

## **Notice of Critical and Declining Status For**

### **Laborers Local 130 Pension Fund**

This is to inform you that on July 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 and declining status for the plan year beginning May 1, 2025. Federal law requires that you receive this notice.

#### **Critical Status**

The Pension Plan is considered to be in critical and declining status because it is projected to become insolvent within the next 20 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 6<sup>th</sup> year the plan has been in critical and declining status. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. On September 1, 2010, you were notified that the plan reduced or eliminated adjustable benefits. If the trustees of the plan 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 (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 1, 2010.

#### **Adjustable Benefits**

The Pension Plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the pension 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 fully adopted a rehabilitation plan effective September 1, 2010, 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 Pension Plan is in critical status.

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

You have a right to receive a copy of the rehabilitation plan from the plan. For more information about this Notice, you may contact The Plan Administrator at:

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