



Teamsters Local 945 Benefit Funds

585 Hamburg Turnpike, Wayne, New Jersey 07470

(973) 942-9463 • Fax (973) 942-7186

LOCAL 945 I.B.T. PENSION PLAN

EIN: 22-6196388

PN: 001

Notice of Critical Status

as of

January 1, 2010

The actuary for the Local 945 I.B.T. Pension Plan, O'Sullivan Associates, has certified the Plan has not passed the "Emergence Test," which requires a Plan previously certified in Critical Status to be projected to not have a funding deficiency in the current year or the next nine Plan years. The actuary projects the Plan to have a funding deficiency in that period. Therefore, the Pension Fund is still in Critical Status (Red Zone). Critical Status is described in Section 432 of the Internal Revenue Code.

As required by law, this serves as Notice to you that the Pension Fund is in Critical Status as of January 1, 2010.

In compliance with law, the Plan Trustees have developed a Rehabilitation Plan that is to raise the funding level of the Plan. The Rehabilitation Plan requires increased contributions from employers and changes in benefits as shown below:

1. The Special Early Pension Benefit for Participants with at least 300 months of Plan contributions and who are at least 60 at the time they begin their Early Retirement Pension will continue to be offered. However, the Other Special Early Pension Benefit available to Participants with at least 120 months of Plan contributions and who are at least age 62 at the time that they begin their Early Retirement Pension will no longer be offered on and after January 1, 2010. There will be limited exceptions to this. Any Participant who is immediately eligible for this benefit (age 62 with at least 120 months) on or before January 1, 2010 will retain rights to this provision.
2. The lump sum return of contributions death benefit is eliminated.
3. The monthly Normal Retirement Benefit earned on and after January 1, 2010, which is based on a Participant's monthly contribution rate, will be 50% of the previous benefit associated with the Participant's current contribution rate.

If the Trustees of the plan determine that further benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions.

The law requires that all contributing employers pay to the plan a surcharge to help correct the plan's financial situation until such time as their collective bargaining agreements are updated to reflect the contribution increases required by the Rehabilitation Plan. 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.

For more information about this notice, you may contact:

Board of Trustees
c/o Ms. Catherine Oakes
I.B.T. Local 945 Pension Plan
585 Hamburg Turnpike
Wayne, NJ 07470

You may also make inquiry with the United States Department of Labor at:

Division of Technical Assistance and Inquiries
Employee Benefits Security Administration
U.S. Department of Labor
Washington, D.C. 20210

DATE SENT: April 26, 2010