

MICHIGAN CARPENTERS' FRINGE BENEFIT FUNDS

Michigan Carpenters' Health Care Fund
Michigan Carpenters' Pension Fund
Michigan Carpenters' Apprenticeship & Training Fund

Managed for the Trustees by:
TIC INTERNATIONAL CORPORATION

June 9, 2009

Notice of Revised Schedules for the 2009 Rehabilitation Plan

The Board of Trustees of the Michigan Carpenters' Pension Fund (Fund) sent a Notice of Schedules for the 2009 Rehabilitation Plan on January 20, 2009 to provide all parties to an agreement that requires contributions to the Fund with the original Schedules of Revised Benefits and Contribution Increases that would be part of the Fund's Rehabilitation Plan.

This Notice of Revised Schedules for the 2009 Rehabilitation Plan is being sent to all those parties to provide the revised Preferred Schedule of Revised Benefits and Contribution Increases that will be part of the Fund's 2009 Rehabilitation Plan. Also attached is the Default Schedule of Revised Benefits and Contribution Increases, which is also required to be developed under the Rehabilitation Plan. The Default Schedule has not been revised.

The Board of Trustees met May 29, 2009, and, with the advice and assistance of its actuary and attorneys, adopted a revised Preferred Schedule of Revised Benefits and Contribution Increases as part of the 2009 Rehabilitation Plan.

The revised Preferred Schedule combines benefit reductions and contribution increases expected to enable the Fund to emerge from critical status under the Rehabilitation Plan. That Schedule will be part of the 2009 Rehabilitation Plan. The revised Preferred and Default Schedules must be reviewed annually and may be revised if necessary. The benefit reductions include permitted changes to "adjustable benefits" as defined in ERISA.

The Default Schedule assumes that there are no increases in contributions other than those increases necessary to emerge from critical status after future benefit accruals and other benefits, including adjustable benefits, have been reduced to the maximum extent permitted by law. **The Fund will be required to implement the Default Schedule if the revised Preferred Schedule is not adopted by the bargaining parties.**

The Pension Protection Act (PPA) requires that each collective bargaining agreement ("CBA") (or other agreement requiring Employer contributions) adopt the terms of one of the schedules in order to avoid the assessment of surcharges on the Employers. The surcharge for the first Plan Year the Fund is in critical status, the 2009 Plan Year, would be 5% of the contribution otherwise required under the respective CBA (or other agreement under which the Employer contributes). For each Plan Year thereafter that the Fund is in critical status, the surcharge would be 10% of the otherwise required

contribution. CBAs which expire in 2009 are in compliance until they expire. Those which expire after 2009 are in compliance if at least \$1.00 is allocated to the Pension contribution on each anniversary of the CBA. Therefore, the Employer signatory to a CBA which meets the PPA requirement is **not** subject to the surcharge.

The language in the CBA is a matter for the bargaining parties, but there must be some provision in the Agreement that reflects the bargaining parties' adoption of one of the proposed Schedules. Please send us the Agreement or other documentation concerning the adoption of either Schedule as soon as it is completed and signed. The Fund must have it to avoid unnecessarily imposing a surcharge.

Revised Preferred Schedule of Revised Benefits and Contribution Increases

Revised Benefits
The lump sum Pre-Retirement Death Benefit is terminated and shall not be payable on behalf of any Participant who dies after February 28, 2009
The 100% Qualified Pre-Retirement Survivor Annuity is reduced to a 50% Qualified Pre-Retirement Survivor Annuity for the eligible Surviving Spouse of any Participant who dies after February 28, 2009
The increase in the Future Service Benefit Credit earned for Hours of Work performed from September 1, 2003 through August 1, 2004 from 1% to 3% is reduced to 1% effective March 1, 2009
The increase in the Future Service Benefit Credit earned for Hours of Work performed from September 1, 2004 through August 1, 2005 from 1% to 3% is reduced to 1% effective March 1, 2009
The Index 80 and Index 85 Unreduced Early Retirement Benefit are modified effective September 1, 2009, and shall thereafter be an Index 90 Unreduced Early Retirement Benefit at age 58 or older for all Participants except those Active Participants who have at least 78 points on September 1, 2009 shall be eligible for an Unreduced Early Retirement Benefit when they reach 80 points.
Early Retirement Reduction from age 60 would be available only to those age 58 or older with 25 years of service on September 1, 2009

Contribution Rate Increases				
2009	2010	2011	2012	2013
\$1.45	\$1.45	\$1.45	\$1.45	\$1.45

All these contribution increases are credited.

If the hourly Employer Contribution is made on behalf of an Employee pursuant to the collective bargaining agreement between 1) the OPEIU and the Michigan Regional Council of Carpenters, 2) the Union and McClelland Millwork, or 3) the Union and Silver Creek, or is made at an hourly rate lower than the hourly Employer contribution for Journeymen in the collective bargaining agreement that applies to the work performed by the Employee, the amount not credited shall be determined by the specific provisions of the agreement, subject to approval by the Trustees, or, if there is no specific provision, pro rated based on the standard percentage of non-credited contributions for Journeymen covered by that agreement, if any, or other agreements pursuant to which the Plan is maintained.

Default Schedule of Revised Benefits and Contribution Increases

Revised Benefits
The Disability Benefit is terminated and shall not be payable on behalf of any Participant who applies after February 28, 2009
The lump sum Pre-Retirement Death Benefit is terminated and shall not be payable on behalf of any Participant who dies after February 28, 2009
The 100% Qualified Pre-Retirement Survivor Annuity is reduced to a 50% Qualified Pre-Retirement Survivor Annuity for the eligible Surviving Spouse of any Participant who dies after February 28, 2009
The increase in the Future Service Benefit Credit earned for Hours of Work performed from September 1, 2003 through August 1, 2004 from 1% to 3% is reduced to 1% effective March 1, 2009
The increase in the Future Service Benefit Credit earned for Hours of Work performed from September 1, 2004 through August 1, 2005 from 1% to 3% is reduced to 1% effective March 1, 2009
Index 80 is eliminated for all Participants except those with 80 or more points on September 1, 2009
Index 85 is eliminated
Early Retirement Reduction from age 60 would be available only to those age 58 or older with 25 years of service on September 1, 2009

Contribution Rate Increase				
2009	2010	2011	2012	2013
\$1.00	\$1.00	\$1.00	\$1.00	-

All these contribution increases are non-credited.

If the hourly Employer Contribution is made on behalf of an Employee pursuant to the collective bargaining agreement between 1) the OPEIU and the Michigan Regional Council of Carpenters, 2) the Union and McClelland Millwork, or 3) the Union and Silver Creek, or is made at an hourly rate lower than the hourly Employer contribution for Journeymen in the collective bargaining agreement that applies to the work performed by the Employee, the amount not credited shall be determined by the specific provisions of the agreement, subject to approval by the Trustees, or, if there is no specific provision, pro rated based on the standard percentage of non-credited contributions for Journeymen covered by that agreement, if any, or other agreements pursuant to which the Plan is maintained.