April 23, 2009

Certified Mail
Return Receipt Requested

U.S. Department of Labor
Employee Benefits Security Administration
Public Disclosure Room, N-1513
200 Constitution Ave., NW
Washington, DC 20210

Re: Notice of Endangered Status for the
Twin City Hospitals – Minnesota Nurses Association Pension Plan
(EIN 41-6184922 / PN 001)

Dear Sir or Madam:

The above referenced plan has been certified by the Plan Actuary to be in endangered status for the plan year beginning January 1, 2009. The date of the certification is March 31, 2009. A copy of the Notice provided to participants and beneficiaries, the bargaining parties, the Pension Benefit Guaranty Corporation and the Department of Labor is enclosed.

Sincerely,

Pension Committee
Twin City Hospitals – Minnesota Nurses Association Pension Plan
Twin City Hospitals – Minnesota Nurses Association Pension Plan

Notice of Plan Status

April 24, 2009

To: Participants and Beneficiaries
Participating Employers
Minnesota Nurses Association

The Pension Protection Act of 2006 (the Act) is intended to improve the financial condition of pension plans. The Act implemented several safeguards as well as notification requirements to share more information about a plan’s “financial health” with participants and others directly interested in the plan.

Starting with the 2008 plan year, the Act requires that pension plans be tested annually to determine how well they are funded. The Act establishes benchmarks for measuring a plan’s funding, and uses formal labels for such benchmarks. Plans that are in “endangered” status (sometimes called the “Yellow Zone”) or “critical” status (sometimes called the “Red Zone”) must notify all plan participants, beneficiaries, contributing employers, and collective bargaining parties of the plan’s status, as well as take corrective action to improve or restore the plan’s financial health.

Plan’s Status – Endangered

On March 31, 2009, the plan actuary for the Twin City Hospitals – Minnesota Nurses Association Pension Plan (the “Plan”) certified to the U.S. Department of the Treasury, and also to the Plan’s Pension Committee (the plan sponsor), that the Plan is in endangered status (the Yellow Zone) for the plan year beginning January 1, 2009. Federal law requires that you receive this notice.

The Plan is considered to be in endangered status because it has become more underfunded, due primarily to declining asset values. Specifically, the Plan’s actuary has estimated that the Plan’s funded percentage for the plan year beginning January 1, 2009 is less than the 80% threshold used to determine endangered status. (The plan actuary has estimated that the Plan’s funded percentage, as of January 1, 2009, was 69%.)

Funding Improvement Plan

To comply with the Act, the Pension Committee must adopt a written Funding Improvement Plan before November 26, 2009, designed to improve the Plan’s funded position. However, based on the projections provided to us by the plan actuary, we do not expect that any changes in the Plan will be needed to meet the Act’s requirements for a Funding Improvement Plan. That is, the Plan is already projected to meet the Funding Improvement Plan benchmarks over the next ten years based on the funding requirements under the current collectively bargained Pension Agreement.

-OVER-
What's Next

While no changes are expected to be needed during 2009, please note that because a plan’s financial condition generally changes with changes in the economy, the Act requires that the Plan’s funding status be reviewed and certified annually. Consequently, you will receive a notice like this each year until the Plan is no longer in the Yellow Zone.

For more information about this notice or the Plan in general, please write to the Pension Committee at the address listed at the start of this letter.

Sincerely,

Pension Committee

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