

# IRONWORKERS LOCAL 340

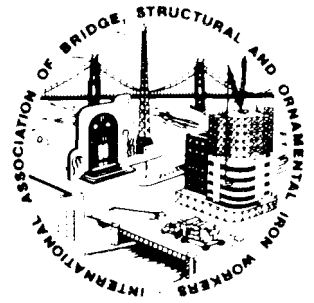
HEALTH CARE FUND

RETIREMENT INCOME PLAN

SUPPLEMENTARY RETIREMENT FUND

510 E. Columbia Avenue • Battle Creek, Michigan 49014  
269-963-2168 or 1-877-457-8414 Fax 269-963-7633

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## Notice of Critical Status

### For: Ironworkers Local 340 Retirement Income Plan

This is to inform you that on September 29, 2008 the plan actuary certified to the U.S. Department of the Treasury and also to the plan sponsor, that the plan will be in critical status for the plan year beginning January 1, 2009. Federal law requires that you receive this notice.

### Critical Status

The plan is considered to be in critical status because it had funding or liquidity problems or both. More specifically, the plan's actuary determined that the funded percentage of the plan is 65% or less, and over the next four plan years, the plan is first projected to have an accumulated funding deficiency in the 2011 plan year.

### 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, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. If the trustees of the plan determine that 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 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 29, 2008. But you should know that whether or not the plan reduces adjustable benefits in the future, effective as of September 29, 2008 the 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 plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the pension plan may adopt:

Sixty-month payment guarantees;

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);

Recent benefit increases (i.e., occurring in past 5 years);

Pre-retirement death benefits in excess of the qualified pre-retirement survivor annuity (QPSA)

### **Employer Surcharge**

The law requires that all contributing employers pay to the plan a surcharge to help correct the plan's financial situation, except for the employers who agree to participate in the rehabilitation plan. The amount of the surcharge is 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 Chris Coppock at:

Ironworkers Local 340  
510 E Columbia Ave  
Battle Creek, MI 49015  
(877) 457-8414

You have a right to receive a copy of the rehabilitation plan from the plan.