THE BRICKLAYERS AND STONE MASONS UNION LOCAL NO. 2 PENSION PLAN

Fund Office: **GEM**Group, Administrator, The Constellation Centre One, 6009 Oxon Hill Road, Suite 416, Oxon Hill, MD 20745
Phone: (301) 839-8800 / 1-800-424-2707 / Fax: (301) 839-8811

EBSA PUBLIC DISCLOSURE

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August 28, 2009

U.S. Department of Labor
Frances Perkins Building
200 Constitution Ave., NW
Washington, DC 20210

RE: Notice of Critical Status

Dear Department of Labor Coordinator:

As required, we are enclosing a copy of the Notice of Critical Status for the plan year May 1, 2009.

If you should have any questions, please feel free to contact this office at the address or phone number listed above.

Sincerely,

GEMGroup

Laura E. Bealles

Laura E. Bealles
Administrator

LEB/lmd

Enclosure

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Notice of Critical Status
For
Bricklayers and Stonemasons Union No. 2 Pension Fund of Virginia

This is to inform you that on July 27, 2009 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 May 1, 2009. 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 has an accumulated funding deficiency for the current plan year.

Rehabilitation Plan and Possibility of Reduction in Benefits

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 second 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 August 28, 2008 you were notified that as of August 28, 2008 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. There was no reduction in benefits made as part of the rehabilitation plan adopted by the Trustees on July 31, 2008. The rehabilitation period is the thirteen year period that begins May 1, 2010. 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. 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 August 27, 2009.

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:

- ☐ Post-retirement death benefits;
- ☐ Sixty-month payment guarantees;
- ☑ Disability benefits (if not yet in pay status);
- ☑ Early retirement benefit or retirement-type subsidy;
- ☑ Benefit payment options other than a qualified joint-and survivor annuity (QJSA);
- ☐ Recent benefit increases (i.e, occurring in past 5 years);
- ☑ Other similar benefits, rights, or features under the plan {provide identification}
  Pre-Retirement Death Benefit to Dependent Children _____
  Automatic Pop-up Benefit under 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.

The 5% surcharge is not applicable because the Board of Trustees adopted the rehabilitation plan on July 31, 2008.

Where to Get More Information

For more information about this Notice, you may contact Bricklayers and Stonemasons Union No. 2 Pension Fund of Virginia at (301) 839-8800, c/o GemGroup, 6009 Oxon Hill Road, Suite 416, Oxon Hill, Maryland 20745. You have a right to receive a copy of the rehabilitation plan from the Fund Office.