

EBSA/PUBLIC DISCLOSURE
2009 SEP 29 AM 7:00

NOTICE OF FUNDED STATUS OF PENSION PLAN

TO: PARTICIPANTS, BENEFICIARIES, CONTRIBUTING EMPLOYERS AND SHEET METAL WORKERS LOCAL UNION NO. 22 UNION

FROM: BOARD OF TRUSTEES OF THE SHEET METAL WORKERS LOCAL UNION NO. 22 PENSION FUND

DATE: September 25, 2009

BACKGROUND

Based on funding criteria set forth in the Internal Revenue Code, multiemployer pension plans are required – beginning with the 2008 plan year – to be certified by their actuaries as being in one of three funded status zones:

- Neither Endangered nor Critical (unofficially called the “Green Zone”)
- Endangered (unofficially called the “Yellow Zone”)
- Critical (unofficially called the “Red Zone”)

While trustees of Green Zone plans must continue to exercise diligence to protect the funded position of their plans, the law does not require them to take any specific actions or adopt particular programs to maintain or improve plan funding. On the other hand, trustees of plans that are not in the Green Zone must take specific actions spelled out in the law, including the adoption of a “funding improvement plan” for plans in endangered status or a “rehabilitation plan” for plans in critical status that are designed to restore the plans to Green Zone status over a period of time. For example, a plan in endangered status may reduce or eliminate future benefits or recommend that the bargaining parties negotiate additional employer contributions.

Recognizing that the value of the assets, and therefore the funding, of almost all pension plans has declined due to the impact of the current economic crisis, Congress passed the *Worker, Retiree and Employer Recovery Act of 2008 (WREERA)*. The law allows multiemployer plan trustees take more time to devise a plan of action for dealing with these issues by giving them the option to keep their plan in its 2008 plan year’s zone status for one more year – regardless of the plan’s actual funded status for the 2009 plan year.

2008 PLAN YEAR CERTIFICATION

benefit increases that were made under the plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee pre-retirement death benefits to a spouse or beneficiary (e.g., a qualified pre-retirement survivor annuity) if the participant dies after the plan terminates, benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

Where to Get More Information

For more information about this notice, you may contact Mr. Thomas Gallagher at The Sheet Metal Workers Local 22 Fund Office, 106 South Avenue West, Cranford, NJ, 07016 and/or telephone number (908) 276-2320. For identification purposes, the official plan number is 001 and the plan sponsor's employer identification number or "EIN" is 22-6072834. For more information about the PBGC and benefit guarantees, go to PBGC's website, www.pbgc.gov, or call PBGC toll-free at 1-800-400-7242 (TTY/TDD users may call the Federal relay service toll free at 1-800-877-8339 and ask to be connected to 1-800-400-7242).