

RETIREMENT PLAN OF BRICKLAYERS LOCAL NO. 1 OF RICHMOND, VIRGINIA

Fund Office: GEMGroup, Administrator, The Constellation Centre One, 6009 Oxon Hill Road, Suite 416, Oxon Hill, MD 20745
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This is to inform you that on September 25, 2015 the plan actuary certified to the U.S. Department of Treasury and the plan sponsor that the plan is in critical and declining status for the plan year beginning July 1, 2015. Federal law requires that you receive this notice.

Critical & Declining Status

The plan is considered to be in critical and declining status because it has funding problems. More specifically, the plan actuary determined that the plan has incurred an accumulated funding deficiency in 2015 and is projected to be insolvent in 2019.

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 7th year the plan has been in critical status. The Trustees of the Fund adopted a rehabilitation plan on October 30, 2008. The rehabilitation period is the thirteen-year period that began July 1, 2010. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. You have been notified that the plan reduced or eliminated adjustable benefits. Effective July 1, 2009, future benefit accruals have been reduced to \$20 per month per year of service and lump-sum payments of values between \$5,000 and \$7,500 have been suspended. Additionally, effective August 1, 2009, early retirement factors have been increased from $\frac{1}{4}$ % to $\frac{1}{2}$ % for each month a participant's retirement precedes age 65. You were also notified separately that you may not receive any 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 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 after July 15, 2009.

Based on reasonable actuarial assumptions and upon exhaustion of all reasonable measures, the Plan cannot reasonably be expected to emerge from critical status by the end of the rehabilitation period. The Trustees have developed the rehabilitation plan consisting of reasonable measures to forestall insolvency.

Adjustable Benefits

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

- Post-retirement death benefits;
- Sixty-month payment guarantees;
- 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);

- Recent benefit increases (i.e, occurring in past 5 years);
- Other similar benefits, rights, or features under the plan {provide identification}

Employer Surcharge

The law requires that all contributing employers pay to the plan a surcharge to help correct the plan'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 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 the Board of Trustees Bricklayers Union Local 1 Pension Fund of Virginia c/o GemGroup Administrators at (301) 839-8800, 6009 Oxon Hill Road – Suite 416, Oxon Hill, MD 20745. You have a right to receive a copy of the rehabilitation plan from the plan.