

NOTICE OF SERIOUSLY ENDANGERED STATUS

For

San Diego County Cement Masons Pension Plan

95-6064494

ESSA/PUBLIC DISCLOSURE
2009 NOV -3 PM 8:03

This is to inform you that on September 28, 2009 the Plan's actuary certified to the U.S. Department of the Treasury and to the Plan sponsor, that the Plan is in seriously endangered status for the Plan Year beginning July 1, 2009. Federal law requires that you receive this notice. The certification of Plan status and this notice are new requirements provided for under the Pension Protection Act of 2006 (PPA) and Section 432 of the Internal Revenue Code for multiemployer plans for plan years beginning in 2008. This notice is intended to meet the disclosure requirements of that Act and to inform you of the status of this Plan.

In general, the PPA defines three levels of concern for multiemployer plans: 1) endangered, 2) seriously endangered and 3) critical, with the severity or potential severity of concern for plan participants increasing from 1 to 3. Plans that do not meet any of these three levels of concern must still report to the Department of the Treasury but are not considered to be a significant risk and are therefore not required to provide this notice.

Seriously Endangered Status (Orange Zone)

The Plan is considered to be in seriously endangered status because it has a funding problem. More specifically, the Plan's actuary determined that the funded percentage of the Plan as of July 1, 2009 is less than 80% and an accumulated funding deficiency is projected to occur within seven years.

Funding Improvement Plan

Federal law requires pension plans in seriously endangered status to adopt a "funding improvement plan" (FIP) aimed at restoring the financial health of the Plan. A FIP is an action plan designed to increase a plan's funded percentage in accordance with applicable benchmarks established by the PPA and to assure that contributions will be enough to meet the minimum required under the law.

Please note that the PPA mandates that our Plan's funding status be reviewed and certified annually and, if applicable, notices like this one will be sent to you each year. In addition, the FIP will be reviewed and updated, as needed, each year. While our goal is to remain on track with the Plan's funding schedule noted above, there are several variables beyond our control that our advisors will monitor yearly, including investment market volatility, changes in employment levels, and/or changes in the number of contributing employers.

We understand that legally required notices like this one can create anxiety and concern about the Plan's future. The Board of Trustees remains confident that the Plan will continue to provide our participants and their families with secure retirement benefits.

Where to Get More Information

For more information about this notice, you may contact the Plan Administrator by phone at (619) 297-8235 or by mail at Allied Administrators, 2831 Camino del Rio South #311, San Diego, California 92108. You have a right to receive a copy of the FIP from the Plan.

Sincerely,

The Board of Trustees

cc: U.S. Department of Labor
U.S. Pension Benefit Guaranty Corporation