



AUTOMOBILE MECHANICS' LOCAL 701 PENSION FUND

361 S. FRONTAGE ROAD, SUITE 100 | BURR RIDGE, IL 60527

TELEPHONE: (708) 482-0220 | TOLL FREE: (800) 704-6271 | FAX: (708) 482-4242

Notice to Employers and Sponsoring Unions

For Automobile Mechanics Local No. 701 Union and Industry Pension Fund For the Year Ended December 31, 2015

To: Contributing Employers and Automobile Mechanics Local Union No. 701

This notice regarding the Automobile Mechanics Local No. 701 Union and Industry Pension Fund (the Plan) is being provided as required by Section 104(d) of ERISA as amended by the Pension Protection Act of 2006. The Plan Year is a calendar year.

1. Contributions and Benefits

- a. Employers contributed to the Plan amounts set forth in their collective bargaining agreements and/or participation agreements ranging from \$10.00 per week worked to \$283.00 per week worked during the January 1, 2015 to December 31, 2015 calendar year.
- b. The Plan provides a normal retirement annuity benefit which is based on Future Service Credits (Pension Credits). In Plan Year 2011, there was a change to the benefit multiplier as a result of endangered funding status. The future benefit accrual rate was reduced from \$80 to \$60. For active participants in the Plan, the normal base pension is determined initially by multiplying the number of Pension Credits earned during each of the Participant's Period(s) of Accrual times the Accrual rate appropriate for such Periods of Accrual as shown in the following schedule:

Period of Accrual Ending Between	Accrual Rate Per Pension Credit Earned During Period of Accrual
January 1, 1959 and November 30, 1970	\$13.61
December 1, 1970 and September 30, 1973	\$14.24
October 1, 1973 and November 30, 1975	\$15.83
December 1, 1975 and September 30, 1977	\$16.46
October 1, 1977 and June 30, 1979	\$17.62
July 1, 1979 and December 31, 1982	\$21.84
January 1, 1983 and June 30, 1986	\$23.74
July 1, 1986 and August 31, 1988	\$25.00
September 1, 1988 and December 31, 1993	\$30.08
January 1, 1994 and December 31, 1996	\$36.36
January 1, 1997 and December 31, 1998	\$45.45
January 1, 1999 and December 31, 2000	\$54.54
January 1, 2001 and December 31, 2010	\$80.00
January 1, 2011 and thereafter	\$60.00

- c. Effective April 1, 2011, a new “Plan B” was introduced for new employers. Plan B provides for lower contribution rates and less generous pension benefits.

Plan B Contribution Rates and Accrual Rate Schedules Effective April 1, 2011:				
Weekly Contribution Rate	Annual Accrual Rate		Weekly Contribution Rate	Annual Accrual Rate
\$12	\$2		\$42	\$32
\$13	\$3		\$43	\$33
\$14	\$4		\$44	\$34
\$15	\$5		\$45	\$35
\$16	\$6		\$46	\$36
\$17	\$7		\$47	\$37
\$18	\$8		\$48	\$38
\$19	\$9		\$49	\$39
\$20	\$10		\$50	\$40
\$21	\$11		\$51	\$41
\$22	\$12		\$52	\$42
\$23	\$13		\$53	\$43
\$24	\$14		\$54	\$44
\$25	\$15		\$55	\$45
\$26	\$16		\$56	\$46
\$27	\$17		\$57	\$47
\$28	\$18		\$58	\$48
\$29	\$19		\$59	\$49
\$30	\$20		\$60	\$50
\$31	\$21		\$61	\$51
\$32	\$22		\$62	\$52
\$33	\$23		\$63	\$53
\$34	\$24		\$64	\$54
\$35	\$25		\$65	\$55
\$36	\$26		\$66	\$56
\$37	\$27		\$67	\$57
\$38	\$28		\$68	\$58
\$39	\$29		\$69	\$59
\$40	\$30		\$70	\$60
\$41	\$31			

2. During Plan Year 2015, 349 employers contributed to the Plan.
3. During the 2015 Plan year, there were no employers that contributed more than 5% of total contributions to the Plan.
4. There were 97 participants with a vested benefit in the Plan in 2015 for whom no employer contributions were made during the 2015 Plan Year, 27 participants with a vested benefit in the Plan in 2014 for whom no employer contributions were made during the 2014 Plan Year, and 5 participants with a vested benefit in the Plan in 2013 for whom no employer contributions were made during the 2013 Plan Year. For purposes of this item, only employees of employers that have withdrawn as of the beginning of the year are counted. Retirees and deferred vested participants are not counted.

5. The Plan's actuary certified the Plan as endangered status for the Plan year beginning on January 1, 2015. For the Plan year beginning on January 1, 2016, the Plan's actuary certified the Plan as endangered status. The Trustees adopted a Rehabilitation Plan effective September 30, 2012. The Trustees adopted a Funding Improvement Plan effective October 21, 2015.
6. A total of 11 employers withdrew from the plan during the 2014 Plan Year and the aggregate withdrawal liability assessed was \$5,220,050.
7. There were no plan mergers during the 2015 Plan year.
8. The Plan does not use the shortfall funding method. The Preservation of Access to care for Medicare Beneficiaries and Pension Relief Act of 2010 allows for extended smoothing period for asset losses. The Plan has adopted the allowable funding relief.
9. You also have the right to obtain a copy of the 2015 Form 5500, Summary Plan Description, Summary of Material Modifications, Rehabilitation Plan, and Funding Improvement Plan upon written request and payment of a reasonable charge to cover copying, mailing and other costs of furnishing copies of such documents. You may only request to receive copies of these documents once during any 12 month period.