

IRON WORKERS-LABORERS PENSION PLAN OF CUMBERLAND, MARYLAND

Notice of Critical Status for the 2008 Plan Year

April 26, 2008

To: Participants and Beneficiaries, Local Union No. 568 of the International Association of Bridge, Structural and Ornamental Iron Workers, Local Union No. 616 of the Laborers International Union of North America, Contributing Employers, Western Maryland Contractors Association, Inc., Pension Benefit Guaranty Corporation and Secretary of Labor.

The purpose of this Notice is to inform you that the Iron Workers-Laborers Pension Plan of Cumberland, Maryland (the "Plan") is in Critical Status for the 2008 Plan Year (January 1, 2008 – December 31, 2008). This is the first year in which the Plan has been found to be in Critical Status. On March 28, 2008, the Plan's actuary certified under Section 305 of ERISA and Section 432 of the Internal Revenue Code that the Plan is in Critical Status for the 2008 Plan Year. 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. The Plan actuary has done a projection of funding requirements for the next two plan years. For 2008, the Plan might have a funding deficiency, depending on the amount of contributions received during the plan year. For 2009, the projection shows that the Plan will have a funding deficiency. If the Plan has a projected funding deficiency for the current year or for any of the next three years, then the Plan is in critical status.

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 (other than a repeal of a recent benefit increase, as described below) will not reduce the level of a participant's basic benefit payable at normal retirement. In addition, except for benefit increases that were adopted or took effect on or after January 1, 2003, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after April 26, 2008 (which is the date of this notice). But you should know that whether or not the Plan reduces adjustable benefits in the future, effective as of April 26, 2008, the Plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical status.

Rehabilitation Plan

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the Plan. This is the first year the Plan has been in critical status. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. On April 26, 2008, you are being notified that the Plan could reduce or eliminate adjustable benefits, and that the Plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical status. If the trustees of the Plan determine that further 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 (other than a repeal of a recent benefit increase, as described below) 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 April 26, 2008.

Adjustable Benefits

The Plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the Plan may adopt:

- ✓ Post-retirement death benefits;
- ✓ Sixty-month payment guarantees;
- ✓ Disability benefits (if not yet in pay status);
- ✓ Early retirement benefit or retirement-type subsidy;
- ✓ Benefit payment options other than a qualified joint and survivor annuity (QJSA);
- ✓ Recent benefit increases (that is, those that have occurred in the past 5 years);
- ✓ Service and Early Service Pension benefits (a participant may not be able to retire under these special provisions after 28 years or 25 years of service).

Employer Surcharge

The law requires that all contributing employers pay to the Plan a surcharge 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. 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, until the contributing employer adopts a schedule under the Rehabilitation Plan.

Where to Get More Information

For more information about this Notice, you may contact the Plan Administrator's office at 301-777-7770 or by U.S. Mail at 119 South Centre Street, Room 6, Cumberland, Maryland 21502. You have a right to receive a copy of the rehabilitation plan from the Plan, after the rehabilitation plan has been prepared by the trustees.