



Indiana State Council of Carpenters Pension Fund

c/o Zenith Administrators, Inc.
P.O. Box 421789
Indianapolis, IN 46242-1789

Notice of Critical Status For

Indiana State Council of Carpenters Pension Plan

July 29, 2011

This is to inform you that on June 29, 2011 the Plan actuary certified to the U.S. Department of the Treasury, and also to the Board of Trustees, that the Plan is in critical status for the Plan Year beginning April 1, 2011. Federal law requires that you receive this notice.

Critical Status

The Plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the Plan's actuary determined that the Plan has an accumulated funding deficiency for the current Plan year. In addition, the Plan was in critical status last year and the Plan is projected to have an accumulated funding deficiency over the next 9 years.

Rehabilitation Plan

This is the second year the Plan has been in critical status. Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. The Trustees adopted a rehabilitation plan on June 24, 2010. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. On July 2, 2010, you were notified that the Plan reduced or eliminated adjustable benefits and that, as of July 2, 2010, the Plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical status. If the Trustees of the Plan determine that further benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions. Any reduction of adjustable benefits (other than a repeal of a recent benefit increase, as described below) will not reduce the level of a participant's basic benefit payable at normal retirement. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after July 29, 2010.

Adjustable Benefits

The Plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the Trustees may adopt:

- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidy;
- Benefit payment options other than a qualified joint-and survivor annuity (QJSA);
- Other similar benefits, rights, or features under the plan (i.e., 120-month payment guarantees and certain pre-retirement death benefits).

Employer Surcharge

The law requires that all contributing employers pay to the Plan a surcharge to help correct the Plan's financial situation; the surcharge obligation ceases when an employer adopts a rehabilitation plan schedule. The amount of the surcharge is equal to a percentage of the amount an employer is otherwise required to contribute to the Plan under the applicable collective bargaining agreement. With some exceptions, a 5% surcharge is applicable in the initial critical year and a 10% surcharge is applicable for each succeeding Plan year thereafter in which the Plan is in critical status.

Where to Get More Information

For more information about this Notice, you may contact Zenith Administrators at 800-248-2143, or at 5420 West Southern Avenue, Suite 407, Indianapolis, IN 46241. You have a right to receive a copy of the rehabilitation plan from the Plan.