

Joint Board 18 Pension Fund

LOCAL 3



LOCAL 231

Notice of Critical Status

For

Joint Board 18 Pension Fund

This is to inform you that on September 24, 2010 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the plan is in critical status for the plan year beginning July 1, 2010. Federal law requires that you receive this notice.

Critical Status

The plan is considered to be in critical status because it has funding problems. More specifically, the plan's actuary determined that the plan was in critical status last year and continues to be in critical status.

Rehabilitation Plan and Possibility of Reduction in Benefits

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. This is the 3rd year the plan has been in critical status. The Trustees of the Fund adopted a rehabilitation plan on April 6, 2009. The rehabilitation period is the thirteen year period that begins July 1, 2010. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. On October 28, 2008 you were notified that you may not receive any payment in excess of the monthly amount paid under a single life annuity while it is in critical status. If the trustees of the plan determine that further benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions. Any reduction of adjustable benefits (other than a repeal of a recent benefit increase, as described below) will not reduce the level of a participant's basic benefit payable at normal retirement. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after 30 days following notice of such reduction.

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Adjustable Benefits

The plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the pension plan may adopt:

- Post-retirement death benefits;
 - Sixty-month payment guarantees;
 - Disability benefits (if not yet in pay status);
 - Early retirement benefit or retirement-type subsidy;
 - Benefit payment options other than a qualified joint-and survivor annuity (QJSA);
 - Recent benefit increases (i.e, occurring in past 5 years);
 - Other similar benefits, rights, or features under the plan {provide identification}
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Employer Surcharge

The law requires that all contributing employers who are not in compliance with the terms of the rehabilitation plan pay to the Plan a surcharge to help correct the plan's financial situation. The amount of the surcharge is equal to a percentage of the amount an employer is otherwise required to contribute to the plan under the applicable collective bargaining agreement. With some exceptions, a 5% surcharge is applicable in the initial critical year and a 10% surcharge is applicable for each succeeding plan year thereafter in which the plan is in critical status, until such time as the contributing employer complies.

Where to Get More Information

For more information about this Notice, you may contact Joint Board 18 Pension Fund at 516-742-3500, 25 Roslyn Road, Mineola, New York 11501. You have a right to receive a copy of the rehabilitation plan from the plan.