

**Notice of Critical Status for Roofers Local 149 Pension Fund  
September 28, 2013**

This is to inform you that on August 28, 2013, 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. Federal law requires that you receive this notice.

**Critical Status**

Under the PPA, the Plan is considered to be in critical status because the Plan was in critical status last year and over the next nine (9) years; the Plan is projected to have an accumulated funding deficiency in the Plan Year ending May 31, 2015.

**Rehabilitation Plan**

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. You received a notice in November 2012 that the Plan would reduce or eliminate adjustable benefits as of June 1, 2013. On September 28, 2012, you were notified that as of September 28, 2012, 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 as of September 28, 2012.

**Adjustable Benefits**

The Plan offers adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the Pension Plan may adopt, including:

- Post retirement death benefits
- Disability benefits
- Early retirement benefits or retirement-type subsidies
- 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, and features under the plan

**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 surcharge does not apply once applicable collective bargaining agreements have been amended to incorporate terms consistent with the Rehabilitation Plan.

**Where to Get More Information**

For more information about this notice, you may contact the Fund Administrator, BeneSys, Inc, 700 Tower Drive, Suite 300, Troy, MI 48098-2808, 248-641-4949. You have a right to receive a copy of the rehabilitation plan.

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