

United Brotherhood of Carpenters and Joiners of America Albany / Adirondack Pension Fund

INSTITUTED AUGUST 12, 1881



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Notice of Endangered Status For Albany/Adirondack Carpenters Pension Fund

Dear Participants, Beneficiaries, Participating Unions, and Contributing Employers:

As you may know, the Pension Protection Act of 2006 (PPA) has added requirements for measuring the financial health of multiemployer plans such as ours. The PPA requires that a Pension Fund's actuary annually determine the Fund's status under these rules and certify that status to the IRS and the Trustees, who are the plan sponsor. If the actuary determines that the Fund is in "endangered" status ("yellow zone"), "seriously endangered" status ("orange zone") or "critical" status ("red zone"), the Trustees must notify all plan participants, employers and other stakeholders, as well as take corrective action to restore the financial health of the plan.

Endangered Status

This letter will serve as the Notice that our Pension Fund's actuary certified that the Fund is in "endangered" status as of January 1, 2015. This determination was made because the Fund has a funded percentage less than 80%. This means that the ratio of the Plan's assets to liabilities is not high enough to meet the government standards for funding accrued benefits.

Federal law requires pension plans in endangered or seriously endangered status to adopt a funding improvement plan aimed at restoring the financial health of the plan. The initial funding improvement plan was submitted to the appropriate parties in November 2008. Due to plan experience, updated funding improvement plans were submitted to the appropriate parties in November 2011, November 2012, June 2013 and May 2014. The Trustees of the Plan will once again work with our actuaries and other professionals to put an appropriate updated funding improvement plan together for 2015 if warranted. If benefits must be modified, that will only affect the rate of future accruals and/or disability benefits for future disabilities. We will not make any changes in the Plan's benefit formula without alerting you first.

Please note that the PPA requires that our Plan's funding status be reviewed and certified annually and notices like this one will be sent each year. There are several variables beyond our control that our advisors are monitoring, including investment market volatility and changes in employment levels and/or the number of contributing employers, which could affect the Plan's status and the Trustees' recommended corrective actions in the future. We understand that legally required notices like this one can create anxiety and concern about the Pension Fund's future. The Board of Trustees remains confident that, with the appropriate adjustments, the Fund will continue to provide our participants and their families with secure retirement benefits.

Where to Get More Information

14-6075969

For further information, please contact the following: Ms. Erin Ceccucci, Fund Office Manager, 1284 Central Avenue, Suite 2, Albany, New York, 12205-5224, phone 518-438-7641 or e-mail elc@albanycarpenters.org.

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