

**Chicago Regional Council of Carpenters Pension Plan
Notice of Plan Status**

October 28, 2010

Participants, Beneficiaries, Participating Unions, and Contributing Employers:

The Pension Protection Act (PPA or Act), signed into law in 2006, is intended to improve the financial condition of pension plans. The Act implemented several safeguards as well as notification requirements to share more information about a plan's "financial health" with participants and others directly interested in the plan.

Starting with the 2008 plan year, the Act requires that all pension plans be tested annually to determine how well they are funded. The Act established formal benchmarks for measuring a plan's funding. Plans that are in endangered status ("Yellow Zone") or critical status ("Red Zone") must notify all plan participants, unions, and contributing employers of the plan's status, as well as take corrective action to restore the plan's financial health.

Plan's Status — Yellow Zone

For the Plan Year beginning July 1, 2010, the Plan is less than 80% funded. The Plan's actuary provided this certification based on the Act's funding measures. As a result, the Plan was categorized as being in endangered status ("Yellow Zone") for the 2010 Plan Year.

Funding Improvement Plan

Yellow Zone status represents an early warning to focus on correcting funding percentages before they lead to serious trouble. As required by the Act, the Trustees will develop and adopt a Funding Improvement Plan before May 26, 2011, designed to improve the Plan's funded position during the funding improvement period (a 10-year period). Then, the Trustees will inform the employers and unions of any items that need to be covered in collective bargaining agreements entered into or renewed in order to comply with the Funding Improvement Plan. During the Funding Improvement Plan adoption period and the funding improvement period, the Trustees cannot accept a collective bargaining agreement that reduces the level of contributions, suspends contributions related to any period of service or includes new exclusions on younger or newly hired employees.

What's Next

While no modifications are being made at this time, once the Funding Improvement Plan is adopted, any necessary adjustments will be communicated to all affected individuals and/or parties. The Act requires that the Plan's funding status be reviewed and certified annually as the Plan's financial status will continue to change as changes occur in the economy. Consequently, you will receive a notice like this each year until the Plan is no longer in endangered status ("Yellow Zone").

We understand that legally required notices like this one can create concern about the Plan's future. While the "endangered" label is required by the PPA, we have been conferring with our actuaries and consultants for some time now to address these issues and continue to improve the Plan's long-term financial stability. In this respect, work on our Funding Improvement Plan is underway. Improving the Plan's funded status is our top priority, and we are committed to taking any actions necessary to ensure your core pension benefits will be there when you retire.

For more information about this Notice or the Plan in general, please contact Kristina Guastaferrri, Fund Administrator at the Chicago Regional Council of Carpenters Pension Plan, 12 East Erie Street, Chicago, IL 60611, (312) 787-9455

Sincerely,

Board of Trustees

As required by law, this notice is being provided to the Pension Benefit Guaranty Corporation (PBGC) and the Secretary of the Department of Labor.

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