

April 24, 2008

U.S. Department of Labor  
Employee Benefits Security Administration  
Public Disclosure Room, N-1513  
200 Constitution Avenue, NW  
Washington, DC 20210

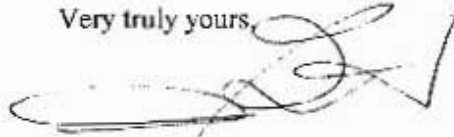
Pension Benefit Guaranty Corporation  
Multiemployer Program Division  
1200 K Street NW, Suite 930  
Washington, DC 20005

**RE: Textile Processors, Service Trades, Health Care,  
Professional and Technical Employees Local No. 1  
Pension Plan  
PN: 001  
EIN: 34-6605342**

Gentlemen:

Attached please find Notice of Critical Status for the Textile Processors Local No. 1 Pension Plan.

Very truly yours,



Arlene B. Steuer

ABS/kll  
Enclosure

**Notice of Critical Status For**  
The Textile Processors, Service Trades, Health Care,  
Professional and Technical Employees Local No. 1 Pension Plan  
PN: 001 EIN: 34-6605342

This is to inform you that on March 28, 2008 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the plan is in critical status for the plan year beginning January 1, 2008. 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 present value of vested benefits of inactive participants is greater than the present value of vested benefits of active participants and the plan has an accumulated funding deficiency for the current plan year.

**Rehabilitation Plan and Possibility of Reduction in Benefits**

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. If the trustees of the plan determine that 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 April 25, 2008. But you should know that whether or not the plan reduces adjustable benefits in the future, effective as of April 25, 2008, 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.

**Adjustable Benefits**

The plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the pension plan may adopt [check appropriate box or boxes]:

- Post-retirement death benefits;
- Sixty-month payment guarantees;
- 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);
- Recent benefit increases (i.e., occurring in past 5 years);
- Other similar benefits, rights, or features under the plan {provide identification}

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**Employer Surcharge**

The law requires that all contributing employers pay to the plan a surcharge to help correct the plan's financial situation. 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 the Board of Trustees Local No. 1 Pension Fund at 216-621-5164, or 1400 East 30<sup>th</sup> Street, Cleveland, OH 44114. A rehabilitation plan must be adopted within 240 days following the certification of critical status. You have a right to receive a copy of the rehabilitation plan from the plan.