



**SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA  
TEAMSTERS & EMPLOYERS PENSION FUND**

2013 OCT 23 PM 7:23  
TEAMSTER BUILDING • 112 MORGANTOWN STREET • UNIONTOWN, PENNSYLVANIA 15401  
PHONE: 724-438-0512 • FAX: 724-438-4870

October 24, 2013

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

U.S. Department of Labor  
Employee Benefits Security Administration  
Public Disclosure Room, N-1513  
200 Constitution Avenue, N.W.  
Washington, DC 20210

**RE: Notice of Critical Status for Plan Year 2013  
Plan ID# 25-1046087**

To Whom It May:

Enclosed you will find the Notice of Critical Status for the Plan Year 2013 for the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund (Plan ID# 25-1046087; Plan No. 001), as required by the Department of Labor, pursuant to the terms fo the Pension Fund Equity Act of 2004.

These notices were distributed to all parties of interest on October 24, 2013.

If you have any additional information, please feel free to contact this office.

Sincerely,

Vito Dragone, Jr.  
Secretary/Board of Trustees

VDJ:frg  
Enclosure

cc: Peter Karapelou, Beyer Barber Company



## Notice of Critical Status For

### Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund

This is to inform you that on September 28, 2013 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, 2013. Federal law requires that you receive this notice.

#### **Critical Status**

The plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the plan's actuary determined that the plan has an accumulated funding deficiency for the current plan year.

#### **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. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. As a result of the actuary's certification that the Plan was in critical status for the 2008-09 plan year, the Trustees adopted such a rehabilitation plan in April 2009.

The Trustees are required to annually review the Plan to determine whether it is making the scheduled progress that had been the basis of the rehabilitation plan. If the trustees of the plan determine that further benefit reductions are necessary, they will be adopted within an updated rehabilitation plan and 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 September 24, 2008. Effective as of September 24, 2008, the plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical status. The Trustees adopted an updated rehabilitation plan in February, 2011. On March 11, 2011 you were sent a Notice of Plan Amendment Reducing Adjustable Benefits effective July 1, 2011.

#### **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:

- x Sixty-month payment guarantees;
- x Early retirement benefit or retirement-type subsidy;
- x Benefit payment options other than a qualified joint-and survivor annuity (QJSA);

#### **Employer Surcharge**

The law requires that all contributing employers pay to the plan a surcharge to help correct the plan's financial situation until a rehabilitation plan schedule is adopted within the collective bargaining or participation agreement. 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 10% surcharge is currently applicable.

#### **Where to Get More Information**

For more information about this Notice, you may contact Francine George at 724-438-0512 or 112 Morgantown Street, Uniontown, PA 15401. You have a right to receive a copy of the rehabilitation plan from the plan.