

Plumbers and Steamfitters Local 267 Benefit Funds

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December 24, 2008

U. S. Department of Labor
Employee Benefits Security Administration
Public Disclosure Room, N-1513
200 Constitution Ave., NW
Washington, DC 20210

To Whom It May Concern:

Our Actuary has informed us that we are required to send you this enclosed notice.

Sincerely,



Michael D. Nanno
Fund Manager

Enc.

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Notice of Critical Status For Plumbers and Steamfitters Local 267 Pension Plan

This is to inform you that on December 23, 2008 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the plan will be in critical status for the plan year beginning January 1, 2009. Federal law requires that you receive this notice.

Critical Status

The plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the plan's actuary determined that over the next three years, the plan is projected to have an accumulated funding deficiency for the 2009 plan year.

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. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after **December 23, 2008**. If you retire on or after this date, the Trustees may adjust your benefits at a future date.

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: (i) thirty-six month payment guarantees; (ii) Disability benefits (if not yet in pay status); (iii) Early retirement benefit or retirement-type subsidy; (iv) Pre-Retirement death benefits; (v) benefit payment options other than a qualified joint-and-survivor annuity (QJSA).

Employer Surcharge

The law requires that all contributing employers pay to the plan a surcharge until a Rehabilitation Plan is adopted 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. With some exceptions, 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.

Where to Get More Information

For more information about this Notice, you may contact Michael Nanno at Plumbers and Steamfitters Local 267 at 315.433.1554. You have a right to receive a copy of the rehabilitation plan from the plan.