I.B.E.W. LOCAL UNION NO. 223
Pension Plan
P.O. Box 5817
Wallingford, CT 06492-7617
800-446-8646

ANNUAL FUNDING NOTICE
FOR
I.B.E.W. LOCAL NO. 223 PENSION PLAN

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 2 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	NA	NA
Funded percentage	66.4%	NA	NA
Value of Assets	$28,485,881	NA	NA
Value of Liabilities	$42,931,089	NA	NA

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 Plan under the law then in effect. For the 2007 Plan Year, the Plan's "funded current liability percentage" was 52.2%, the Plan's assets were $28,354,927, and Plan liabilities were $54,361,578. For the 2006 Plan Year, the Plan's "funded current liability percentage" was *55.6%*, the Plan's assets were $28,948,502, and Plan liabilities were $52,053,565.

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 preliminary fair market value of the Plan's assets is estimated at$19,959,722 as reported in the January 1, 2009 Actuarial Certificate of Zone Status. Once the December 31, 2008 audit is finalized, this figure may change. As of December 31, 2007, the fair market value of the Plan's assets was $29,056,457. As of December 31, 2006, the fair market value of the Plan's assets was $29,729,165.

Participant Information

The total number of participants in the plan as of the Plan's valuation date was 640. Of this number, 341 were active participants, 105 were retired or separated from service and receiving benefits, and 194 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 Plan is funded by contributions made by employers pursuant to collective bargaining agreements with the unions that represent the plan's participants.

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 seeks to build a diversified portfolio of domestic and international equity securities, fixed income and real estate debt securities and alternative investments which include real estate equity, hedge fund of funds and private equity partnerships.

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 as of a specific date and will vary from time to time based upon market conditions and other matters:

Asset Allocations:	
Equity Investments	
Large Cap Equity Domestic	19.1%
Small Cap Equity Domestic	1.9%
Equity International	6.3%
Fixed Income Investments	
Fixed Income and Real Estate Debt	13.3%
Alternative Investments	
Real Estate Equity	11.7%
Hedge Fund of Funds	10.8%
Private Equity Partnerships	0.8%
Cash	36.1%
Total	100%

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.
I.B.E.W. Local No. 223 Pension Plan
60 North Main Street, Wallingford, CT 06492
Telephone: (203) 269-7741

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 "endangered" status in the Plan Year 2008 because the funding percentage was 68.58% and there was a projected funding deficiency within seven years. In an effort to improve the Plan's funding situation, the Trustees adopted a funding improvement plan. However, due to the market declines in 2008, the Plan was certified in "critical" status as of January 1, 2009. A rehabilitation plan has been adopted by the Trustees and the bargaining parties have implemented one of the schedules in that plan. The enclosed Notice of Adjustment to Benefits Due to Critical Status describes the actions taken.

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.

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.

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 No. 223 Pension Plan
60 North Main Street, Wallingford, CT 06492
Telephone: (203) 269-7741

For identification purposes, the official plan number is 005 and the plan sponsor's employer identification number or "EIN" is 04-2780301. 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 ADJUSTMENT TO BENEFITS DUE TO CRITICAL STATUS

I.B.E.W. Local No. 223 Pension Plan

To: Participants, Beneficiaries, Participating Unions and Contributing Employers

Date: April 30, 2009

On January 27, 2009, the Fund's actuary certified that the Plan's funding status was critical for the Plan Year beginning January 1, 2009. This classification of critical status is based upon the Pension Protection Act of 2006 ("Act"). On February 26, 2009, you were notified of the Plan's critical status and that the Plan's formula for future benefit accruals could be changed and that adjustable benefits could be eliminated. In addition, as of February 26, 2009, the lump sum optional form of payment is no longer permitted.

In accordance with the new Act, the Board of Trustees adopted a Rehabilitation Plan on March 9, 2009 that is intended to improve the financial health of the Plan. The Rehabilitation Plan combines increased contributions by the contributing Employers and various benefit reductions and adjustments.

The purpose of this Notice is to inform you of the benefit reductions and adjustments that are set forth under the Rehabilitation Plan and accordingly, amend the terms of the existing Plan. Generally, these changes apply to all active participants, inactive participants, retirees and beneficiaries whose benefit commencement date is on or after June 1, 2009. If you began receiving benefits before June 1, 2009, these changes will not affect the benefits you are currently receiving.

The following benefits have been reduced or adjusted as permitted under the Act and as set forth under the Rehabilitation Plan.

1. Calculation of Your Monthly Pension Benefit

Effective June 1, 2009, the formula for a journeyman's monthly pension benefit will change from 1.5% of contributions up to 16% of wages to 0.6% of contributions up to 16% of wages. The current contribution rate is 21% of wages, with 5% designated as the Funding Improvement Contribution, which is not included in the determination of your monthly benefit. The contribution rate will increase to 22% of wages on January 1, 2010, with 6% designated as the Funding Improvement Contribution.

For apprentices, the formula for the monthly benefit will change from 1.5% of contributions up to 10% of wages to 0.6% of contributions up to 10% of wages. The current contribution rate is

11.5% of wages, with 1.5% is designated as the Funding Improvement Contribution, which is not included in the determination of your monthly benefit.

Here is an example of the benefit earned in 2009 and 2010 under the new formula compared to the benefit earned under the old formula for a journeyman with $36,000 in wages.

