


April 17, 2009

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

Re: WRERA Notice – Glaziers Local 387 Pension Plan- EIN 31-6127281

Please find enclosed the WRERA Notice for the 2008 Plan Year.

Sincerely,



Jill Huber  
Assistant Administrator

# Glaziers' Local #387 Pension Plan

205 West Fourth Street, Suite 225  
Cincinnati, Ohio 45202  
513-381-6886 or 800-832-7113 or Fax 513-381-0238

To: Participants of the Pension Plan

April 2009

## IMPORTANT NOTICE

### BACKGROUND

Based on funding criteria set forth in the US Internal Revenue Code, multiemployer pension plans are required – beginning with the 2008 plan year – to be certified by their actuaries as being in one of three funded status zones:

- o *Neither Endangered nor Seriously Endangered nor Critical* (unofficially called the “Green Zone”)
- o *Endangered* (unofficially called the “Yellow Zone”)
- o *Seriously Endangered* (unofficially called the “Orange Zone”)
- o *Critical* (unofficially called the “Red Zone”)

While trustees of Green Zone plans 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. On the other hand, trustees of plans that are not in the Green Zone must take specific actions spelled out in the law, including the adoption of a “funding improvement plan” for plans in endangered status or a “rehabilitation plan” for plans in critical status that are designed to restore the plans to Green Zone status over a period of time. For example, a plan in critical status may reduce or eliminate adjustable benefits, collect an employer surcharge, or require the bargaining parties to negotiate for additional employer contributions.

Recognizing that the value of the assets, and therefore the funding, of almost all pension plans has dropped due to the impact of the current economic crisis, Congress passed the *Worker, Retiree and Employer Recovery Act of 2008 (WRERA)*. That law lets multiemployer plan trustees take more time to come up with a plan of action for dealing with these problems, by giving them the option to keep their plan in its 2007 plan year’s zone status for one more year, regardless of the plan’s actual funded status for the 2008 plan year.

### 2007 PLAN YEAR CERTIFICATION

As of December 1, 2007 the Plan’s actuary has certified that the Plan was not Endangered, Seriously Endangered, or Critical as defined by PPA. The Plan was in the Green Zone. This certification was based on the Plan’s December 1, 2007 Actuarial Valuation.

### **2008 PLAN YEAR CERTIFICATION**

For the December 1, 2008 through November 30, 2009 Plan Year (2008 Plan Year), the Plan's actuary has certified the Plan to be in the Seriously Endangered ("Orange Zone"). The Plan is projected to have an accumulated funding deficiency for the Plan Year ending December 1, 2014.

### **ELECTION TO CONTINUE TO USE THE 2007 PLAN YEAR ZONE CERTIFICATION**

In accordance with the provisions of the Section 204 of WRERA, the Trustees have voted to "freeze" the Plan's 2007 Plan Year Green Zone certification and have it apply to the 2008 Plan Year which is December 1, 2008 – November 30, 2009. This action will give the Trustees time to consider certain other actions to improve the funding position of the Plan.

The freezing of the Plan's 2007 Plan Year Green Zone status does not extend beyond November 30, 2009. By February 28, 2010, the Plan's actuary will again certify its funded status and zone classification. If at that time the Plan is certified to be in endangered, seriously endangered or critical status, you will be sent a notice similar to this one explaining the Plan's zone status and actions that the Trustees may be required to take under the law. Changes may include increases in the contribution rate and reduction in future benefits accruals. Additionally, if the Plan is certified to be in critical status improvement steps will include a surcharge on employer contributions and the suspension of lump sum benefit payments and the reduction of early retirement benefits or other adjustable benefits.

### **WHAT'S NEXT**

We understand that legally required notices like this one can create concern about the Pension Plan's future. Be assured that the Board of Trustees takes very seriously its obligation to preserve the financial viability of the Plan. With the assistance of the Plan's actuary, legal counsel and other professionals, and working with the contributing employers and the Union, the Trustees will continue to work towards strengthening the funded position of the Plan.

Since the Pension Plan is influenced by economic and financial variables beyond our control (such as market volatility and changes in employment and/or the number of contributing employers), unexpected developments can affect the Plan's status and any future corrective actions needed. The Board of Trustees is continuously reviewing the Plan's progress with its professional advisors.

### **QUESTIONS**

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

Board of Trustees

Glaziers' Local #387 Pension Plan  
Identification Number of Plan Sponsor – 31-6127281

Plan Number – 001