Notice of Freeze of Pension Plan Zone Status
Under the Worker, Retiree and Employer Recovery Act of 2008
For
Local 338 Retirement Plan
(EIN 22-6533678, PN 001)

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This is to inform you that on March 30, 2009 the Board of Trustees elected to treat the Plan as being neither in endangered nor critical status for the plan year beginning on January 1, 2009.

The Pension Protection Act of 2006 imposed new rules on all multiemployer defined benefit pension plans intended to improve their funding status. Under the Pension Protection Act, pension plans are commonly categorized in three zones: "green" (neither endangered nor critical status), "yellow" (endangered status), or "red" (critical status). . These rules first applied to the Plan on January 1, 2008, at which time it was in the "green" zone.

As a result of the severe decline in the markets in 2008, many plans that were previosuly in the "green" zone are now in the "yellow" or "red" zones due to investment losses. The Worker, Retiree and Employer Recovery Act of 2008 provides temporary relief to pension plans. It allows the Plan to "freeze" the January 1, 2008 funded status for one year, thus applying it to January 1, 2009.

This election only applies to the current plan year, and if the Plan is certified to be in endangered or critical status next year, you will be provided written notice by the Board of Trustees about which steps will have to be taken to improve the Plan's funded status.

Without such election, the Plan would be in critical status for the plan year beginning January 1, 2009. If the Plan remains in critical status next year, further steps will have to be taken to improve the funded status of the Plan including a surcharge on employer contributions and may include amendments to reduce early retirement benefits and other adjustable benefits for individuals who commence receipt of benefits after notice is provided of the Plan's critical status.

For more information about this notice, you may contact the Plan administrator, Charles Hamilton, Local 338 Retirement Fund, 1505 Kellum Place, Mineola, NY 11501. Telephone number (516) 294-1338.