will send benefit checks to participants in early 2018. The new Combined Board will determine when the 2018 benefit checks will be sent to all of the participants.

To sum up: We understand how important our benefits are to members. We will plan and execute these mergers carefully, and preserve the high levels of service that you expect. We know that there are many questions from members, and the list will continue to grow. We will work hard at communicating with you throughout this process. Attached is the start of ***Frequently Asked Questions*** that we will update regularly and publish to you. If you have a question that has not been covered, please submit it to:

mergerquestions@carpentersfund.org

Of course, please feel free to call your Fund Office with any questions that you may have.

Yours in good health,



Jeffrey W. Werner
Executive Director
New England Carpenters Benefit Funds

NEW ENGLAND CARPENTERS BENEFIT FUNDS MERGERS

Frequently Asked Questions

December 2017

Question: *Will the Connecticut and Rhode Island Fund offices be closed?*

Answer: There are no plans to close these offices; however, over time it may make sense to consolidate certain processes. If any changes occur at any of the Fund offices that will affect members, we will communicate to members in advance.

Question: *Will there be changes to my health coverage on January 1, 2018?*

Answer: No, your health coverage will continue with no benefit changes on January 1, 2018. If you have any questions regarding your coverage you will continue to contact your current Fund office:

New England Carpenters Benefit Funds – (800) 344-1515

Connecticut State Carpenters Benefit Funds – (800) 922-6026

Rhode Island State Carpenters Benefit Funds - (401) 467-6813

Question: *Will there be a change to my monthly pension check?*

Answer: There will be no changes to your monthly pension check for January 1, 2018. For Connecticut and Rhode Island retirees, sometime in early 2018, the check will indicate that the check is issued by the New England Carpenters Pension Fund. If you have any questions, or need to make changes to your tax withholdings or your direct deposit information, you will continue to contact your current Fund office.

Question: *Are the Benefit Funds being merged because of the local union mergers?*

Answer: No, the Benefit Funds mergers and local union mergers are unrelated.

Question: *Are the Benefit Funds being merged because they are failing?*

Answer: No. This merger will strengthen the Funds financially now and into the future, through elimination of some duplicative administrative expenses and increased purchasing power of a member base of over 20,000. Stronger Funds will create more opportunity for financial security and stability for today's New England area Carpenters and future generations of Carpenters.

Question: *Will the value of pension credits that I have earned change?*

Answer: No.

Question: *Will Connecticut and Rhode Island employers continue to send contributions through the Connecticut Carpenters Employer Portal?*

Answer: Yes.

NEW ENGLAND CARPENTERS BENEFIT FUNDS MERGERS

Frequently Asked Questions

Question: *Will contribution rates change as a result of the Benefit Funds mergers?*

Answer: Contribution rates are determined in collective bargaining agreement between NERCC and the Employers and will not change on the effective date of the mergers, January 1, 2018.

Question: *Will the reciprocity process between New England, Connecticut and Rhode Island continue?*

Answer: Yes, the current reciprocity processes will continue for the foreseeable future.

Question: *I am a Rhode Island resident, and a current member of Local 1305 in Massachusetts. After Locals 1305 and 94 merge, what benefits will I have going forward?*

Answer: Assuming you are eligible, you will continue to maintain your same Health Fund coverage through Blue Cross Blue Shield. Any benefits you have accrued under the New England Carpenters Guaranteed Annuity Fund and New England Carpenters Pension Fund will remain in effect.

Question: *I am a Massachusetts resident, and a current member of Local 94 in Rhode Island. After Locals 1305 and 94 merge, what benefits will I have going forward?*

Answer: Assuming you are eligible, you will continue to maintain your same Health Fund coverage. Any benefits you have accrued under the Rhode Island Carpenters Pension Fund will remain in effect, and your annuity benefit will be provided through the new Southern New England Carpenters Annuity Fund. You will be receiving a separate notification regarding Plan rules for that new Annuity Fund.

Question: *How will coverage for new members in the merged Massachusetts-Rhode Island Local be set up?*

Answer: By state of residence.

Question: *Who do I call if I have a question about my benefits?*

Answer: As a general rule, you should continue to call your current Fund office. The only exception to this rule will be the Vacation Fund. For hours worked after January 1, 2018, please call the New England Carpenters Vacation Savings Fund at 1-800-344-1515.