

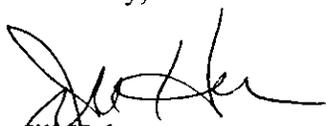
February 24, 2010

U.S. Department of Labor
Employee Benefits Security Administration
200 Constitution Ave, N.W.
Washington, D.C. 20210

Re: Notice of Critical Status – Laborers Local 265 Pension Plan
EIN-31-6127282

Please find enclosed the Notice of Critical Status for the above Pension Plan

Sincerely,



Jill Huber
Assistant Administrator

**Notice of Critical Status For
Laborers Local No. 265 Pension Plan**

This is to inform you that on January 29, 2010 the Plan's actuary certified to the U.S. Department of the Treasury, and also to the Plan sponsor, that the Plan is in critical status for the plan year beginning November 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 over the next three plan years, the Plan is projected to have an accumulated funding deficiency for the 2012 Plan Year.

Rehabilitation Plan and Possibility of Reduction in Benefits

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 first 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. If the trustees of the Plan determine that 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 February 26, 2010.

But you should know that whether or not the Plan reduces adjustable benefits in the future, effective as of February 26, 2010, 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. Therefore, effective February 26, 2010, the following benefits are no longer offered by the Plan:

- 1. Late retirement benefit back-payments plus interest.***
- 2. Minimum retiree death benefit that is equal to the greater of \$1,000 or total employer contributions made on behalf of the participant.***
- 3. Death benefit one-time payment of the total employer contributions made on behalf of the deceased participant.***
- 4. Disability benefit one-time payment equal to the total employer contributions made on behalf of the disabled participant or disability benefit back-payments.***

These changes do not affect participants who have already received these benefits.

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;
- 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);
- Other similar benefits, rights, or features under the plan including the plan's pre-retirement death benefits and suspension rules.

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. This surcharge does not generate increased benefit accruals. **Effective for hours worked on or after April 1, 2010 and due May 15, 2010, employers are required to add 5% to their pension Plan remittances.**

Where to Get More Information

For more information about this Notice, you may contact Stoner & Associates at (513) 381-6886 or 205 West Fourth Street, Suite 225, Cincinnati, OH 45202. You have a right to receive a copy of the rehabilitation plan from the Plan.

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