Benefit Services
SERVING LOCAL UNION 725 & MCASF
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Date: October 1, 2026
To: All active participants in the Defined Contribution Retirement Trust Fund
From: Board of Trustees
RE: 2027 Calendar Year Employee Elective Contribution Election

Dear Participant:

As an active participant in the MCASF Local 725 Defined Contribution Retirement Trust Fund, your employer makes contributions to the Trust Fund on your behalf based on your job classification and the hours for which you are paid, as required by the Collective Bargaining Agreement. In addition to these employer-paid contributions, you may choose to make additional contributions, Employee-paid Elective Contributions, which are deducted from your wages.

How do Elective Contributions work?

Elective Contributions allow you to save additional money for retirement while potentially reducing the amount of federal income tax you pay today. Employee-paid Elective Contributions are made on a pre-tax basis for federal income tax purposes, which means you generally pay less federal income tax on your current wages. Social Security and Medicare taxes still apply.

The example below shows how tax savings can offset part of an Elective Contribution.

	No Elective Contribution	$4.00 Elective Contribution
Weekly gross pay	$1,567.20	$1,567.20
Pre-tax Elective Contribution	$0.00	$160.00
Wages subject to federal income tax	$1,567.20	$1,407.20
Federal income tax withheld	$244.48	$219.52
Social Security and Medicare taxes	$119.89	$119.89
Other payroll deductions	$53.54	$53.54
Take-home pay	**$1,149.29**	**$1,014.25**
Amount contributed for retirement	**$0.00**	**$160.00**
Reduction in take-home pay	**$0.00**	**$135.04**
Federal income tax savings	**$0.00**	**$24.96**

This example assumes 40 hours per week and a $4.00 per hour Elective Contribution. You would contribute $160.00 per week toward retirement, while your take-home pay would be reduced by only $135.04 due to $24.96 in federal income tax savings. Over a year, you would contribute $8,320 and save approximately $1,300 in federal income taxes. Over 30 years, that could mean approximately $250,000 in retirement savings before investment earnings and nearly $40,000 in federal income tax savings. This example is for illustrative purposes only.

2027 Contribution limits

For 2027, the estimated maximum amounts are **$25,500** for Elective Contributions.
Will you be age 50 or older by December 31, 2027? If so, you may also make Catch-up Contributions up to an additional $8,500 for a total of **$34,000**. These amounts are estimated because the IRS has not yet published the 2027 limits. Different rules may apply to Highly Compensated Employees (see below). Once you reach the maximum contribution limit, your employer will stop deducting Elective Contributions for the remainder of 2027.

Your 2027 Election: Deadline and year-long commitment

When you select an Elective Contribution amount, that amount will be deducted from your wages for the entire 2027 calendar year and cannot be changed during the year. You should consider how your Elective Contribution will affect your take-home pay before submitting the enclosed election form. Your election form must be received by **November 30, 2026**. If it is not received by that date, Elective Contributions will not be deducted from your wages in 2027. There are **no exceptions**.

If you change employers during 2027, you are responsible for notifying your new contributing employer of your Elective Contribution amount. Please keep a copy of your completed election form for your records.

Special rules for Highly Compensated Employees (HCEs):

IRS rules may limit the amount that certain highly compensated employees may contribute to the Plan. Generally, this includes employees who own more than 5% of a company that contributes to the Plan, or whose wages exceed $160,000 in a calendar year.

Because the Plan must pass annual nondiscrimination testing, HCEs may be subject to a reduced maximum contribution amount rather than the estimated $25,500 maximum shown above.
If you are an HCE and contribute more than the amount allowed, some contributions may be treated as Catch-up Contributions if you are at least 50 years old. Any excess contributions may need to be returned to you, along with any investment earnings on those contributions. If you believe you may qualify as an HCE, you should consider these limits when choosing your Elective Contribution amount.

When in doubt, seek guidance

We encourage you to consult with a financial or tax advisor before submitting your election form.

