

Notice of Plan Status Carpenters Local No. 496 Pension Plan

September 23, 2016

Participants, Beneficiaries, Participating Unions, and Contributing Employers:

The Pension Protection Act (Act) is intended to improve the financial condition of certain 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.

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"), critical status, or critical and declining 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. Plans that are not in endangered, critical, or critical and declining status are considered to be in the Green Zone.

Plan's Status – Yellow Zone

For the Plan Year beginning June 1, 2016, the Plan is less than 80% funded as certified by the Plan's actuary. As a result, the Plan was categorized as being in endangered status ("Yellow Zone") for the 2016 Plan Year. This is the second year the Pension Plan has been certified in endangered status after being in critical status ("Red Zone") for the previous five years.

Funding Improvement Plan

As required by the Act, the Trustees have adopted a Funding Improvement Plan designed to improve the Plan's funding status. The Trustees will inform the employers and unions of any items that will need to be covered in collective bargaining agreements entered into or renewed in order to comply with the Funding Improvement Plan.

The Act requires that the Plan's funding status be reviewed and certified annually. Consequently, you will receive a notice like this each year until the Plan is no longer in endangered status.

For more information about this Notice or the Pension Plan in general, please contact Kristina Guastaferrri, Plan Administrator at the Carpenters Local No. 496 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.