

EBSA/PUBLIC DISCLOSURE  
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**NOTICE OF CRITICAL STATUS**  
**FOR THE**  
**CONSTRUCTION INDUSTRY AND LABORERS JOINT PENSION TRUST**  
**FOR SOUTHERN NEVADA**

This is to inform you that on March 29, 2013, the Plan's actuary certified to the U.S. Department of the Treasury, and to the Trustees, that the Plan is in critical status ("Red Zone") for the Plan Year beginning January 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 is in critical status because a funding deficiency is projected in four years.

**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 employer agrees to a collective bargaining agreement that implements the rehabilitation plan. The 5% surcharge is payable for work performed on or after May 26, 2013 until December 31, 2013. The surcharge increases to 10% surcharge on January 1, 2014 and is payable until a negotiated contribution rate that satisfies the rehabilitation Plan goes into effect.

**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. In addition to revising the Plan's formula for future benefit accruals and making similar changes, the law permits pension plans in the Red Zone to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan.

The Rehabilitation Plan is subject to annual review and revision by the Board of Trustees, depending upon the Fund's financial condition and other factors. If the trustees of the plan determine that 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 will not reduce the level of a participant's basic benefit payable at normal retirement age. In addition, any reductions may only apply to participants and beneficiaries whose Annuity Starting Date is on or after April 26, 2013. Please be advised that whether or not the Plan reduces adjustable benefits in the future, effective as of April 26, 2013, 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 (except for the payout of benefits worth less than \$1,000) while it is in critical status.

**Adjustable Benefits**

The Plan offers the following adjustable benefits that **may** be reduced or eliminated as part of any rehabilitation plan that may be adopted:



- Service Pension;
- Regular Pension beginning at age 62;
- Early Retirement Pension;
- Disability Pension (if not in pay status);
- Vested Pension payable before age 65;
- Pre-Retirement Lump-Sum Death Benefit;
- Post-Retirement Lump Sum Death Benefit;
- 50% Husband-and-Wife-Pension pop-up feature;
- Single Life Annuity with 60-month guarantee;
- Single Life Annuity with 120-month guarantee (the Ten-Year Certain Option); and
- \$5,000 lump sum cash out at Normal Retirement Age (with spousal consent).

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

For more information about this notice, you may contact the Plan Administrator at the following address:

Administrator – Construction Industry and Laborers Joint Pension Trust for Southern Nevada  
2345 Red Rock St - #220  
Las Vegas, NV 89146  
Phone: (702) 251-5690  
Fax: (702) 251-5691

You have a right to receive a copy of the Rehabilitation Plan from the Plan's Administrator.