

**Notice of Critical Status  
For the  
Roofers and Slaters Local 248 Pension Plan**

Plan Name:	Roofers and Slaters Local 248 Pension Plan
EIN / Plan Number:	04-2316465/001
Plan Year End:	May 31, 2013
Plan Sponsor:	Board of Trustees Roofers and Slaters Local 248 63 ½ Main Street Chicopee, MA 01020 Telephone (413) 594-5494
Plan Administrator:	<i>Plan Sponsor</i>

EBSA/PUBLIC DISCLOSURE  
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This is to inform you that on August 24, 2010 the plan actuary 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 June 1, 2010. The plan continues to be in critical status for the plan year beginning June 1, 2011 and June 1, 2012. Federal law requires that 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 the Plan was in critical status in the previous two plan years and the current plan year, and the funded percentage of the plan for the 2012 plan year is less than 60%.

The trustees of the plan adopted a Rehabilitation Plan in April, 2011 to improve the plan's funding status, and progress has been made to restore the financial health of the plan.

**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 3rd year the plan has been in critical status. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. On April 15, 2011, you were notified that the plan reduced or eliminated adjustable benefits. On April 15, 2011, you were notified that as of September 23, 2010 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. 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. Any reduction of adjustable benefits (other than a repeal of a recent benefit increase, as described below) 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 September 23, 2010.

### **Adjustable Benefits**

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

- Post-retirement death benefits;
- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidy;
- Benefit payment options other than a qualified joint-and survivor annuity (QJSA);
- Recent benefit increases (i.e., occurring in past 5 years);
- Other similar benefits, rights, or features under the plan (none currently existing);

### **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 the Trustees at (413) 594-5494 or at: Roofers and Slaters Local 248, 63 ½ Main Street, Chicopee, MA 01020. You have a right to receive a copy of the rehabilitation plan from the plan sponsor once it is available.