



**CARPENTERS  
SOUTHWEST  
ADMINISTRATIVE  
CORPORATION**

533 South Fremont Avenue  
Los Angeles, CA 90071-1706

**Tel:** 213-386-8590 • **Toll Free:** 800-293-1370  
[www.carpenterssw.org](http://www.carpenterssw.org)

October 1, 2021

**RE: PENSION PLAN BENEFIT ENHANCEMENT**

Dear Participant:

The Board of Trustees has approved several enhancements to the Southwest Carpenters Pension Plan effective January 1, 2021 which may result in an increase in your pension benefit and Service Pension credit calculation. These enhancements include increases to future plan benefits and retroactive increases to plan benefits for plan years of 2011 through 2020 for certain participants. Also included are increases to credit earned toward a Service Pension which may allow participants to accumulate the required 30 credits more quickly.

Enclosed is a Summary of Material Modifications with details to explain the changes made to the Southwest Carpenters Pension Plan, including revised benefit tables and examples. Please keep this document with your Summary Plan Description (SPD) for reference because it reflects modifications made to the language in the SPD booklet.

As a Pension Plan participant, you can view your pension information and work history in the MemberXG Portal at any time by going to <https://memberxg.carpenterssw.org/>. However, the effect of these plan changes will not be visible in MemberXG until November 1, 2021. Pension Statements will also be mailed in the coming weeks.

If you are a current Pensioner who retired after working 1,000 hours in 2020, or a surviving beneficiary, you may be entitled to a retroactive increase to your monthly benefit. You will be contacted by the Pension Department with further details.

If you have any questions regarding this notice or accessing MemberXG, please contact the Administrative Office by phone at 213-386-8590 or by email at [Web-Pen@carpenterssw.org](mailto:Web-Pen@carpenterssw.org).

Sincerely,

Pension Department



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**To: To All Southwest Carpenters Pension Plan Participants**

## **Summary of Material Modifications**

**September, 2021**

### **PARTICIPANT NOTICE**

This Participant Notice will advise you of certain material modifications (plan changes) that have been made to the Southwest Carpenters Pension Plan (the Plan). This information is **very important** for you. Please take the time to read it carefully.

***Aviso a los participantes que hablan español: Si tiene alguna pregunta con respecto a este aviso o necesita cualquier otra información sobre su plan de pensiones, comuníquese con la oficina administrativa al (213) 386-8590 o (800) 293-1370, donde habrá varios representantes bilingües para ayudarlo.***

### **BENEFIT ACCRUAL RATE FOR PLAN YEARS ON OR AFTER JANUARY 1, 2021**

Effective with plan years on or after January 1, 2021, the monthly Benefit Accrual Rate each year for 1,800 hours is increased from \$100.00 to \$200.00 and the average contribution rate needed for a full accrual of pension benefit has increased from \$4.00 to \$5.00 per hour.

Participants who work more than 1,800 hours in a year will have a larger Benefit Accrual Rate up to a maximum of \$244.44.

### **STEPS FOR CALCULATING YOUR MONTHLY BENEFITS EARNED IN A YEAR**

The basic formula used to calculate the amount of benefit accrued in a given year has not changed. The benefits earned equal the applicable Benefit Accrual Rate multiplied by the applicable Benefit Factor.

Benefit Accrual Rate x Benefit Factor = Benefit Amount

1. Using the Benefit Accrual Rate Table shown below, find the Benefit Accrual Rate that corresponds to your Hours Worked in Covered Employment during the calendar year.

**Benefit Accrual Rate Table**

Hours in Covered Employment	2015 - 2020 Accrual Rate	New 2021 and later Accrual Rate
0-699	None	None
700-799	\$38.99	\$77.78
800-899	\$44.56	\$88.89
900-999	\$50.00	\$100.00
1,000-1,099	\$55.69	\$111.11
1,100-1,199	\$61.26	\$122.22
1,200-1,299	\$66.81	\$133.33
1,300-1,399	\$72.39	\$144.44
1,400-1,499	\$77.96	\$155.56
1,500-1,599	\$83.53	\$166.67
1,600-1,699	\$89.09	\$177.78
1,700-1,799	\$94.66	\$188.89
1,800-1,899	\$100.00	\$200.00
1,900-1,999	\$100.00	\$211.11
2,000-2,099	\$100.00	\$222.22
2,100-2,199	\$100.00	\$233.33
2,200 or more	\$100.00	\$244.44

2. Next, using the Benefit Factor Table shown below, find the Benefit Factor that corresponds to your Average Hourly Contribution Rate for the given year. Your Average Hourly Contribution Rate is calculated by dividing the amount of employer contributions made to the Plan on your behalf by the number of hours you worked in Covered Employment.

