

Bricklayers and Allied Craftsmen Local No. 7 Pension Plan

ESBA/PUBLIC DISCLOSURE

Notice of Critical Status for 2010

2010 SEP -1 PM 12: 06

This is to inform you that on July 29, 2010 the plan actuary certified to the plan sponsor that the plan is in critical status for the plan year beginning May 1, 2010. Federal law requires that you receive this notice. You will receive an annual update of this status.

**Critical Status**

The plan is in critical status because it is projected to satisfy the following criteria:

Projected accumulated funding deficiency in current year or next 3 years – The plan's actuary projects that, if no further action is taken, the plan will have an accumulated funding deficiency for the plan year ending April 30, 2011. Note, "accumulated funding deficiency" means that contributions would be insufficient to satisfy Federal requirements; it does not mean that the Fund would become insolvent or be unable to pay benefits when due.

**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. The rehabilitation period begins on May 1, 2009 and ends on April 30, 2022. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. The Trustees have adopted a rehabilitation plan that includes changes in the plan's adjustable benefits. The plan's adjustable benefits include the following:

- Post-retirement death benefits;
- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidy;
- Death benefit payment options other than a qualified joint and survivor annuity (QJSA);
- Benefit increases made within the last 60 months.

You should have already received a Summary of Material Modifications in September of 2008 that explains the benefit changes.

Any reduction of adjustable benefits will not reduce the level of a participant's basic benefit payable at normal retirement. In addition, most reductions may only apply to participants and beneficiaries who have not yet retired.

**Future Experience and Possible Adjustments**

A rehabilitation plan is based on a number of assumptions about future experience and may need to be adjusted in the future if such assumptions are not met. Additional contribution rate increases and/or reductions in the rate at which benefits are earned may be needed if the Fund were to suffer investment returns below the expected 8.0% (in any plan year after April 30, 2010), a drop in the hours worked, or poor experience from other sources. If, at some point in time, the Trustees determine that further adjustments are necessary, you will receive a separate notice identifying and explaining the effect of those changes.

**Additional Restriction Due to Critical Status**

Effective as of May 1, 2008, the plan is not permitted to pay lump sum benefits while it is in critical status.

**Where to Get More Information**

You have a right to receive a copy of the rehabilitation plan. It has been formally approved by the bargaining parties and is available. The first formal update to the rehabilitation plan was delayed by election of legislative relief. The plan will be updated in 2011. To receive a copy, you may contact the Benefit Office at 33 Fitch Boulevard, Austintown, OH, 44515-2202 or by telephone at (800) 435-2388.