

IRC of Furniture Manufacturers in Southern California and CMMIC Local 721 Trust Funds

(562) 463-5055

April 2016

NOTICE OF CRITICAL AND DECLINING STATUS for IRC – CMMIC Local 721 Pension Trust Fund

As you are aware, the IRC-CMMIC Local 721 Pension Trust Fund (Plan) terminated by mass withdrawal on October 31, 2011. Since then, employers no longer make contributions to this Plan on behalf of employees who work under the applicable bargaining agreement

Although this Plan is terminated, the purpose of this notice is to inform you that on March 31, 2016, the Plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the Plan remains in critical and declining status for the Plan Year beginning January 1, 2016. Federal law requires that you receive this notice (until guidance is issued otherwise).

Critical and Declining Status

The Plan is considered to be in critical and declining 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 current Plan Year and is projected to be insolvent in 2019.

Elimination of "Forfeitable" Benefits, Effective April 1, 2012

After a mass withdrawal, federal law permits pension plans to reduce, or even eliminate, benefits called "forfeitable" benefits. As you were notified on March 15, 2012, the Board of Trustees eliminated the following forfeitable benefits, effective April 1, 2012:

- Lump Sum Death Benefit of \$1,500 (for deaths on or after April 1, 2012);
- Disability Retirement Benefit (for disabilities on or after April 1, 2012); and
- Subsidy for Early Retirement Benefit (for retirements on or after April 1, 2012).

The elimination of these forfeitable benefits will not reduce the level of a participant's basic benefit payable at Normal Retirement. If you need another copy of the March 15, 2012 notice, contact the Plan Administrator below.

No Employer Surcharges are Payable

Since the Plan terminated effective October 31, 2011, there are no employers contributing to the Plan, and thus, no employer surcharges are payable to the Plan.

Where to Get More Information

For more information about this notice, you may contact the Plan Administrator by phone at (562) 463-5000 or by mail at Benefit Programs Administration, 13191 Crossroads Parkway North, Suite 205, City of Industry, California 91746. You have a right to receive a copy of the rehabilitation plan from the Plan.

You may also contact the United States Department of Labor for further information or assistance at: 1055 East Colorado Boulevard, Suite 220, Pasadena, CA 91106, (626) 229-1000, or at the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210.