



**PIPEFITTERS LOCAL 636
FRINGE BENEFIT FUNDS**

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**Notice of Status under the Pension Protection Act
For Pipefitters Local 636 Defined Benefit Pension Fund**

TO: Plan Participants and Beneficiaries and Bargaining Parties

FROM: Board of Trustees Pipefitters Local 636 Defined Benefit Pension Fund

DATE: April 30, 2017

A federal law known as the Pension Protection Act of 2006 (PPA) provides that where a multiemployer plan actuary certifies that the plan falls into one of several categories set forth in the PPA, the plan must provide notice of such categorization. These categories are yellow (endangered), orange (seriously endangered), and red (critical). In general, determination of which category a plan falls into depends upon sufficiency of projected contributions, sufficiency of projected cash flow, and funded status (in particular, whether the funded percentage is less than 80%). As of January 1, 2017, with a 65.8% funded percentage the Plan's actuary certified the Plan as endangered status (yellow). A lower interest rate assumption led to a lower funded percentage than in 2016 (75.5%), but higher hours and increased contributions led to an improvement from seriously endangered to endangered status.

Plans in endangered status zones are required to adopt a Funding Improvement Plan (FIP). The FIP is an action plan designed to help the Fund meet certain funding benchmarks required by the PPA. The Fund has been operating under a timely adopted FIP.

The PPA requires that the Plan's funding status be reviewed and certified by the Fund actuary annually. You will continue to receive information regarding the Fund's status.

For more information about this notice, you may contact the Fund Office at 700 Tower Drive, Suite 300, Troy, Michigan 48098, telephone number (248) 641-4936.

cc: PBGC
US Department of Labor

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