
**Notice of Critical Status
For
Cement Masons' Union Local 592 Pension Plan**

This is to inform you that on July 29, 2019 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 May 1, 2019. 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 has an accumulated funding deficiency for the current plan year.

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 eleventh 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. In June 2009, you were notified that the plan reduced or eliminated adjustable benefits. You were also notified that as of June 9, 2009 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 July 1, 2009.

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;
- Sixty-month payment guarantees;
- Disability benefits;
- Early retirement benefit or retirement-type subsidy; including the right to receive a distribution of the Additional Benefit Accumulation Account ("Annuity Benefit") prior to Normal Retirement Age;
- Benefit payment options other than a qualified joint-and survivor annuity (QJSA); and
- Recent benefit increases (i.e., occurring in past 5 years).

Current law also allows elimination of certain other benefits, rights or features of the Plan, such as post-retirement increases and ancillary benefits, regardless of critical status.

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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 Trustees understand that the surcharge does not currently apply to any employers in this Plan as it ceased upon the adoption of a rehabilitation plan by the Trustees and its approval by the parties to the collective bargaining agreement(s).

Where to Get More Information

For more information about this Notice, you may contact the plan administrator at the address shown below. For identification purposes, the official plan number is 001, the plan sponsor's name is Board of Trustees of Cement Masons' Union Local 592 Pension Plan, and employer identification number or "EIN" is 23-1972409. You have a right to receive a copy of the rehabilitation plan from the plan.

Fund Administrator
Cement Masons' Local 592 Pension Fund
7821 Bartram Avenue, Suite 102
Philadelphia, PA 19153
215.468.0237

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