

**OREGON-S.W. WASHINGTON CARPENTERS-EMPLOYERS
401(k) PLAN AND TRUST**

**Union Bank of California
655 North Central Avenue, Suite 1450
Glendale, California 91203
Telephone: (800) 678-7526**

June 1, 2007

Dear Participant or Beneficiary:

You have previously been given a copy of the July 1, 2004, summary plan description ("SPD"), the June 1, 2005, summary of material modifications ("SMM"), and the June 1, 2006, SMM for the Oregon-S.W. Washington Carpenters-Employers 401(k) Plan and Trust. The Plan has been amended by the Sixth Amendment effective January 1, 2006, and the Seventh Amendment effective January 1, 2007. There have also been some changes in the factual information reported in the SPD and the SMMs.

The changes are summarized below with references to the corresponding SPD and SMM sections. Please keep this summary with your SPD and SMMs.

**SECTION 1—PLAN HIGHLIGHTS—Q. What is a 401(k) Plan?—
Rollover Tax Deferral (SPD page 2).** This section is revised to read as follows:

"Rollover Tax Deferral: In many cases, when your account is eventually distributed, you may roll over your account to a traditional IRA or an income tax qualified defined contribution plan, a 403(a) annuity plan, a 403(b) plan, or a governmental 457(b) plan. Beginning January 1, 2008, you may be able to roll over your account to a Roth IRA if you meet the income limitation."

**SECTION 1—PLAN HIGHLIGHTS—Q. When am I eligible to
participate? (SPD page 3).** The following sentence is added at the end of this section:

"Notwithstanding the foregoing, highly compensated employees are not eligible to participate in the Plan."

**SECTION 1—PLAN HIGHLIGHTS—Q. When can I withdraw my
account? (SPD page 4).** The following paragraph is added at the end of this section:

"Qualified Reservist Distributions: If you are a qualified reservist, you may request a withdrawal of all or any portion of your account during the period beginning on the date you are ordered or called to active duty and ending at the close of the active duty period."

SECTION 3—HOURS OF SERVICE (SPD page 4). The following sentence is added at the end of the second paragraph of this section:

“If your employer does not keep track of your actual hours of service, you will be credited with 190 hours for each calendar month in which you have at least one hour of service.”

SECTION 4—PARTICIPATION—(a) Eligibility (SPD page 5). This section is revised to read as follows:

“(a) **Eligibility.** ‘Eligible employees’ are all bargained employees of a participating employer eligible to participate in the Plan, except (i) employees who perform services for a participating employer pursuant to an agreement between the participating employer and an organization that leases employees, (ii) employees covered by a collective bargaining agreement that does not provide for coverage under this Plan, if retirement benefits were the subject of good faith bargaining, and (iii) individuals who are not treated as employees for payroll tax purposes (even if they are subsequently determined to be employees). Nonbargained employees of a participating employer are eligible to participate if the Board of Trustees has entered into a special agreement with the employer providing for such participation. Notwithstanding the foregoing, highly compensated employees as defined in the Code are not eligible to participate in the Plan.”

SECTION 5—ELECTIVE CONTRIBUTIONS—(f) Limitations on Elective Contributions—(i) Dollar Limitation (SPD page 6). The last sentence of this section is revised to read as follows:

“The limitation is \$15,500 for 2007.”

SECTION 5—ELECTIVE CONTRIBUTIONS—(f) Limitations on Elective Contributions—(ii) Actual Deferral Percentage Limitation and (g) Correction of Excess Elective Contributions (SPD page 6). Section 5(f)(ii) is deleted in its entirety, and the second paragraph of Section 5(g) is deleted. These provisions no longer apply because highly compensated employees are not eligible to participate in the Plan.

SECTION 7—INVESTMENT AND MAINTENANCE OF ACCOUNTS—(d) Investment Funds (SPD pages 7 and 8; June 1, 2005, SMM page 1; and June 1, 2006, SMM page 1). The following fund is added to the list of funds in the first paragraph of this section:

“(xvii) Vanguard Target Retirement 2050 Fund”

The second paragraph of this section is revised to read as follows:

“If you do not designate an investment fund, your accounts will be invested in one of the following Vanguard Target Retirement Date Funds, based on your age (the “Default Funds”):

<u>Age</u>	<u>Default Fund</u>
Under 18	Vanguard Target Retirement 2050 Fund
18-23	Vanguard Target Retirement 2045 Fund
24-28	Vanguard Target Retirement 2040 Fund
29-33	Vanguard Target Retirement 2035 Fund
34-38	Vanguard Target Retirement 2030 Fund
39-43	Vanguard Target Retirement 2025 Fund
44-48	Vanguard Target Retirement 2020 Fund
49-53	Vanguard Target Retirement 2015 Fund
54-58	Vanguard Target Retirement 2010 Fund
59-63	Vanguard Target Retirement 2005 Fund
64 and older	Vanguard Target Retirement Income Fund”

SECTION 10—WITHDRAWALS—(b) Hardship Withdrawals (SPD pages 10 and 11). The third paragraph of this section is revised to read as follows:

