

MINNESOTA CEMENT MASONS AND PLASTERERS PENSION FUND

2520 Pilot Knob Road, Suite 325
Mendota Heights, MN 55120
(651)256-1804

NOTICE OF FUNDED STATUS OF PENSION PLAN

April 30, 2009

TO: PARTICIPANTS, BENEFICIARIES, CONTRIBUTING EMPLOYERS
AND THE CEMENT MASONS LOCAL UNION NO. 633 (O.P. & C.M.I.A.),
MINNEAPOLIS, MINNESOTA AND ST. PAUL, MINNESOTA (FORMERLY
LOCALS 557 AND 560), CEMENT MASONS LOCAL UNION NO. 53 (DULUTH),
CEMENT MASONS LOCAL UNION NO. 785 (VIRGINIA), AND PLASTERERS'
LOCAL UNION NO. 20 (ST. PAUL)

BACKGROUND

This Notice contains important information about the Minnesota Cement Masons and Plasterers Pension Plan, EIN 51-6096906, Plan Number 001. Based on funding criteria set forth in the *Pension Protection Act of 2006*, multiemployer plans were required – beginning with the 2008 plan year – to be certified as being in one of three funded status zones:

- *Neither Endangered nor Critical* (unofficially called the “Green Zone”)
- *Endangered* (unofficially called the “Yellow Zone”)
- *Critical* (unofficially called the “Red Zone”)

While trustees of Green Zone plans must continue to exercise diligence to protect the funded position of their plans, the law does not require them to take any specific actions or adopt particular programs to maintain or improve plan funding. On the other hand, trustees of plans that are not in the Green Zone must take actions, including the adoption of a “funding improvement plan” for plans in endangered status or a “rehabilitation plan” for plans in critical status that are designed to restore the plans to Green Zone status over a period of time.

Recognizing the impact of the current economic crisis, Congress passed the *Worker, Retiree and Employer Recovery Act of 2008 (WREERA)* which included provisions granting funding relief to defined benefit plans and giving plan sponsors the option to elect the prior plan year’s zone certification.

2008 PLAN YEAR CERTIFICATION

The Plan’s actuary certified the Plan’s funded status for the January 1, 2008 through December 31, 2008 plan year to be neither endangered nor critical (“Green Zone”).

2009 PLAN YEAR CERTIFICATION

For the January 1, 2009 through December 31, 2009 plan year, the Plan’s actuary has certified the Plan to be in critical status (“Red Zone”). This is because the Plan is projected to have an accumulated funding deficiency within four years.

ELECTION TO FREEZE THE 2008 PLAN YEAR ZONE STATUS FOR 2009

In accordance with section 204 of WRERA, the Trustees have voted to "freeze" the Plan's 2008 plan year Green Zone status and have it continue to apply to the 2009 plan year.

The freezing of the Plan's 2008 plan year Green Zone status does not extend beyond December 31, 2009 under current law. Within 90 days after January 1, 2010, the Plan's actuary must again certify its funded status and zone classification. If the Plan is certified to be either endangered or critical status, you will receive a notice similar to this one within 30 days after the date of certification explaining the Plan's zone status and actions that the Trustees may be required to take under the law to improve the funded status of the Plan.

WHAT'S NEXT?

We understand that legally required notices like this one can create concern about the Fund's future. Be assured that the Board of Trustees takes very seriously its obligation to preserve the financial viability of the Fund. With the assistance of the Fund's actuary, legal counsel and other professionals, and working with the contributing employers and the Union, the Trustees will continue to work towards strengthening the funded position of the Plan.

Since the Fund is influenced by economic and financial variables beyond our control (such as market volatility and changes in employment and/or the number of contributing employers), unexpected developments can affect the Plan's status and any future corrective actions needed. At each of its meetings, the Board of Trustees will be reviewing the Plan's progress with its professional advisors.

QUESTIONS?

For more information about this notice or the Fund, contact the Fund Office at the address or phone number listed at the top of this letter.

Sincerely,

Board of Trustees

As required by law, this notice is being provided to the Pension Benefit Guaranty Corporation (PBGC) and the Department of Labor.