

Notice of Endangered Status for Laborers Local No. 35 Pension Plan

This Notice is to inform you that on March 31, 2015 the Plan's actuary certified to the U.S. Department of the Treasury and to the Plan Sponsor that the Plan is in "Endangered" Status for the plan year beginning January 1, 2015. Federal law requires that you receive this Notice.

Endangered Status

The Plan's actuary must annually project the Plan's assets, benefit costs, contributions, and unfunded liability to determine if the Plan will be able to pay benefits when due or if the Plan is expected to run out of assets. In this way, the Plan's actuary determines the Plan's funded percentage and whether the Plan will fail to meet its required funding standards in any of the next ten years. The Plan's actuary determined that the plan's funded percentage for 2015 is less than 80%. Therefore, the Plan is considered to be in "Endangered" Status. The actuary's analysis further shows that the plan is not in "Critical Status" or "Critical and Declining Status" for the plan year beginning January 1, 2015, nor is it projected to be in Critical Status for any of the succeeding 5 plan years.

Funding Improvement Plan

Federal law requires pension plans in "Endangered" Status adopt a "Funding Improvement Plan" aimed at restoring the financial health of the plan and anticipating future funding issues based upon the actuary's projections. More specifically, the goal of the Funding Improvement Plan is to increase the Plan's funding percentage by $\frac{1}{3}$ during the 13-year Funding Improvement Period while also avoiding a minimum funding shortfall. The Trustees formulated a "Funding Improvement Plan" in November 2008, when the Plan was first determined to be in "Endangered" Status. The Funding Improvement Plan first became effective on January 1, 2009, the first day of the Funding Improvement Period.

The law permits pension plans to reduce benefits before they are earned in future years as part of a Funding Improvement Plan. If the Trustees of the Plan determine that benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions.

Looking Ahead

The plan's funding status must be reviewed and certified annually. Notices like this one will be sent each year until our plan is no longer in Endangered Status. The Funding Improvement Plan will also be updated each year, if changes are needed.

Where to Get More Information

For more information about this election, you may contact the Board of Trustees of the Laborers Local No. 35 Pension Plan / c/o Richard Poulaino / Insurance Programmers, Inc. / 10 Technology Drive / Wallingford, CT 06492-7617, or call (866) 749-0644. You have a right to receive a copy of the "Funding Improvement Plan" from the Plan.

April 24, 2015