

CARPENTERS DISTRICT COUNCIL OF KANSAS CITY PENSION FUND

August 31, 2016

Dear Participant:

The Trustees are pleased to announce the following improvement to the Pension Plan.

Lump Sum Death Benefit

Currently, the Plan provides a pre-retirement lump sum death benefit to the beneficiary of a Participant who dies before retirement while in Covered Employment and who has earned at least 10 Pension Credits or has had at least 7,500 hours of contributions paid to the Fund.

Effective January 1, 2016, eligibility for the pre-retirement lump sum death benefit is being changed to five (5) Years of Vesting Service or at least 7,500 hours of contributions. A Participant must also have a Year of Vesting Service in the year of his/her death or in the previous four (4) Plan Years.

The amount of the Lump Sum benefit is:

- (1) Twenty (20) times the pension amount to which a Participant would have been entitled at the time of death up to a maximum of \$2,500 or, if greater,
- (2) The total contributions received by the Fund on behalf of a Participant.

The Lump Sum Benefit is payable to the Participant's designated Beneficiary or, if none, to the Participant's Spouse, or, if none, to the Participant's child or children in equal shares; or, if none, to the Participant's estate.

However, if a Qualified Surviving Spouse eligible for the Pre-Retirement Surviving Spouse Pension is eligible for the Lump Sum Benefit, the Qualified Surviving Spouse shall be given the choice as to which benefit is to be paid. If the Qualified Surviving Spouse elects the Lump Sum Benefit, the amount of the benefits paid shall be no less than the Actuarial Present Value of the Pre-Retirement Surviving Spouse Pension.

If you have questions about this announcement or your pension benefits in general, we encourage you to contact the Fund Office.

Sincerely,

Board of Trustees

This letter highlights recent changes to the Pension Plan. Full details are contained in the documents that establish the Plan provisions. If there is a discrepancy between the wording here and the documents that establish the Plan, the document language will govern. The Trustees reserve the right to amend, modify, or terminate the Plan at any time.

5599381v1/01571.001