

ESSA/ELIS/DP/1
2013
PM 3:03

**Notice of Critical Status
For
Bricklayers Local Union #5 Pension Plan**

This is to inform you that on September 27, 2013 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the Bricklayers Local Union #5 Pension Plan is in critical status for the plan year beginning July 1, 2013. 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 has not passed the "Emergence Test". This means that the Plan was in critical status last year and the Plan is projected to have an accumulated funding deficiency for this plan year or any of the nine succeeding plan years (a funding deficiency is projected in the 2017 Plan Year).

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. This is the 2nd year the Plan is in critical status. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. 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. But you should know that whether or not the plan reduces adjustable benefits in the future, effective as of the date of this notice, 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.

Adjustable Benefits

The plan offers the following adjustable benefits [with a checked box before the item] which have been reduced or eliminated as part of the rehabilitation plan the pension plan adopted:

- Post-retirement death benefits;
- Sixty-month payment guarantees;
- Early retirement benefit or retirement-type subsidy;
- Benefit payment options other than a qualified joint-and survivor annuity (Q JSA);
- Recent benefit increases (i.e., occurring in past 5 years);
- Other similar benefits, rights, or features under the plan {provide identification}

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. A 10% surcharge will go into effect for the Plan Year beginning July 1, 2013.

Where to Get More Information

For more information about this Notice, you may contact Stephen Ruble, Union Trustee, P.O. Box 89, Davisville, WV, 26142, (304) 422-3273 or wvbricklayers@aol.com. You have a right to receive a copy of the rehabilitation plan.

Dated: October 22, 2013