

BEVERAGE AND BREWERY DRIVERS LOCAL 67 PENSION FUND RETIREMENT PLAN

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Notice of Endangered Status for the Beverage and Brewery Drivers Local #67 Pension Fund

The Pension Protection Act of 2006 ("PPA") added requirements for measuring the financial health of multiemployer plans such as this plan. As part of those requirements, the Beverage and Brewery Drivers Local #67 Pension Fund's ("Fund") actuary is required to determine the Fund's funded status annually and certify that status to the Board of Trustees and the Internal Revenue Service. Under the PPA, if the Plan's funded status is "endangered" ("yellow" zone), or "critical" ("red" zone), then the Trustees must notify all plan Participants, Beneficiary and labor organizations representing the participants of this certification, and based upon the Fund's designation, take certain action to restore the financial health of the Plan.

The letter shall serve as Notice that, on October 29, 2008, the Fund's actuary determined and certified to the IRS and Plan Sponsor that the Fund is in "endangered" status as of August 1, 2008. Under the PPA, a Fund is endangered when its' funded percentage is between 65% and 80%, or the plan is expected to have an "accumulated funding deficiency" for any of the next six plan years. This Fund was certified as endangered because it is less than 80% funded. The law requires us to use the word "endangered" to describe the financial health of the plan because the designation imposes certain requirements on plan sponsors, the union and Trustees.

When a plan is designated as "endangered," the PPA requires the Fund to implement a "Funding Improvement Plan" ("FIP") that will reduce the Fund's unfunded percentage by at least 33% over a ten-year "rehabilitation period." The Board of Trustees is required to create the FIP within 240 days of the Plan actuary's certification of the Plan's status as "endangered."

The Plan Sponsors hope that the Plan's funded status improves; however, there are factors beyond the Fund's control, such as market volatility, that may complicate or hinder actions that will be taken to improve the funded status. We are cognizant that both this Notice and steps taken to improve the Plan's funded status may cause apprehension regarding the Fund's outlook; however, the Trustees are working hard to ensure that participants and beneficiaries retirement benefits are protected to the extent permissible under the law.

If you have any questions or concerns, please contact the Plan's Fund Office.

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