



CENTRAL PENSION FUND

Report

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Notice of Increase in the Benefit Accrual Rate For Future Service

At its most recent meeting, the Board of Trustees amended the Plan of Benefits to increase the Benefit Accrual Rate for Credited Future Service. The Benefit Accrual Rate is applied to contributions made on behalf of participants to determine the amount of monthly benefit that will be payable at retirement. This increase will become effective April 1, 2015. No other changes to the Plan of Benefits have been made.

The Increase

The current Benefit Accrual Rate is 1% of contributions for hours worked on and after April 1, 2009. Effective April 1, 2015 that rate will be increased to 1.25%. The increased rate will apply only to contributions for hours worked on and after April 1, 2015.

All Prior Benefits Fully Preserved

This increase does not in any way affect the benefits currently being paid to pensioners and beneficiaries, nor does it affect in any way the benefit amounts accrued by active participants prior to April 1, 2015.

The Reason for This Action

This action was taken to permit a modest but meaningful increase in future benefit accruals, that will not impede the Fund's continued recovery from the global economic crisis of 2008-2009. The Fund continues to be in healthy Green Zone status under the Pension Protection Act, and continues to have no withdrawal liability for contributing employers.

The Future

While no one can predict whether the slow but steady economic recovery of recent years will continue, the Board of Trustees will, as it has throughout the Fund's history, adjust the Benefit Accrual Rate as prudent and sound financial judgment permit.