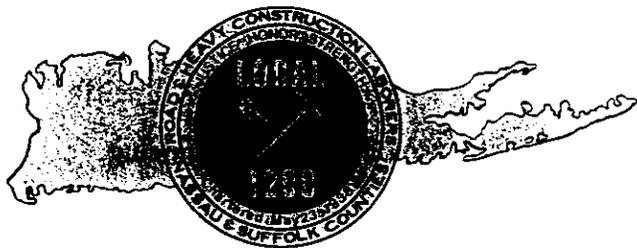


# BENEFIT FUNDS - LABORERS LOCAL UNION NO. 1298

NASSAU & SUFFOLK COUNTIES



EBSA/PUBLIC DISCLOSURE

2009 NOV -4 PM 7:44

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FUND OFFICE MANAGER  
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BOARD OF TRUSTEES  
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## Notice of Endangered Status

For

### Laborers Union Local No. 1298 Of Nassau and Suffolk Counties Pension Fund

TO: All Participants, Beneficiaries, Participating Unions and Contributing Employers

As you may know, the Pension Protection Act of 2006 (PPA) has added requirements for measuring the financial health of multiemployer plans such as ours.

The PPA requires that a Pension Fund's actuary determine the Fund's status under these new rules annually and certify that status to the IRS and the Trustees. It is important to note that if the Fund is in "endangered" status ("yellow zone") or "critical" status ("red zone") for the year, the Trustees must notify all plan participants, employers and other stakeholders and take corrective action to restore the financial health of the plan.

#### Yellow Zone Status

On September 26, 2008 our Pension Fund's actuary determined and certified that the Fund was in "endangered" status for the 2008 plan year. This determination was made because the Fund was less than 80% funded. On September 28, 2009, our Pension Fund's actuary certified that the Fund continues to be in endangered status for the 2009 plan year because it continues to be less than 80% funded.

In accordance with the provisions of the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA), the Trustees have now made an election to "freeze" the Fund's "endangered" status from the 2008 plan year and have it apply to 2009. As a result of the "freeze", the Trustees will not be updating the Funding Improvement Plan which is described in more detail below.

#### Funding Improvement Plan

The PPA also requires every pension fund in the yellow zone to adopt a "Funding Improvement Plan" (FIP). The FIP is an action plan designed to increase a plan's funding percentage and to assure that contributions will be enough to meet the minimum required under the law. Our FIP

was adopted on October 27, 2008 and a notice describing the FIP was provided to the bargaining parties shortly after its adoption. As noted above, because of the freeze, the FIP will not be updated in 2009.

The negotiated contribution rates already in effect for the Laborers Union Local No. 1298 of Nassau and Suffolk Counties Pension Fund are expected to be sufficient to fund the benefits that participants are earning each year and to pay the Fund's operating costs. At this time, we expect that the Fund's funding percentage will continue to improve, in line with the requirements of the PPA, subject to the investment performance of plan assets.

The Board does not expect that any other changes will be needed to meet the PPA's requirement for a FIP, while the current CBA (Collective Bargaining Agreement) is in effect. Please note that the PPA requires that our Fund's funding status be reviewed and certified annually and notices like this one, explaining the outcome, will be sent each year until our plan is no longer in the yellow zone. You will also be receiving formal Annual Funding Notices giving other details about the Fund's finances in addition to other communications about the Fund that the Trustees send out from time to time. While our goal is to remain on track with the Fund's funding schedule noted above, there are several variables beyond our control that we and our advisors are monitoring, including investment market volatility and changes in employment levels and/or the number of contributing employers. Unexpected developments in these or other areas could affect the Fund's status and corrective actions that might be needed in the future.

We understand that legally required notices like this one can create anxiety and concern about the Pension Fund's future. The Board of Trustees is working with contributing employers and the Fund is taking appropriate actions to improve the financial health of the Fund so that retirement benefits for participants and their families are secure into the future.

In the event you have questions or would like additional information, you may contact the Board of Trustees or the Fund Administrator, Annalisa DeFalco, Esq., at 681 Fulton Avenue, Hempstead, N.Y. 11550, Telephone 516-489-3644.

Sincerely,

The Board of Trustees

cc: US Department of Labor  
US Pension Benefit Guaranty Corporation