

**BRIDGE, STRUCTURAL, ORNAMENTAL AND REINFORCING
IRONWORKERS LOCAL 207 PENSION FUND**

694 Bev Road, Suite A • Boardman, Ohio 44512 • Phone (330) 726-3745 • Fax (330) 726-3893

**Notice of Actuary's Certification of Critical Status of the
Bridge, Structural, Ornamental, and Reinforcing
Ironworkers Local 207 Pension Fund**

April 2012

Dear Participants, Beneficiaries, Participating Employers, and Local Unions:

This is to inform you that on March 30, 2012, the Plan actuary certified to the U.S. Department of the Treasury, and also to the Board of Trustees, that the Plan is in critical status (“Red Zone”) for the plan year beginning January 1, 2012. This is a legal notification required by the Pension Protection Act of 2006 (“PPA”).

Critical Status

The Plan is considered to be in critical status because it has funding problems. More specifically, the Plan’s actuary determined that: the funded percentage of the Plan is 65% or less, and the Plan has an accumulated funding deficiency for the current plan year. This means that the contributions at current rates are not high enough to meet government standards for funding the promised benefits as well as those that participants are continuing to earn.

Rehabilitation Plan

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. In the years just before the Pension Protection Act was enacted, the Plan’s Board of Trustees had already taken steps to bring the Plan’s liabilities into balance with its assets. This was done through a combination of benefit changes and a commitment for higher contributions from participating employers. These changes became the Rehabilitation Plan that was required by PPA.

After the 2010 actuarial certification was filed, the Trustees adopted revisions to the Rehabilitation Plan which allowed the Plan to meet its funding requirements. Based on the revisions, the Plan is making scheduled progress in meeting the requirements of the updated Rehabilitation Plan. The Rehabilitation Plan revisions are briefly outlined on page 3 of the enclosed Annual Funding Notice.

While no further benefit changes are expected at this time, below is a description of the allowable changes under PPA, which by law must be included in this notice. Under PPA, in addition to reductions in future benefit accruals, a Rehabilitation Plan is allowed to eliminate or reduce certain benefits (“adjustable benefits”), which include the following:

1. Benefits, rights and features under the plan, including post-retirement death benefits, 60-month guarantees, disability benefits not yet in pay status and similar benefits,
2. Early retirement benefit or retirement-type subsidy and any benefit payment option (other than the qualified joint and survivor annuity) such as 120 and 180-month guarantees and Joint & 75% and Joint & 100% Survivor options.

(over)

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 April 21, 2008.

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. 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. The contribution surcharge ceases when an employer agrees to a collective bargaining agreement that implements the Rehabilitation Plan. The Rehabilitation Plan was implemented in April 2008, and therefore, surcharges were not imposed.

Where to Get More Information

As required by law, this notice is also being provided to the Pension Benefit Guaranty Corporation (PBGC) and the Department of Labor (DOL).

For more information about this Notice, or to request a copy of the Rehabilitation Plan, you may contact the Plan's Administrative Manager, Patricia J. Raffety by phone: (330) 726-3745; by mail: 694 Bev Rd, Suite A, Boardman, OH 44512; or by email: iw207pension@iw207.com.

**Board of Trustees
Bridge, Structural, Ornamental, and Reinforcing
Ironworkers Local 207 Pension Fund**