WAREHOUSE EMPLOYEES LOCAL 169
And
EMPLOYERS JOINT PENSION FUND

400 FRANKLIN AVENUE
SUITE 135
PHOENIXVILLE, PA 19460
(215) 483-6000 (610) 783-6835 FAX

April 28, 2015

<u>CERTIFIED RETURN RECEIPT MAIL</u>

U.S. Department of Labor
Employee Benefit Security Administration
Public Disclosure Room N-1515
200 Constitution Avenue, N.W.
Washington, DC 20210

RE: Notice of Critical Status For 2015

Dear Sir/Madam:

Pursuant to Federal Regulations, the Warehouse Employees Local 169 and Employers Joint Pension Fund is providing the U.S. Department of Labor with a copy of the Notice of Critical Status for the Plan Year beginning January 1, 2015.

Sincerely,

Joyce Karkoska

Joyce Karkoska
Fund Manager

JK:mlm

Enclosure

Notice of Critical Status
For
Warehouse Employees Local 169 and Employers Joint Pension Fund

This is to inform you that on March 30, 2015 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 January 1, 2015. Federal law requires that you receive this notice.

Critical Status

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 was in critical status during the immediately preceding year and that the plan is projected to have an accumulated funding deficiency within 10 years – specifically by the end of the 2021 Plan Year (the 6rd Plan Year following the current Plan Year). Note that the terms "critical status" and "funding deficiency" have legally defined meanings. This does **not** mean that the Plan is insolvent and does **not** mean that the Plan cannot currently pay benefits as they become due.

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 Trustees of the Plan have adopted a rehabilitation plan that meets the requirements of the law. This is the 6th year the plan has been in critical status. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. On December 13, 2010, you were notified that the plan reduced or eliminated adjustable benefits. On April 29, 2010, you were notified that as of April 29, 2010 the plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical status. 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. Any reduction of adjustable benefits (other than a repeal of a recent benefit increase, as described below) will not reduce the level of a participant's basic benefit payable at normal retirement. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after April 29, 2010.

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Adjustable Benefits

The plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the pension plan may adopt:

- ☐ Sixty-month payment guarantees;
- ☐ Early retirement benefit or retirement-type subsidy;
- ☐ 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 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.

Where to Get More Information

For more information about this Notice, you may contact the plan administrator at Valley Forge Benefit Administrators, Inc., 215-483-6000, 400 Franklin Avenue, Suite 135, Phoenixville, PA 19460. For identification purposes, the official plan number is 001 and the plan sponsor's employer identification number or "EIN" is 23-6230368.

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

Issued: April 28, 2015

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