



TEAMSTERS LOCAL UNION NO. 731
TEXTILE MAINTENANCE AND LAUNDRY CRAFT PENSION FUND

1000 Burr Ridge Parkway, Suite 301 • Burr Ridge, IL 60527 • (630) 887-4150 • Fax (630) 887-4155

July 28, 2017

U.S. Department of Labor
Employee Benefits Security Administration
Public Disclosure Room, N-1515
200 Constitution Ave., NW
Washington, DC 20210

EBSA/PUBLIC DISCLOSURE
2017 AUG -1 PM 3:14

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, 2017.

Sincerely,

Richard J. Clarson, CEBS
Fund Administrator

Enclosure

NOTICE OF CRITICAL STATUS

on behalf of

**LOCAL 731, I. B. OF T.,
TEXTILE MAINTENANCE AND LAUNDRY CRAFT PENSION FUND
EIN: 51-6051697 PN: 001**

This is to inform you that on June 29, 2017 the Plan Actuary certified to the U.S. Department of the Treasury and to the Board of Trustees, that the Plan is in "Critical Status" for the plan year commencing April 1, 2017. Federal Law requires the Fund to forward said notice to each participant.

■ **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 is projected to have an accumulated funding deficiency over the next four (4) years.

■ **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 sixth year the Plan has been in critical status. A Rehabilitation Plan was adopted in 2008 and will be updated annually 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 deemed "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 \$34.00 per year of service; (2) eliminated all early retirement subsidies payable under the Plan effective October 1, 2012; (3) eliminated the thirty-six (36) months of guaranteed payments provision from the automatic form of payments effective October 1, 2012; and (4) increased weekly contribution rates.

■ **WHERE TO ACQUIRE ADDITIONAL INFORMATION:**

For further information regarding this notice, you may contact:

Mr. Richard J. Clarson CEBS, Fund Administrator
Local 731, I. B. of T., Welfare/Pension Fund Office
1000 Burr Ridge Parkway, Suite 301
Burr Ridge, IL 60527
(630) 887-4150

As a participant, you have a right to receive a copy of the Funding Improvement Plan from the Fund Office.

