



SHEET METAL WORKERS' LOCAL 292
FRINGE BENEFIT FUNDS
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Notice of Seriously Endangered Status
For
Sheet Metal Workers Local No. 292 Pension Fund

This is to inform you that on June 29, 2012, the Fund's actuary certified to the U.S. Department of the Treasury and to the Board of Trustees (the plan sponsor) that the Fund is in seriously endangered status for the Plan Year beginning April 1, 2012. Federal law requires that you receive this notice. You will receive an annual update of this status and the progress the Fund is making towards the goals described below.

Seriously Endangered Status

The Fund is considered to be in seriously endangered status because the funded percentage is less than the 80% threshold established for endangered status and there is a projected accumulated funding deficiency within the current or next six Plan Years. The Fund's actuary determined that the Fund's funded percentage was 68.7% on April 1, 2012, and if no further action is taken, the Fund will have an accumulated funding deficiency within six years. The funded percentage is the fraction of earned benefits that could be funded with existing Fund assets. A projected funding deficiency means contributions are insufficient to satisfy Federal requirements and is a sign that the anticipated liabilities of the Fund are outpacing its assets. A projected funding deficiency does not mean that the Fund would become bankrupt or run out of money.

Funding Improvement Plan

As a result of the certification, Federal law requires the Fund to adopt a funding improvement plan aimed at restoring its financial health. The funding improvement plan requires that the Fund's funded percentage improve at least 20% of the way to 100% during the "funding improvement period" (15 years). The Fund must also meet the Federal minimum funding requirements during this 15-year period. This new funding improvement plan will be adopted by the Board of Trustees and then provided to the bargaining parties for final approval.

Commitment to Continued Improvement

With the past and future changes in place, the goal of the Board of Trustees is that the Fund will emerge from the seriously endangered status and continue to see improved funded percentages.

Where to Get More Information

You have a right to receive a copy of the funding improvement plan adopted by the bargaining parties. To receive a copy, you may contact the Sheet Metal Workers Local No. 292 Pension Fund at P.O. Box 189, Troy, MI 48099-0189 or by telephone at (248) 641-4992.