

April, 2011

To: Participants and Retired Beneficiaries of the Iron Workers Pension Plan of Western Pennsylvania

From: Iron Workers Pension Plan of Western Pennsylvania, EIN: 25-1283169 PN: 001

Re: Notice of Election of Funding Relief

In June, 2010, Congress passed a law that relaxes certain minimum funding requirements for eligible multiemployer pension plans, if their trustees choose to follow the new rules. The relief gives pension plans a longer period of time to overcome the investment losses that they suffered in late 2008 and early 2009. For a plan to qualify for the relief, its actuary has to certify that the plan is projected to have enough funds to cover all benefit payments and expenses for the extended funding period.

We are pleased to report that, based on our actuary's report, our plan qualifies for the relief. We have decided to use the new funding relief as follows:

1. The investment losses that the Plan incurred for the 2008 plan year will be amortized over 29 years, rather than the 15-year period that the regular rules would have required.
2. The Plan will adjust the asset value that is used for funding purposes, to recognize the 2008 losses over a 10-year period and make other adjustments to smooth out the immediate effect on the assets, rather than using the plan's regular smoothing policy, which calls for 5-year recognition.
3. The maximum value of assets used for funding purposes as of January 1, 2009 will increase from 120% to 130% of the market value of assets as of the same date.

By choosing to use this funding relief, we are able to eliminate further contribution increases (above the \$0.80 for 2011) that would have been necessary for the update of the Funding Improvement Plan for 2010. The decision to use the relief means that, until two plan years after the funding relief described above is fully recognized, the plan of benefits cannot be amended to increase benefits unless there are new contributions to pay for that increase.

If you have questions about this or any other aspect of your Pension Plan, please contact:

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