

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

**April 2024**

This is to inform you that on March 29, 2024 the Plan actuary certified to the U.S. Department of the Treasury, and also to the Board of Trustees of the 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, 2024. 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 under the Multiemployer Pension Reform Act of 2014 (the "MPRA") for the plan year beginning January 1, 2024 because as of that date (i) the Plan is less than sixty-five percent (65%) funded, (ii) the Plan meets the criteria for critical status as set forth in Section 432 of the Internal Revenue Code of 1986, as amended (the "Code"), and (iii) the Plan is projected to become insolvent within fifteen (15) years. Insolvent means that the Plan's available assets will not be sufficient to pay benefits to participants when due. As of January 1, 2024, the Plan is projected to become insolvent during the 2032 plan year.

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 Plan's 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 15<sup>th</sup> year the Plan has been in critical status and the eighth year the Plan has been in critical and declining status. The law permits pension plans in critical and declining status 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.

The Board of Trustees review the Rehabilitation Plan annually. 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.

In addition to the benefit changes, the Rehabilitation Plan requires contributing employers to pay supplemental contributions. Such contributions help pay for the Plan's underfunding and do not increase benefits for participants.

You can get more information about the changes to adjustable benefits and supplemental contributions by requesting a copy of the Rehabilitation Plan. A summary of the Rehabilitation Plan can be found in the Plan's Annual Funding Notice.

**Options for Plans in Critical and Declining Status**

The American Rescue Plan Act of 2021 (ARP) was signed into law on March 11, 2021. Under ARP, a plan in critical and declining status may apply to the PBGC for Special Financial Assistance (SFA) funded by the US Treasury.

In addition, under the MPRA, a plan that has been determined to be in critical and declining status and is projected to become insolvent may adopt certain reductions to accrued benefits, subject to various requirements and limitations, if doing so is to prevent insolvency. Generally, in order for the Board of Trustees to adopt a benefit suspension, the suspension must be approved by the Department of the Treasury ("Treasury") in consultation with the Department of Labor and the PBGC, and ratified by a vote of the plan's participants and beneficiaries. MPRA also provides that a plan in critical and declining status that cannot be projected to avoid insolvency by benefit suspension alone, may be eligible to apply to the PBGC for a partition,

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subject to various requirements and limitations, if a partition (in addition to suspension) is projected to prevent insolvency. Under the provisions of the ARP, plans that receive SFA are not eligible to apply for benefit suspensions.

The Board of Trustees elected to apply for SFA at their November 3, 2022 meeting. The Plan is currently on the PBGC's waitlist and has filed a "lock-in application".

**Where to Get More Information**

For more information about this Notice of Critical Status, you may contact the Plan's administrative office:

Oregon Processors Seasonal Employees Pension Plan  
c/o The William C. Earhart Company, Inc.  
12029 NE Glenn Widing Dr.  
Portland, OR 97720  
(503) 460-5232  
(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.

*As required by law, this notice is being provided to all required parties including the PBGC, the U.S. Department of Labor, each Plan Participant and Beneficiary, all labor organizations representing Plan Participants and each employer which is a party to a collective bargaining agreement or other contribution agreement under which the Plan is maintained or which otherwise may be subject to withdrawal liability.*