**Benefit Factor Table**

Average Hourly Contribution Rate	2015 - 2020 Benefit Factor	New 2021 and later Benefit Factor
\$0.00-0.99	0.0000	0.0000
\$1.00-1.24	0.2500	0.2000
\$1.25-1.49	0.3125	0.2500
\$1.50-1.74	0.3750	0.3000
\$1.75-1.99	0.4375	0.3500
\$2.00-2.24	0.5000	0.4000
\$2.25-2.49	0.5625	0.4500
\$2.50-2.74	0.6250	0.5000
\$2.75-2.99	0.6875	0.5500
\$3.00-3.24	0.7500	0.6000
\$3.25-3.49	0.8125	0.6500
\$3.50-3.74	0.8750	0.7000
\$3.75-3.99	0.9375	0.7500
\$4.00-4.24	1.0000	0.8000
\$4.25-4.49	1.0000	0.8500
\$4.50-4.74	1.0000	0.9000
\$4.75-4.99	1.0000	0.9500
\$5.00 or more	1.0000	1.0000

**Example 1** – If you work 1,800 hours in 2021 at an average rate of \$4.00 per hour, the monthly benefit you will accrue will be \$160.00.

$$\$200.00 \text{ Benefit Accrual Rate} \times .80 \text{ Benefit Factor for 2021} = \underline{\$160.00} \text{ Monthly Benefit Amount}$$

Prior to the approval of these benefit improvements, if you had worked 1,800 hours in 2021 at an average rate of \$4.00 per hour, you would have earned \$100.00 for the year (1.0 multiplied by \$100.00).

**Example 2** – If you work 2000 hours in 2021 at an average rate of \$5.00 per hour, the monthly benefit you will accrue will be \$222.22.

$$\$222.22 \text{ Benefit Accrual Rate} \times 1.0 \text{ Benefit Factor for 2021} = \underline{\$222.22} \text{ Monthly Benefit Amount}$$

**BENEFIT ACCRUALS FOR 2011 THROUGH 2020**

Benefit accruals have been increased retroactively by 50% for the past 10 years (2011-2020) for Participants who were credited at least 1,000 hours and accrued Pension Credit under the Southwest Carpenters Pension Plan during 2020. Participants who worked in Covered Employment under the Nevada In-House Hospitality Collective Bargaining Agreement will also qualify for the retroactive increase if they worked at least 1,000 hours in either 2020 or 2021.

Hours in Covered Employment	Monthly Benefit Accrual During Calendar Years 2011-2020	50% increase	Revised Value of Benefit Accrual (2011 – 2020 accrual plus 50% increase)
700-799	\$38.99	\$19.50	\$58.49
800-899	\$44.56	\$22.28	\$66.84
900-999	\$50.00	\$25.00	\$75.00
1,000-1,099	\$55.69	\$27.85	\$83.54
1,100-1,199	\$61.26	\$30.63	\$91.89
1,200-1,299	\$66.81	\$33.41	\$100.22
1,300-1,399	\$72.39	\$36.20	\$108.59
1,400-1,499	\$77.96	\$38.98	\$116.94
1,500-1,599	\$83.53	\$41.77	\$125.30
1,600-1,699	\$89.09	\$44.55	\$133.64
1,700-1,799	\$94.66	\$47.33	\$141.99
1,800	\$100.00	\$50.00	\$150.00

**Example** – If you worked 1,500 hours in 2020 at an average rate of \$3.50 per hour, the monthly benefit you will accrue will be \$109.64.

$$\$125.30 \text{ Benefit Accrual Rate} \times .875 \text{ Benefit Factor for 2020} = \underline{\$109.64} \text{ Monthly Benefit Amount}$$

The Benefit Factor Table based on the Average Hourly Contribution Rate is applied to Benefit Accruals from 2015 or later. From 2011 through 2014, Benefit Accruals are based on hours alone.

**ADDITIONAL SERVICE PENSION ELIGIBILITY CREDIT**

The Plan currently provides for a Service Pension (an immediate unreduced retirement benefit at any age) after a Participant earns 30 years of Pension Credit. For plan years starting on or after January 1, 2021,

additional Service Pension Eligibility Credit will be granted at 1/12th of a credit for every 100 hours worked above 1,800 hours up to a maximum of 2,200 hours. The increase only applies to eligibility for a Service Pension and does not increase Pension or Vesting Credit.

**Participants who were credited with at least 1,000 hours and accrued Pension Credit under the Southwest Carpenters Pension Plan during 2020 will receive similar increases to Service Pension Eligibility Credits during 2011-2020.** Additionally, Participants credited with at least 1,000 hours worked in Covered Employment under the Nevada In-House Hospitality Collective Bargaining Agreements will also qualify for the retroactive increase if they worked at least 1,000 hours in either 2020 or 2021.

The amount of Service Pension Eligibility Credit granted is shown in the following table:

Service Pension Eligibility Credit Earned for years 2021 and Later	
Hours Worked in Covered Employment in a Calendar Year	Service Pension Eligibility Credit Earned in the Calendar Year
Fewer than 300 hours	None
300 - 399	3/12 Year
400 - 499	4/12 Year
500 - 599	5/12 Year
600 - 699	6/12 Year
700 - 799	7/12 Year
800 - 899	8/12 Year
900 - 999	9/12 Year
1000 - 1099	10/12 Year
1100 - 1199	11/12 Year
1200 - 1899	One Year
1900 - 1999	1 - 1/12 Year
2000 - 2099	1- 2/12 Year
2100 - 2199	1- 3/12 Year
2200 and over	1- 4/12 Year

*This notice constitutes a Summary of Material Modifications. You should file this notice with your copy of the summary plan description ("SPD") because it changes certain information contained in the SPD. The Board of Trustees may, from time to time and at any time, adopt such rules and procedures that it determines to be necessary or desirable with respect to the operation of the Plan, and amend, modify, or eliminate any provision of the Plan.*

Please direct any questions you may have about this summary or the Plan in general to the Administrative Office:

Carpenters Southwest Administrative Corporation  
533 South Fremont Avenue, 6<sup>th</sup> Floor  
Los Angeles, CA 90071  
(800) 293-1370

Sincerely,

BOARD OF TRUSTEES