MICHIGAN ELECTRICAL EMPLOYEES' PENSION FUNDS

April 2009

To: ALL PLAN PARTICIPANTS AND ALTERNATE PAYEES OF THE MICHIGAN ELECTRICAL EMPLOYEES' PENSION FUND

The following Important Notices and Annual Reports are for your review. These Notices and Reports are required to be mailed to each Plan Participant annually as provided by the Employee Retirement Income Security Act of 1974 (ERISA). If you have any questions, please contact your Local Union office or the Pension Department at the Fund Office.

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SUMMARY OF MATERIAL MODIFICATIONS

This Notice, known as a Summary of Material Modifications ("SMM"), describes changes to the Plan adopted by the Trustees since the Summary Plan Description ("SPD") was issued in January 2005. It amends the SPD you previously received. You should keep this SMM with the SPD for future reference. The changes to the SPD are as follows:

- Effective January 1, 2008, retiring married Participants will have the option of electing a 75% Joint and Survivor Annuity. Under the 75% Joint and Survivor, a Participant receives each month for the rest of his life a benefit that is the actuarial equivalent of his Straight Life benefit reduced to provide his spouse three quarters (75%) of the amount he had been receiving for the rest of her life if she survives him.

- Effective January 1, 2007, the lump sum Benefit payable to a non-spouse Beneficiary is an eligible rollover distribution if paid to an inherited individual retirement account or annuity (IRA). The portion of a lump sum Benefit required under the minimum distribution rule of Section 401(a)(9) of the Internal Revenue Code is not an eligible rollover distribution.

- Effective January 1, 2006, the Future Service Crediting Formula will be 0.8% of Employer contributions for Hours of Work performed during Plan Years beginning on or after January 1, 2006. The Future Service Crediting Formula was 2.0% of Employer contributions for Hours of Work performed during Plan Years beginning on January 1, 2003, 2004 and 2005.

- As of this date, the members of the Board of Trustees for the Michigan Electrical Employees' Pension Fund are as follows:

**Notice of Seriously Endangered Status
For
Michigan Electrical Employees' Pension Fund**

This is to inform you that on March 31, 2009, the Fund's actuary certified to the U.S. Department of the Treasury and to the Board of Trustees (the plan sponsor) that the Fund is in seriously endangered status for the Plan Year beginning January 1, 2009. A new Federal law requires that you receive this notice. In the future, you will receive an annual update of the Fund's status and the progress it is making towards the goals described below.

Seriously Endangered Status

The Fund is considered to be in seriously endangered status because the funded percentage is less than the 80% threshold established for endangered status and there is a projected accumulated funding deficiency within the current or next 6 Plan Years. The Fund's actuary determined that the Fund's funded percentage was 79.9% on January 1, 2009, and if no further action is taken, the Fund will have an accumulated funding deficiency for the Plan Year ending December 31, 2014. The funded percentage is the fraction of earned benefits that could be funded with existing Fund assets. A projected funding deficiency means contributions are insufficient to satisfy Federal requirements and is a sign that the anticipated liabilities of the Fund are outpacing its assets. A projected funding deficiency does not mean that the Fund would become bankrupt or run out of money.

Funding Improvement Plan

As a result of the certification, Federal law requires the Fund to adopt a funding improvement plan aimed at restoring its financial health. The funding improvement plan will be adopted by the Board of Trustees on or before November 26, 2009, and then provided to the bargaining parties for final approval. The funding improvement plan requires that the Fund's funded percentage improve at least one-third of the way to 100% during the "funding improvement period" (13 years). The Fund must also meet the Federal minimum funding requirements by avoiding funding deficiencies during this 13-year period. The Worker, Retiree, and Employer Recovery Act of 2008 (WRERA) has allowed the Board of Trustees to extend the regular 10-year funding improvement period by an additional three years. This election will make it easier for the Board of Trustees' to improve the Plan's funding status while minimizing the impact on the ability of the Unionized electrical industry to draw new employees and to compete with non-union companies.

Future Experience and Possible Adjustments

The funding improvement plan will be based on a number of assumptions about future experience and may have to be adjusted if those assumptions are not met. Additional contribution rate increases and/or benefit reductions are anticipated and may be greater if those assumptions are not met. You will receive a separate notice identifying and explaining any changes in benefits.

Commitment to Continued Improvement

The Board of Trustees and Bargaining Parties have taken steps to make additional contribution increases. The goal of the Board of Trustees is that the Fund will emerge from seriously endangered status and continue to see improved funded percentages. The Trustees remain committed to the proper funding of your pension benefits and assure you that they will take appropriate actions to meet this goal.

