

**NOTICE OF CRITICAL STATUS
PURSUANT TO THE PENSION PROTECTION ACT OF 2006
FOR LOCAL UNION NO. 466 PAINTERS, DECORATORS, AND PAPERHANGERS
PENSION PLAN**

EBSA/PUBLIC DISCLOSURE
2010 SEP 8 AM 8:04

This is to inform you that on July 29, 2010, the Plan Actuary certified to the U.S. Department of the Treasury, and also to the Plan Sponsor, that the Local Union No. 466 Painters, Decorators, and Paperhangers Pension Plan (the "Plan") is in "critical status" for the Plan Year beginning May 1, 2010. Federal law requires that you receive this notice.

Critical Status

The Plan is considered to be in critical status because it has a funding or liquidity problem, or both. More specifically, the Plan Actuary determined that an accumulated funding deficiency is projected to occur at the end of the 2014 Plan Year and that the funding percentage was expected to be 55% as of May 1, 2010.

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 August 28, 2010. But you should know that whether or not the Plan reduces adjustable benefits in the future, effective as of August 28, 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.

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:

- 120-month payment guarantee;
- Disability benefits (if not yet in pay status);
- Benefit payment options other than a qualified joint-and-survivor annuity (QJSA);

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 until a rehabilitation plan is adopted.

Where to Get More Information

For more information about this Notice, you may contact the Plan's administrator:

District Council 9 – Local Union 466
P.O. Box 98
Glens Falls, NY 12801
(518) 761-0034