

**CARPENTER FUNDS ADMINISTRATIVE OFFICE
OF NORTHERN CALIFORNIA, INC.**

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July 15, 2011

**TO: All Participants and Beneficiaries, Participating Local Unions,
Contributing Employers, and Bargaining Parties**

FROM: Board of Trustees

**RE: Carpenters Pension Trust Fund for Northern California
EIN/PN: 94-9050970 – PN: 001
Notice of Election of Funding Relief**

In June 2010, Congress passed a law that provides relief from certain funding requirements for eligible multiemployer plans, if their trustees choose to adopt the relief. The relief gives plans a longer period to overcome the investment losses that they suffered in 2008 and early 2009. For a plan to qualify for the relief, its actuary has to certify that the plan is projected to have enough funds to cover all benefit payments and expenses for the extended funding period.

Based on our actuary's report, our Plan qualifies for the relief. We have decided to use the new funding relief as follows:

1. The investment losses that the Plan incurred for the Plan years ending August 31, 2009 and 2010 will be amortized over a period of up to 29 years, rather than the 15-year period that non-relief rules would have required, and
2. The Plan will adjust the asset value that is used for funding purposes as of September 1, 2009 and 2010, to recognize the recent investment losses over a 10-year period to smooth out the immediate effect on the assets, rather than using the Plan's regular smoothing policy, which calls for 5-year recognition. In addition, the corridor for the actuarial market value of assets was increased from 120% to 130% of market value as of September 1, 2009.

By choosing to use the funding relief, the annual minimum required contribution is lower than what it would otherwise have been and, we may be able to reduce some of the benefit cuts and/or contribution increases necessary to recover from the red zone. The decision to use the relief means that the Plan cannot be amended to increase benefits unless there are new contributions to pay for that increase. These benefit restrictions apply through at least August 31, 2012, and may continue up to August 31, 2017, unless the Trustees opt out of the relief in the future.

For more information about this notice, or the Pension Plan in general, please contact the Trust Fund Office at:

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c: PBGC