I. B. E. W. LOCAL No. 143 BENEFIT FUNDS

2207 Forest Hills Drive, Suite 14 • P. O. Box 6480 • Harrisburg, PA 17112-0480

(717) 671-8551 • FAX (717) 671-8602

D.H. Evans Associates, Inc.

Contract Administrator

April 26, 2010

U.S. Department of Labor
Employee Benefits Security Administration
Public Disclosure Room, N-1513
200 Constitution Avenue, NW
Washington, DC 20210

RE: IBEW Local #143 Pension Fund
Notice of Critical Status for 2010 Plan Year

Gentlemen:

Enclosed at this time please find the "Notice of Critical Status for 2010 Plan Year" for the above Fund.

This notice is being provided to appropriate parties of the Fund as of April 27, 2010.

Please feel free to contact this office if you have any questions.

Sincerely,

Jill M. Sheetz

Jill M. Sheetz
D.H. Evans Associates, Inc.
Contract Administrator

JMS

Enclosure: noticecriticalstatus-2010

143pen-pbcg-criticalstatus-2010

IBEW Local No. 143 Pension Fund

2207 Forest Hills Drive, Suite 14 • P.O. Box 6480 • Harrisburg, PA 17112-0480
(717) 671-8551 • FAX (717) 671-8602

D.H. EVANS ASSOCIATES, INC.
Contract Administrator

Notice of Critical Status for the 2010 Plan Year

To: All Participants, Union, Contributing Employers, Pension Benefit Guaranty Corporation (PBGC), and United States Department of Labor (DOL)

The Pension Protection Act of 2006 ("PPA") amended ERISA and the Internal Revenue Code to, among other things, impose additional funding rules for multiemployer pension plans, which are based on the actuarial status of a pension plan. Under the PPA, a pension fund's actuary annually must certify to the Secretary of the Treasury and the fund's board of trustees whether or not the fund is in endangered or critical status for a particular plan year.

Critical Status

This Notice is to inform you that the IBEW Local No. 143 Pension Fund ("Fund") is considered to be in critical status for the 2010 Plan Year beginning January 1, 2010, because it has funding problems. More specifically, the Fund's actuary has determined and advises that the Fund is projected to have an accumulated funding deficiency within four years and the funded percentage of the Fund is less than 65%. Because of the Fund's critical status, the PPA requires the Fund to adopt a Rehabilitation Plan.

Fund's Adoption of No-Action Rehabilitation Plan

As noted above, because of the Fund's critical status, the PPA requires the Board of Trustees to develop a Rehabilitation Plan.

Rather than waiting for a formal certification from the Fund's actuary, early in 2010, the Board of Trustees asked the actuary to provide an estimated projection of the Fund's funding deficiencies beginning January 1, 2010. The Board of Trustees also asked the actuary to provide information on the amount of any contribution increase necessary to fund a Rehabilitation Plan if the actuary concluded that the Fund's funding deficiencies beginning January 1, 2010 would be in critical status. It was the Board of Trustees' intent that, if they did receive notice from the Fund's actuary that the Fund was in critical status, they would provide the Union and Employers with the actuary's contribution recommendation and would recommend that the Union and Employers implement the recommended contribution increase effective June 1, 2010. The Union and Employers have informed the Board of Trustees that the actuary's contribution recommendation was implemented and made a part of the collective bargaining agreement effective June 1, 2010.

The Board of Trustees will be providing to the Union and Employers what it will call a "No-Action Rehabilitation Plan." The phrase "No-Action" is being used since the Fund's actuary has already informed the Board of Trustees that with the increase in contributions effective June 1, 2010, the No-

Action Rehabilitation Plan is estimated to eliminate the funding deficiency within the next four years and to increase the Fund's funding percentage to the amount required by the PPA.

No-Action Rehabilitation Plan Eliminates the Possibility of Reduction in Benefits

As noted above, the PPA requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. If the Fund had not adopted its No-Action Rehabilitation Plan, the PPA would have permitted the Fund to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. Again, if the Fund had not adopted its No-Action Rehabilitation Plan, and if the Trustees of the Fund had determined that benefit reductions were necessary, you would have received a separate notice in the future identifying and explaining the effect of those reductions. Any reduction of adjustable benefits would not have reduced the level of a Participant's basic benefit payable at normal retirement. In addition, the reductions would have only applied to Participants and Beneficiaries whose benefit commencement date is on or after April 30, 2010. Also, had the Fund not adopted the No-Action Rehabilitation Plan, the Fund would not have been permitted to pay benefits in excess of the monthly amount paid under a single life annuity while it is in critical status. Since the Fund adopted the No-Action Rehabilitation Plan, the Fund's adjustable benefits will not be reduced or eliminated, and benefits will continue to be paid in the same form and amount.

Adjustable Benefits of the Fund

The Fund offers the following adjustable benefits which will not be reduced or eliminated as part of any rehabilitation plan the Fund June adopt since the Fund adopted a No-Action Rehabilitation Plan:

- 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);

No-Action Rehabilitation Plan Eliminates the Possibility of an Employer Surcharge

Since the Fund has adopted the No-Action Rehabilitation Plan, contributing employers will not be required to pay a contribution surcharge. Had the Fund not adopted the No-Action Rehabilitation Plan, the PPA would have required that all contributing employers pay to the Fund a surcharge to help correct the Fund's financial situation. The amount of the surcharge would have been equal to a percentage of the amount an employer is otherwise required to contribute to the Fund under the applicable collective bargaining agreement. With some exceptions, a 5% surcharge would have been applicable in the initial critical year and a 10% surcharge would have been applicable for each succeeding plan year thereafter in which the Fund is in critical status.

Where to Get More Information

For more information about this Notice, you June contact the Fund's Contract Administrator, D. H. Evans Associates, Inc. You will have a right to request a copy of the No-Action Rehabilitation Plan from the Fund when it is adopted by the Board of Trustees.