

## **Notice of Critical Status for Sheet Metal Workers Local No. 20 South Bend Area Pension Plan**

This is to inform you that on September 26, 2025 the plan actuary certified to the Board of Trustees that the Plan remains in Critical status for the plan year beginning July 1, 2025.

### **Critical Status**

The Plan is in Critical status because it has funding or liquidity problems, or both. More specifically, the plan's actuary determined that the Plan has an accumulated funding deficiency for the plan year ending June 30, 2026.

### **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 fifteenth year the plan has been in critical status. A rehabilitation plan was adopted in 2009 to address the Plan's future funding needs. The rehabilitation plan was updated effective July 1, 2016, and updated again effective July 1, 2024. The rehabilitation plan will be evaluated annually and updated, if necessary, to comply with the Pension Protection Act of 2006 (PPA) as long as the Plan is "critical".

### **Adjustable Benefits**

The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. Shortly after the adoption of the rehabilitation plan in October 2009, you were notified that the Plan reduced or eliminated adjustable benefits. If the trustees of the plan determine that further benefit reductions are necessary in the future, you will receive a separate notice 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 October 26, 2008.

### **Rehabilitation Plan Progress**

The bargaining parties have agreed to a Collective Bargaining Agreement containing the elements of a Rehabilitation Plan. As of July 1, 2025 scheduled progress has been made in meeting the Rehabilitation Plan.

### **Where to Get More Information**

For more information about this Notice, you may contact HealthSCOPE Benefits, 7440 Woodland Drive, Indianapolis, IN 46278, 317.715.7439. You have a right to receive a copy of the Rehabilitation Plan from the Plan.