

**NOTICE OF ENDANGERED STATUS**  
**FOR**  
**IRON WORKERS DISTRICT COUNCIL**  
**(PHILADELPHIA AND VICINITY)**  
**RETIREMENT AND PENSION PLAN**

935A/PUBLIC/INCL/1  
2015 FEB -2 PM 4: 25

To: All Participants, Beneficiaries, Participating Unions and Contributing Employers

As you may know, the Pension Protection Act of 2006 (PPA) has added requirements for measuring the financial health of multiemployer plans such as ours.

Starting with the 2008 plan year, the PPA requires that a Pension Fund's actuary determine the Fund's status under these new rules annually and certify that status to the IRS and the Trustees (who are the plan sponsor). If the actuary determines that the Fund is in "endangered" status ("yellow zone") or "critical" status ("red zone") for the year, the Trustees must notify all plan participants, employers and other stakeholders and take corrective action to restore the financial health of the plan.

Endangered Status

This letter will serve as the Notice that, on December 29, 2014, our Pension Fund's actuary certified that the Fund is in "endangered" status for the 2014 plan year. This determination was made because, based on the PPA's new funding measures, the Fund is currently less than 80% funded. "Endangered" is a label that the law requires us to use, but in fact the Fund is meeting its funding goals and is expected to continue doing so into the future.

Funding Improvement Plan

The PPA also requires that any pension fund in the yellow zone adopt a "Funding Improvement Plan" (FIP). The FIP is an action plan designed to restore the Plan to financial health, improve the balance of assets and liabilities and to avoid any accumulated funding deficiency. Our FIP will be developed by the end of August and a notice describing it will be provided to the bargaining parties shortly after that.

The negotiated contribution rates in current contracts are expected to be sufficient to fund the benefits that participants are earning each year, to pay the Fund's operating costs, to improve the Plan's funding percentage and to otherwise satisfy the funding requirements of the PPA.

The Board does not expect that any other changes will be needed to meet the PPA's requirement for a FIP, while the current CBA is in effect. Please note that the PPA requires that our Plan's funding status be reviewed and certified annually and notices like this one, explaining the

outcome, will be sent each year until our plan is no longer in the yellow zone . There are several variables beyond our control that our advisors are monitoring, including investment market volatility and changes in employment levels and/or the number of contributing employers, which could affect the Plan's status and the Trustees' recommended corrective actions in the future.

We understand that legally required notices like this one can create anxiety and concern about the Pension Fund's future. The Board of Trustees remains confident that the Fund will continue to provide our participants and their families with secure retirement benefits.

In the event you have questions or would like additional information, you may contact the Board of Trustees, or one of the Co-Plan Managers, Stephen Conley and Albert Frattali, at 2 International Plaza, Suite 120, Philadelphia, PA 19113, (215) 537-0900.

Sincerely,

The Board of Trustees

cc: US Department of Labor  
US Pension Benefit Guaranty Corporation

8122832v1/00279.001