

NOTICE OF ENDANGERED STATUS for the Greater Pennsylvania Carpenters' Pension Fund

To: All Participants and Beneficiaries

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 determine annually the Fund's status under these new rules and to certify that status to the IRS and the Trustees (Plan sponsor). It is important to note that if the Fund's status for a Plan year is in "endangered" ("yellow zone") or "critical" ("red zone") status, the Trustees must notify all Plan participants in writing of this certification and take corrective action to restore the financial health of the Plan.

Yellow Zone Status

This letter will serve as the Notice that on March 29, 2019, our Pension Fund's actuary determined and certified that the Fund is in "endangered" or yellow zone status for the 2019 Plan year. This determination was made because the Plan's funded percentage was estimated to be 71% as of January 1, 2019 based on the PPA's funding measures, which is less than 80%.

Funding Improvement Plan

The PPA also requires that any pension fund in the yellow zone adopt a "Funding Improvement Plan" (FIP). The FIP is an action plan designed to significantly increase a Plan's funding percentage and to avoid any accumulated funding deficiency. In July 2012, the Trustees amended the Plan in an effort to improve the long term financial health of the plan by reducing the future benefit accrual rate from 1.00% to 0.83% effective January 1, 2013. You have a right to receive a copy of the FIP from the Plan.

Please note that the PPA requires that our Plan's status be reviewed and certified annually and notices like this one, explaining the outcome, will be sent each year until our Plan is no longer "endangered" or in the "yellow zone". There are several variables beyond our control which our advisors will monitor yearly, including market volatility and changes in employment levels, which could affect the Plan's status and the Trustees' 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 the Fund will continue to provide our participants and their families with secure retirement benefits.

Where to Get More Information

For more information about this notice, you may contact Mr. James Klein at (412) 922-5330 or 650 Ridge Road, Suite 300, Pittsburgh, PA 15205-9503. For identification purposes, the official Plan number is 001 and the plan sponsor's employer identification number or "EIN" is 25-6135570.

Sincerely,
Board of Trustees
April, 2019