

WESTCHESTER PUTNAM COUNTIES HEAVY & HIGHWAY LABORERS

BENEFIT FUNDS

PENSION - WELFARE - ANNUITY - LEGAL - TRAINING

LOCAL 60

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NOTICE OF ENDANGERED STATUS

FOR

**WESTCHESTER PUTNAM HEAVY AND HIGHWAY LABORERS
LOCAL NO. 60 PENSION FUND**

To: All Participants, Beneficiaries, Participating Unions and Contributing Employers

As you may know, the Pension Protection Act of 2006 (PPA) has added requirements for measuring the financial health of multiemployer plans such as ours.

Starting with the 2008 plan year, the PPA requires that a Pension Fund's actuary determine the Fund's status under these new rules annually and certify that status to the IRS and the Trustees (who are the plan sponsor). If the actuary determines that the Fund is in "endangered" status ("yellow zone") or "critical" status ("red zone") for the year, the Trustees must notify all plan participants, employers and other stakeholders and take corrective action to restore the financial health of the plan.

Endangered Status

This letter will serve as the Notice that, on March 31, 2010, our Pension Fund's actuary certified that the Fund is in "endangered" status for the 2010 plan year. This determination was made because, based on the PPA's new funding measures, the Fund is currently less than 80% funded.

Funding Improvement Plan

The PPA also requires that any pension fund in the yellow zone adopt a "Funding Improvement Plan" (FIP). The FIP is an action plan designed to restore the Plan to financial health, improve the balance of assets and liabilities, and to avoid any accumulated funding deficiency. Our FIP will be developed by November 26, 2010 and a notice describing it will be provided to the bargaining parties shortly after that.

Please note that the PPA requires that our Plan's funding status be reviewed and certified annually and notices like this one, explaining the outcome, will be sent each year until our plan is no longer in the yellow zone. There are several variables beyond our control that our advisors are monitoring, including investment market volatility and changes in employment levels and/or the number of contributing employers, which could affect the Plan's status and the Trustees' recommended corrective actions in the future.

You should also know that the law does not allow the Trustees of a plan that is in the yellow zone to accept a collective bargaining agreement that reduces contributions, provides a contribution holiday or excludes younger or newly hired employees from participation.