Notice of Critical Status
For
IBEW Local Union 380 Pension Plan

This is to inform you that on March 31, 2009 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the plan will be in critical status for the plan year beginning January 1, 2009. 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 funded percentage of the plan is 65% or less, and the funded percentage of the plan is 65% or less, and the plan is projected to have an accumulated funding deficiency for the 2009 plan year.

Rehabilitation Plan

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. This is the second year the plan has been in critical status. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. On April 25, 2008, you were notified that the plan could reduce or eliminate adjustable benefits. On April 25, 2008, you were notified that as of that date 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. If the trustees of the plan determine that further 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.

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:

- ☒ Post-retirement death benefits;
- ☒ 10-year 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);

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. The surcharge ends with the effective date of a contribution agreement that is consistent with the rehabilitation plan for the Plan, which was adopted in 2008.

Where to Get More Information

For more information about this Notice, you may contact the plan administrator at the Fund office of the IBEW 380 Pension Plan at 3900 Ridge Pike, Collegeville, PA 19426, or call 610-489-0159. You have a right to receive a copy of the rehabilitation plan from the plan.

ANNUAL FUNDING NOTICE

For the

I.B.E.W. LOCAL UNION 380 PENSION PLAN

Introduction

This notice includes important funding information about your pension plan ("the Plan"). This notice also provides a summary of federal rules governing multiemployer plans in reorganization and insolvent plans and benefit payments guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a federal agency. This notice is for the plan year beginning January 1, 2008 and ending December 31, 2008 (referred to hereafter as "Plan Year").

Funded Percentage

The funded percentage of a plan is a measure of how well that plan is funded. This percentage is obtained by dividing the Plan's assets by its liabilities on the valuation date for the plan year. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the Plan Year and 2 preceding plan years is set forth in the chart below, along with a statement of the value of the Plan's assets and liabilities for the same period.

	2008	2007	2006
Valuation Date	January 1, 2008	January 1, 2007	January 1, 2006
Funded Percentage	48%	54%	53%
Value of Assets	$60,018,371	$57,461,776	$55,544,216
Value of Liabilities	$123,760,753	$106,568,150	$105,506,544

Transition Data

The Plan was not required by law to report the funding-related information shown above in this form for plan years before 2008. Prior to 2008, under the law then in effect, the Plan provided you with information regarding the "current liability funded percentage." For January 1, 2007, the Plan's "current liability funded percentage" was 35 percent, the Plan's assets were $57,461,776, and the Plan's liabilities were $164,256,988. For January 1, 2006, the Plan's current liability funded percentage was 35 percent, the Plan's assets were $55,544,216, and the Plan's liabilities were $157,479,479.

Fair Market Value of Assets

Asset values in the chart above are actuarial values, not market values. Market values tend to show a clearer picture of a plan's funded status as of a given point in time. However, because market values can fluctuate daily based on factors in the marketplace, such as changes in the stock market, pension law allows plans to use actuarial values for funding purposes. While actuarial values fluctuate less than market values, they are estimates. As of December 31, 2008, the fair market value of the Plan's assets was $40,947,367. As of December 31, 2007, the fair market value of the Plan's assets was $57,645,563. As of December 31, 2006, the fair market value of the Plan's assets was $57,350,903.

Participant Information

The total number of participants in the plan as of the Plan's valuation date, January 1, 2008, was 1,142. Of this number, 676 were active participants, 329 were retired or separated from service and receiving benefits, and 137 were retired or separated from service and entitled to future benefits.

Funding & Investment Policies

The law requires that every pension plan have a procedure for establishing a funding policy to carry out the plan objectives. A funding policy relates to the level of contributions needed to pay for benefits promised under the plan currently and over the years. The funding policy of the Plan is to meet the minimum funding requirements of the Employee Retirement Income Security Act of 1974.

Once money is contributed to the Plan, the money is invested by plan officials called fiduciaries. Specific investments are made in accordance with the Plan's investment policy. Generally speaking, an investment policy is a written statement that provides the fiduciaries who are responsible for plan investments with guidelines or general instructions concerning various types or categories of investment management decisions. The investment policy of the Plan is to invest in a diversified portfolio of assets that will provide a high likelihood of producing a rate of return sufficient to meet or exceed the Plan's actuarial interest assumption of 8% (net of investment fees).

In accordance with the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets.

Asset Allocations	**Percentage**
1. Interest-bearing cash	0.9%
2. U.S. Government securities	
3. Corporate debt instruments (other than employer securities):	
Preferred	
All other	
4. Corporate stocks (other than employer securities):	
Preferred	
Common	
5. Partnership/joint venture interests	
6. Real estate (other than employer real property)	25.0%
7. Loans (other than to participants)	
8. Participant loans	
9. Value of interest in common/collective trusts	5.6%
10. Value of interest in pooled separate accounts	
11. Value of interest in master trust investment accounts	
12. Value of interest in 103-12 investment entities	
13. Value of interest in registered investment companies (e.g., mutual funds)	68.5%
14. Value of funds held in insurance co. general account (unallocated contracts)	
15. Employer-related investments:	
Employer Securities	
Employer real property	
16. Buildings and other property used in plan operation	
17. Other	

Critical or Endangered Status

Under federal pension law a plan generally will be considered to be in "endangered" status if, at the beginning of the plan year, the funded percentage of the plan is less than 80 percent or there is an accumulated funding deficiency projected in the current Plan Year or next six succeeding plan years. A plan will be considered to be in "critical" status if the funded percentage is less than 65 percent, or other factors apply, such as an accumulated funding deficiency projected in the current Plan Year or next three plan succeeding plan years (other factors may also apply). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status, the trustees of the plan are required to adopt a rehabilitation plan. Rehabilitation and funding improvement plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time.

