

CEMENT MASONS LOCAL NO. 886/404 PENSION PLAN
2011 NOTICE OF ENDANGERED STATUS
October 2011

This Notice is to inform you that on September 27, 2011 the Plan Actuary certified to the U.S. Department of the Treasury and the Plan Sponsor ("Board of Trustees"), that the Cement Masons Local No. 886/404 Pension Plan ("Plan") is considered Endangered for the 2011 Plan Year, which began on July 1, 2011 and ends on June 30, 2012. The actuary's certification reflects the election of the funding relief offered under the *Pension Relief Act of 2010*. Federal law requires that you receive this Notice.

Pension Protection Act of 2006

In accordance with the Pension Protection Act of 2006 (PPA), multiemployer pension plans are required to be certified by their actuaries as being in one of four funded categories for Plan Years beginning on or after January 1, 2008 based on specific funding criteria in the Internal Revenue Code. These four funded categories are:

- *Neither Endangered nor Seriously Endangered nor Critical*
- *Endangered*
- *Seriously Endangered*
- *Critical*

While the trustees of pension plans that are not endangered, seriously endangered, or critical must continue to exercise diligence to protect the funded position of their plans, the law does not require them to take any specific actions or adopt particular programs to maintain or improve plan funding. The trustees of plans that are endangered, seriously endangered, or critical must take specific actions spelled out in the law. Endangered or seriously endangered plans are required to adopt a "funding improvement plan," while critical plans must adopt a "rehabilitation plan." These plans are designed to restore the plan's funded status over a period of time called a "funding improvement period."

Endangered Status

The Cement Masons Local No. 886/404 Pension Plan was certified to be in endangered status for the 2011 Plan Year. The Plan was first certified to be in endangered status for the 2010 Plan Year because, as of the Plan's 2010 certification date, the Plan was projected to have an accumulated funding deficiency for the 2014 Plan Year. A funding deficiency means that expected contributions to the Plan will not be sufficient to meet the government's minimum contribution requirements for funding purposes. It does not mean that the Plan will be insolvent in the 2014 Plan Year.

The Board of Trustees adopted a funding improvement plan that has been ratified by the bargaining parties, and the Plan is operating in accordance with this plan. The Plan's actuary has certified that the Plan is making scheduled progress in meeting the requirements of its funding improvement plan.

Funding Improvement Plan

As noted above, Federal law requires pension plans in endangered status to adopt a funding improvement plan aimed at improving the plan's funded percentage. A funding improvement plan can include: (1) the reduction or even the elimination of future benefit accruals, and/or (2) increases in the hourly contribution rate.

The Board of Trustees of the Cement Masons Local No. 886/404 Pension Plan adopted a funding improvement plan that includes both a reduction in future benefit accruals and scheduled increases in the hourly contribution rates. The Plan's funding improvement plan is summarized below:

1. Effective July 1, 2009, the future benefit credit was reduced to 0.50% of contributions.
2. Also, beginning July 1, 2009 and ending July 1, 2021, the Plan's hourly contribution rate will be increased by at least \$0.20 per hour.

The Plan's funding improvement plan will be reviewed annually with the Plan's actuary and other professionals. Based upon such review, the funding improvement plan may be amended to include additional benefit reductions or contribution increases.

Where to Get More Information

You can request a copy of the Plan's funding improvement plan and the actuarial and financial data that demonstrate any action taken by the Plan toward fiscal improvement. You can request this information by contacting the Cement Masons Local No. 886/404 Pension Plan at 33 Fitch Boulevard, Austintown, OH 44515, or by calling 1-800-435-2388. For identification purposes, the official Plan number is 001 and the Plan sponsor's employer identification number, or "EIN", is 34-1290577.