

**Notice of Endangered Status
For
Local Union 456 I.B.E.W. Pension Plan**

This is to inform you that on March 28, 2014 the plan actuary certified to the U.S. Department of the Treasury, and also the Board of Trustees, that the Local Union 456 I.B.E.W. Pension Plan is in endangered status for the plan year beginning January 1, 2014. Federal law requires that you receive this notice.

Background

The Pension Protection Act of 2006 ("PPA") imposes new rules on all single employer and multiemployer defined benefit pension plans intended to improve their funding status. The law has established three zones for plans with funding problems – endangered, seriously endangered, and critical. A plan is in endangered status if it is less than 80% funded or the plan is projected to have a funding deficiency within 7 years. A plan is in seriously endangered status if it is less than 80% funded and the plan is projected to have a funding deficiency within 7 years. A plan is in critical status if (1) it is less than 65% funded and with a projected funding deficiency within 5 years, or the inability to pay benefits within 7 years, or (2) it has a projected funding deficiency within 4 years, or an inability to pay benefits within 5 years, regardless of its funded percentage, or (3) it has benefits for inactives that are greater than for actives, contributions that are less than carrying cost and a funding deficiency projected within 5 years.

Endangered Status

The Local Union 456 I.B.E.W Pension Plan is considered to be in endangered status because its funded percentage was less than 80%. More specifically, the plan's actuary determined that the plan's funded percentage was 79% as of January 1, 2014.

Funding Improvement Plan

Federal law requires pension plans in endangered status to adopt a funding improvement plan (FIP) aimed at restoring the financial health of the plan. On August 26, 2013, the Plan Trustees adopted an FIP that provides for an increase in the employer contribution rate from 15% to 19%, effective June 1, 2009, and the change in the benefit accrual rate from \$1.00 for \$125 of contributions to \$1.00 for \$160 of contributions effective, January 1, 2010.

Where to Get More Information

For more information about this notice, you may contact I.E. Shaffer & Co., P.O. Box 1028, Trenton, N.J. 08628-0230. Telephone number (800) 792-3666. You have the right to receive a copy of the funding improvement plan from the Plan.