



Bricklayers Pension and Holiday Trust Funds Metropolitan Area

Notice of Endangered Status For

Pension Plan of Bricklayers Pension Trust Fund Metropolitan Area

This is to inform you that on July 28, 2017 the Plan Actuary certified to the U.S. Department of the Treasury and to the Plan Sponsor that the Plan emerged from critical status and is in endangered status for the plan year beginning May 1, 2017. Federal law requires that you receive this notice. In the future, you will receive an annual update of this status and the progress the Plan is making towards the goals described below.

Endangered Status

The Plan is considered to be in endangered status because it is projected to satisfy both of the following:

1. Funded percentage less than 80% - The Plan's actuary determined that the Plan's funded percentage is 71.7% on May 1, 2017. The "funded percentage" is the fraction of earned benefits that could be funded with existing Fund assets.
2. No projected accumulated funding deficiencies within the current or next 9 plan years – The Plan's actuary projects that, if no further action is taken, the Plan will have an accumulated funding deficiency for the plan year ending April 30, 2030. Note, "accumulated funding deficiency" means that contributions would be insufficient to satisfy Federal requirements, it does not mean that the Fund would become bankrupt or run out of money.

As required by law, the Plan Actuary's certification includes only contribution rate increases that have been codified in collective bargaining or participation agreements.

Funding Improvement Plan

Federal law requires pension plans in endangered and critical status to adopt a funding improvement or rehabilitation plan aimed at restoring the financial health of the Plan. Since this plan became endangered as of May 1, 2009, a funding improvement plan was previously set in place to begin May 1, 2012. The Trustees then adopted a Rehabilitation Plan on August 1, 2016 with a rehabilitation period beginning May 1, 2019. The Trustees subsequently adopted a funding improvement plan on July 28, 2017 with a funding improvement period beginning May 1, 2020. The funding improvement plan requires that the Plan's funded percentage improve at least one-third of the way to 100% over a 10-year period. The target for this Plan under the law is a funded percentage of 81.01% by 2030. The Plan must also meet the Federal minimum funding requirements during the final year of this 10-year period. The funding improvement plan will be designed such that these benchmarks will be met or exceeded.

Future Experience and Possible Adjustments

The funding improvement plan is based on a number of assumptions about future experience and may need to be adjusted in the future if such assumptions are not met. Additional contribution rate increases and/or reductions in the rate at which benefits are earned may be needed if the Fund were to suffer asset returns below the expected 7.5% (in the 2017-18 plan year or later), a drop in the hours worked, or poor experience from other sources. If, at some point in time, the Trustees determine that further adjustments are necessary, you will receive a separate notice identifying and explaining the effect of those changes.

Commitment to Continued Improvement

The Trustees anticipate that the Fund will eventually emerge from endangered status and continue to see improved funded percentages. The Trustees maintain their commitment to providing a retirement benefit on which you can rely to pay a lifetime benefit that will play a significant role in your overall retirement planning.

Where to Get More Information

Since the Plan was certified in the Endangered zone for the Plan Year beginning 2017, the Board of Trustees has submitted the funding improvement plan to the bargaining parties, and the bargaining parties have adopted the funding improvement plan. To receive a copy, you may contact the fund administrator, BeneSys, Inc., at 700 Tower Drive, Suite 300, Troy, MI 48098.

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