



HAWAII LABORERS TRUST FUNDS

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2009 NOTICE OF FUNDED STATUS OF THE HAWAII LABORERS' PENSION PLAN

The Worker, Retiree, and Employer Recovery Act of 2008 (WRERA), Section 204, allows plan sponsors of Multiemployer defined benefit plans to temporarily freeze the plan's funded status for the current plan year to be the same as that of the preceding plan year, despite an actuarial certification of a less favorable funded status for the current year. This notice is to inform you that the Board of Trustees has agreed to make a Section 204 election to freeze the Plan's funded status for 2009 as "*endangered*" (the funded status for 2008).

As a result of this election to freeze the Plan's funded status, the Plan will continue to operate in accordance with the requirements imposed on Plan's in endangered status. Specifically, under federal pension law, the Board of Trustees was required to adopt a funding improvement plan which establishes steps and benchmarks for the Plan to improve its funding status over a specified period of time.

The following is information regarding this Section 204 election:

- (1) Plan Name: Hawaii Laborers Pension Plan
- (2) Plan Sponsor: Board of Trustees, Hawaii Laborers Pension Fund
- (3) Sponsor Address: 1440 Kapiolani Boulevard, Suite 800
Honolulu, Hawaii 96814
- (4) Sponsor EIN: 99-6025107 (5) Plan EIN: 99-6011543
- (6) Plan Number: 001 (7) Plan Year End: 02/28
- (8) Year for which this election is being made: 2009-10 (current plan year)
- (9) An election has been made under section 204 of WRERA to treat the Plan's funded status as being "*endangered*" for the current plan year (plan year beginning on March 1, 2009 and ending on February 28, 2010).

In addition, because of this section 204 election, the Funding Improvement Plan that was adopted on December 8, 2008 is not being updated until 2010.

Notwithstanding this section 204 election, the Trustees will be working on a long-term plan to recover from the investment losses incurred during the 2008-09 plan year.

- (10) Without the section 204 election (if no election were made), the Plan's actuary has certified to the U.S. Department of the Treasury, and also to the Board of Trustees, that the funded status of the Plan for the current plan year is critical because it has potential funding or

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liquidity problems, or both. More specifically, the Plan's actuary determined that the sum of the Plan's normal cost and interest on the unfunded benefits for the current plan year exceeds the present value of all expected contributions for the year; the present value of vested benefits of inactive participants is greater than the present value of vested benefits of active participants; and over the next four plan years, the Plan is projected to have an accumulated funding deficiency for the plan years ending in 2013 and 2014.

- (11) The section 204 election by the Board of Trustees applies only to the current plan year. If the Plan is certified by the Plan's actuary to be in endangered or critical status for the following plan year (plan year beginning March 1, 2010 and ending on February 28, 2011), the Board of Trustees will provide notice of the Plan's status (i.e., endangered or critical) for 2010 and information regarding the steps that will have to be taken to improve the Plan's funded situation. These steps may include increases in contributions and/or reductions in future benefit accruals under the Plan.

If the Plan is certified to be in critical status for 2010, the steps that will have to be taken to improve the Plan's funded situation may include a surcharge on employer contributions and the suspension of the payment of lump sums and similar accelerated distributions for individuals who commence receiving benefits after notice is provided of the Plan's critical status, and may include amendments to reduce early retirement benefits or other adjustable benefits for such individuals.

- (12) Additional information about the section 204 election or this notice can be obtained from the plan administrator. To request additional information, write or call the office of:

Contact Person: Wayne Chun
Phone Number: (808) 441-8600; Neighbor Islands dial direct 1 (888) 256-3573
Address: 1440 Kapiolani Boulevard, Suite 800, Honolulu, Hawaii 96814

Board of Trustees,
Hawaii Laborers Pension Plan
June 2009