



**CARPENTER FUNDS ADMINISTRATIVE OFFICE
OF NORTHERN CALIFORNIA, INC.**

carpenterfunds.com

265 Hegenberger Road, Suite 100
Oakland, California 94621-1480
Toll-Free: (888) 547-2054
Phone: (510) 633-0333

November 2025

TO: ALL SIGNATORY EMPLOYERS

**RE: NORTHERN CALIFORNIA CARPENTERS 401(K) PLAN
Increase in the Maximum Elective Deferrals**

Effective January 1, 2026, IRS limits on the amount that can be contributed to a 401(k) Plan per calendar year increases as follows:

- **Participants less than age 50**
The annual limit increases from \$23,500 in 2025, to \$24,500 in 2026.
- **Participants age 50 or older**
The annual limit increases from \$31,000 in 2025, to \$32,500 in 2026.
- **Participants who become age 60 through 63 in 2026**
The annual limit increases from \$34,750 in 2025, to \$35,750 in 2026.

Because the Northern California Carpenters 401(k) Plan is a Multi-Employer Plan, to limit the tax consequence of over contributing that may occur when more than one Employer remits contributions for the same individual, the Plan limits hourly contribution rates as follows:

- ***Individuals who are less than 50 years old may contribute up to \$15.00 per hour.***
- ***Individuals who are at least age 50, or will be age 50 by the end of the 2026 calendar year, may contribute up to \$20.00 per hour.***
- ***Individuals who are age 60 through 63 by the end of the 2026 calendar year, may contribute up to \$22.00 per hour.***

Change in Contribution Amount: Participants may change their contribution amount by completing a "Form to Elect 401(k) Retirement Contributions" and submitting it to their employer. The election to contribute to the 401(k) should be effective as soon as administratively possible (but no later than one month following the election). Participants can make changes to their contribution amount or stop contributing by completing the same form and the wage deferrals for contributions should stop as soon as administratively possible.

Contact the Carpenter Funds Administrative Office for more information:

265 Hegenberger Road, Suite 100 - Oakland, CA 94621
Phone: 510-633-0333 or Toll Free: 888-547-2054
Email: benefitservices@carpenterfunds.com

To download a Northern California Carpenters 401(k) Plan - Form to Elect 401(k) Retirement Contributions, please visit www.carpenterfunds.com.

*Unlike employer contributions to the Pension and Annuity Plans, the pre-tax savings feature of the 401(k) Plan does not eliminate the FICA and FUTA requirements of an employer. **The 401(k) Plan elective deferrals withheld from employee paychecks are subject to stringent Federal Regulation, requiring remittance as soon as administratively possible after withholding, but in no event later than the 15th business day after month-end in which such paycheck was issued.** Please discuss with your payroll vendor or payroll personnel should you have questions.*

Participant Eligibility in Safe Harbor Plan. The Northern California Carpenters 401(k) Plan is a Safe Harbor Plan. To avoid various employer tests, Safe Harbor Plans require employers to make contributions into a qualified Defined Contribution Plan on behalf of all Employees eligible to participate in the Safe Harbor Plan, equal to at least 3% of W-2 compensable wages. Employer contributions paid into the Carpenters Annuity Trust Fund for Northern California satisfy the 401(k) Safe Harbor Contributions, provided the Annuity contributions meet the “3% Safe Harbor Employer Contributions” requirement.

Remember, Annuity contributions satisfy the Safe Harbor minimum contribution requirement for your employees, covered by the Collective Bargaining Agreement, that are eligible for Annuity contributions equal to at least 3% of W-2 compensable wages. Apprentices or other individuals covered by the Collective Bargaining Agreement that do not receive Annuity contributions equal to at least 3% of W-2 compensable wages are not eligible to participate in the 401(k) Plan unless you agree to and sign a Subscription Agreement.

In addition to the collectively bargained employees explained above, non-collectively bargained employees, such as Owners, Partners, Superintendents and Stakeholders, may also be eligible to participate in the 401(k) plan. In order to participate in the 401(k) Plan, non-collectively bargained Employees must be reported into the Annuity Fund as provided in Section 46 of the Carpenter Master Agreement and/or if the Employer is not making an Annuity Contribution for an employee that equals at least 3% of the Employee’s W-2 compensable wages, the Employer must make up the difference with an Employer contribution to the 401(k) Plan on behalf of this employee. The Employer Annuity contributions, plus the Employer 401(k) contributions (if required) must equal 3% of the Employee’s W-2 compensable wages.