Plasterers and Cement Masons Local No. 94 Pension Fund
2207 Forest Hills Drive, Suite 14 • P. O. Box 6480 • Harrisburg, PA 17112-0480
(717) 671-8551 • FAX (717) 671-8602
D.H. EVANS ASSOCIATES, INC.
Contract Administrator

EBSA/PUBLIC DISCL
2010 AUG 31 AM 8:20

August 25, 2010

U.S. Dept of Labor
Employee Benefits Security Administration
Public Disclosure Room, N – 1513
200 Constitution Ave, N,W,
Washington, DC 20210

RE: Plasterers and Cement Masons Local #94 Pension Fund

Gentlemen/Ladies:

Enclosed please find a Notice of Critical Status of the Funds 2010 Plan Year for the above Pension Fund.

Sincerely,

Jill M Sheetz

Jill M. Sheetz
D.H. Evans Associates, Inc.
Contract Administrator

JMS

Enclosures: Notice

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Notice of Critical Status for the 2010 Plan Year

To: All Participants, Union, Contributing Employers, Pension Benefit Guaranty Corporation (PBGC) and United States Department of Labor (DOL)

The Pension Protection Act of 2006 ("PPA") amended ERISA and the Internal Revenue Code to, among other things, impose additional funding rules for multiemployer pension plans, which are based on the actuarial status of a pension plan. Under the PPA, a pension plan's actuary annually must certify to the Secretary of the Treasury and the plan's board of trustees whether or not the plan is in endangered or critical status for a particular plan year.

This is to inform you that on July 27, 2010, the Fund's actuary certified to the U.S. Department of the Treasury, and also to the Fund's Board of Trustees, that the Fund is in critical status for the plan year beginning May 1, 2010. Federal law requires that you receive this notice.

Critical Status

The Fund is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the Fund's actuary determined that over the next three Plan Years, the Fund is projected to have an accumulated funding deficiency for the 2011 and 2012 Plan Years

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 law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. If the Board of Trustees of the Fund 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, the reductions may only apply to Participants and Beneficiaries whose benefit commencement date is on or after the date of this Notice.

Adjustable Benefits

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

- Early Retirement Pension
- Five-Year Guarantee Option

- Ten-Year Guarantee Option
- Pop-Up Husband-Wife Pension
- Husband-Wife 75% Pension
- Husband-Wife 100% Pension
- Disability Benefits (if not yet in pay status)
- Subsidized Qualified Pre-Retirement Survivor Annuity
- Post-Retirement Death Benefits

Employer Surcharge

The law requires that all contributing employers pay to the Fund a surcharge to help correct the Fund's financial situation until the rehabilitation plan has been adopted by the Trustees and approved by the parties to the collective bargaining agreement. The amount of the surcharge is equal to a percentage of the amount an employer is otherwise required to contribute to the Fund 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 Fund is in critical status. The surcharge will cease upon the adoption of the rehabilitation plan by the Trustees and its approval by the parties to the collective bargaining agreement.

What's Next

The Board of Trustees understands that legally required notices like this one can create concern about the Fund's future. Be assured that the Board of Trustees takes very seriously its obligation to preserve the financial viability of the Fund. Also, if you are currently retired and receiving a monthly benefit payment from the Pension Fund, your monthly check will continue uninterrupted. With the assistance of the Fund's actuary, legal counsel and other professionals, and working with the contributing employers and the Union, the Trustees will develop a Rehabilitation Plan that addresses these issues. As a final note, since the Fund is influenced by economic and financial variables beyond our control (such as market volatility and changes in employment and/or the number of contributing employers), unexpected developments can further affect the Fund's status and may require additional future corrective actions. Each year, the Board of Trustees will review the Fund's progress with its professional advisors and adjust Fund rules as necessary to maintain the Fund's financial integrity.

Where to Get More Information

For more information about this Notice, you may contact the Fund's Contract Administrator, D. H. Evans Associates, Inc., at 2207 Forest Hills Drive, Suite 14, P. O. Box 6480, Harrisburg, PA, 17112; Phone: (717) 671-8551, Toll Free: 1-800-636-7632. You have a right to receive a copy of the rehabilitation plan from the Fund when it has been adopted by the Fund.