

**Notice of Critical Status For  
Washington, D.C. Cement Masons Pension Trust Fund (the “Fund”)**

This is to inform you that on March 30, 2016 the Fund’s actuary certified to the U.S. Department of the Treasury, and also to the Fund sponsor, that the Fund is in critical status for the plan year beginning January 1, 2016. Federal law requires that you receive this notice.

**Critical Status**

The Fund is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the Fund’s actuary determined that over the next three plan years, the Fund is projected to have an accumulated funding deficiency for the 2018 plan year.

**Rehabilitation Plan and Possibility of Reduction in Benefits**

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the fund. The law permits pension plans to reduce, or even eliminate, benefits called “adjustable benefits” as part of a rehabilitation plan. If the Fund’s trustees determine that 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 April 29, 2016. But you should know that whether or not the Fund reduces adjustable benefits in the future, effective as of April 29, 2016, the Fund cannot 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.

**Adjustable Benefits**

The Fund’s adjustable benefits that may be reduced or eliminated as part of any rehabilitation plan the Fund adopts include:

- Post-retirement death benefits.
- Disability benefits (if not yet in pay status).
- Early retirement benefit or retirement-type subsidy.
- Benefit payment options other than a qualified joint-and survivor annuity (QJSA).

**Employer Surcharge**

The law requires that all contributing employers pay to the Fund a surcharge to help correct the Fund’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 Fund 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 Fund is in critical status, until the contributing employer adopts a schedule under the Rehabilitation Plan.

**Where to Get More Information**

For more information about this Notice, you may contact the Fund’s administrator, Carday Associates, at 410-872-9500 or Washington D.C. Cement Masons Pension Trust Fund, c/o Carday Associates, Inc., 7130 Columbia Gateway Dr., Suite A, Columbia, MD 21046. You have a right to receive a copy of the rehabilitation plan from the Fund.