LOCAL UNION NO. 90, I.B.E.W. PENSION FUND

60 NORTH MAIN STREET
P.O. BOX 5817
WALLINGFORD, CT 06492

(203) 269-5764

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April 30, 2009

ANNUAL FUNDING NOTICE
FOR THE
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
LOCAL No. 90 PENSION FUND

Introduction

This notice includes important funding information about your pension plan ("the Plan"). This notice also provides a summary of federal rules governing multiemployer plans in reorganization and insolvent plans and benefit payments guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a federal agency. This notice is for the plan year beginning January 1, 2008 and ending December 31, 2008 ("Plan Year").

Funded Percentage

The funded percentage of a plan is a measure of how well that plan is funded. This percentage is obtained by dividing the Plan's assets by its liabilities on the valuation date for the plan year. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the Plan Year and two preceding plan years is set forth in the chart below, along with a statement of the value of the Plan's assets and liabilities for the same period.

	2008 Plan Year	2007 Plan Year	2006 Plan Year
Valuation Date	January 1	N/A	N/A
Funded percentage	68.1%	N/A	N/A
Value of Assets	$66,297,312	N/A	N/A
Value of Liabilities	$97,364,321	N/A	N/A

Transition Data

For a brief transition period, the Plan is not required by law to report certain funding related information because such information may not exist for plan years before 2008. The plan has entered "not applicable" in the chart above to identify the information it does not have. In lieu of that information, however, the Plan is providing you with comparable information that reflects the funding status of the liability percentage" was 46.57%, the Plan's assets were $59,748,956 and Plan liabilities were $128,364,919. For the 2006 Plan Year, the Plan's "funded current liability percentage" was 50.57%, the Plan's assets were $61,217,021 and Plan liabilities were $121,047,872.

Fair Market Value of Assets

Asset values in the chart above are actuarial values, not market values. Market values tend to show a clearer picture of a plan's funded status as of a given point in time. However, because market values can fluctuate daily based on factors in the marketplace, such as changes in the stock market, pension law allows plans to use actuarial values for funding purposes. While actuarial values fluctuate less than market values, they are estimates. As of December 31, 2008, the fair market value of the Plan's assets was $46,449,099. As of December 31, 2007, the fair market value of the Plan's assets was $66,241,632. As of December 31, 2006, the fair market value of the Plan's assets was $64,890,261.

Participant Information

The total number of participants in the plan as of the Plan's valuation date was 1,038. Of this number, 430 were active participants, 451 were retired or separated from service and receiving benefits, and 157 were retired or separated from service and entitled to future benefits.

Funding & Investment Policies

The law requires that every pension plan have a procedure for establishing a funding policy to carry out the plan objectives. A funding policy relates to the level of contributions needed to pay for benefits promised under the plan currently and over the years. The Board of Trustees shall recommend a sufficient hourly contribution rate to meet the actuarial scheduled cost and to satisfy the requirements of the Pension Protection Act.

Once money is contributed to the Plan, the money is invested by plan officials called fiduciaries. Specific investments are made in accordance with the Plan's investment policy. Generally speaking, an investment policy is a written statement that provides the fiduciaries who are responsible for plan investments with guidelines or general instructions concerning various types or categories of investment management decisions. The investment policy of the Plan is set forth in a Statement of Overall Investment Objectives and Policy prepared by a professional investment advisor setting forth an investment return objective, an allocation between asset classes, performance benchmarks, quality standards, reporting requirements, and parameters for each investment manager, with the overall objective over time to achieve an investment return that will exceed the actuarial investment return assumption while managing risk.

In accordance with the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations	**Percentage**
1. Interest-bearing cash	3
2. U.S. government securities and agencies	23
3. Corporate debt instruments (other than employer securities):	
Preferred	
All other	15
4. Corporate stocks (other than employer securities):	
Preferred	
Common	46
5. Partnership/joint venture interests	
6. Real estate (other than employer real property)	
7. Loans (other than to participants)	
8. Participant loans	
9. Value of interest in common/collective trusts	9
10. Value of interest in pooled separate accounts	
11. Value of interest in master trust investment accounts	
12. Value of interest in 103-12 investment entities	
13. Value of interest in registered investment companies (e.g., mutual funds)	4
14. Value of funds held in insurance co. general account (unallocated contracts)	
15. Employer-related investments:	
Employer Securities	
Employer real property	
16. Buildings and other property used in plan operation	
17. Other	

The asset allocation, and related asset values, are preliminary and subject to change during the annual audit process.

For information about the plan's investment in any of the following types of investments as described in the chart above – common/collective trusts, pooled separate accounts, master trust investment accounts, or 103-12 investment entities – contact: Mr. Richard Poulaino, Insurance Programmers, Inc., 60 North Main Street, Wallingford, CT 06492, Telephone: (203) 269-5764.

