



North Central States Regional Council of Carpenters' Benefit Funds

Pension • Health • Vacation • Training • LMC Trust

P.O. Box 4002 • Eau Claire, WI 54702-4002
715-835-3174 • 800-424-3405 • Fax 715-834-8061 • Claims Fax 715-835-3114

09 APR 29 AM 10:11

April 23, 2009

US Department of Labor
Employee Benefits Security Administration
Public Disclosure Room N1513
200 Constitution Avenue NW
Washington DC 20210

RE: Notice of Intent to Freeze Funded Status

Dear Sir or Madam:

Enclosed is the required Notice of Intent to Freeze Funded Status Certification under the Worker, Retiree and Employer Recovery Act (WRERA). This notice pertains to:

North Central States Regional Council of Carpenters' Pension Fund
PO Box 4002
Eau Claire WI 54702
EIN/Plan # --- 39-6079856/001
(715) 835-3174

Sincerely,

Kristin M. Passineau
Administrative Manager

Enclosure



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April 25, 2009

**Notice of Intent to Freeze Funded Status
Certification under the Worker, Retiree and Employer Recovering Act
(WRERA)
and
Notice of Pension Plan Changes**

Dear Plan Participant,

The Plan is required to inform participants and other interested parties of its annual funded status under the Pension Protection Act of 2006 (PPA 2006). Notification of funded status is provided within 30 days following the determination and certification by the Fund's Actuary.

The Pension Protection Act of 2006 requires Plans to certify funded status on an annual basis in one of three main categorization zones. In general, Plans with funding levels of 80% or more and no anticipated funding deficiencies within the subsequent 7 years are certified as healthy or in the green zone. Plans with funding levels below 80% and/or funding deficiencies within the subsequent 7 years are certified in the yellow zone as endangered or seriously endangered. Finally, Plans with funding levels below 65% and projected funding deficiencies within 5 years or less are certified as red zone or critical status.

Depending upon a Plan's zone certification, the Trustees are required to develop either a funding improvement plan (endangered status) or funding rehabilitation plan (critical status) designed to improve the Plan's funded status over the subsequent 10 to 15 years depending upon its zone certification.

Because of unprecedented declines in 2008 in both US & World investment markets, the President signed into law the Worker, Retiree, and Employer Recovery Act (WRERA) on December 23, 2008. The Act is designed to relieve funding pressures both imposed by PPA 2006 and created by 2008's market losses.

Section 204(a) of WRERA allows Plans that fell from healthy to endangered or critical status to elect to freeze their funding certification status from the prior year. The freeze is designed to allow Trustees and Plans more time to formulate long term solutions to their funding needs.

For the 2008 Plan Year, the North Central States Regional Council of Carpenters' (NCSRCC) Pension Fund certified in the green zone or healthy status with a funded percentage of 91%. As a result of this certification, no further action was required of the Trustees in 2008.

By the close of the 2008 Plan Year (December 31st), the Fund experienced realized and unrealized investment losses totaling 25.86%. Although the Plan's performance was better than that experienced by most major market indices and many other pension funds, the investment losses moved the Plan into the yellow zone (endangered status) for 2009.

Following consultations with the Plan's Actuary and advisors, Trustees have elected to freeze the Plan's Funding Status from the 2008 Plan year as permitted under WRERA Section 204 (a) effective January 1, 2009. Trustees believe this action serves the Plan's best interests as it formulates a funding improvement plan designed to return the Fund to healthy (green zone) status.

Changes to the Pension Fund

- ▶ **As part of the improvement plan, the Fund will lower its future accrual rate from 2.5% to 1.5% for service on and after June 1, 2009.**
- ▶ **In conjunction with the accrual reduction, an additional \$1.00/hour in contributions will be required for hours worked June 1, 2009 and after. This additional \$1.00/hour will not be credited toward purposes of future accruals.**

These adjustments may not be the last required of the Trustees depending on future work hours and investment returns.

The freeze elected under WRERA Section 204 (a) is only for the 2009 Plan Year.

The Plan will provide notices of its funded status under PPA 2006 for subsequent years (2010 and after) along with any steps required to improve its funding status which may include additional contribution increases and/or benefit accrual reductions.

You may obtain additional information about the changes to the Pension Fund or the Plan's election to freeze its 2008 funding certification by contacting the Fund office as follows:

North Central States Regional Council of Carpenters Pension Fund

EIN/Plan #: 39-6079856/001

P.O. Box 4002 Eau Claire, WI 54702

Phone: (715) 835-3174

(800) 424-3405

Facsimile: (715) 834-8061

Respectfully Yours,

The Board of Trustees
North Central States Regional Council of Carpenters' Pension Fund



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