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**EMPLOYERS-LOCAL 1167
JOINT PENSION PLAN
P.O. BOX 884 • RANCHO CUCAMONGA, CA 91739
(800) 341-9000 • Fax (909) 980-1084**

NOTICE OF CRITICAL STATUS

TO: All Participants, Beneficiaries, Participating Local Unions, and Contributing Employers
FROM: Board of Trustees of the Employers – Local 1167 Joint Pension Fund
DATE: April 30, 2011

This is to inform you that on March 31, 2011 the Plan actuary certified to the U.S. Department of the Treasury, and also to the Board of Trustees that the Plan is in critical status (the "red zone") for the plan year beginning January 1, 2011. Federal law requires that you receive this notice.

CRITICAL STATUS

The Plan is considered to be in critical status for the 2011 plan year because the Plan was in critical status for the 2010 plan year and is projected to have a funding deficiency within the next ten years.

REHABILITATION PLAN AND 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 second year the Fund has been in critical status. The law permits pension funds to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. On November 16, 2010, you were notified that the Fund adopted a rehabilitation plan that reduced or eliminated a number of adjustable benefits including subsidized early retirement benefits, fully subsidized 30% joint and survivor benefits, disability benefits, and pre-retirement death benefits. The changes under the rehabilitation plan generally apply to participants who retire on or after January 1, 2011. Also, on April 30, 2010, you were notified that as of that date, the Fund is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) except for payment of benefits worth less than \$5,000 while it is in critical status. You have also been notified that any reduction of adjustable benefits will not reduce the level of a participant's basic benefit payable at normal retirement age.

EMPLOYER SURCHARGE

The law requires that all contributing employers 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. 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 the effective date of a collective bargaining agreement that implements a Rehabilitation Plan Schedule.

WHERE TO GET MORE INFORMATION

For more information about this Notice, you may contact Morgan & Franz by telephone at 1-800-341-9000 or by email at Maryjaneweber@morganaudfranz.com. You have a right to receive a copy of the rehabilitation plan adopted by the Board of Trustees.

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EBSA/PUBLIC DISCLOSURE