



North Atlantic States Carpenters Annuity Fund

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IMPORTANT NOTICE January 2024

To: All Participants with Annuity Fund accounts:

The Trustees of the North Atlantic States Carpenters Annuity Fund (“NASCAF”) wish to notify you of the following regarding the Annuity Plan:

A. Hardship Loans.

The NASCAF currently offers a loan option to eligible participants who are located in Connecticut, Rhode Island and New York. Loans are offered in specific factual circumstances (e.g., uninsured expenses for medical care, college tuition and room and board expenses, to prevent eviction or foreclosure on your principal residence, purchase of a principal residence and payment of burial or funeral expenses for your deceased parent, spouse, child, spouse’s parent or dependent claimed on your federal tax return. Loans generally must be repaid in five (5) years or less *except* in situations of a purchase of a principal residence (which can be for thirty (30) years).

Before 2024, the interest rate for participant hardship loans was based on the prime rate. Beginning in 2024, participant hardship loans will bear a reasonable rate of interest that is determined by the Trustees. The new rates will be based on fully secured, commercial loan rates. For loans taken during the 2024 calendar year, the loan rate will be 3.50%. This rate will never exceed 6% for Participants on military leave.

B. The NASCAF Account Valuation process:

Under current NASCAF procedures, each account is valued on an annual basis, as of December 31st. As it takes time to determine the actual fair market value of each of NASCAF’s investments as of the valuation date, NASCAF statements are normally sent out during the time frame of May to June following the applicable valuation date. Please keep in mind that all NASCAF administrative expenses are normally paid from the overall investment return (so there are no current monthly or quarterly fees assessed against accounts), and the NASCAF’s net investment return is allocated among all accounts, on a time-weighted basis, based on account balances in existence on the valuation date.

Another important point to remember with the NASCAF is that you must have an account in existence on the valuation date to receive any net investment results (whether positive or negative) for that applicable plan year. For example, if you are

eligible for and receive a full distribution from NASCAF before any positive or negative returns are applied, you would not receive any net investment results.

C. Reminder About Beneficiary Designations.

PLEASE be sure you have current and accurate beneficiary designation(s) on file with the Fund Office. Please contact the Fund Office if you wish to change your beneficiary or request a beneficiary form. We honor the most recent completed designation on file prior to your death, except where that designation is overridden by the legal requirement to pay Annuity Fund death benefits to your spouse unless s/he has consented to your naming another beneficiary.

D. Administrative Matters.

Our primary objective throughout this process will be to continue to service our members in a professional and timely manner, with as little disruption as possible. To that end, all the NASCAF's workflows for participants and beneficiaries (whether in Connecticut, Rhode Island, or New York) will remain the same. This means that you should continue to contact the relevant Fund Office that you have contacted in the past.

Connecticut Fund Office:	203-281-5511 ext. 2642 <i>or</i> 800-922-6026 (toll free in CT)
New York (Long Island) Fund Office:	877-372-3236

This Notice constitutes a Summary of Material Modifications for the North Atlantic States Carpenters Annuity Fund. Please keep this Notice with your Summary Plan Description. As a reminder, all benefits are subject to amendment and/or termination as the Trustees may determine to be in the best interests of the Fund's participants and beneficiaries. Contact the Benefit Office if you have any questions.

For the Board of Trustees

Nicola Favorito
Executive Director
January 2024