IBEW LOCAL NO. 952 PENSION TRUST FUND
ADMINISTRATION OFFICE

955 N Street, Fresno, CA 93721-2216
(559) 225-3030 ◆ (800) 282-5246 ◆ FAX (559) 225-6837

MEMORANDUM

TO: All Plan Participants, Beneficiaries Receiving Benefit Payments, QDRO Alternate Payees, Employers Obligated to Contribute, IBEW Local 952, Ventura Division of Los Angeles County Chapter NECA, United States Secretary of Labor, Pension Benefit Guaranty Corporation

FROM: Board of Trustees

DATE: October 28, 2016

RE: **Notice of the Actuary's Certification of Critical Status of the Plan under the Pension Protection Act of 2006 for the IBEW Local 952 – Ventura Division of Los Angeles County Chapter NECA Pension Trust Fund**

This is to inform you that on September 28, 2016, 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 July 1, 2016. Federal law requires that you receive this notice.

Critical Status

The plan is considered to be in critical status because it has funding problems. More specifically, the plan's actuary determined that as of July 1, 2016, the plan is projected to have an accumulated funding deficiency in the plan year ending June 30, 2023.

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 law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. In an effort to improve the Plan's funding situation, the Trustees adopted a rehabilitation plan on September 30, 2010. The rehabilitation plan requires that the annual contribution rate will increase by 55 cents per hour each year for the 13-year period from January 31, 2011 through January 31, 2023, resulting in an ultimate contribution rate of $15.70. In addition the rehabilitation plan increased the age requirement to qualify for unreduced early retirement for all service, effective January 1, 2011, from age 62 to age 65 for all of the plan's early retirement options except age 55 and 30 years of pension credits.

Because the Pension Plan was certified to have remained in Critical status as of July 1, 2016, the Trustees are required to update the Rehabilitation Plan originally adopted on September 30, 2010. In general, a Rehabilitation Plan must be projected to achieve certain funding improvement benchmarks within a specified time frame. It is still possible that future annual updates will require that the Rehabilitation Plan be modified to require either additional benefit reductions or contribution rate increases (or both) in response to future developments in the funding position of the Pension Plan.

Adjustable Benefits

The plan offered early retirement subsidy adjustable benefits which were reduced as described above as part of the rehabilitation plan adopted by the Trustees. The reduction of those adjustable benefits does not reduce the level of a participant's basic benefit payable at normal retirement. The plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan update the pension plan may adopt: (i) early retirement benefit or retirement-type subsidy; (ii) Thirty-six month payment guarantees; (iii) Disability benefits (if not yet in pay status), (iv) Pre-Retirement death benefits and (v) 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 until a contribution schedule with terms consistent with the Rehabilitation Plan and a schedule from the Board of Trustees of the plan is adopted by the bargaining parties 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. The bargaining parties for all agreements adopted a schedule under the Rehabilitation Plan before any surcharges went into effect.

Where to Get More Information

For more information about this Notice, you may contact the Trust Fund's Administrative Office at:

IBEW Local Union No. 952 Pension Plan Trust
955 N Street, Fresno, CA 93721-2216
(559) 225-3030, ext. 133

You have a right to receive a copy of the rehabilitation plan from the plan.

ANNUAL FUNDING NOTICE

For
IBEW Local 952 - Ventura Division of Los Angeles County Chapter NECA Pension Trust Fund

Introduction

This notice includes important information about the funding status of your multiemployer pension plan ("the Plan"). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. All traditional pension plans (called "defined benefit pension plans") must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is required by federal law. This notice is for the plan year beginning July 1, 2015 and ending June 30, 2016 ("Plan Year").

How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the "funded percentage." The Plan divides its assets by its liabilities on the Valuation Date for the plan year to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the Plan Year and each of the two preceding plan years is shown in the chart below. The chart also states the value of the Plan's assets and liabilities for the same period.

Funded Percentage			
	2015 Plan Year	2014 Plan Year	2013 Plan Year
Valuation Date	July 1, 2015	July 1, 2014	July 1, 2013
Funded Percentage	73.87%	74.70%	73.26%
Value of Assets	$91,493,496	$90,092,547	$86,998,602
Value of Liabilities	$123,854,645	$120,600,135	$118,751,496

Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They also are "actuarial values." Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan's funded status at a given point in time. The asset values in the chart below are market values and are measured on the last day of the Plan Year. The chart also includes the year-end market value of the Plan's assets for each of the two preceding plan years.

	June 30, 2016	June 30, 2015	June 30, 2014
Fair Market Value of Assets	$82,493,156*	$85,749,122	$87,181,262

*Preliminary value

Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan generally is in "endangered" status if its funded percentage is less than 80 percent. A plan is in "critical" status if the funded percentage is less than 65 percent (other factors may also apply). A plan is in "critical and declining" status if it is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years (or within 20 years if a special rule applies). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status or critical and declining status, the trustees of the plan are required to adopt a rehabilitation plan. Funding improvement and rehabilitation plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time. The plan sponsor of a plan in critical and declining status may apply for approval to amend the plan to reduce current and future payment obligations to participants and beneficiaries.