Where to Get More Information

You have a right to receive a copy of the funding improvement plan adopted by the bargaining parties. To receive a copy or request additional information regarding the Fund, you may contact the Board of Trustees of the Michigan Electrical Employees' Pension Fund at (517) 321-7502 or 6525 Centurion Drive, Lansing, Michigan 48917-9275.

ANNUAL FUNDING NOTICE
Michigan Electrical Employees' Pension Fund
Plan Year Beginning January 1, 2008

Introduction

This notice, which federal law requires all multiemployer plans to send annually, includes important information about the funding level of your Pension Fund, the Michigan Electrical Employees' Pension Fund (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 (referred to hereafter as "Plan Year").

Funded Percentage

The funded percentage of the Plan is a measure of how well the 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 2008 Plan Year and the two 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	2007	2006
Valuation Date	January 1	January 1	January 1
Funded Percentage	91%	88%	86%
Value of Assets	$332,724,963	$315,731,402	$294,257,277
Value of Liabilities	$366,597,953	$359,196,901	$340,942,910

Fair Market Value of Assets

Asset values in the chart above are actuarial values, not market values. Market value tends to show a clearer picture of the 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 the Plan to use actuarial values for funding purposes. While actuarial values fluctuate less than market values, they are estimates. As of December 31, 2008, the fair market value of the Plan's assets was $252,015,883. As of December 31, 2007, the fair market value of the Plan's assets was $340,722,496. As of December 31, 2006, the fair market value of the Plan's assets was $323,814,075.

Participant Information

The total number of Participants in the Plan as of the Plan's valuation date was 4,405. Of this number, 1,833 were Active Participants, 1,293 were Retired or separated from service and receiving benefits, and 1,279 were Retired or separated from service and entitled to future benefits.

Funding and Investment Policies

The law requires that the Plan have a procedure for establishing a funding policy to carry out its objectives. The funding policy relates to the level of contributions needed to pay for the benefits promised under the Plan currently and over the years. The Plan's funding policy can be summarized as follows:

> Benefits under the Plan are provided through a trust. Contributions and investment returns together fund current and future liabilities. Contributions are obtained directly from participating employers. These contributions are based on hours worked by Plan participants at rates specified in the collective bargaining agreements.

The money contributed to the Plan is invested by the Plan's Trustees, who are called fiduciaries. Specific investments are made in accordance with the Plan's investment policy, which is a written statement with guidelines or general instructions for the Trustees and the Plan's investment managers concerning various types or categories of investment management decisions.

The investment policy of the Plan can be summarized as follows:

> The federal law says that the Fund's Trustees are responsible for investing the assets of the Plan. To assist them in carrying out this responsibility, the Trustees have delegated authority to manage the assets, as permitted by federal law, to Investment Managers with the skills and specialized research facilities needed to assure expertise in financial market investments. The Trustees have also engaged the services of an Investment Consultant to assist them in evaluating the performance of the Investment Managers. The Trustees, Investment Managers and Investment Consultant shall, as fiduciaries, adhere to the "prudent man rule" under the federal laws that apply or may in the future apply to the Fund's investments. More specifically, they must adhere to the safeguards and diversification standards that a prudent investor would adhere to and all transactions undertaken on behalf of the Plan must be for the sole interest of Plan Participants and their Beneficiaries.

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:

Asset Allocations	Percentage
1. Interest-bearing cash	1.20%
2. Corporate stocks (other than employer securities):	
Common	46.88%
3. Value of interest in common/collective trusts	42.15%
4. Value of interest in registered investment companies (e.g., mutual funds)	9.39%
5. Buildings and other property used in plan operation	0.01%
6. Other	0.37%

For information about the Plan's investment in any common/collective trusts as described in the chart above contact Board of Trustees of the Michigan Electrical Employees' Pension Fund, 6525 Centurion Drive, Lansing, MI 48917-9275 or at (517) 321-7502.

Critical or Endangered Status

Under federal pension law, the Plan generally will be considered to be in "endangered" status if, at the beginning of the Plan Year, its funded percentage is less than 80 percent or to be in "critical" status if the funded percentage is less than 65 percent (other factors may also apply). If the Plan enters endangered status, the Trustees are required to adopt a funding improvement plan. If the Plan enters critical status, the Trustees are required to adopt a rehabilitation plan. The rehabilitation or funding improvement plan must establish steps and benchmarks for the Plan to improve its funding status over a specified period of time. The Plan was not in either endangered or critical status in the 2008 Plan Year.