Journeyman – Benefit Earned in 2009 and 2010 before Plan Change Effective June 1, 2009

Wages in 2009			
1/1/2009 – 5/31/2009			$15,000
6/1/2009 – 12/31/2009			$21,000
	Total wages in 2009		$36,000
Contributions in 2009	Regular	Funding Improvement	
1/1/2009 – 5/31/2009	$2,400	$750	
6/1/2009 – 12/31/2009	$3,360	$1,050	
Total contributions in 2009	$5,760	$1,800	$7,560
Benefit earned in 2009	$5,760 x .015 =		$86.40
Wages in 2010			
1/1/2010 – 12/31/2010			$36,000
Contributions in 2010	Regular	Funding Improvement	
1/1/2010 – 12/31/2010	$5,760	$2,160	$7,920
Benefit earned in 2010	$5,760 x .015 =		$86.40

Journeyman – Benefit Earned in 2009 and 2010 after Plan Change Effective June 1, 2009

Wages in 2009			
1/1/2009 – 5/31/2009			$15,000
6/1/2009 – 12/31/2009			$21,000
	Total wages in 2009		$36,000
Contributions in 2009	Regular	Funding Improvement	
1/1/2009 – 5/31/2009	$2,400	$750	
6/1/2009 – 12/31/2009	$3,360	$1,050	
Total contributions in 2009	$5,760	$1,800	$7,560
Benefit earned in 2009	$2,400 x .015 + $3,360 x .006 =		$56.16
Wages in 2010			
1/1/2010 – 12/31/2010			$36,000
Contributions in 2010	Regular	Funding Improvement	
1/1/2010 – 12/31/2010	$5,760	$2,160	$7,920
Benefit earned in 2010	$5,760 x .006 =		$34.56

2. Early Retirement Pensions

If you retire on or after June 1, 2009 with an Early Retirement Pension, your Normal Retirement Pension will be reduced by one-half of one percent (1/2%) for each month (6% per year) before your Normal Retirement Date.

Before this Plan change, the reduction was one-quarter of one percent (1/4%) for each month (3% per year) before your Normal Retirement Date.

Here is an example of the change in the Early Retirement Pension:

> You retire on an Early Retirement Pension on June 1, 2009 at age 56. Your Normal Retirement Pension is $1,920.00. Because you have 20 years of service, your Normal Retirement Date is the date you attain age 62.
>
> Prior to the Plan change, your monthly benefit is:
> ¼% x 72 months = 18% reduction
> $1,920.00 x 82% = $1,574.40
>
> After the Plan change, your monthly benefit is:
> ½% x 72 months = 36% reduction
> $1,920.00 x 64% = $1,228.80

3. Total and Permanent Disability Pensions

If you retire on or after June 1, 2009 with a Total and Permanent Disability Pension, your Normal Retirement Pension will be reduced by one-half of one percent (1/2%) for each month (6% per year) that your age when your Total and Permanent Disability Pension begins is before your Normal Retirement Date. However, if your age when your Total and Permanent Disability begins is less than age 55, the reduction will be determined as if you were age 55.

Before this Plan change, the reduction was one-quarter of one percent (1/4%) for each month between age 55 and your Normal Retirement Date and one-eighth of one percent (1/8%) for each month prior to age 55, with a maximum reduction of 50%.

Here is an example of the change in the Total and Permanent Disability Pension:

> You become disabled and retire on a Total and Permanent Disability Pension on June 1, 2009 at age 53. Your Normal Retirement Pension amount is $1,200.00. Because you have less than 20 years of service, your Normal Retirement Date is the date you attain age 65.
>
> Prior to the Plan change, your monthly benefit is:
> 1/4% x 120 months (age 55 – 65 = 120 months) = 30% reduction
> 1/8% x 24 months (age 53 – 55= 24 months) se= 3% reduction
> Total reduction = 33%
> $1,200.00 x 67% = $804.00
>
> After the Plan change, your monthly benefit is:
> 1/2% x 120 months (age 55 – 65 = 120 months) = 60% reduction
> $1,200.00 x 40% = $480.00

4. Lump Sum Benefit Optional Form of Payment

On or after February 26, 2009, the Lump Sum Optional Form of payment and the Partial Lump Sum Option available to Participants at retirement are eliminated. Retirement benefits will be paid in the form of monthly benefits, payable under one of the other optional forms of payment that continue to be available under the Plan:

- Life Annuity
- Joint and 50%, 66-2/3%, 75% or 100% Survivor Annuity
- Life with 60 months or 120 months Guaranteed

However, the Small Amount Lump Sum Payment will continue to be paid under the Plan. When you retire, if the actuarial present value of your accrued benefit is $5,000 or less, the Plan will pay the benefit in a Lump Sum instead of a monthly benefit.

5. Death Benefits

Effective June 1, 2009, all Lump Sum Death Benefits, with the exception noted below, payable to the beneficiary of any Active or Inactive Participant who dies before their benefits commence under the Plan or to the beneficiary of a Deceased Retiree are eliminated.

In the event of a participant's death on or after June 1, 2009, the Plan will provide the following benefits:

- For married, vested participants, the Plan will pay a 50% Survivor Annuity to the participant's surviving spouse, if otherwise eligible, payable when the participant would have been eligible to retire.

- For unmarried participants and married, non-vested participants, a lump sum distribution of a refund of the contributions (including the Funding Improvement Contributions) made to the Fund on behalf of the participant.

6. Where to Get More Information

If you have any questions about these changes, please contact:

Richard M. Poulaino
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60 North Main Street
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