

Notice of Critical Status For

I.B.E.W. Local No. 246 Pension Fund

This is to inform you that on August 29, 2025 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, 2025. 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 Pension Plan's actuary determined that the plan is projected to have an accumulated funding deficiency within the next four plan years.

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 law permits pension plans to reduce benefits, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. The Trustees adopted a rehabilitation plan effective January 1, 2023 that reduced certain early retirement, disability, and death benefits. This is determined to have exhausted all reasonable measures. 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 24, 2022. But you should know that whether or not the plan reduces adjustable benefits in the future, effective as of September 24, 2022, the Pension 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 Pension Plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan may adopt:

- 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);
- Post retirement death benefits.

Employer Surcharge

The law requires that all contributing employers pay to the Pension Plan a surcharge to help correct the financial situation, unless a rehabilitation plan is adopted within 30 days from the initial Notice of Critical Status. The Board of Trustees adopted a rehabilitation plan effective January 1, 2023 which was incorporated into the current Collective Bargaining Agreement, so the surcharge does not apply. The amount of the surcharge would have been 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 Plan Administrator at:

The Trustees of IBEW Local 246 Pension Plan
c/o BeneSys, Administrative Manager
3660 Stutz Drive, Suite 101
Canfield, Ohio 44406
(800) 589-8041

Lastly, you have a right to receive a copy of the rehabilitation plan from the Plan.