

MASTERS, MATES AND PILOTS PLANS

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MASTERS, MATES & PILOTS PENSION PLAN

Notice of Critical Status

This is to inform you that on March 31, 2010, the Plan's actuary certified to the U.S. Department of the Treasury, and also to the Plan's Board of Trustees, that the Plan is in critical status for the plan year beginning January 1, 2010. 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 is projected to have an accumulated funding deficiency within three (3) years after the current plan year. The projected year of the deficiency is 2010.

Rehabilitation Plan and 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 first year the plan has been in critical status. The law permits pension plans to reduce, or even eliminate, certain benefits, called "adjustable benefits", as part of a rehabilitation plan. Enclosed with this notice is a Notice of Reductions in Adjustable Benefits identifying and explaining the reductions that the Plan's Trustees have determined are necessary and that the participating employers and IOMM&P have agreed upon. These reductions will not reduce your benefit payable upon retirement at the Plan's "normal retirement age" (age 65). There may be a reduction in your pension if you retire before normal retirement age and your pension begins after the date of this notice. In addition, the Plan is not permitted to make full or partial lump sum payments or to offer a Social Security Level Pension Income Option while it is in critical status. Therefore, those forms of benefit will not be available for pensions that begin on or after the date of this notice. This restriction also affects how the Plan's lump sum death benefit will be paid, as described in the enclosed notice.

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 will not apply to contributing employers that agree, within 30 days after the receipt of notice from the Plan, to one of the schedules set forth in the rehabilitation plan.



Where to Get More Information

For more information about this Notice or to receive a copy of the rehabilitation plan, you may send an email to Patrick McCullough at the following email address: mmppplans@aol.com. You have a right to receive a copy of the rehabilitation plan from the Plan Office.