Critical or Endangered Status

Under federal pension law, a plan generally will be considered to be in "endangered" status if, at the beginning of the plan year, the funded percentage of the plan is less than 80 percent or in "critical" status if the percentage is less than 65 percent (other factors may also apply). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status, the trustees of the plan are required to adopt a rehabilitation plan. Rehabilitation and funding improvement plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time.

The Plan was in "critical status" in the Plan Year because a funding deficiency was projected in four years. In an effort to improve the Plan's funding situation, the Board of Trustees adopted a Rehabilitation Plan designed to improve the financial situation of the Fund. As described in the Notice to Plan Participants dated April 25, 2008, the collective bargaining parties have already agreed to implement the contribution rate increases and the Trustees have implemented benefit reductions contained in the Alternate Schedule of the Rehabilitation Plan. That Schedule includes the following:

- Contribution Rate Increases
  - During the current collective bargaining agreement, the contribution rate will increase from $4.35 to $5.35 effective June 1, 2008 and to $6.35 effective June 1, 2009.
  - The Schedule provides for increases during the next collective bargaining agreement to $7.35 effective June 1, 2010 and to $8.35 effective June 1, 2011.
- Changes to the Early Retirement Provisions
  - For participants who retire from active service, there will be no reduction from age 62 to age 60 and then a reduction of 6% per year for each year a participant retires prior to age 60.
  - For all others, there will be a reduction of 6% per year for each year a participant retires prior to age 62.
  - A participant will be considered to have retired from active service if he or she has worked 5,000 hours during the seven years prior to retirement.
  - This change in the Early Retirement Provisions is effective for all future early retirements.

You may obtain a copy of the Plan's rehabilitation plan and the actuarial and financial data that demonstrate any action taken by the plan toward fiscal improvement by contacting the plan administrator: Insurance Programmers, Inc., 60 North Main Street, Wallingford, CT 06492 Telephone:(203) 269-5764.

Events with Material Effect on Assets or Liabilities

Federal law requires trustees to provide in this notice a written explanation of events, taking effect in the current plan year, which are expected to have a material effect on plan liabilities or assets. For the plan year beginning on January 1, 2009 and ending on December 31, 2009, there is a scheduled increase in the hourly contribution rate as part of the Rehabilitation Plan adopted last year, and it is anticipated that the Board of Trustees as permitted under the Worker, Retiree, and Employer Recovery Act of 2008 will elect to extend the Rehabilitation Plan period by three years.

Right to Request a Copy of the Annual Report

A pension plan is required to file with the US Department of Labor an annual report (i.e., Form 5500) containing financial and other information about the plan. Copies of the annual report are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202.693.8673. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator. The Annual Report for the 2008 plan year will not be available until mid-October of 2009.

Summary of Rules Governing Plans in Reorganization and Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multiemployer plans. Under so-called "plan reorganization rules," a plan with adverse financial experience may need to increase required contributions and may, under certain circumstances, reduce benefits that are not eligible for the PBGC's guarantee (generally, benefits that have been in effect for less than 60 months). If a plan is in reorganization status, it must provide notification that the plan is in reorganization status and that, if contributions are not increased, accrued benefits under the plan may be reduced or an excise tax may be imposed (or both). The law requires the plan to furnish this notification to each contributing employer and the labor organization.

Despite the special plan reorganization rules, a plan in reorganization nevertheless could become insolvent. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for the plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available financial resources. If such resources are not enough to pay benefits at a level specified by law (see Benefit Payments Guaranteed by the PBGC, below), the plan must apply to the PBGC for financial assistance. The PBGC, by law, will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notification of the insolvency to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected as a result of the insolvency, including loss of a lump sum option. This information will be provided for each year the plan is insolvent.

Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only vested benefits are guaranteed. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first $11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next $33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee, therefore, is $35.75 per month times a participant's years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of $500, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service ($500/10), which equals $50.

The guaranteed amount for a $50 monthly accrual rate is equal to the sum of $11 plus $24.75 (.75 x $33), or $35.75. Thus, the participant's guaranteed monthly benefit is $357.50 ($35.75 x 10).

Example 2: If the participant in Example 1 has an accrued monthly benefit of $200, the accrual rate for purposes of determining the guarantee would be $20 (or $200/10). The guaranteed amount for a $20 monthly accrual rate is equal to the sum of $11 plus $6.75 (.75 x $9), or $17.75. Thus, the participant's guaranteed monthly benefit would be $177.50 ($17.75 x 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under the plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee pre-retirement death benefits to a spouse or beneficiary (e.g., a qualified pre-retirement survivor annuity) if the participant dies after the plan terminates, benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

Where to Get More Information

For more information about this notice, you may contact:

Mr. Richard Poulaino
Insurance Programmers, Inc.
I.B.E.W. Local Union No. 90 Pension Fund
60 North Main Street, Wallingford, CT 06492
Telephone: (203) 269-5764

For identification purposes, the official plan number is 001 and the plan sponsor's employer identification number or "EIN" is 06-6077020. For more information about the PBGC and benefit guarantees, go to PBGC's website, www.pbgc.gov, or call PBGC toll-free at 1-800-400-7242 (TTY/TDD users may call the Federal relay service toll free at 1-800-877-8339 and ask to be connected to 1-800-400-7242).

