Notice of Critical and Declining Status
For
Printing Local 72 Industry Pension Plan

This is to inform you that on May 25, 2018 the Printing Local 72 Industry Pension Plan ("Plan") actuary certified to the U.S. Department of the Treasury, and also to the Plan sponsor, that the Plan is in "critical and declining status" for the plan year beginning March 1, 2018. Federal law requires that you receive this notice.

Critical and Declining Status

The Plan is considered to be in critical and declining status because it has funding or liquidity problems, or both. More specifically, the Plan's actuary determined that the Plan is likely to be insolvent within the next 20 years. One of the primary factors that has placed the Plan in this financial position is the dramatic decrease in the hours worked for Contributing Employers for which contributions are required to be made to the Plan.

Rehabilitation Plan

Prior to the passage of the Multiemployer Pension Reform Act of 2014 ("MPRA"), federal law already required that pension plans in "critical status" adopt a rehabilitation plan aimed at restoring the financial health of the plan. The Trustees adopted a rehabilitation plan in 2008. (This is the 11th year the Plan has been in critical status and the 4th year the Plan has been in critical and declining status.) Prior law also permitted the Trustees to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. On March 2, 2009, you were notified that the plan reduced or eliminated adjustable benefits. On June 26, 2008, you were notified that as of that date the Plan would not 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 Plan's Trustees determine that further benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions.

With the certification that the Plan is now classified as a critical and declining plan, there are additional benefit adjustments the Trustees are permitted to make to improve the financial health of the Plan under certain circumstances. These new adjustments are discussed below. You should know that **<u>at this time the Plan is not implementing any additional benefit adjustments permitted by MPRA</u>**.

Federal law generally permits pension plans, in addition to reducing or eliminating adjustable benefits, to propose suspending accrued benefits for participants, including those in pay status (retirees). There are limits on how much accrued benefits may be suspended, and before they can be suspended, the law requires the proposed benefit suspension be submitted to and approved by the Secretary of the Treasury and be submitted to a vote of the participants, including retirees.

Any reduction of adjustable benefits, as allowed for under the current rehabilitation plan will not reduce the level of a participant's basic benefit payable at normal retirement. However, reductions in the participant's basic benefit payable at normal retirement may occur if benefits are suspended under the new MPRA rules. If the Trustees of the Plan propose to suspend portions of accrued benefits, you will be provided with ample notice and the opportunity to vote on the reductions. 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.

Accrued Benefits

Under MPRA, the suspension of accrued benefits could include reduction of the normal retirement age benefit for active employees and terminated employees who have not started their pension as well as a reduction in the benefit currently payable to retirees and beneficiaries. Any suspension of accrued benefits may not reduce the level of a participant's benefit to less than 110% of the PBGC benefit guarantee level nor may it reduce benefits for any participant on a disability pension or who is over the age of 80 (and any benefit suspension is phased in from age 75 to 80).

Where to Get More Information

For more information about this Notice, you may contact the Plan Administrative Agent, Carday Associates, Inc. at 7130 Columbia Gateway Drive, Suite A, Columbia, Maryland 21046 or by phone at 410-872-9500. For identification purposes, the official plan number is 001, the plan sponsor's name is the Board of Trustees, Printing Local 72 Industry Pension Plan and the employer identification number or "EIN" is 52-6033899. You have a right to receive a copy of the rehabilitation plan from the plan.

Issued: June, 2018

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