

**Notice of Critical and Declining Status
For The
Radio, Television and Recording Arts Pension Fund**

April 29, 2019

This is to inform you that, on March 29, 2019, the plan actuary for the Radio, Television and Recording Arts Pension Fund (“Fund”) certified to the U.S. Department of the Treasury, and also to the Fund’s Board of Trustees, that the Fund is in critical and declining status for the Plan Year beginning January 1, 2019. Federal Law requires that you receive this notice.

Critical and Declining Status

The Fund is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the Fund’s actuary determined that there is a funding deficiency in the current Plan Year. Also, under the Multiemployer Pension Reform Act of 2014, the Fund is considered to be in critical and declining status for the 2019 Plan Year.

Rehabilitation Plan and Possibility of Reduction in Benefits

Federal law requires pension plans in critical status, including those in critical and declining status, to adopt a rehabilitation plan aimed at restoring the financial health of the plan. The law permits pension plans to reduce, or even eliminate, benefits called “adjustable benefits” as part of a rehabilitation plan. The Fund’s Board of Trustees adopted its most recent rehabilitation plan in December 2018. If it is determined that any of your benefits will be reduced under the rehabilitation plan, you will receive a separate notice identifying and explaining the effect of those reductions. Any reductions 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 the date of the initial notice of the Fund’s critical status. But you should know that whether or not the plan reduces adjustable benefits in the future, effective as of the date of the initial notice of Fund’s critical status for the January 1, 2008 Plan Year, the Fund 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, unless the lump sum is less than \$1,000.

Adjustable Benefits

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

- Pre-retirement and Post-retirement death benefits;
- 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”)
- Other similar benefits, rights or feature under the Fund (i.e., a Social Security level income option)

Employer Surcharge

The law requires that all contributing employers pay to the Fund 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 was otherwise required to contribute to the Fund under the applicable collective bargaining agreement in effect when the Fund was first certified as being in critical status. With some exceptions, a 5% surcharge was applicable in the initial critical year (2008) and a 10% surcharge is applicable for each succeeding Plan Year thereafter in which the plan is in critical status until the effective date of a collective bargaining agreement or other agreement with the employer that incorporates a schedule of the rehabilitation plan.

Where to Get More Information

For more information about this Notice, you may contact the Board of Trustees of the Radio, Television and Recording Arts Pension Fund at 1-410-872-9500 or at 7130 Columbia Gateway Drive, Suite A, Columbia, MD 21046. You have a right to receive a copy of the rehabilitation plan from the Fund.