

**Notice of Critical Status For
Laborers Local 130 Pension Fund**

This is to inform you that on July 29, 2014 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the plan is in critical status for the plan year beginning May 1, 2014. Federal law requires that you receive this notice.

Critical Status

The plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the plan's actuary determined that over the next three plan years, the plan is projected to have an accumulated funding deficiency. The deficiency will occur in the 2014 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. This is the fifth year the plan has been in critical 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, the trustees adopted a rehabilitation plan that included both a Default and a Preferred Schedule. The Default Schedule reduced the level of future benefit accruals from a maximum of \$65.00 to \$59.40 per year of service along with a \$0.70/hour contribution rate increase over each of the next three years. The Preferred Schedule did not reduce the future benefit accrual rate below the current \$65.00 and required a contribution rate increase of \$0.45/hour for two years, followed by \$0.50/hour in year 3, followed by \$0.40/hour for the following 4 years. No adjustable benefits were eliminated under either schedule. 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 (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 August 28, 2010. On August 28, 2010, you were notified that as of August 28, 2010, 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)

Employer Surcharge

While a Fund is in critical status, the law requires that all contributing employers either comply with one of the contribution increase schedules of the Rehabilitation Plan or pay to the Pension Fund a surcharge to help correct the Pension Fund's financial situation. 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. A 10% surcharge is applicable for this plan year and for each succeeding year while the Fund is in critical status until such time as one of the contribution increase schedules is adopted.

Where to Get More Information

For more information about this Notice, you may write or call the Fund's Contract Administrator, PATH Administrators, P. O. Box 6480, Harrisburg, PA, 17112-0480; Phone: 717-671-8551, Fax: 717-671-4937, Toll Free: 1-800-636-7632. You have a right to receive a copy of the rehabilitation plan from the plan.