Events with Material Effect on Assets or Liabilities

Federal law requires the Trustees to provide in this notice a written explanation of events in the current 2009 Plan Year which are expected to have a material effect on the Plan's liabilities or assets. For the Plan Year beginning on January 1, 2009 and ending on December 31, 2009, there are no events that are expected to have such an effect. However, on March 31, 2009, the Plan's actuary certified to the U.S. Department of the Treasury and to the Board of Trustees (the plan sponsor) that the Plan is in seriously endangered status for the Plan Year beginning January 1, 2009. As a result, Federal law requires the Fund to adopt a funding improvement plan aimed at restoring its financial health. The funding improvement plan will be based on a number of assumptions about future experience and may have to be adjusted if those assumptions are not met. Additional contribution rate increases and/or benefit reductions are anticipated and may be greater if those assumptions are not met. You will receive a separate notice identifying and explaining any changes in benefits.

Right to Request a Copy of the Annual Report

The Plan is required to file an annual report (Form 5500) with the U.S. Department of Labor containing financial and other information about the Plan. Copies of the annual report are available from the U.S. 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 Board of Trustees at the address provided on the next page.

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). A plan in reorganization status must notify Participants, contributing employers and the local unions that the Plan is in reorganization and that if contributions are not increased, accrued benefits under the Plan may be reduced or an excise tax may be imposed (or both).

Despite these special rules, a plan in reorganization could, nevertheless, become insolvent. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due in that 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 must 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, for each credited Year of Service. Thus, the PBGC's maximum guarantee is $35.75 per month times a Participant's credited Years of Service.

Example 1: If a Participant with 10 credited Years of 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 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 Board of Trustees of the Michigan Electrical Employees' Pension Fund at (517) 321-7502 or 6525 Centurion Drive, Lansing, Michigan 48917-9275. For identification purposes, the official plan number is 001 and the plan sponsor's employer identification number or "EIN" is 38-6233977. 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).

TO: PLAN PARTICIPANTS APPROACHING THE NORMAL RETIREMENT AGE

RE: MICHIGAN ELECTRICAL EMPLOYEES' PENSION FUND

Dear Plan Participant:

This notice applies only to a Plan Participant who does **NOT** elect to retire at his normal retirement age (65 or later if his participation commenced less than 5 years before age 65) and who may choose to continue working.

If you continue to work after reaching your normal retirement age, the Plan's Suspension of Benefits Provision will be applied even though you have not actually retired.

Under the Suspension of Benefits Provision, no benefits are payable for any month in which you work 40 hours or more in the same industry, same trade or craft, and within the State of Michigan, or within the jurisdiction of any Local Union of the I.B.E.W. having any jurisdiction within the State of Michigan, including I.B.E.W. Locals 8 (Toledo), 153 (South Bend), 158 (Green Bay), and 219 (Iron Mountain). The Suspension of Benefits Provision is applicable until the April 1st following the calendar year in which you reach age 70 ½. Thereafter, you may both work and receive your monthly pension.

If you continue to work after reaching your normal retirement age, but work less than 40 hours per month **or** if you do not work at all after your normal retirement age but before you apply for and begin receiving benefits, no pension benefits will be paid to you. However, when you do retire, you may be entitled to additional benefits based on those months between your normal retirement age and your actual date of retirement if you did not work at least 40 hours in the same industry, same trade or craft, and within the State of Michigan, or within the jurisdiction of any Local Union of the I.B.E.W. having any jurisdiction with the State of Michigan, including I.B.E.W. Locals 8 (Toledo), 153 (South Bend), 158 (Green Bay), and 219 (Iron Mountain).

Be assured that application of the Suspension of Benefits Provision while you are working after reaching your normal retirement age will in no way affect your current vesting or benefit accrual status under the Plan. When a participant who continued to work after his normal retirement age decides to actually retire, his normal retirement benefit will be determined in accordance with the regular Plan Provisions.

If you disagree with how the Suspension of Benefits Provision is being applied to your particular case, you have the right to appeal to the Board of Trustees. The Appeal Procedure is set forth in the Summary Plan Description.

If you have any questions about how the Suspension of Benefits Provision will be applied to your employment situation, be sure to contact the Pension Department at the Fund Office before continuing to work beyond your normal retirement age.

