

**WESTERN PENNSYLVANIA  
TEAMSTERS AND EMPLOYERS PENSION FUND**

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EMAIL: [contactus@wpapensionfund.com](mailto:contactus@wpapensionfund.com) • WEBSITE: <http://www.wpapensionfund.com>

April 25, 2008

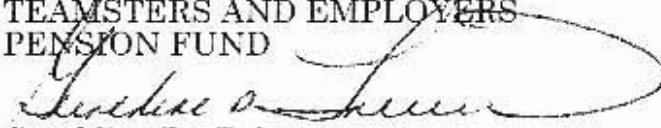
To: U.S. Department of Labor  
Employee Benefits Security Administration  
Public Disclosure Room, E1513  
200 Constitution Ave., NW.  
Washington, DC 20210

Re: NOTICE OF ENDANGERED STATUS  
FOR THE WESTERN PENNSYLVANIA  
TEAMSTERS AND EMPLOYERS PENSION FUND  
FOR THE 2008 PLAN YEAR

We hereby submit a true and correct copy of the Western Pennsylvania Teamsters and Employers Pension Fund's Notice of Endangered Status for the 2008 Plan Year.

The attached notice is concurrently being served upon participants and beneficiaries, the bargaining parties, the PBGC and DOL, as more specifically required by Section 305(b)(3)(D) of ERISA and Section 432(b)(3)(D) of the Internal Revenue Code.

WESTERN PENNSYLVANIA  
TEAMSTERS AND EMPLOYERS  
PENSION FUND

  
Geraldine D. Talerico  
Office Manager

Enclosure

cc: Trustees  
Fund Counsel  
Fund Actuary  
Fund Auditor

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April 25, 2008

To: Participants, Beneficiaries, Contributing Employers and  
Teamsters Local Unions of the Western Pennsylvania  
Teamsters and Employers Pension Fund

## **NOTICE OF ENDANGERED STATUS FOR THE WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND FOR THE 2008 PLAN YEAR**

This legally required Notice is being provided by the Trustees of the Western Pennsylvania Teamsters and Employers Pension Fund ("Pension Fund") pursuant to the Pension Protection Act of 2006 ("PPA"), which was enacted by Congress, signed into law by the President, and became effective on January 1, 2008. This is a new Notice required for the first time by the PPA. It is being provided to all participants, beneficiaries, contributing employers and Teamsters local unions participating in this Pension Fund, and also to the Department of Labor and the Pension Benefit Guaranty Corporation.

The PPA establishes several classifications to describe the funding status of all multiemployer pension plans. The possible PPA classifications listed from worst to best are: "critical" (Red Zone); "seriously endangered" (Orange Zone); "endangered" (Yellow Zone); and, "not critical or endangered" (Green Zone).

**The Pension Fund has been classified as being in the endangered status for the 2008 Plan Year because it had a funded percentage of less than 80% at the beginning of the 2008 Plan Year.** A plan's "funded percentage" is the percentage determined by dividing the projected January 1, 2008 actuarial value of plan assets by the projected January 1, 2008 accrued liability of the plan. On March 28, 2008, the Pension Fund's actuary certified that the Pension Fund is in endangered status because its funded percentage for the 2008 Plan Year is projected to be 71.2%. This means that the Trustees of the Pension Fund are legally required by the PPA to begin development of a range of corrective options involving future contribution requirements and/or modified future benefit accrual rights designed to improve its funded status. The PPA refers to this process as a "funding improvement plan".

Two years ago, in reaction to the stock market declines experienced earlier this decade, the Trustees took steps to bring the Pension Fund's liabilities into balance with its assets. Similar actions were taken by many multiemployer pension plans across the nation. However, now the PPA imposes stricter, long range funding goals and standards to which all pension funds must abide beginning in 2008. These goals are to be achieved under contribution and/or future benefit accrual options to be designed by the Trustees. These options will be provided to the

"bargaining parties" (i.e., employers and unions who negotiate collective bargaining agreements) for use in future negotiations.

Presently, the Trustees are working with the Pension Fund's actuary and consultants to develop a PPA compliant funding improvement plan to supplement earlier funding improvement actions. The law requires that it be adopted no later than November 25, 2008. This "2008 Funding Improvement Plan" will be designed using reasonable forecasts calculated to achieve specified PPA benchmarks on or before the end of a ten year funding improvement period associated with the 2008 Funding Improvement Plan. You will receive advance notice of any plan amendments which reduce the rate of future benefit accruals. However, please note that the upcoming 2008 Funding Improvement Plan can not reduce benefits that have already been earned with respect to employment performed prior to its effective date; it can only reduce the rate of future benefit accruals. Retirees and beneficiaries in pay status can not have their benefits reduced or eliminated.

The PPA grants the Trustees a range of flexibility in designing funding improvement plan options, and it also permits that periods of time required to amortize (pay off) unfunded liabilities in accordance with minimum funding standards may be extended in appropriate circumstances. The Trustees have determined that it is in the best interest of the Pension Fund and all affected parties to comply with the PPA by taking into account the automatic five year amortization extension provided under Section 304(d)(1) of ERISA and Section 431(d)(1) of the Internal Revenue Code. Based upon consultation with the Pension Fund's actuary, the Trustees have authorized the filing of an application for use of this automatic extension. The application will certify that the Pension Fund's assets are sufficient to fully cover the portion of accrued benefits which the Pension Benefit Guaranty Corporation guarantees, and that its PPA funding percentage for 2008 is 71.2%.

The PPA provisions will continue to affect contribution obligations and future benefit accrual rights until the Pension Fund emerges from endangered status by attaining at least an 80% funded percentage and is able to project satisfaction of minimum funding requirements, as certified by the actuary. The PPA also requires that the funded status of the Pension Fund and its progress in achieving the expected funding improvements must be reviewed each year, and if progress is not realized as projected, further corrective steps must be taken. You will be notified of all annual updates.

For more information about this Notice, you may contact the Pension Fund Office at the above address and phone number. You have the right to receive the Actuarial Certification Of Endangered Status For The 2008 Plan Year upon request. Furthermore, when the Funding Improvement Plan is finalized and adopted, you will have the right to receive a copy upon request.

WESTERN PENNSYLVANIA  
TEAMSTERS AND EMPLOYERS  
PENSION FUND

*Board of Trustees*

cc: Department of Labor  
Pension Benefit Guaranty Corporation

PPA Notice of Certification of Status.wpd