

April 22, 2013

Ms. Tahia Kahlil, Administrator
District Council 1707, Local 389 Home Care and
Professional Employees Pension Fund
420 West 45th Street
New York, NY 10013

RE: Notice of Endangered Status

Dear Tahia:

As you know, on March 28, 2013 we certified that the District Council 1707, Local 389 Home Care and Professional Employees Pension Plan is in endangered status for the plan year beginning January 1, 2013.

The plan sponsor must, not later than 30 days after the date of certification, provide notification of endangered status to participants and beneficiaries, the bargaining parties, the PBGC and the Secretary of Labor.

Enclosed is a notice of endangered status for the plan year beginning January 1, 2013 using the model format provided by the Department of Labor. These notices should be provided to the parties listed above no later than April 27, 2013.

The copies to the PBGC and Department of Labor can be sent to:

Multiemployer Program Division
Pension Benefit Guaranty Corporation
1200 K Street, NW
Suite 930
Washington, DC 20005

U.S. Department of Labor
Employee Benefits Security Administration
Public Disclosure Room, N-1513
200 Constitution Avenue, NW
Washington, DC 20005

They also can be emailed:

multiemployerprogram@pbgc.gov

criticalstatusnotice@dol.gov

Please call with any questions or concerns.

Sincerely,



Aprell Goodwyn

Enclosure

Bolton Partners Northeast, Inc.

2277 State Hwy. #33, Suite 409 • Trenton, New Jersey 08690 • (609) 588-9166 • Fax (609) 588-9163

Actuarial, Benefit and Investment Consultants

**NOTICE OF ENDANGERED STATUS FOR
DISTRICT COUNCIL 1707, LOCAL 389 HOME CARE AND
PROFESSIONAL EMPLOYEES PENSION PLAN**

EIN: 13-3698650
Plan Number: 001

This is to inform you that on March 28, 2013 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the plan is in endangered status for the plan year beginning January 1, 2013. Federal law requires that you receive this notice.

Endangered Status

The plan is considered to be in endangered status because it has a funding problem. More specifically, the plan's actuary determined that the plan's funded percentage is greater than 80%, and the plan is projected to have an accumulated funding deficiency within six succeeding plan years.

Funding Improvement Plan

Federal law requires pension plans in endangered status to adopt a funding improvement plan aimed at restoring the financial health of the plan. The funding improvement plan can include a variety of changes including, but not necessary limited to:

- ◆ Increase in employer contributions;
- ◆ Elimination of "ancillary" benefits;
- ◆ Reduction in future benefit accruals;
- ◆ Extension of amortization periods; and
- ◆ Change in actuarial methods or assumptions.

While the funding improvement plan is in effect, the plan sponsor may not accept a collective bargaining agreement that provides for:

- ◆ A reduction in the level of contributions for any participants;
- ◆ A suspension of contributions for any period of service;
- ◆ Any new direct or indirect exclusion of younger or newly hired employees for plan participation; and
- ◆ Any plan amendment which increases the liabilities of the plan by reason of any increase in benefits which is not funded by additional contributions.

Where to Get More Information

For more information about this Notice, you may contact Tahia Kahlil at (212) 925-6033, 420 West 45th Street, 5th Floor, New York, NY 10013. You have a right to receive a copy of the funding improvement plan from the plan.