



Laborers COMBINED FUNDS OF WESTERN PENNSYLVANIA

*Serving the Laborers' District Council of Western Pennsylvania
Pension Fund, Welfare Fund and other affiliated Funds*

FORBES-PRIDE BUILDING • 1425 FORBES AVENUE • PITTSBURGH, PENNSYLVANIA 15219-5140
PHONE: 1-412-263-0900

TO : Participants, Beneficiaries, Contributing Employers and Local Unions

FROM : Trustees of the Laborers' District Council of
Western Pennsylvania Pension Fund

DATE : April 25, 2008

SUBJECT : Funding Notice

The Pension Protection Act of 2006, a Federal law, imposed new standards and requirements on retirement plans like the Laborers' District Council of Western Pennsylvania Pension Fund. As a result of the new standards, the Pension Fund, like numerous other retirement plans across the country, has been evaluated as being in an "endangered" status. This is a less serious category than the "critical" status of many other retirement funds. In accordance with the requirements of the Pension Protection Act, the Fund is required to provide a Notice of its status to all participants, contributing employers, and other interested parties. The Notice is printed on the reverse side of this letter.

The Pension Fund's "endangered" status has resulted, in large part, from the undesirable investment environment caused by poor stock market results over the last few years. Please be assured that the Trustees are very concerned about the Fund's status, and are constantly reviewing its investments and other factors, such as contribution levels, and will take appropriate measures designed to get the Fund out of the "endangered" category. As required, the Fund's Trustees will be adopting a formal funding improvement plan, based upon input from the Fund's actuaries, investment advisors, accountants and legal counsel. We also want to make it clear that the Fund's actuaries have advised us that based upon their most recent evaluation, present and future negotiated contributions to the Plan should be sufficient to satisfy the funding improvement plan without any benefit reductions.

While many retirement funds, like ours, are characterized as being in an "endangered" or even "critical" status, the Trustees are confident that our Pension Fund will continue to be a solid source of retirement benefits, on a long-range continuing basis, for all participants and beneficiaries.

The Board of Trustees
of the Laborers' District Council of
Western Pennsylvania Pension Fund

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For Calls Made in Pennsylvania but Outside Metropolitan Pittsburgh, Use Toll Free Number: 1-800-242-2538

FAX NUMBERS: Benefits Dept. - 1-412-263-2813 • Reports Dept. - 1-412-263-2825 • Administrative Dept. - 1-412-263-2084

Website: www.lcfowpa.com

**Pension Protection Act of 2006
Notice of the Status
of the
LABORERS' DISTRICT COUNCIL OF WESTERN PENNSYLVANIA PENSION PLAN**

This is to inform you that on March 27, 2008, the Plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the Plan will for the first time be in endangered status for the plan year beginning January 1, 2008. Federal law requires that you receive this notice.

Status

The Plan is technically considered to be in endangered status because it has funding or liquidity concerns or both. More specifically, the Plan's actuary estimated that the Plan's funded percentage for the 2008 plan year will be approximately 74%, which is less than 80% required to avoid endangered status.

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. This is the first year the Plan has been in endangered status. Endangered plans are required to develop a ten year corrective program containing financial targets to improve the Plan's funded status. The corrective program, or funding improvement plan, must be established within 240 days of the actuarial certification. Based on the Plan being in the endangered category as of January 1, 2008, a funding improvement plan will need to be adopted by November 30, 2008.

Funding Improvement Plan and Possible Future Impacts on Benefits

The law permits pension plans to reduce future benefit accrual levels as part of a funding improvement 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 benefit reductions. However, the Fund wants you to know that based on the most recent evaluation, current and future negotiated contributions to the Plan should be sufficient to satisfy the funding improvement plan requirements without any benefit reductions.

Where to Get More Information

For more information about this Notice, you may contact:

**Laborers' District Council of Western Pennsylvania Pension Fund Board of Trustees
Attention - Pension Dept.
1425 Forbes Avenue, Pittsburgh, PA 15219
Phone: (412) 263-0900 or 1-800-242-2538**

Upon request, the Trustees will provide you with a copy of the funding improvement plan for the Plan after it is adopted.