

**Notice of Critical and Declining Status
For the
*Carpenters Industrial Council of Eastern PA Pension Fund***

Fund Name: *Carpenters Industrial Council of Eastern PA Pension Fund*

EIN / Plan Number: *23-1729633 / 001*

Plan Year: *June 1, 2020 - May 31, 2021*

Plan Sponsor: *Trustee of the Carpenters Industrial Council of Eastern PA Pension Fund
c/o I. E. Shaffer & Company
830 Bear Tavern Road
P.O. Box 1028
West Trenton, NJ 08628
Telephone (800) 792-3666*

Plan Administrator: *Monica B. DeRyder
I. E. Shaffer & Company
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This is to inform you that on August 29, 2020 the Fund actuary certified to the U.S. Department of the Treasury, and also to the Plan Sponsor, that the Fund is in critical and declining status for the plan year beginning June 1, 2020. Federal law requires that you receive this notice.

Critical Status

The Fund is considered to be in critical and declining status because it has funding or liquidity problems, or both. More specifically, the Fund's actuary determined that the Fund had a minimum funding deficiency in 2019 as well as in previous years, which is not expected to be cured in 2020 or any future plan year. Furthermore, the Fund became insolvent during the 2017 plan year.

Rehabilitation Plan

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. Because the Fund was in critical and declining status for the plan year beginning June 1, 2018, a rehabilitation plan was adopted on March 4, 2019. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits"

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as part of a rehabilitation plan. The Fund's rehabilitation plan eliminates one adjustable benefit – disability benefits not yet in pay status.

Progress on the Rehabilitation Plan

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The Fund has taken all actions as required by the rehabilitation plan. The Fund is expected to remain in critical and declining status for the foreseeable future.

As of October 1, 2017 the Fund became insolvent (i.e., unable to pay benefits when due) and applied for and received financial assistance from the Pension Benefit Guaranty Corporation (PBGC). As a result, the monthly benefits being paid to current retirees have been reduced to the maximum benefit amount guaranteed by the PBGC. It is expected that the Fund will continue to receive financial assistance from the PBGC and that benefits paid to future retirees will also be reduced to the maximum benefit amount guaranteed by the PBGC.

Where to Get More Information

For more information about this notice, you may contact the Plan Administrator, I.E. Shaffer & Co., 830 Bear Tavern Road, P.O. Box 1028, West Trenton, NJ 08628, Telephone (800) 792-3666. You have a right to receive a copy of the rehabilitation plan from the Fund.