



**Freight Drivers Local Union No. 557 Pension Fund**  
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April 2026

**Notice of Critical Status For**

Freight Drivers and Helpers Local Union No. 557 Pension Fund EIN 52-6118055

This is to inform you that on March 31, 2026, 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 January 1, 2026. As explained below, regardless of the plan's actual funded status, the plan will be "deemed" in critical status until the last day of the last plan year ending in 2051. Federal law requires that you receive this notice.

The American Rescue Plan Act of 2021 included financial relief for troubled multiemployer defined benefit pension plans in the form of Special Financial Assistance ("SFA"). SFA is a grant from the Federal Government to help plans remain solvent for an extended period of time. The Board of Trustees filed an SFA application on behalf of the Freight Drivers and Helpers Local Union No. 557 Pension Fund. The plan's initial SFA application was approved on October 4, 2022 and the Plan received SFA of \$192,755,536. On March 20, 2023 the plan was approved for an additional \$12,821,163 of SFA. During 2024, the Pension Benefit Guaranty Corporation ("PBGC") performed an independent death audit on all plans who had previously received SFA, resulting in a repayment by the Plan to the PBGC of \$2,926,173 on December 3, 2024. Under the American Rescue Plan Act, a plan that received SFA is "deemed" to be in critical status until the last day of the last plan year ending in 2051, notwithstanding the plan's actual funded condition. For this reason, the actuary was required to certify the plan as being in critical status for the plan year beginning January 1, 2026.

**Critical Status**

The plan is considered to be in critical status because it received SFA under the American Rescue Plan Act. The American Rescue Plan Act requires that the plan be "deemed critical" status through December 31, 2051. Moreover, the plan's actuary determined that when SFA assets are disregarded (as required by the funding rules), the funded percentage is less than 65 percent and there is a deficiency in the Funding Standard Account.

**Rehabilitation Plan**

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. The plan has been in critical status since 2009, including those years being "deemed" in critical status. In an effort to improve the Plan's funding situation, the trustees adopted a rehabilitation plan in July 2009. The rehabilitation plan offers a default schedule to the bargaining parties that removed all adjustable benefits effective with pension applications received after September 4, 2009, and required contribution increases from the contributing employers.

Following the receipt of SFA, the Plan is no longer projected to become insolvent, but the existing rehabilitation plan remains in effect while the Plan remains in critical status. The trustees and plan professionals will continue to monitor the Plan going forward and make any adjustments within the parameters of the SFA regulations.

**Where to Get More Information**

For more information about this Notice, you may contact BeneSys, Inc., 7130 Columbia Gateway Drive, Suite A, Columbia, Maryland 21046 at 410-872-9546. You have a right to receive a copy of the rehabilitation plan from the plan.