



SIGN PICTORIAL AND DISPLAY INDUSTRY TRUST FUNDS

EBSA/PUBLIC DISCLOSURE

Sign, Pictorial and Display Industry Pension Plan **2009 JUL 23 AM 6:50**
(EIN/Plan# 94-6278490-001)

Special Notice Related to the Election to Freeze the Plan's Funding Status for the 2009 - 2010 Plan Year

The Pension Protection Act of 2006 ("the PPA") established new terms to describe the funding status of multiemployer pension plans. Within 90 days after the beginning of each plan year, the plan's actuary must certify as to which funding status applies for the current year. Under the PPA, a multiemployer pension plan can be either

1. Neither endangered nor critical, or
2. Endangered, or
3. Critical

Although all of these terms may sound rather negative, the authors of the PPA intended that 1 is better than 2 and 2 is better than 3. In fact, the most well-funded plans in the country will still be described as "neither endangered nor critical."

In addition to defining new terms for the funding status, the PPA also requires substantial changes for plans that are certified in category 2 or category 3 above, including, in many cases, such things as the restriction of retirement options, the reduction of future benefit accruals, and/or the negotiation of contribution increases.

For its prior Plan Year, May 1, 2008 through April 30, 2009, the Sign, Pictorial and Display Industry Pension Plan ("the Plan") was certified as being in the "neither endangered nor critical" funding status. However, the actuary's certification for the Plan Year beginning May 1, 2009 now shows the Plan in "endangered" status.

Under Section 204 of the Worker, Retiree and Employer Recovery Act of 2008, all sponsors of multiemployer pension plans have been given the option of "freezing" the funding status of the plan for the current year. Such a freeze allows the plan to operate as though its status for 2009-2010 did not change from the 2008-2009 Plan Year. **The Board of Trustees of the Sign, Pictorial and Display Industry Pension Plan has elected this option. As a result, the Plan will be treated for purposes of the PPA as being "neither endangered nor critical" for the 2009-2010 Plan Year. The Board does not expect to make any further Plan changes prior to May 1, 2010.**

This election applies only to the current Plan Year. If the Plan is certified to be in endangered or critical status for the 2010-2011 Plan Year, you will be provided a notice to that effect and steps such as those described above will have to be taken to improve the Plan's funded status; that is, some combination of benefit reductions or restrictions and contribution increases will be necessary.

If you have any requests/questions, you should contact the plan administrator, Allied Administrators, at (415) 986-6276.