

**NOTICE OF CRITICAL STATUS**  
**FOR**  
**International Brotherhood of Electrical Workers**  
**Local Union No. 527 Pension Plan ("Plan")**

EBSA/PUBLIC DISCLOSURE  
2012 MAY -1 PM 3: 52

**EIN: 74-6213086**

**Plan No. 001**

**To: Participants, Beneficiaries, Participating Unions and Contributing Employers**  
**Date: April 27, 2011**  
**RE: Critical Status of the Plan for the 2012 Plan Year**

The Pension Protection Act of 2006 ("PPA") added requirements for measuring the financial health of multiemployer plans such as ours. It requires the Plan's actuary to make an annual determination of the Plan's financial status under these rules and certify that status to the IRS and Plan sponsor. If the Plan's status for a Plan Year is "critical" (also known as the red zone), the Plan sponsor must notify all participants, beneficiaries, participating unions and contributing employers in writing of this certification.

**Critical Status**

This is to inform you that on March 30, 2012, the Plan's actuary certified to the U.S. Department of the Treasury, and also to the Plan Sponsor, that the Plan will continue to be in critical status for the Plan Year beginning January 1, 2012. Federal law requires that you receive this notice.

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 the Plan is projected to have an accumulated funding deficiency within four years.

**Rehabilitation Plan and Plan Changes**

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. On April 27, 2008, you were notified that the Plan was in critical status (for the first year) and that the Plan was not permitted to pay lump sum benefits (or any payment in excess of the monthly amount paid under a single life annuity) – thereby eliminating the pre-retirement lump sum death benefit – while in critical status.

A rehabilitation plan was adopted by the Board of Trustees on May 27, 2008, and later adopted by the bargaining parties. On September 2, 2008, a Notice of Adjustment to Benefits Due to Critical Status was sent to you explaining the changes to the Plan as mandated under the Rehabilitation Plan. These changes generally apply to Participants whose benefit commencement date is on or after October 1, 2008. The changes include elimination of subsidies for Inactive Vested Participants with respect to the Early Retirement Pension, the Husband-and-Wife Pension, and the Pre-Retirement Surviving Spouse Pension. The benefits of Inactive Vested Participants who began receiving benefits on or after April 27, 2008, but before the date the Notice was distributed, were adjusted beginning October 1, 2008.

We understand that legally required notices like this one can create concern about the Plan's future. Be assured that the Board of Trustees is working with the Union and Contributing Employers and its professional advisors to improve the financial health of the Plan so that your retirement benefits are secure into the future.

Sincerely,

**Board of Trustees**

cc: Department of Labor  
Pension Benefit Guaranty Corporation