Start with what works for you

If you've never made an Elective Contribution before, consider this opportunity to begin building additional retirement savings of your own. Even a modest contribution of $1.00 per hour would add about $2,080 to your retirement account over a year, before any investment earnings. Over time, those contributions can grow into meaningful additional retirement savings.

Sincerely,
Board of Trustees
MCASF Local 725 Defined Contribution Retirement Trust Fund

Benefit Services
SERVING LOCAL UNION 725 & MCASF

MCASF LOCAL 725 DEFINED CONTRIBUTION RETIREMENT PLAN
Employee Elective Contribution Election Form – 2027 Plan Year

NAME (First, Middle, Last)	SOCIAL SECURITY NUMBER (Last 4 Digits) or ALTERNATE ID NUMBER
ADDRESS	DATE OF BIRTH
CITY, STATE, ZIP	YOUR AGE as of 12/31/2027
TELEPHONE	MARITAL STATUS ☐ SINGLE ☐ MARRIED ☐ WIDOWED ☐ DIVORCED
EMAIL ADDRESS	DID YOUR MARITAL STATUS CHANGE IN THE LAST YEAR? YES ☐ NO ☐ IF YES, DATE OF CHANGE:
EMPLOYER	SPOUSE'S NAME (Last, First, Middle)

YOUR ELECTION MUST BE RECEIVED AT THE FUND OFFICE NO LATER THAN NOVEMBER 30, 2026
Your employer will NOT be able to remit Employee Elective Contributions on your behalf to the Defined Contribution Retirement Trust Fund for hours you are paid during 2027 if you do not submit this form timely! There are NO exceptions. This election is for the entire 2027 calendar year and cannot be changed.

Before deciding whether to submit this election form, which will commit you to having Elective Contributions deducted from your gross pay and paid to the Defined Contribution Retirement Trust Fund, you should consider the effects this election will have on your net take-home pay. You should consult a financial and tax advisor prior to making your selection. This election is for the entire 2027 year and cannot be changed.

2027 HOURLY ELECTIVE CONTRIBUTION	CATCH-UP 2027 HOURLY ELECTIVE CONTRIBUTION
Please check off the amount of an hourly elective contribution you wish your employer to deduct from your gross pay and remit on your behalf to the Defined Contribution Retirement Trust Fund for 2027. **The maximum contributions allowed for 2027 are $25,500.00***	If you will be at least **50 years old** on December 31, 2027, you may elect to have a "catch-up" hourly elective contribution in addition to your 2027 hourly elective contribution selected in the grid to the left. **The maximum contributions allowed for 2027 are $8,500.00***
☐ $ 1.00 ☐ $ 7.00 ☐ $ 2.00 ☐ $ 8.00 ☐ $ 3.00 ☐ $ 9.00 ☐ $ 4.00 ☐ $10.00 ☐ $ 5.00 ☐ $11.00 ☐ $ 6.00 ☐ $12.00	Please check off the amount of a "catch-up" hourly elective contribution you wish your employer to deduct from your gross pay and remit on your behalf to the Defined Contribution Retirement Trust Fund for 2027. You must select a 2027 hourly elective contribution before selecting the catch-up hourly elective contribution. *****Only for members who are at least 50 years old on December 31, 2027. ***** ☐ $ 1.00 ☐ $ 3.00 ☐ $ 2.00 ☐ $ 4.00

*= Estimated limit, not final IRS-approved limits. The official 2027 limits are typically released later this year. Maximum amounts listed may change once official limits are released. Highly compensated employees may be subject to different maximum limitations due to applicable IRS rules and regulations. Contact the Fund Office for further information.

I hereby certify that I understand that this (these) election(s) will apply to all wages payable to me during the calendar year 2027 and that I cannot change my election after **November 30, 2026**, for the 2027 calendar year. I further understand that if I change contributing employers any time during calendar year 2027 or after this election form is submitted to the Fund Office, I must inform my new contributing employer of my election.

Participant's Signature

Date