

2017 MAY -8 AM 11:40

Notice of Critical Status
For
Bricklayers and Allied Craftworkers
Local No. 5 of New Jersey Pension Plan

This is to inform you that on March 31, 2017 the plan actuary certified to the U.S. Department of the Treasury, and also the Board of Trustees, that the Plan is in critical status for the plan year beginning January 1, 2017. 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 funded percentage of the Plan is less than 65% and has an accumulated funding deficiency.

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. The Trustees updated the rehabilitation plan on September 26, 2016.

Adjustable Benefits

All adjustable benefits have been eliminated from the Plan.

Employer Surcharge

The law requires that all contributing employers pay 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 of 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. The surcharge will cease to apply upon the adoption of a rehabilitation plan

Where to Get More Information

For more information about this notice, you may contact the Plan administrator, Kenneth Crandall, Bricklayers and Allied Craftsmen Local No. 5 of New Jersey Pension Plan, 14 Plog Road, Fairfield NJ 07004. Telephone number (973)808-1141

B.A.C. LOCAL 5 BENEFIT FUNDS

KEN CRANDALL – FUND ADMINISTRATOR

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April 2017

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

RE: BAC Local #5 of New Jersey Pension Plan 2016 Notice of Critical Status

Dear Secretary of Labor:

Enclosed are two notices, including the 2016 "Annual Funding Notice" and the "Notice of Critical Status" for the 2016 plan year.

Respectively,



Ken Crandall Fund Administrator

And

BAC Local #5 Board of Trustees

Enc.
KC/jd.