

**Notice of Seriously Endangered Status
For
Painters District Council No. 3 Pension Plan**

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This is to inform you that on December 29, 2008 the plan actuary certified to the U.S. Department of the Treasury and to the plan sponsor that the plan is in seriously endangered status for the plan year beginning October 1, 2008. Federal law requires that you receive this notice. This is a new law; in the future you will receive an annual update of this status and the progress the Plan is making towards the goals described below.

Seriously Endangered Status

The plan is considered to be in seriously endangered status because it satisfies both of the following criteria:

1. Funded percentage less than 80% - The plan's actuary determined that the plan's funded percentage is 56.7% on October 1, 2008. The "funded percentage" is the fraction of earned benefits that could be funded with existing Fund assets.
2. Projected accumulated funding deficiency within the current or next 6 plan years - The plan's actuary projects that, if no further action is taken, the plan will have an accumulated funding deficiency for the plan year ending September 30, 2014. Note, "accumulated funding deficiency" means that contributions would be insufficient to satisfy Federal requirements, it does not mean that the Fund would become bankrupt or run out of money.

As required by law, the plan actuary's certification includes only contribution rate increases that have been codified in collective bargaining or participation agreements.

Funding Improvement Plan

Federal law requires pension plans in seriously endangered status to adopt a funding improvement plan aimed at restoring the financial health of the plan. The funding improvement plan requires that the plan's funded percentage improve at least one-fifth of the way to 100% over a 15-year period. The target for this Plan under the law is a funded percentage of 65.4% by 2023. The plan must also meet the Federal minimum funding requirements during this 15-year period.

Future Experience and Possible Adjustments

The funding improvement plan is based on a number of assumptions about future experience and may need to be adjusted in the future if such assumptions are not met. Additional contribution rate increases and/or reductions in the rate at which benefits are earned may be needed if the Fund were to suffer asset returns below the expected 7.50% (in the 2008 plan year or later), a drop in the hours worked, or poor experience from other sources. If, at some point in time, the Trustees determine that further adjustments are necessary, you will receive a separate notice identifying and explaining the effect of those changes.

Commitment to Continued Improvement

At this point, the Trustees anticipate that the Fund will emerge from seriously endangered status and continue to see improved funded percentages. The Trustees maintain their commitment to providing a retirement benefit on which you can rely to pay a lifetime benefit that will play a significant role in your overall retirement planning.

Where to Get More Information

You have a right to receive a copy of the funding improvement plan once it has been formally approved by the bargaining parties. It should be completed by August 26, 2009. To receive a copy, you may contact the Plan Administrator at 3100 Broadway, Suite 805, Kansas City, Missouri, 64111 or by telephone at (816) 756-3313.