The Plan was in "critical" status in the Plan Year ending June 30, 2016 because the Plan's actuary determined as of July 1, 2015 that the Plan is projected to have an accumulated funding deficiency in the plan year ending June 30, 2020. In an effort to improve the Plan's funding situation, the trustees adopted a rehabilitation plan on September 30, 2010. The rehabilitation plan requires that the annual contribution rate increase by 55 cents per hour each year for the 13-year period from January 31, 2011 through January 31, 2023 resulting in an ultimate contribution rate of $15.70. In addition the rehabilitation plan increased the age requirement to qualify for unreduced early retirement for all service, effective January 1, 2011, from age 62 to age 65 for all of the Plan's early retirement options except age 55 and 30 years of pension credits.

You may get a copy of the Plan's rehabilitation plan, any update to such plan and the actuarial and financial data that demonstrate any action taken by the Plan toward fiscal improvement. You may get this information by contacting the plan administrator.

Since the Plan is in critical status for the plan year ending June 30, 2017, a separate notification of that status has been provided.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the valuation date was 728. Of this number, 270 were current employees, 338 were retired and receiving benefits, and 120 were retired or no longer working for the employer and have a right to future benefits.

Funding & Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The funding policy of the Plan is to maintain a balance such that plan resources will fund plan obligations. Plan resources include accumulated plan assets plus expected future contributions and investment income. Plan obligations are benefit payments to current and future retirees and beneficiaries, including benefits earned to date as well as benefits expected to be earned in the future. Plan obligations also include expected expense paid from plan assets. In implementing this funding policy, the plan Trustees will work with professional advisors to adopt a prudent investment policy and to determine the actuarial value of plan obligations. Over time, the Trustees may adjust plan benefits in response to investment returns and other plan experience, or seek additional contributions from the bargaining units.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The investment policy of the Plan has a target allocation among asset categories of 25% large cap equity, 5% small cap equity, 20% international equity, 10% core fixed income, 10% multi-sector bond, 10% private debt, 10% real estate and 10% multi-asset.

Under the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations	Percentage
Stocks	46.7%
Investment grade debt instruments	35.2%
High-yield debt instruments	0.0%
Real estate	14.9%
Other	3.2%

Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the "Form 5500." These reports contain financial and other information. You may obtain an electronic copy of your Plan's annual report by going to www.efast.dol.gov and using the search tool. Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N1513, Washington, DC 20210, or by calling (202) 693-8673. Or you may obtain a copy of the Plan's annual report by making a written request to Mr. Curtis Honoré, IBEW Local Union No. 952 Pension Plan Trust, 955 N Street, Fresno, CA 93721-2216, 559-225-3030, ext. 133. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact your plan administrator if you want information about your accrued benefits. Your plan administrator is identified below under "Where to Get More Information."

Summary of Rules Governing Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see "Benefit Payments Guaranteed by the PBGC" below), the plan must apply to the PBGC for financial assistance. The PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multiemployer plans. Your Plan is covered by PBGC's multiemployer program. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first $11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next $33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee, therefore, is $35.75 per month times a participant's years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of $600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service ($600/10), which equals $60. The guaranteed amount for a $60 monthly accrual rate is equal to the sum of $11 plus $24.75 (.75 x $33), or $35.75. Thus, the participant's guaranteed monthly benefit is $357.50 ($35.75 x 10).

Example 2: If the participant in Example 1 has an accrued monthly benefit of $200, the accrual rate for purposes of determining the guarantee would be $20 (or $200/10). The guaranteed amount for a $20 monthly accrual rate is equal to the sum of $11 plus $6.75 (.75 x $9), or $17.75. Thus, the participant's guaranteed monthly benefit would be $177.50 ($17.75 x 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified preretirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under a plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on PBGC's website at www.pbgc.gov/multiemployer. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See "Where to Get More Information" below.

U.S. DEPARTMENT OF LABOR
EMPLOYEE BENEFITS SECURITY ADMINISTRATION G
PUBLIC DISCLOSURE ROOM, N-1513
200 CONSTITUTION AVE, NW
WASHINGTON, DC 20210

Where to Get More Information

For more information about this notice, you may contact Mr. Curtis Honoré, IBEW Local Union No. 952 Pension Plan Trust, 955 N Street, Fresno, CA 93721-2216, 559-225-3030, ext. 133. For identification purposes, the official plan number is 001 and the plan sponsor's name and employer identification number or "EIN" are Board of Trustees of IBEW Local 952 - Ventura Division of Los Angeles County Chapter NECA Pension Trust Fund, and 95-6397996. For more information about the PBGC, go to PBGC's website, www.pbgc.gov.