



**LOCAL 731, I. B. of T. TEXTILE MAINTENANCE and LAUNDRY CRAFT
PENSION FUND**

**1000 Burr Ridge Parkway
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**Burr Ridge, IL 60527
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CEBSA/PUBLIC DISCLOSURE
2012 JUL 27 PM 3:30

July 23, 2012

U.S. Department of Labor
Employee Benefits Security Administration
Public Disclosure Room, N-1513
200 Constitution Ave., NW
Washington, DC 20210

Re: Notice of Critical Status

Dear Sirs:

Enclosed is the Notice of Critical Status for Local 731, I.B. of T. Textile, Maintenance and Laundry Craft Pension Fund, Plan no:001, EIN:51-6051697. This notice is for the plan year beginning April 1, 2012.

Sincerely,

Richard J. Clarson, CEBS
Fund Administrator

Enclosure

NOTICE OF CRITICAL STATUS
On behalf of
**LOCAL 731, I. B. OF T. TEXTILE PENSION
AND LAUNDRY CRAFT PENSION FUND**
EIN: 51-6051697
PN: 001

This is to inform you that on June 29, 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 for the plan year beginning April 1, 2012. Federal law requires that as a plan participant you receive this notice.

■ **CRITICAL STATUS:**

The Plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the Plan's Actuary determined that over the next four (4) plan years, the Plan is projected to have an accumulated funding deficiency.

■ **REHABILITATION PLAN:**

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the Plan. This is the fifth year the plan has been in critical status. A Rehabilitation Plan was adopted in 2008 and will be updated in 2012 to address the Plan's future funding needs and will be updated annually in order to comply with the Pension Protection Act of 2006 (PPA) as long as the Plan is "critical".

■ **ADJUSTABLE BENEFITS:**

The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. In May 2008, you were notified that the Fund reduced or eliminated adjustable benefits and that as of April 1, 2008 the Fund is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid in a single life annuity) while it is in critical status. If the Trustees determine that further 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 1, 2009.

In accordance with the Rehabilitation Plan, the Fund has (1) reduced the accrual rate effective April 1, 2009 to \$34 per year of service; (2) eliminated unreduced 25-and-out pensions, except that if a member is age 55 or older and has 20 years of service as of April 1, 2007, that member will be allowed to retire with an unreduced pension upon reaching 25 years of service but not before reaching age 60; and (3) increased weekly contribution rates.

■ **WHERE TO GET MORE INFORMATION:**

For more information regarding this notice, you may contact Mr. Rich Clarson, CEBS, Fund Administrator, Local 731, I. B. of T., Welfare-Pension Funds at (630) 887-4150 or 1000 Burr Ridge Parkway, Suite 301, Burr Ridge, IL 60527-0849. You have a right to receive a copy of the Rehabilitation Plan from said Plan.