

Notice of Plan Status Under The PPA of 2006
For
I.B.E.W. Local No. 223 Pension Plan

To: All Participants, Beneficiaries, I.B.E.W. Local Union 223 and Contributing Employers

As you may know, the Pension Protection Act of 2006 (PPA) has added requirements for measuring the financial health of multiemployer plans such as ours.

Starting with the 2008 plan year, the PPA requires that a Pension Fund's actuary annually determine the Fund's status under these new rules and certify that status to the IRS and the Trustees, who are the plan sponsor. If the actuary determines that the Fund is in "endangered" status ("Yellow zone") or "critical" status ("Red zone"), the Trustees must notify all plan participants, employers and other stakeholders, as well as take corrective action to restore the financial health of the plan.

We understand that legally required notices like this one can create anxiety and concern about the Pension Fund's future. The Board of Trustees remains confident that, with the appropriate adjustments, the Fund will continue to provide our participants and their families with secure retirement benefits.

Yellow Zone Status

This letter will serve as the Notice that, on March 28, 2008, our Pension Fund's actuary certified that the Fund is in "endangered" (Yellow zone) status for the 2008 plan year. This determination was made because, based on the PPA's new funding measures, the Fund is projected to have a funding deficiency within 7 years. This means that the contributions at current rates are not high enough to meet government standards for funding the promised benefits as well as those that participants are continuing to earn. Although contributions were increased on September 1, 2007, recent investment performance and employment has not been at the expected levels.

Funding Improvement Plan

The PPA also requires any pension fund in the Yellow Zone to adopt a "Funding Improvement Plan" (FIP). The FIP is an action plan designed to restore the plan to financial health, improve the balance of assets and liabilities and avoid any accumulated funding deficiency. Our FIP will be finalized by late fall. A notice describing the FIP, which may include reductions in future benefits and recommendations for contribution increases when the current bargaining agreement(s) expire, will be provided to the bargaining parties shortly after that.

If benefits must be modified while in the Yellow Zone, that will only affect the rate of future accruals and/or features associated with those accruals and/or disability benefits for future disabilities. We will not make any changes in the Plan's benefit formula without alerting you first.

Please note that the PPA requires that our Plan's funding status be reviewed and certified annually and notices like this one will be sent each year. There are several variables beyond our control that our advisors are monitoring, including investment market volatility and changes in employment levels and/or the number of contributing employers, which could affect the Plan's status and the Trustees' recommended corrective actions in the future.

Where to Get More Information

For further information, please be in touch with Bruce J. Oliveira, Trust Fund Administrator by telephone at (508) 947-8555, or by mail at I.B.E.W. Local Union No. 223 Pension Fund, P.O. Box 1238, Lakeville, MA 02347-7238.

Sincerely,

The Board of Trustees

cc: US Department of Labor
Pension Benefit Guaranty Corporation