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VIA EMAIL

July 28, 2017

Jeffrey Stark, Business Representative
District Council No. 9
191 Broadway
Menands, New York 12204

Re: Notice to Participants Regarding Critical Status

Dear Jeff:

We notified the IRS on July 28, 2017 that the plan is now in Critical and Declining Status. To complete the notification requirements, mail the enclosed Notice to the following parties before August 27, 2017. You should also have the Fund Attorney review this notice to ensure it contains all required information for a plan in Critical and Declining Status.

- Active plan participants
- Terminated plan participants who are vested
- Retirees
- Beneficiaries
- Alternate Payees under QDRO's
- Bargaining parties
- US Department of Labor
- Pension Benefit Guaranty Corporation

Bargaining parties – this includes all employers who have an obligation to contribute to the fund, and the union locals representing employees covered by the plan.

Department of Labor - mail to

U.S. Department of Labor,
Employee Benefits Security Administration,
Public Disclosure Room, N-1513,
200 Constitution Ave., NW.,
Washington, DC 20210.



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Alternatively, notices may be e-mailed to criticalstatusnotice@dol.gov.

Pension Benefit Guaranty Corporation - mail to

Multiemployer Program Division,
Pension Benefit Guaranty Corporation,
1200 K Street, NW.,
Washington, DC 20005-4026.

Alternatively, notices may be e-mailed to multiemployerprogram@pbgc.gov.

Please call me at (518)-514-7134 if you have any questions about this notice.

Sincerely,

A handwritten signature in blue ink that reads 'Markella Roma'.

Markella Roma
Actuary

**NOTICE OF CRITICAL STATUS
PURSUANT TO THE PENSION PROTECTION ACT OF 2006
FOR LOCAL UNION NO. 466 PAINTERS, DECORATORS, AND PAPERHANGERS PENSION PLAN**

This is to inform you that on July 28, 2017 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the plan is in critical and declining status for the plan year beginning May 1, 2017. Federal law requires that you receive this notice.

Critical and Declining Status

The plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the plan's actuary determined that the plan has an accumulated funding deficiency for the plan year May 1, 2016 to April 30, 2017 and is projected to be insolvent during the plan year ending April 30, 2021.

Rehabilitation Plan

Federal law requires pension plans in critical status to periodically update their rehabilitation plan aimed at restoring the financial health of the plan. This is the seventh 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. If the trustees of the Plan determine that reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions. Any reduction in 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 the effective date.

Adjustable benefits

The following adjustable benefits have been eliminated as part of the Rehabilitation Plan the plan adopted:

- Disability Benefit
- Ten-year guarantee on monthly benefits.

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 until a rehabilitation plan is adopted.

Where to Get More Information

For more information about this Notice, you may contact the Plan's administrator:

District Council 9 – Local Union 466
191 Broadway
Menands, New York 12204
518-489-5791

You have a right to receive a copy of the rehabilitation plan from the plan.