
**Notice of Critical and Declining Status
for
Ironworkers Local No. 16 Pension Fund**

participant's basic benefit payable at normal retirement may occur if benefits are suspended under the critical and declining status rules. If the Trustees of the Plan propose to suspend portions of accrued benefits, you will be provided with ample notice and the opportunity to vote on the reductions. If the Trustees of the Plan determine that further benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions.

Adjustable Benefits

The plan offers the following additional adjustable benefits which could be reduced or eliminated as part of any amended rehabilitation plan the plan trustees could adopt:

- Post-retirement death benefits;
- Early retirement benefit or retirement-type subsidy;
- Benefit payment options other than a qualified joint-and survivor annuity (QJSA);
- Pre-retirement death benefits other than a qualified preretirement survivor annuity (QPSA).

Accrued Benefits

Suspension of accrued benefits could include reduction of the normal retirement age benefit for active employees and terminated employees who have not started their pension as well as a reduction in the benefit currently payable to retirees and beneficiaries. It could also result in the reduction or elimination of the 13th check currently payable to some retirees. Any suspension of accrued benefits may not reduce the level of a participant's benefit to less than 110% of the PBGC benefit guarantee level nor may it reduce benefits for any participant on a disability pension or who is over the age of 80 (and any benefit suspension is phased in from age 75 to 80).

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. The law provides that the employer surcharge ceases to apply on the effective date of a bargaining agreement that includes terms consistent with a rehabilitation plan.

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Where to Get More Information

For more information about this Notice, you may contact the Ironworkers Local No. 16 Pension Fund, c/o GEMGroup, Inc., 8600 LaSalle Road, Oxford Building – Suite 624, Towson MD 21286, or by phone at 410.828.5282. For identification purposes, the official plan number is 001 and the plan sponsor's employer identification number or "EIN" is 52-6148924. You have a right to receive a copy of the rehabilitation plan from the plan when it is completed.

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