

**Southwest Ohio Regional Council of Carpenters Pension Plan  
Checklist Item #2**

Does the application include a description of the proposed benefit suspension – calculated as if no other limitations apply – that includes:

- the suspension's effective date (and its expiration date, if applicable);
- whether the suspension provides for different treatment of participants and beneficiaries;
- a description of the different categories or groups of individuals affected; and
- how the suspension affects these individuals differently?

See Section 2.02.

Attached as Document 2.1 is a description of the proposed benefit suspension.

**Southwest Ohio Regional Council of Carpenters Pension Plan  
Document 2.1**

The Board of Trustees of the Southwest Ohio Regional Council of Carpenters Pension Plan proposes the following reduction in benefits effective on December 31, 2017. The reduction in benefits shall remain in effect indefinitely.

The proposed reduction in benefits shall be accomplished by the amendment of the Plan to recalculate all accrued benefits and all monthly benefits in pay status for all Participants, Beneficiaries and Alternate Payees with a separate interest pension benefit and to be effective for benefit payments on or after December 31, 2017.

The one-time recalculation set forth below is based on the basic premise that all accrued benefits and monthly benefits in pay status shall be subject to the same early retirement reduction factors that have been or will be applied pursuant to the Plan's provisions to benefits with an annuity starting date on or after January 1, 2013, and then all accrued benefits and monthly benefits in pay status shall be further subject to an additional flat percentage reduction.

The recalculation shall be applied to all Participants, Beneficiaries and Alternate Payees without regard to different categories or groups of individuals and shall not distinguish between individuals based on years of service, benefit credit or accrual rate, employer, or the amount of benefits received through the effective date of the reduction of benefits, December 31, 2017.

The first step of the recalculation shall be applied to the monthly benefit of each Participant who retired with an annuity starting date prior to January 1, 2013. The Participant's monthly benefit shall be recalculated to apply the early retirement reduction factors that would have been applicable to the Participant's age at retirement had the Participant retired subject to the same Plan provisions that apply to monthly benefits with an annuity starting date on or after January 1, 2013. Similarly, Beneficiaries presently receiving monthly benefits shall have their benefits recalculated to apply the early retirement reduction factors that would have been applicable on or after January 1, 2013 to the accrued benefit of the Participant on whom the Beneficiary's benefit is based. Lastly, the monthly benefit of Alternate Payees with a separate interest pension benefit that commenced prior to January 1, 2013 shall be re-calculated to apply the early retirement reduction factors that would have been applicable to the Alternate Payee's age at the commencement of the Alternate Payee's monthly benefit had the Alternate Payee commenced his or her monthly benefits subject to the same Plan provisions that applied to benefits with an annuity starting date on or after January 1, 2013

Thus, following the application of this first step, effectively, all Participants, Beneficiaries and Alternate Payees with a separate interest pension benefit shall have been subject to the application of a uniform set of early retirement reduction factors, if applicable due to the commencement of benefits prior to attainment of Normal Retirement Age (age 62). Pursuant to the Plan's provisions, as amended, those Participants, Beneficiaries and Alternate Payees with a separate interest pension benefit with an annuity starting date on or after January 1, 2013 were and are already subject to those same early retirement reduction factors, if applicable due to the commencement of benefits prior to attainment of Normal Retirement Age.

The second step of the recalculation shall be a seventeen percent (17%) reduction of the monthly benefit of every Participant, Beneficiary and Alternate Payee with a separate interest pension benefit.

With respect to Alternate Payee's with a shared interest pension benefit, the proposed reduction of benefits would impact the Alternate Payee differently depending on whether the Alternate Payee's

assigned benefit was expressed in the form of a percentage of the Participant's monthly benefit or a specified dollar amount. Simply, the Alternate Payee with a shared interest assigned benefit in the form of a percentage of the Participant's monthly benefit will continue to receive their assigned percentage of the Participant's recalculated monthly benefit.

An Alternate Payee with an assigned benefit in the form of a specified dollar amount shall continue to receive the specified dollar amount regardless of the reduction of the Participant's monthly benefit, unless the reduced benefit is insufficient to satisfy the Alternate Payee's assigned benefit. If the Participant's recalculated reduced benefit is insufficient to satisfy the Alternate Payee's assigned benefit, then the Alternate Payee shall receive all of the Participant's recalculated reduced benefit.

The recalculation shall not be applied to accrued benefits earned on or after December 31, 2017.

The recalculation of all accrued benefits and all monthly benefits shall be limited by Section 432(e)(9)(D)(i),(ii), and (iii), as described in the response to Checklist Item #9.