

2010 NOTICE OF CRITICAL STATUS
FOR THE
I.B.E.W. LOCAL UNION NO. 1158 PENSION PLAN

In accordance with Federal law, this Notice has been prepared to inform you that on March 29, 2010 the actuary for the I.B.E.W. Local Union No. 1158 Pension Plan has certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the Plan is in “**Critical Status**” for the plan year beginning on January 1, 2010.

The Plan is considered to be in critical status because it has funding problems. More specifically, the Plan’s actuary has determined that the Plan has an accumulated funding deficiency for the 2010 plan year. This is the third year that the Plan has been in critical status.

Rehabilitation Plan and Possibility of Reduction in Benefits

The Pension Fund Trustees have adopted a rehabilitation plan aimed at restoring the financial health of the Plan. Federal law permits pension plans to reduce or even eliminate, benefits called “adjustable benefits” as part of a rehabilitation plan. 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. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after April 15, 2008. But you should know that whether or not the plan reduces adjustable benefits in the future, effective as of April 15, 2008, 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) while it is in critical status.

The Plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan that the Pension Fund Trustees may adopt:

1. Early retirement benefits; and
2. Any benefit payment option other than a qualified joint and survivor annuity;

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. With some exceptions, 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.

Where to Get More Information

For more information about this Notice, you may contact Gene J. Sette at the Fund office at 1149 Bloomfield Ave., Clifton, NJ. 07012-2314. The office phone number is: 973-773-3336. You also have a right to receive a copy of the rehabilitation plan.