

**Notice of Critical Status
For the
Roofers and Slaters Local 248 Pension Plan**

Plan Name: Roofers and Slaters Local 248 Pension Plan
EIN / Plan Number: 04-2316465/001
Plan Year End: May 31, 2014
Plan Sponsor: Roofers and Slaters Local 248
63 ½ Main Street
Chicopee, MA 01020
Telephone (413) 594-5494
Plan Administrator: *Plan Sponsor*

EBSA/PUBLIC DISCLOSURE
2013 SEP 30 PM 1:11

This is to inform you that on August 24, 2010 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 June 1, 2013. The plan has been in critical status for the plan years beginning June 1, 2010, June 1, 2011 and June 1, 2012. 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 last three years and current year and the funding percentage of the plan for the 2013 plan year is less than 60%. The plan is projected to have an accumulated funding deficiency within the next 3 plan years.

Rehabilitation Plan

The Trustees of the Plan adopted a Rehabilitation Plan in April, 2011 to improve the plan's funding status, and progress has been made toward restoring the financial health of the plan through meeting the terms of the Rehabilitation Plan. Updated projections indicate that modifications to the Rehabilitation Plan may be required, and various modifications are being considered by the Trustees.

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 4th 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 or about September 23, 2010, and again in April 2011, you were notified that the Trustees could reduce or eliminate adjustable benefits as part of a Rehabilitation Plan. You were also notified at that time that as of September 23, 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 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 September 23, 2010.

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;
- 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 (none currently existing);

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. There is currently no surcharge applicable with respect to this plan because a collective bargaining agreement was negotiated that included terms consistent with the Rehabilitation Plan.

Where to Get More information

For more information about this Notice, you may contact the Trustees at (413) 594-5494 or at: Roofers and Slaters Local 248, 63 ½ Main Street, Chicopee, MA 01020. You have a right to receive a copy of the rehabilitation plan from the plan sponsor.