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Notice of Plan Funding Status

April 30, 2009

Participants, Beneficiaries, Contributing Employers and I.B.E.W. Local Union No. 90:

As you now know, the Pension Protection Act of 2006 (PPA) added requirements for measuring the financial health of multiemployer pension funds such as ours. It now requires that the Pension Fund's actuary determine annually the Fund's financial status under the new rules and certify that status to the IRS and the Trustees. It is important to note that if the Fund's status for a plan year is either "endangered" (known as the yellow zone) or "critical" (known as the red zone), the Trustees must notify all participants, employers, unions and other parties in writing of this certification, as well as take corrective action to restore the financial health of the Pension Fund.

Fund's Status – Red Zone

On March 28, 2008, our actuary certified the Pension Fund as being in critical status (the red zone) for the plan year beginning January 1, 2008. This is based on the actuary's determination that the Pension Fund is projected to have a funding deficiency within four years. This means that contributions are not expected to be high enough to meet government standards for funding promised benefits plus those that participants are currently earning. As required, the Pension Fund's actuary again formally reviewed the status of the Fund's financial health and certified on March 31, 2009 that the Pension Fund continues to be in critical status for the 2009 plan year. This determination was made because the Fund is projected to have an accumulated funding deficiency within two years due to the investment experience during the 2008 calendar year.

Rehabilitation Plan

The Pension Protection Act requires a pension fund in the red zone to adopt a "rehabilitation plan" that is designed to restore the financial health of the fund. The Board of Trustees adopted a rehabilitation plan on April 24, 2008. As required by the law, a notice describing the Pension Fund's rehabilitation plan was provided to the bargaining parties and participants last year. An updated rehabilitation plan is not required, however the Board of Trustees may update the rehabilitation plan to consider options available under the Worker, Retiree and Employer Recovery Act of 2008 (WRERA). An updated rehabilitation plan may revise the Pension Fund's benefits as the law permits and/or future contributions.

Pension Fund Plan Changes

The rehabilitation plan adopted April 24, 2008 made various changes to plan provisions in order to improve the financial health of the Fund. The Board of Trustees agreed to changes to these changes along with Local No. 90 and contributing Employers agreed to future contribution rate increases as set forth under the rehabilitation plan. The Pension Fund sent you a notice describing those changes on April 25, 2008. The changes apply to active, terminated vested participants who retire on and after June 1, 2008 and pensioners whose benefits started after January 1, 2008. The changes include the elimination of some of the Early Retirement subsidies.

Employer Surcharge

The law requires that all contributing employers pay to the Fund a surcharge to help correct the Pension Plan's financial situation. The contribution surcharge ceases when bargaining parties agree to a collective bargaining agreement that implements the Rehabilitation Plan. The I.B.E.W. Local Union No. 90 Pension Fund bargaining parties have agreed to allocate from the current collective bargaining agreement to allocate contribution increases consistent with the Alternative Schedule of the Rehabilitation Plan. Because this agreement was reached prior to May 25, 2008, surcharges were not imposed.

Under the Alternative Schedule, the current collective bargaining agreement that runs through May 2010 was amended to allocate an additional $1 to the contribution rate to the Pension Fund effective June 1, 2008, and increasing again by $1 to $6.35 per hour effective June 1, 2009.

The Alternative Schedule also provides that the next bargaining agreement will allocate an additional $1 per hour to the Pension Fund contribution rate effective June 1, 2010, and an additional $1 per hour effective June 1, 2011. This will bring the total increase to $4 per hour and the total hourly contribution rate to $8.35 per hour as of June 1, 2011. While this contribution rate level is expected to be adequate to meet the standards that PPA sets for funds in the red zone, we will be re-testing the Pension Fund's financial position every year. Depending on what happens with the Fund's investments, the pattern of retirements, the level of employment and other financial factors, the Board of Trustees may need to revisit the rehabilitation plan and the requirements for the 2010 bargaining agreement.

What's Next

We understand that legally required notices like this one can create anxiety and concern about the Pension Fund's future. The Board of Trustees will continue to take the appropriate actions necessary to improve the financial health of the Fund so that retirement benefits for participants and their families are secure into the future.

For more information about this notice or a copy of the Rehabilitation Plan, contact the Fund Office at the address or phone number listed at the top of this letter.

Sincerely,

Board of Trustees

As required by law, this notice is being provided to the Pension Benefit Guaranty Corporation (PBGC) and the Department of Labor.

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