

**Notice of Critical and Declining Status
for
Local 945 I.B.T. Pension Plan
EIN: 22-6196388 / PN: 001**

This is to inform you that 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. 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 received Special Financial Assistance and as per the American Rescue Plan Act the Plan will certified in Critical Status until the last day of the last plan year ending in 2051.

Special Financial Assistance

The Plan submitted an application for Special Financial Assistance from the Pension Benefit Guaranty Corporation (PBGC) pursuant to the American Rescue Plan Act of 2021. The application was approved on April 8, 2025. The Plan is expected to receive Special Financial Assistance from the federal government in the amount of \$38,203,716.13 in May 2025 and is projected to maintain solvency through 2052, that is, its ability to pay benefits and administrative expenses through 2052. You can read more about Special Financial Assistance on the PBGC's website, at <https://www.pbgc.gov/arp-sfa>.

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 17th 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 10, 2009, you were notified that the Plan reduced benefits. On April 10, 2009, you were notified that as of January 1, 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 cuts.

In addition to permitting Plans to implement a rehabilitation plan as described above, the law now permits Plans certified as Critical and Declining to suspend (cut) accrued benefits (as described on the next page), including benefits currently in pay status. However, before this action is permitted, the benefit suspension must be approved by the Department of Treasury, Department of Labor, and the PBGC, and then by a vote of Plan participants. If a majority of all Plan participants reject the suspension, it may be modified by the Trustees and resubmitted, otherwise the suspensions take effect.

If the trustees of the Plan determine that further benefit suspensions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those cuts. You have a right to receive a copy of the Rehabilitation Plan from the Plan.

Adjustable Benefits

The Plan offers the following adjustable benefits which may be reduced or eliminated as part of any Rehabilitation Plan the pension may adopt:

- Special Early Retirement Provision
- Other Special Early Retirement Provision
- Lump Sum Return of Contributions Death Benefit

As part of the Rehabilitation Plan, the Special Early Pension Benefit for Participants with at least 300 months of Plan contributions and who are at least 60 at the time they begin their Early Retirement Pension will continue to be offered. However, the Other Special Early Pension Benefit available to Participants with at least 120 months of Plan contributions and who are at least age 62 at the time that they begin their Early Retirement Pension will no longer be offered on and after January 1, 2010. There will be limited exceptions to this. Any Participant immediately eligible for this benefit (age 62 with at least 120 months) on or before January 1, 2010 retains rights to this provision.

Additionally, the lump sum return of contributions death benefit has been eliminated.

Employer Surcharge

The law requires that all contributing employers pay to the plan a surcharge to help correct the plan's financial situation until such time as their collective bargaining agreements are updated to reflect the contribution increases required by the Rehabilitation Plan. 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.

Where to Get More Information

For more information about this Notice, you may contact:

David Baumann
I.B.T. Local 945 Pension Plan
585 Hamburg Turnpike
Wayne, NJ 07470
Phone: (973) 942-9463

You have a right to receive a copy of the Rehabilitation Plan from the Plan.

DATE SENT: _____