

200988-01269

**CHICAGO TRUCK DRIVERS, HELPERS AND WAREHOUSE
WORKERS UNION (INDEPENDENT)®**



PENSION FUND

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July 25, 2008

U S Department of Labor
Frances Perkins Building
Public Disclosure Room, N-1513
200 Constitution Avenue, NW
Washington, DC 20210

RE: NOTICE OF CRITICAL STATUS

Gentlemen:

In accordance with the requirements of PPA 2006, enclosed is a copy of our "Notice of Critical Status" which has been supplied to all parties per the law.

Sincerely,

Jack Stewart
Pension Fund Trustee

Enc

Notice of Critical Status For

Chicago Truck Drivers, Helpers and Warehouse Workers Union (Independent) Pension Plan

This is to inform you that on June 27, 2008 the Plan's actuary certified to the U.S. Department of the Treasury, and also to the Trustees, that the Plan is in critical status for the plan year beginning April 1, 2008 and ending March 31, 2009 (the "Current Plan Year"). Federal law requires that you receive this notice.

Critical Status

The Plan is considered to be in critical status because it has funding problems. The Pension Protection Act of 2006 ("PPA") provides that a Plan is in critical status if it satisfies certain actuarial standards. The Plan's actuary has specifically determined that: (a) The Plan has an accumulated funding deficiency for the Current Plan Year; (b) over the next three plan years, the Plan is projected to have an accumulated funding deficiency for the Plan Years commencing 2009 through 2011; (c) the funded percentage of the plan is 65% or less, and over the next four plan years, the plan is projected to have an accumulated funding deficiency for the Plan Years commencing 2009 through 2012; (d) 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 the plan has an accumulated funding deficiency for the current plan year; and (e) 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 commencing in 2009 through 2012.

Rehabilitation Plan and Possibility of Reduction in Benefits

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation 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 reductions. Any reduction of adjustable benefits will not reduce the level of a participant's basic benefit payable at normal retirement age. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after July 25, 2008. But you should know that whether or not the Plan reduces adjustable benefits in the future, effective as of July 25, 2008, the plan is not permitted to pay lump sum benefits or any other payment in excess of the monthly amount paid under a single life annuity (except for the payment of benefits worth less than \$5,000) while it is in critical status.

Adjustable Benefits

The plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the pension plan may adopt:

- Sixty-month payment guarantees

- Disability benefits (if not yet in pay status)

- Early retirement benefit or retirement-type subsidy (including the 30 and out benefit)

- The Survivor Benefit Option prior to retirement

- Post Retirement Death Benefit

Employer Surcharge

The law requires that all contributing employers pay to the plan a surcharge to help correct the plan's financial situation. The amount of the surcharge is equal to a percentage of the amount an employer is otherwise required to contribute to the plan under the applicable collective bargaining agreement. A 5% surcharge is applicable in the initial critical year and a 10% surcharge is applicable for each succeeding plan year thereafter in which the plan is in critical status. The 5% surcharge is payable on work performed on or after August 24, 2008, until March 31, 2009, and the 10% surcharge is payable with respect to periods thereafter. An employer may eliminate its surcharge obligation when it has entered into a collective bargaining agreement that is consistent with the rehabilitation plan adopted by the Board of Trustees.

Where to Get More Information

For more information about this Notice, you may contact the Plan's office. The phone number is 312-738-3920. The address is 1645 W. Jackson Street, Suite 500, Chicago, IL 60612. The Trustees, with the assistance of its consultants and counsel, are designing a rehabilitation plan and all retirees, participants, and contributing employers will have the right to receive a copy. The Plan will notify you when the rehabilitation plan is completed.