STONER & ASSOCIATES

205 West Fourth Street, Suite 22[illegible] • Cincinnati, Ohio 452[illegible]-4813 • (513) 381-6886

August 28, 2009

US Department of Labor
Employee Benefits Security Administration
Public Disclosure room, N-1513
200 Constitution Ave., NW
Washington, DC 20210

Re: Chicago Foundry Workers Pension Plan

Please find enclosed a copy of the WRERA Notice for the above Pension Plan.

Sincerely,

Jill Huber
Assistant Administrator

Chicago Foundry Workers' Pension Plan
Notice of Plan Status

August 28, 2009

Participants, Beneficiaries, Participating Unions, and Contributing Employers:

The Pension Protection Act (PPA or Act), signed into law in 2006, is intended to improve the financial condition of pension plans by implementing several safeguards. In addition, the Act contains notification requirements to share more information about a plan's "financial health" with participants and others directly related to the Plan.

Please note that PPA requires that our Plan's funding status be reviewed and certified annually and notices like this one will be sent each year. There are several variables outside our control, which our advisors monitor yearly, including market volatility and changes in participation and/or the number of contributing employers. These variables could affect the Plan's status and the Trustees' recommended corrective actions in the future.

Many of the Act's safeguard provisions relate to funding, which, in simplest terms, is how much a plan has coming in, going out, and in reserve (or "in the bank") for the future. The safeguards are intended to create more discipline to prevent and correct avoidable funding problems.

Starting with the 2008 plan year, the Act requires that the Pension Plan be tested annually to determine how well it is funded. Benchmarks for measuring a plan's funding, with formal labels, were established. Plans that are in the yellow ("seriously endangered" or "endangered") or red ("critical") zones must notify all Plan participants, beneficiaries, unions, and contributing employers of the Plan's status, as well as take corrective action to restore the Plan's financial health.

In recent years, steps have been taken to bring the Plan's expense liabilities into balance with its assets. This has been done through a combination of benefit changes and increases in contributions from contributing employers. While these actions are expected to improve the financial balance over time, there is currently a shortfall that must be resolved for the Plan to comply with the Act's requirements.

Plan's Status – Red Zone

On July 29, 2009, the Pension Fund's actuary certified to the U.S. Department of the Treasury and the Trustees that the Plan remains in the red "critical" zone for the Plan year beginning May 1, 2009. This is based on the actuary's determination that the Pension Plan is projected to have a funding deficiency in Plan Years beginning on and after May 1, 2010. This means that contributions are not expected to be high enough to meet government standards for funding the promised benefits. This does not mean that the Plan can not pay benefits to current pensioners and beneficiaries. In fact, as of May 1, 2008, the Plan has assets that were more than seven times the benefits it paid in 2007.

Rehabilitation Plan

The Act requires that a plan in the red "critical" zone adopt a Rehabilitation Plan that will enable the plan to improve its funded position to meet statutory funding requirements over time. To comply with the Act, the Plan Sponsor adopted a Rehabilitation Plan on February 4, 2009. The Rehabilitation Plan provides for only one schedule (the Default Schedule) which calls for no changes to the current plan of benefits for any participants but requires an increase in the hourly contribution rate to $33.50 per hour effective when each Collective Bargaining Agreement expires in 2010.

Employers and unions have been notified of the items that will need to be covered in new or renewed collective bargaining agreements after the Rehabilitation Plan was adopted. Until the Rehabilitation Plan is implemented, benefits and contributions will be governed by the existing collective bargaining agreements and there will not be any changes in benefits or contributions (except for the surcharges discussed on the next page).

Employer Surcharge

The law requires that all contributing employers pay a contribution surcharge to the Plan to help correct the Plan's financial situation. For contributions due beginning May 1, 2009, the contribution surcharge is 10% of all contributions. These contribution surcharges will end when an employer begins contributing under a collective bargaining agreement that implements the Rehabilitation Plan.

What's Next

We understand that legally required notices like this one can create concern about the Plan's future. While the red "critical" zone label is required to be used by law, the Plan will continue to pay benefits now and we are working with our actuaries and consultants to monitor the Plan's condition and address Plan issues. We will take the actions necessary to improve the Fund's financial condition. However, since the Pension Plan is influenced by economic and financial variables outside our control (such as market volatility and changes in participation and/or the number of contributing employers), unexpected developments can affect the Plan's status and any future corrective actions needed.

If the Trustees decide additional corrective actions are needed, the Act allows them to adopt a new Rehabilitation Plan that eliminate or change adjustable benefits which include:

- Plan benefits, rights, and provisions, including pre-retirement death benefits (other than qualified joint and survivor annuities), disability benefits not yet in pay status, and similar benefits; and
- Early retirement benefit or retirement-type subsidies.

Any reductions will apply only to participants and beneficiaries whose benefit commencement date is after July 29, 2008, the date the Plan was first certified as in critical status. Benefits for pensioners and beneficiaries who are receiving benefits on July 29, 2008 will not be affected.

For more information about this notice or the Pension Plan in general, contact the Pension Plan 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.

5057879v1/02987.001