

Dairy Industry - Union

PENSION PLAN

For Philadelphia and Vicinity

April 9, 2009

CERTIFIED RETURN RECEIPT MAIL

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

ATTN: Multi-Employer Data Coordinator

RE: Notice of Seriously Endangered Status

Dear Sir/Madam:

In accordance with Federal Regulations, the above-noted Plan is providing the Notice of Seriously Endangered Status for the Plan Year beginning January 1, 2009. The Notice was provided to relevant parties on April 9, 2009.

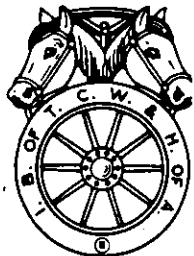
Sincerely,

Joyce Karkoska (Km)

Joyce Karkoska
Fund Manager

JK:kmm

Enclosure



Notice of Seriously Endangered Status for the

Dairy Industry – Union Pension Plan for Philadelphia & Vicinity

This is to inform you that on March 13, 2009 the Plan actuary certified to the U.S. Department of the Treasury, and also to the Plan Trustees, that the Plan is in seriously endangered status for the Plan year beginning January 1, 2009. This certification is required by the Pension Protection Act of 2006, which also requires that you receive this notice. The Pension Protection Act requires each multiemployer pension plan's actuary each year to characterize the plan's funded status as endangered, seriously endangered, critical, or none of the preceding.

Last year, the Plan's funded status was 87.6%. Accordingly, last year the Plan was certified as not in endangered (commonly referred to as "yellow") nor in critical (commonly referred to as "red") status. However, as a result of the poor investment performance of the markets last year (the S&P index for example, returned a negative 37%), the Plan's funded status dropped to 74.0%. The negative market performance in 2008 negatively impacted most single and multiemployer pension plans last year.

Seriously Endangered Status

The Plan is considered to be in seriously endangered status because the funded percentage of the Plan is less than 80% for the Plan Year beginning January 1, 2009, and over the next seven Plan Years, the Plan is projected to have an accumulated funding deficiency. The Plan's funded percentage as of January 1, 2009 for certification purposes is 74.0%. The Plan is projected to have an accumulated funding deficiency at the end of the Plan Year beginning January 1, 2013.

Funding Improvement Plan

Federal law requires pension plans in seriously endangered status to adopt a funding improvement plan, in accordance with the Pension Protection Act, aimed at improving the financial health of the Plan. The Plan Trustees have started the studies needed to develop such a plan. Under the law, the studies must consider the possibility of increasing employer contributions and/or reducing future benefit accruals to the extent that the actuary determines it necessary in order to enable the Plan to improve its funding status by a certain percentage over the next 15 years. The funding improvement plan may contain a number of options for improving the funded status of the Plan. The bargaining parties will bargain over these options. The Trustees will not be permitted to accept a collective bargaining agreement that does not comply with one or more of the options contained in the funding improvement plan. You will be entitled to a copy of the funding improvement plan once it has been completed.

Where to Get More Information

For more information on this Notice, you may contact:

Dairy Industry - Union Pension Plan
Valley Forge Benefit Administrators, Inc.
Davis Road and Oakwood Lane
P.O. Box 740
Valley Forge, PA 19482
Phone: 215-483-6000

You have a right to receive a copy of the funding improvement plan when it is completed.

Date of distribution: April 9, 2009