

## **Notice of Endangered Status for the**

### **U.A. Local No. 782 Pension Plan**

This is to inform you that on March 25, 2013, the Plan actuary certified to the U.S. Department of the Treasury, and also to the Plan Trustees, that the Plan is in endangered status for the plan year beginning January 1, 2013. This certification is required by the Pension Protection Act of 2006, which also requires that you receive this notice. The Pension Protection Act requires each multiemployer pension plan's actuary to characterize the plan's funded status as endangered, seriously endangered, critical, or none of the preceding each year.

#### **Endangered Status**

The Plan is considered to be in endangered status because the Plan's actuary determined that the Plan is not in critical status, the funded percentage of the Plan is less than 80% for the plan year beginning January 1, 2013, and over the next seven plan years, the Plan is not projected to have an accumulated funding deficiency. The Plan's funded percentage as of January 1, 2013, for certification purposes is 77.57%.

#### **Funding Improvement Plan**

Federal law requires pension plans in endangered status to adopt a funding improvement plan, in accordance with the Pension Protection Act, aimed at improving the financial health of the plans. The Plan was certified to be in seriously endangered status as of January 1, 2009. Accordingly, a funding improvement plan was adopted in November 2009 and an updated funding improvement plan was adopted in November 2011. The funding improvement plan was designed to reasonably enable the Plan to cease to be in endangered status during the funding improvement period which is the 15 year period beginning on January 1, 2012, and ending on January 1, 2027.

#### **Future Experience and Possible Adjustments**

Once the funding improvement plan has been agreed upon by the contributing employers and the union, and incorporated into the Collective Bargaining Agreement by amendment, the Trustees must review it annually and make adjustments, as necessary, to take in account the Plan's actual funding. If the Plan's actuary certifies for a plan year that the Plan is no longer in endangered status, the funding plan adoption period or funding improvement period shall end. Additional contribution rate increases and/or reductions in the rate at which benefits are earned may be needed if the Plan were to suffer asset returns below the expected 7.0% (in the 2013 plan year or later), a drop in the hours worked, or poor experience from other sources. If the Trustees determine that further adjustments are necessary in the future, you will be notified.

#### **Commitment to Continued Improvement**

At this point, the Trustees anticipate that the Plan will emerge from endangered status and continue to see improved funded percentages. The Trustees maintain their commitment to providing a retirement benefit on which you can rely to pay a lifetime benefit that will play a significant role in your overall retirement planning.

#### **Where to Get More Information**

For more information on this Notice, you may contact:

Trustees of U.A. Local No. 782 Pension Plan  
Benefit Administrators of Delaware, Inc.  
5708 Limestone Road  
Wilmington, DE 19808  
302-234-1978

You have a right to receive a copy of the funding improvement plan from the Plan by contacting the Trustees at the above contact information.

Date of distribution: April 25, 2013