

NOTICE OF CRITICAL AND DECLINING STATUS
OREGON PROCESSORS SEASONAL EMPLOYEES PENSION PLAN

April 28, 2017

This is to inform you that on March 30, 2017 the Plan actuary certified to the U.S. Department of the Treasury, and also to the Board of Trustees of Oregon Processors Seasonal Employees Pension Plan (the "Board of Trustees"), that the Oregon Processors Seasonal Employees Pension Plan (the "Plan") is in critical and declining status for the plan year beginning January 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 is considered to be in critical and declining status because it is less than 60 percent funded, meets the criteria for critical status and is projected to become insolvent (run out of money to pay benefits) within 20 years. As of January 1, 2017, the Plan is projected to be insolvent in 2030.

If the Plan becomes insolvent, it must apply to the PBGC for financial assistance. The PBGC will loan the Plan the amount necessary to pay benefits at the guaranteed level. Please refer to the annual funding notice for more information regarding PBGC benefit guarantees.

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 eighth year the Plan has been in critical status and the first year the Plan has been in critical and declining status. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. On December 2, 2010, you were notified that the Board of Trustees had decided to reduce or eliminate adjustable benefits.

If the Board of Trustees determines that further Plan 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 reduction of adjustable benefits may apply only to Plan participants and beneficiaries whose benefit commencement date is on or after January 1, 2011. You can get more information about the changes to adjustable benefits by requesting a copy of the Rehabilitation Plan.

A summary of the Rehabilitation Plan can be found in the Plan's Annual Funding Notice.

Employer Surcharge

The law requires that all contributing employers pay a surcharge to the Plan 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. For contributing employers that have not adopted the Rehabilitation Plan, the 10% surcharge continues as long as the Plan is in critical status and until such time as the bargaining parties adopt the Rehabilitation Plan. Contributing employers that have adopted the Rehabilitation Plan do not pay a surcharge. Instead, they pay the supplemental contributions as required by the Rehabilitation Plan schedule that was adopted.

Where to Get More Information

For more information about this Notice of Critical Status, you may contact

Oregon Processors Seasonal Employees Pension Plan
c/o The William C. Earhart Company, Inc.
P.O. Box 4148
Portland, OR 97208
(503) 460-5232
1 (877) 396-1032

You have a right to receive a copy of the Rehabilitation Plan from the Plan by submitting a request to the above address.