

Notice of Critical Status For St. Louis Motion Picture Operators Pension Fund

This is to inform you that 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 September 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 plan has an accumulated funding deficiency for the current 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. 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 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 the date of the original critical notice, or December 28, 2008. Please note that the Trustees adopted a Rehabilitation Plan which increased contributions to the Plan but did not reduce Adjustable Benefits. Please note that the Trustees may be required to update the Rehabilitation Plan in the future, depending on plan experience.

Adjustable Benefits

The plan offers the following adjustable benefits which may be reduced or eliminated as part of any Rehabilitation Plan or revised Rehabilitation Plan the pension plan may adopt (the checked boxes may apply):

- Post-retirement death benefits;
- Sixty-month 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);
- Recent benefit increases (i.e, occurring in past 5 years);

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. Since a Rehabilitation Plan has been implemented, the Surcharge is no longer required.

Where to Get More Information

For more information about this Notice, you may contact the Fund Office at 5214 Chippewa, St. Louis, MO 63109. Their phone number is 314-351-5600. You have a right to receive a copy of the Rehabilitation Plan from the plan, once completed.