“A ‘hardship’ is an immediate and heavy financial need, determined on the basis of the relevant facts and circumstances. The following situations are presumed to result in an immediate and heavy financial need:

“(i) Expenses for, or necessary to obtain, medical care that would be deductible on your federal tax return (without regard to whether the expenses exceed 7.5 percent of your adjusted gross income) or that are incurred by your primary beneficiary as defined below;

“(ii) Payment of tuition, related educational fees, and room and board for the next 12 months of post-secondary education for you, your spouse, your children or other dependents, or your primary beneficiary;

“(iii) The purchase of your principal residence (excluding mortgage payments);

“(iv) Payments necessary to prevent your eviction from your principal residence or foreclosure on the mortgage of your principal residence;

“(v) Your unemployment for six continuous months;

“(vi) Payments for burial or funeral expenses for your deceased parent, spouse, child, dependent, or primary beneficiary;
or

“(vii) Expenses for the repair of damage to your principal residence that would qualify for the casualty deduction on your federal tax return (without regard to whether the loss exceeds 10 percent of your adjusted gross income).

“Your ‘primary beneficiary’ is an individual who has an unconditional right to receive all or any portion of your accounts in the event of your death (this does not include contingent beneficiaries).”

SECTION 10—WITHDRAWALS—(c) Qualified Reservist Distributions
(SPD page 11). A new Section 10(c)—Qualified Reservist Distributions is added as follows:

“(c) **Qualified Reservist Distributions.** If you are a qualified reservist, you may withdraw all or any portion of your elective contributions account during the period beginning on the date you are ordered or called to active duty and ending at the close of the active duty period. A qualified reservist is a reservist who was ordered or called to active duty after September 11, 2001, and before December 31, 2007, for a period in excess of 179 days or for an indefinite period.”

SECTION 11—DISTRIBUTIONS—(b) When Payments Begin **(SPD page 12).** The third paragraph of this section is revised to read as follows:

“If you have a severance from employment before age 65, you may delay receipt of your distribution until you reach age 65 (except in the case of a cash-out distribution described in (c) below). If you become eligible for a distribution before reaching age 65, you will be notified of your right to delay receipt of your distribution and the consequences of failing to defer receipt. You will also be given a written explanation of the methods of distribution available to you, including financial information in dollar terms. Federal law requires that this notice and explanation be made available to you at least 30 days but not more than 180 days before your distribution is made or begun. You may, however, waive the 30-day waiting period, provided certain requirements are met. If you want your distribution to be made or begun as soon as administratively feasible, you should contact the Fund Manager about three to six months before that date.”

SECTION 12—METHODS OF DISTRIBUTION—(b) Eligible Rollover Distributions **(SPD page 13).** This section is revised to read as follows:

“Lump-sum cash payments and installment payments for a specified period of less than ten years are ‘eligible rollover distributions’ under federal law. You will be notified in advance if you receive an eligible rollover distribution from the Plan. Distributions to a Participant’s estate, hardship withdrawals, and required minimum distributions are not eligible rollover distributions.

“You may choose to have some or all of your eligible rollover distribution paid directly to a traditional IRA (individual retirement account or individual

retirement annuity) or an income tax qualified defined contribution plan, a 403(a) annuity plan, a 403(b) plan, or a governmental 457(b) plan that will accept the direct rollover. A nonspouse death beneficiary may elect to have an eligible rollover distribution paid in a direct rollover to a traditional IRA that is established to receive the distribution. The IRA must be expressly identified as an IRA with respect to a deceased individual and must identify both the nonspouse death beneficiary and the deceased Participant. Your eligible rollover distribution cannot be rolled over to a Roth IRA, a SIMPLE IRA, or a Coverdell Education Savings Account (formerly known as an education IRA).

“Beginning January 1, 2008, you may choose to have some or all of your eligible rollover distribution paid directly to a Roth IRA if, for the distribution year, your modified adjusted gross income is not more than \$100,000 and you are not married and filing a separate return. (The adjusted gross income limitation does not apply beginning in 2010.) If you make a direct rollover to a Roth IRA, your distribution will be taxable (but it will not be subject to the 10 percent additional tax described in Section 11(a)).

“In general, with respect to Participants and spouses death beneficiaries, 20 percent of any portion of an eligible rollover distribution that is not paid in a direct rollover will automatically be deducted for federal income tax withholding.

“The direct rollover option and other special rules applicable to your eligible rollover distribution will be explained to you within a reasonable time before the distribution is made.”

SECTION 13—DEATH BENEFICIARY (SPD page 14 and June 1, 2005, SMM page 2). The following sentence is added at the end of the first paragraph of this section:

“To be effective, your designation must be filed with the Fund Manager during your lifetime.”

SECTION 17—ADDITIONAL INFORMATION—Agent for Service of Legal Process and Names and Addresses of the Trustees (SPD pages 16, 17, and 18; June 1, 2005, SMM pages 2 and 3; and June 1, 2006, SMM pages 3 and 4). The Co-Chairmen of the Board of Trustees are currently Kevin Spellman and Gerald Auvil.

If you have any questions regarding these changes, please contact Union Bank at the above address.

Sincerely,

BOARD OF TRUSTEES