



AMERICAN BENEFITS COUNCIL

January 30, 2009

The Honorable Harry Reid
Majority Leader,
U.S. Senate

The Honorable Mitch McConnell
Minority Leader
U.S. Senate

The Honorable Richard Durbin
Majority Whip & Asst. Majority Leader
U.S. Senate

The Honorable Nancy Pelosi
Speaker,
U.S. House of Representatives

The Honorable Steny Hoyer
Majority Leader
U.S. House of Representatives

The Honorable John Boehner
Minority Leader,
U.S. House of Representatives

Dear Majority Leader Reid, Minority Leader McConnell, Majority Whip Durbin, Speaker Pelosi, Majority Leader Hoyer and Minority Leader Boehner:

As you are aware, the current economic crisis constitutes a direct threat to employer-sponsored defined benefit retirement plans, including many nonprofit organizations. Without immediate relief, sponsors of pension plans will be forced to make enormous, unexpected contributions just when they can least afford it. Workers stand to suffer as well. At this time, company resources are critically necessary to make crucial capital investments, pursue growth and preserve and create jobs. In the case of many nonprofits the down-turned economy has dramatically affected their resources and meeting the drastic increase in funding obligations is affecting their ability to operate.

We appreciate the wise action that Congress took last December by passing the Worker, Retiree, and Employer Recovery Act. This legislation included two important provisions vital to companies sponsoring pension plans: a clarification of the ability to spread unexpected gains and losses over a 24 month period which had been intended by Congress in the Pension Protection Act (PPA) and a modification to permit more companies to avail themselves of the transition period to meet the higher funding targets established by the PPA. The funding relief provisions reduced average defined

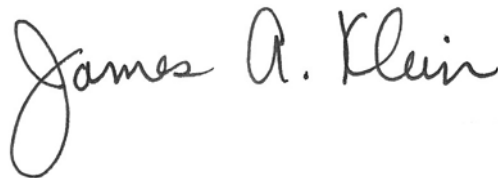
benefit pension contributions by approximately one-third. However, even with these changes, average defined benefit plan contributions will double and in some cases because the past relief did not help them the obligations remain much higher.

The American Benefits Council, which represents many of these defined benefit plan sponsors, urges your support for additional relief. The attached paper outlines the relief we believe is needed to bring stability to the defined benefit pension plan system in the short term and to place companies in a position to better manage the losses they experienced in their pension plans in 2008. Addressing the impending funding challenges is critically tied to helping companies weather the current economic storm and their ability to emerge from the recession.

Action is critically necessary now and is directly related to stimulating the economy. Businesses, jobs and the greater economy hang in the balance.

We stand ready to work with you on this important issue.

Sincerely,

A handwritten signature in black ink that reads "James A. Klein". The signature is written in a cursive style with a large, looping initial "J".

James A. Klein
President