

**Notice of Endangered Status
For
SOUTHWEST MARINE PENSION TRUST
(E.I.N. 95-6123404 / Plan 001)**

This notice is to inform you that the Plan will be in endangered status for the plan year beginning January 1, 2010. Federal law requires that you receive this notice.

Funding Improvement Plan

The Pension Protection Act of 2006 (PPA) requires pension plans in endangered status to adopt a Funding Improvement Plan (FIP). The FIP is an action plan which based on reasonably anticipated experience and under reasonable actuarial assumptions is designed to significantly increase a plan's funded percentage and to avoid any accumulated funding deficiency. Each year, the FIP will be reviewed to ensure the objectives of the FIP continue to be achievable in light of emerging Plan experience. The Board of Trustees formally adopted a FIP on February 19, 2009.

Plan Experience and Possible Future Adjustments

As you are aware, investment markets are still turbulent. Our Fund, like most other retirement funds across the country, has yet to recover the considerable asset losses incurred in 2008. The Trustees continue to evaluate various options to address the funding shortfall created by the decline in asset values during the 2008 plan year. These options include increases in future contribution rates, reductions in the rate of future benefit accruals and/or other changes. If the Trustees of the Plan determine that any such changes are necessary, you will receive a separate notice in the future identifying and explaining the effect of those changes.

As noted above, the PPA requires that the Plan's funded status be reviewed and certified annually and notices like this one will be sent each year. There are several variables beyond the Trustees' control that the Plan's advisors are monitoring, including investment market fluctuations, changes in employment levels and/or the number of contributing employers, which could affect the Plan's status and the need for corrective actions in the future.

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

Where to Get More Information

For more information about this Notice, you may contact:

**Southwest Marine Pension Trust
Attention – Benefit Programs Administration
4201 Long Beach Boulevard – Suite 300
Long Beach, CA 90807-2021
Phone: (562) 595-6463**

Upon request, the Trustees will provide you with a copy of the Funding Improvement Plan for the Plan.