



Bay Area Painters and Tapers Trust Funds

1640 SOUTH LOOP ROAD • ALAMEDA, CA 94502 • TEL. (510) 864-6410 • TOLL FREE (866) 894-3705

GENERAL:

P.O. BOX 23130 • OAKLAND, CA 94623

CLAIMS:

P.O. BOX 23080 • OAKLAND, CA 94623



May 1, 2008

Department of Labor
1335 East-West Highway, Suite 200
Silver Spring, MD 20910

Re: Bay Area Painters and Tapers Pension Trust Fund

Gentlemen:

Enclosed is a notice that was sent out to all Participants, Beneficiaries, Participating Unions and Contributing Employers regarding the Notice of Endangered Status for the above referenced Trust Fund.

This notice as mailed to all everyone on April 23, 2008.

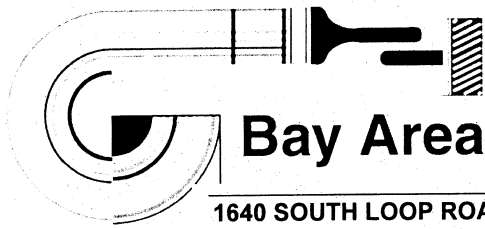
Sincerely,

Jan Parker
Executive Secretary

/jp

Enclosure

RECEIVED
MAY 1 7 47
OAKLAND



Bay Area Painters and Tapers Trust Funds

1640 SOUTH LOOP ROAD – ALAMEDA, CA, 94502
MAILING ADDRESS: P.O. BOX 23130 – OAKLAND, CA 94623
TELEPHONE: (510) 864-6410 – TOLL FREE: (866) 894-3705

Notice of Endangered Status for the Bay Area Painters and Tapers Pension Trust Fund

April 25, 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 determine annually the fund's status under these new rules and to certify that status to the Internal Revenue Service (IRS) and that fund's board of trustees (plan sponsor). It is important to note that if the fund's status for a plan year is in "endangered" ("yellow zone") or "critical" ("red zone") status, the plan's trustees must notify all plan participants in writing of this certification and take corrective action to restore the financial health of the plan.

Endangered Status

This letter will serve as the notice that the Bay Area Painters and Tapers Pension Trust Fund's actuary recently determined and certified on March 28, 2008 that the Fund is in "endangered" status for the 2008 plan year (January 1, 2008 through December 31, 2008). This determination was made because, based on the PPA's new funding measures, the Fund is currently less than 80% funded. "Endangered" is a label that the law requires us to use, but in fact, the Fund is meeting its funding goals and is expected to continue doing so into the future.

Funding Improvement Plan

The PPA also requires any pension fund in the yellow zone 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 to avoid any accumulated funding deficiency. Our FIP will be developed by late fall. 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.

If benefits must be modified, that will only affect the rate of future accruals and/or disability benefits for future disabilities. We will not make any changes in the Plan's benefit formula without alerting you first.

Please note that the PPA requires that our Plan's funding status be reviewed and certified annually and notices like this one will be sent each year. There are several variables beyond our control, which our advisors will monitor yearly, including market volatility and changes in participation 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 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.

In the event you have questions or would like additional information, you may contact the Board of Trustees, and Mike McCormick, at telephone or address shown in the above letterhead.

Sincerely,

The Board of Trustees

cc: United States Department of Labor
United States Pension Benefit Guaranty Corporation