The Plan was in critical status in the Plan Year because the Plan's funded percentage is less than 65% and the Plan is expected to have an accumulated funding deficiency in the current Plan Year and within the 4 succeeding plan years. In an effort to improve the Plan's funding situation, the trustees adopted a rehabilitation plan that included the following changes:

- Eliminate the unreduced disability benefit under the Plan and replace it, effective May 1, 2008 with a disability benefit that is reduced from the participant's normal retirement date.
- Eliminate the death benefit under the Plan that provides the surviving spouse with 100% of a reduced monthly benefit payable during the participant's life benefit and replace it, effective May 1, 2008 with a death benefit that provides the surviving spouse with 50% of the monthly benefit payable during the particpant's life.
- Increase the negotiated contribution rate, effective September 1, 2008, by 3.5% plus an additional $0.70 per hour.

You may obtain a copy of the Plan's funding improvement or rehabilitation plan and the actuarial and financial data that demonstrate any action taken by the plan toward fiscal improvement by contact the plan administrator.

Events with Material Effect on Assets or Liabilities

Federal law requires trustees to provide in this notice a written explanation of events, taking effect in the current plan year, which are expected to have a material effect on plan liabilities or assets. For the plan year beginning on January 1, 2008 and ending on December 31, 2008, there were significant investment losses on the Plan's assets. After reflecting these losses, the Plan's funded percentage is estimated to be 39 percent as of January 1, 2009, compared with 48 percent as of January 1, 2008.

In an effort to improve the Plan's funding situation, the trustees have taken steps to modify the rehabilitation plan in 2009 by making the following changes effective July 1, 2009:

- The plan's reduction factors for early retirement will be changed so that the reduced benefit payable at early retirement will be actuarially equivalent to the unreduced benefit payable at normal retirement. The changes to actuarially equivalent factors will occur gradually over 7 steps. The first step occurs on July 1, 2009 and the next steps occur on January 1 of each following year, so that by January 1, 2015 the reduction will be actuarially equivalent.
- The Supplemental Health and Welfare Credit ($16 times years of Benefit Service prior to January 1, 2005) will be reduced for benefits that commence before the participant's Normal Retirement Age. It will also be reduced for any optional form of benefit elected by the participant. Under the current plan provisions, neither reduction is applied.
- The number of hours necessary to earn a year of Benefit Service will increase from 1,400 hours per year to 1,600 hours per year.
- The normal form of payment will no longer include the 10-year payment guarantee and will be payable for the participant's lifetime. The participant will still have the opportunity to elect an optional form of payment with a 10-year guarantee, but the monthly benefit will be reduced to pay for this additional coverage.
- The life insurance benefit that is currently provided under the Pension Plan will be provided under the Health & Welfare Plan.
- Increase the negotiated contribution rate, effective September 1, 2009, by 3.5% plus an additional $0.50 per hour, with additional increases in future years.

Additional information on these changes will be provided in a separate notice.

It is expected that the plan changes will reduce the plan's liabilities by approximately $6.9 million by the end of the current plan year.

Right to Request a Copy of the Annual Report

A pension plan is required to file with the US Department of Labor an annual report (i.e., Form 5500) containing financial and other information about the plan. Copies of the annual report are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202.693.8673. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator.

Summary of Rules Governing Plans in Reorganization and Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multiemployer plans. Under so-called "plan reorganization rules," a plan with adverse financial experience may need to increase required contributions and may, under certain circumstances, reduce benefits that are not eligible for the PBGC's guarantee (generally, benefits that have been in effect for less than 60 months). If a plan is in reorganization status, it must provide notification that the plan is in reorganization status and that, if contributions are not increased, accrued benefits under the plan may be reduced or an excise tax may be imposed (or both). The law requires the plan to furnish this notification to each contributing employer and the labor organization.

Despite the special plan reorganization rules, a plan in reorganization nevertheless could become insolvent. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for the plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available financial resources. If such resources are not enough to pay benefits at a level specified by law (see Benefit Payments Guaranteed by the PBGC, below), the plan must apply to the PBGC for financial assistance. The PBGC, by law, will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notification of the insolvency to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected as a result of the insolvency, including loss of a lump sum option. This information will be provided for each year the plan is insolvent.

Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only vested benefits are guaranteed. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first $11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next $33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee, therefore, is $35.75 per month times a participant's years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of $500, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service ($500/10), which equals $50. The guaranteed amount for a $50 monthly accrual rate is equal to the sum of $11 plus $24.75 (.75 x $33), or $35.75. Thus, the participant's guaranteed monthly benefit is $357.50 ($35.75 x 10).

Example 2: If the participant in Example 1 has an accrued monthly benefit of $200, the accrual rate for purposes of determining the guarantee would be $20 (or $200/10). The guaranteed amount for a $20 monthly accrual rate is equal to the sum of $11 plus $6.75 (.75 x $9), or $17.75. Thus, the participant's guaranteed monthly benefit would be $177.50 ($17.75 x 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under the plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee pre-retirement death benefits to a spouse or beneficiary (e.g., a qualified pre-retirement survivor annuity) if the participant dies after the plan terminates, benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

Where to Get More Information

For more information about this notice, you may contact:

Board of Trustees
IBEW Local 380 Pension Plan
3900 Ridge Pike
Collegeville, PA 19426
(610) 489-0159

For identification purposes, the official plan number is 001 and the plan sponsor's employer identification number or "EIN" is 23-6583334.

For more information about the PBGC and multiemployer benefit guarantees, go to PBGC's website, www.pbgc.gov, or call PBGC toll-free at 1-800-400-7242 (TTY/TDD users may call the Federal relay service toll free at 1-800-877-8339 and ask to be connected to 1-800-400-7242).