



Local 813 and Local 1034 Severance and Retirement Fund

45-18 Court Square, Suite 600, Long Island City, New York 11101-4347 • (718) 937-7150 • Fax: (718) 937-7552

CERTIFIED R/R AND REGULAR MAIL

April 23, 2008

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

Re: Local 813 & 1034 Severance and Retirement Plan
EIN#: 13-3628926

Enclosed please find a copy of the above Fund's notice of Endangered Status for plan year beginning January 1, 2008, which was sent to all plan participants, beneficiaries, participating unions, contributing employers and the Pension Benefit Guaranty Corporation.

If you have any questions, please feel free to contact this office.

Sincerely,

Sharon Huang
Fund Administrator

Encl.



April 22, 2008

Local 813 and Local 1034 Severance and Retirement Fund

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Notice of Endangered Status For

LOCAL 813 AND LOCAL 1034 SEVERANCE TRUST FUND

(FOR PLAN YEAR BEGINNING JANUARY 1, 2008)

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.

Starting with the 2008 plan year, the PPA requires that a Pension Fund's actuary annually determine the Fund's status under these new rules and certify that status to the IRS and the Trustees, who are the plan sponsor. If the actuary determines that the Fund is in "endangered," "seriously endangered" or "critical" status, the Trustees must notify all plan participants, employers and other stakeholders, as well as take corrective action to restore the financial health of the plan.

Seriously Endangered Status

This letter will serve as the Notice that, on March 28, 2008, our Pension Fund's actuary certified that the Fund is in "seriously endangered" status for the 2008 plan year. This determination was made because, based on the PPA's new funding measures, the Fund is currently less than 80% funded and is projected to have a funding deficiency within 7 years. This means that the contributions at current rates are not sufficient to meet government standards for funding the promised benefits as well as those that participants are continuing to earn, and the value of the Fund's assets is less than 80% of the estimated present value of all of the benefits and other obligations that it is expected to pay over the lifetimes of the current participants, retirees and beneficiaries.

Funding Improvement Plan

The PPA also requires any pension fund that is "seriously endangered" to adopt a "Funding Improvement Plan" (FIP). The FIP is an action plan designed to restore the plan to financial health, improve the balance of assets and liabilities and avoid any accumulated funding deficiency. Our FIP will be developed by November 2008. A notice describing the FIP, which may include reductions in future benefits and recommendations for contribution increases when

the current bargaining agreement(s) expire, will be provided to the bargaining parties shortly after that.

Please note that the PPA requires that our Plan's funding status be reviewed and certified by the actuary annually, and notices like this one will be sent each year. There are several variables beyond our control that our advisors are monitoring, including investment market volatility, and changes in employment levels and/or the number of contributing employers, which could affect the Plan's status and the Trustees' recommended corrective actions in the future.

We understand that legally required notices like this one can be confusing and create anxiety and concern about the Pension Fund's future. The Board of Trustees remains confident that, with the appropriate adjustments, the Fund will continue to provide our participants and their families with secure retirement benefits.

Where to Get More Information

For further information, please contact the Fund Office.

Sincerely,

The Board of Trustees

cc: U.S. Department of Labor
Pension Benefit Guaranty Corporation