



**NOTICE OF FUND'S CRITICAL ZONE STATUS
FOR
NEW ENGLAND HEALTH CARE EMPLOYEES PENSION FUND
EIN: 22-3071963
PLAN NUMBER: 001**

This notice is to inform you the New England Health Care Employees Pension Fund ("the Fund" or "the Plan") is certified to be in 'critical' status for the 2024 Plan year.

On March 29, 2024, 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, 2024. 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 *the plan was in critical status last year and is projected to incur a funding deficiency at some point in the current or nine succeeding plan years and therefore has not emerged from critical status.*

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 plan. This is the second 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. On April 30, 2023, you were notified that the Fund 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 Fund 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 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 April 30, 2023.

Adjustable Benefits

The Fund offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the Fund may adopt:

- 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. 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. The surcharge ends for an employer once its collective bargaining agreement incorporates one of the schedules of the rehabilitation plan.

Where to Get More Information

For more information about this Notice, you may contact:

Silvana Stankus
Executive Director
New England Health Care Employees Pension Fund
77 Huyshope Avenue, 2nd Floor
Hartford, CT 06106

Telephone: (860) 549-8880

You have a right to receive a copy of the rehabilitation plan from the Fund once finalized and approved by the Fund's Trustees.

Issued: April 29, 2024