

May, 1976

NOTICE TO PARTICIPANTS IN THE  
RETIREMENT INCOME PLAN FOR  
HOURLY-RATED EMPLOYEES OF  
ASARCO INCORPORATED

On Labor Day of 1974 a new law was enacted to protect the interests of workers in pension and welfare benefits connected with their jobs. Its title is "Employee Retirement Income Security Act of 1974," but it is often referred to by its initials -- ERISA.

ERISA requires plan administrators -- the people who run plans -- to tell you the most important facts you need to know, in writing and free of charge. They must also let you look at plan documents and buy copies of them at reasonable cost if you ask. ERISA says that pension plans must give you certain minimum rights. For example, ERISA controls when you join the plan. Also, a great many people have control over employee benefit plans. ERISA says that these people -- called "fiduciaries" -- must act solely in your interest and must be prudent in carrying out their plan duties. ERISA also has other special rules that limit what a fiduciary is allowed to do. Fiduciaries who violate ERISA may be removed, and may have to make good losses they cause to the plan.

Because ERISA contains many provisions which may affect your retirement benefits, you should contact the Asarco Pension Board (P. C. Gordon, Secretary), ASARCO Incorporated, 120 Broadway, New York, New York 10005, (212) 732-9500, Employer Identification Number 134924440, before making decisions about your future or retirement plans.

ERISA requires the Asarco Pension Board, the administrator of the Retirement Income Plan for Hourly-Rated Employees of ASARCO Incorporated (the "Plan"), to file certain information about the plan with the U. S. Department of Labor. A description of the plan's provisions must be filed with the Department of Labor by May 30, 1976. The Pension Board must also file an annual report with the Department of Labor by April 15, 1977. The annual report gives detailed financial information about the plan. The Pension Board is required to send a summary of the annual financial report to you, at no charge.

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In addition, plan documents and other plan information must be provided to you by the Pension Board if you request this information in writing. The Pension Board may make a reasonable charge for these documents. You may wish to find out how much the charge will be before making a written request. However, all plan documents must be made available for your examination at ASARCO Incorporated, 120 Broadway, New York and certain other locations, such as the Plant, Mine or Office where you work, at no charge.

ERISA also requires the plan to meet certain new standards for pension plans. These minimum standards determine when an employee must become eligible to participate in the plan, when he or she has a vested right (one which cannot be taken away, except in limited circumstances) to certain benefits, and the rate at which benefits must accrue in the participant's behalf.

The plan already has been amended and is in the process of being redrafted to reflect the changes. However, further plan amendments may have to be made to comply with ERISA's standards. The Pension Board will provide information regarding these amendments.

As a result of the modifications which will be made, your right to a pension and the form and amount of your pension may be affected. Regardless of your age, if you are thinking about changing jobs or retiring you should contact the personnel office about your pension situation before making any decisions.

If you have any questions about this notice or your rights, contact the Secretary of the Pension Board. The Personnel Office at your Plant, Mine or Office is available to assist you in this matter.

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Broadway, New York, New York 10038  
Identification Number 1742144, before making decisions about your future or retirement plans.

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