Heat & Frost Insulators & Allied Workers Local 32 Pension Fund

870 BROADWAY ~ (973) 485-3626 ~ NEWARK, N.J. 07104

GENERAL NOTICE PURSUANT TO SECTION 2204(C)(2)(a)(ii) OF THE WORKER, RETIREE AND EMPLOYER RECOVERY ACT OF 2008 REGARDING THE ELECTION TO "FREEZE" THE ZONE

FROM: Plan Name: Local 32 Pension Fund

DATED: April 21, 2009

TO: Local 32 Pension Fund Participants and Beneficiaries
Collective Bargaining Parties
The Pension Benefit Guaranty Corporation
The Secretary of Labor (US Department of Labor: EBSA)

Plan Name: Local 32 Pension Fund

EIN: **221715513,** **Plan #: 001**

This notice is being issued to you relating to a new requirement under the law. As you probably know, the Pension Protection Act of 2006 has had a significant change to the way a Pension Plan is valued. One of the changes requires a series of tests to be performed annually. The results of the tests cause the Plan to fall into one of the following "status" categories:

1. Neutral
2. Endangered
3. Seriously Endangered
4. Critical

The Plan Actuary must certify annually which of the four above categories the Plan falls into. Because of the significant recent stock market losses during 2008, the Plan has fallen into the *Critical* status for the Plan year 2009. However, because of the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA), the Fund has been given the opportunity to "freeze" the status from the prior year, 2008. This enables the Plan to defer taking corrective action otherwise required under current Pension law. As such, this serves to inform you that an election has been made under section 204 of WRERA to treat this Plan as remaining in a Neutral status for the Plan Year beginning on January 1, 2009.

This election only applies to the Plan Year ending December 31, 2009 and if the plan is Endangered, Seriously Endangered or Critical next year, you will be informed of this and the Plan Sponsor will need to take steps to improve the Funded status of the Plan including increases in contributions, reductions in benefits or a combination of both.

Because the Plan is in Critical Status, we must inform you that if the Fund remains in Critical Status in 2010, steps will need to be taken to improve the Funded status of the Plan including a surcharge on employer contributions, suspension of lump sums and similar accelerated benefits (if applicable) for individuals who may commence receipt of benefits after notice is provided of the plan's Critical status, and may include amendments to reduce early retirement benefits and other adjustable benefits.

You may obtain more information about this subject by contacting your plan administrator at the following address and/or telephone number.

Plan Administrator:	William Maher
Plan:	Local 32 Pension Fund
Address:	Board of Trustees 870 Broadway Newark, New Jersey 07104
Phone Number:	9734852886