

**Notice of Endangered Status
for the
International Brotherhood of Electrical Workers Local No. 38 Pension Fund**

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This notice, which federal law requires, includes important information about the funding level of the International Brotherhood of Electrical Workers Local No. 38 Pension Fund ("Plan"), Plan Number 001, Employer (Plan Sponsor) Identification Number 34-6574238. In 2006, the Pension Protection Act ("PPA") was enacted. This law requires an annual certification of a pension plan's funding status. The three PPA-defined status levels are endangered, seriously endangered, and critical. Pension plans that are sufficiently funded as to not fall into one of these three levels are often referred to as being in the "green zone".

For the Plan Year beginning May 1, 2008, the Plan's actuary certified the Plan to be in endangered status. The Plan was considered to be in endangered status because the funded percentage was 76% on May 1, 2008 and there were no projected funding deficiencies in any of the six subsequent Plan Years. The funded percentage is the percentage of earned benefits that could be funded with existing Plan assets. A projected funding deficiency would be a sign that the anticipated liabilities of the Plan are outpacing its assets.

Federal law requires pension plans in endangered status to adopt a funding improvement plan aimed at restoring the financial health of the pension plan. The funding improvement plan requires that the pension plan's funded percentage improve at least one-third of the way to 100% over a 13-year period and result in no projected accumulated funding deficiencies during that period. Based upon funding levels as of May 1, 2008, the Plan was projected to meet these targets.

Unfortunately, subsequent investment losses stemming from the crisis in the financial markets had a negative impact on Plan funding. On July 29, 2009, the Plan's actuary certified the Plan to be in seriously endangered status for the Plan Year beginning May 1, 2009. The Plan is considered to be in seriously endangered status because the funded percentage was 64% on May 1, 2009 and there is a projected funding deficiency in the Plan Year beginning May 1, 2014.

In reaction to widespread investment losses by pension plans, Congress passed the Worker, Retiree, and Employer Recovery Act ("WRERA") in 2008. This law allows a pension plan to use its PPA funding status from the prior year again in the current year, thereby allowing it to avoid being forced into a lower status. The election to freeze the prior year's status is allowed only for a plan year beginning between October 1, 2008 and September 30, 2009. It is intended to allow pension plan fiduciaries time to assess and react to the effects of the current financial crisis.

The Board of Trustees elected to take advantage of this relief offered under WRERA. Therefore, the Plan is considered to be in endangered status (not seriously endangered status) for the Plan Year beginning May 1, 2009. However, this election to freeze the PPA funding status does not restrict the Plan's ability to take proactive measures to improve funding. In fact, the contribution rate increases that were approved in April 2009 were made with the specific goal of increasing Plan funding levels.

The Trustees remain committed to the proper funding of your pension benefits and assure you that appropriate actions will be taken to meet this goal. You will be notified if any future changes are necessary.

For more information about this notice, you may contact the fund office at 8001 Sweet Valley Drive, Valley View, Ohio, 44125-4209 or by telephone at (216) 642-7565.