

**Notice of Election of Relief Under the Pension Relief Act  
For  
Outstate Michigan Trowel Trades Pension Plan**

This is to inform you that on September 9, 2010 the Board of Trustees elected to receive relief under the *Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010* ("PRA"). PRA was signed into law by President Obama on June 25, 2010. It was established to help pension plans cope with the unprecedented market downturn in late 2008 and early 2009. Your plan was affected too, so the Trustees felt that it was important to take advantage of any helpful relief offered.

**Relief Elected**

The Board of Trustees elected to receive the following relief from PRA:

- Increase the cap on actuarial value of assets from 120% to 130% of the market value of assets for 2009 – The loss for the plan year ending in 2009 was so massive that the Plan's actuarial value hit the 120% of market value cap. Losses above this cap had to be recognized immediately. Increasing the cap to 130% of market value will allow more of the losses to be deferred and recognized at the regularly scheduled point.
- Smooth the loss for the plan year ending in 2009 over 10 years instead of 5 years – This provides further deferral, slowing the recognition of this asset loss.

The PRA funding relief simply gives the plan more time to pay off these asset losses. This eases the requirement of the action needed or helps the plan to better handle another downturn like we have seen in recent months.

**Eligibility for Relief**

As a requirement of PRA to obtain relief, the plan actuary must certify that the plan will not run out of money for the entire 30-year period impacted by the relief. The actuary has made this certification. It is the intention of the Board of Trustees to provide the proper funding of all benefits, including the eventual full funding of all benefits earned, so this requirement was not an issue.

**Benefit Improvement Restriction**

PRA restricts your plan from making any benefit improvements for the plan year in which relief was elected and also the two plan years subsequent to the year of election. Only benefit improvements on future benefits can be purchased with contribution rate increases during this period of time.

**Where to Get More Information**

Please direct any questions you may have to the Board of Trustees of the Outstate Michigan Trowel Trades Pension Plan at (517) 321-7502 or 6525 Centurion Drive, Lansing, Michigan, 48917-9275.