

IBEW LOCAL 237 PENSION FUND

This is to inform you that on March 31, 2025, the IBEW Local 237 Pension Fund's actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the plan will be in critical status for the plan year beginning January 1, 2025. Federal law requires that you receive this notice.

Critical Status

Under federal pension law, the Plan is considered to be in critical status in the Plan Year ending December 31, 2025 because the Plan received special financial assistance from the Pension Benefit Guaranty Corporation under the American Rescue Plan Act. The trustees of a plan in critical status must adopt a rehabilitation plan. A rehabilitation plan establishes steps and benchmarks for pension plans to improve their funding status over a period of time.

Rehabilitation Plan

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the Pension Fund. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. If the Trustees of the Pension Fund determine that 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, any future or additional reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after April 30, 2023. The Trustees have adopted a Rehabilitation Plan calling for both benefit modifications and contribution increases.

Adjustable Benefits

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

- Early retirement benefit or retirement-type subsidy;
- Disability benefits;
- Benefit payment options other than a qualified joint-and survivor annuity (QJSA);

Employer Surcharge

The law requires that all contributing employers pay to the Pension Fund a surcharge to help correct the Pension Fund'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 Pension Fund 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 and the Trustees have not adopted a Rehabilitation Plan.

Where to Get More Information

For more information about this Notice, you may contact the Fund Administrator at 716-297-3899 or at IBEW Local 237 Pension Fund, 6700 Schultz Street, Niagara Falls, NY 14304. You have a right to receive a copy of the rehabilitation plan from the plan.

Date: April 30, 2025