

2015/04/15 - 6:00 PM  
PENSION FUND

**Notice of Critical Status  
for the  
Laborers' District Council of Western Pennsylvania Pension Plan  
EIN: 25-6135576  
PN: 001**

This is to inform you that in accordance with applicable Federal law, on March 24, 2015 the Pension Fund Benefit 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 January 1, 2015. Federal law also requires that you receive this notice.

**Critical Status**

A plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the Pension Plan's actuary determined that the Plan is projected to have an accumulated funding deficiency for the 2015-2017 plan years.

**Rehabilitation Plan**

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. The Plan was in critical status for the 2014 plan year and a rehabilitation plan was adopted on April 12, 2010. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. You are entitled to notice of any such changes in adjustable benefits. On December 7, 2010, you were notified that the Plan adopted a rehabilitation plan which reduced or eliminated certain adjustable benefits, and increased employer contribution rates. Any reduction of adjustable benefits does not reduce the level of a participant's basic benefit payable at normal retirement. You should know that whether or not the Plan reduces any adjustable benefits in the future, the Plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount 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 Plan may adopt.

- 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**

The law requires that all contributing employers pay to the Plan a surcharge to help correct the Plan'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. 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. However, the surcharge is no longer applicable after the Union and the Employer enter into a collective bargaining understanding that incorporates terms consistent with a rehabilitation plan adopted by the Trustees.

**Where to Get More Information**

For more information about this Notice, you may contact the Fund Office at Forbes-Pride Building, 1425 Forbes Avenue, Pittsburgh, PA 15219, or call 412-263-0900 in Pittsburgh, or 1-800-242-2538 in other areas. You have a right to receive a copy from the Plan of any rehabilitation plan adopted by the Board of Trustees of the Plan.

April 15, 2015