Sincerely,

Board of Trustees
Michigan Electrical Employees' Pension Fund

TO: RETIRED PARTICIPANTS OF THE
MICHIGAN ELECTRICAL EMPLOYEES' PENSION FUND

RE: NOTICE REGARDING THE PENSION PLAN'S SUSPENSION OF PENSION BENEFITS (RETURN TO WORK) PROVISION

Dear Retired Participant:

This is to remind you of the Plan's provision on Suspension of Pension Benefits, which applies to Retirees who return to work at the Trade. Under these provisions, Pension Benefits being paid to you may be suspended if **ALL** of the following conditions are met:

1. You work **40** or more hours during any given month (or during the payroll periods falling within that month); and

2. The work is in the same industry as the type of business activity engaged in by Employers who contribute to the Plan even though your employer may not be a contributing Employer (e.g., a non-union employer); and

3. The work is at the same trade or craft in which you were working when you earned benefits under the Plan (self-employed work, as well as supervisory and managerial work, can be considered a return to work at the trade or craft if you are using the same skill or skills you acquired while you were accruing credit under the Plan); and

4. The work is performed within the State of Michigan, or within the jurisdiction of any Local Union of the I.B.E.W. having jurisdiction within the State of Michigan, including I.B.E.W. Local 8 (Toledo), 153 (South Bend), 158 (Green Bay), and 219 (Iron Mountain).

This suspension is applicable until the April 1st following the calendar year in which you reach age 70 ½. Thereafter, then you may both work and receive your monthly pension.

Under this provision of the Plan, **you are required** to notify the Pension Department at the Fund Office immediately if you return to work in any capacity, regardless of whether you return to work for a non-contributing employer (e.g., non-union) or in a self-employed capacity. Failure to notify the Pension Department in a timely manner of a return to work may subject you to possible suspension of your current and/or future Pension Benefits.

Sincerely,

Board of Trustees
Michigan Electrical Employees' Pension Fund

SOCIAL SECURITY NUMBER PRIVACY POLICY

(Effective January 1, 2006)

The Michigan Electrical Employees' Pension Fund is required by Michigan law to make sure that your Social Security number and the Social Security numbers of your family members are kept private as set forth in that law.

The law permits the Fund to use Social Security numbers to verify your identity and the identities of your family members and to perform other functions related to providing retirement benefits under the Fund's Plan. Therefore, the Fund will continue to require Social Security numbers on application and other forms. When your employer pays contributions on your behalf, the law permits your employer to provide the Fund with your Social Security number so that the Fund may determine your eligibility status. The law also permits the Fund to use Social Security numbers when authorized or required to do so by state or federal statute, by court order, or pursuant to legal discovery or process. The Fund will ensure to the extent practicable the confidentiality of those Social Security numbers.

In order to protect your privacy and in compliance with the law, the Fund's third-party administrator, TIC International Corporation ("TIC"), will use alternate identification numbers wherever feasible, including on monthly notices of contributions. TIC does not print Social Security numbers on the exterior of any envelope or package sent through the mail or in a manner that can be seen from the exterior of such envelope or package. The Fund's website is secure and permits participants to access information through use of a password other than their Social Security number.

Only TIC's employees and agents and employees and agents other Fund service providers may access the Social Security numbers of Fund participants and family members and only as necessary to provide services to the Fund. TIC uses practical means to limit access to written and electronic records in its possession that contain Social Security numbers to those employees and agents whose job duties require such access, such as securing areas where Social Security number information is located when not in use and requiring the use of passwords for access to electronic files containing Social Security numbers. TIC disposes of documents that contain Social Security numbers that the Fund is not actively using or is not otherwise obligated to retain by shredding and other processes that protect the confidentiality of the Social Security numbers. TIC's employees and agents must not disclose Social Security numbers by publicly displaying more than four sequential digits of a Social Security number or in any other manner prohibited by law.

The Fund notifies all service providers that they must ensure, to the extent practicable, the confidentiality of all Social Security numbers related to Fund participants and their families as required by law. The Fund may take action regarding service providers who fail to protect adequately the confidentiality of those Social Security numbers, including the termination of contracts.

NOTICE OF YOUR RESPONSIBILITY TO KEEP RECORDS

The Fund has set up an Employer audit and collection program to make sure that your Employers pay the pension contributions owed to the Fund for your Hours of Work. But, it is your responsibility to keep records of your employment, including the names of your Employers, your pay stubs, and other information that proves you worked and for how many hours, so that if one of your Employers fails to pay the required contributions or keep records of your work, the Fund will have the information necessary to grant you the Years of Service and benefits to which you are entitled.