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**Notice of Endangered Status For
Plumbers' and Pipefitters' Local 162 Pension Fund
(EIN: 31-6125999 PN: 001)**

Participants, Beneficiaries, Participating Union, and Contributing Employers:

The Pension Protection Act (PPA or Act), signed into law in 2006 and amended by the Multiemployer Pension Reform Act of 2014, is intended to improve the financial condition of pension plans. The Act implemented several safeguards as well as notification requirements to share more information about a plan's "financial health" with participants and others directly interested in the plan.

Starting with the 2008 plan year, the Act requires that the plan be tested annually to determine how well it is funded. The Act established formal benchmarks for measuring a plan's funding. Plans that are in the *Yellow* ("endangered") or *Red* ("critical", or "critical and declining") zones must notify all plan participants, unions, and contributing employers of the plan's status, as well as take corrective action to restore the plan's financial health.

Plan's Status – *Yellow Zone*

As of January 1, 2017, the plan is in endangered status ("*Yellow Zone*"). More specifically, the plan's actuary determined that the plan is not projected to have an accumulated funding deficiency for the current plan year or any of the nine succeeding plan years, taking into account the five-year amortization extension under IRC Section 431(d)(1), is not projected to become insolvent for the current plan year or any of the 30 succeeding plan years, and has a funded percentage less than 80%.

Funding Improvement Plan

As required by the Act, after the Plan was certified as being in endangered status in 2015, the Trustees adopted a funding improvement plan in October 2015 aimed at restoring the financial health of the Plan. The funding improvement plan included no change in the plan of benefits and the same schedule of contribution rate increases the trustees had previously adopted as part of a rehabilitation plan (based on previous critical status). The trustees review the progress of the funding improvement plan each year and make changes as necessary.

What's Next

Since the plan's financial condition generally changes with changes in the economy, the Act requires that the plan's funding status be reviewed and certified annually, which means that you will receive a notice like this each year until the plan is no longer in the *Yellow Zone*.

Where to Get More Information

For more information about this Notice or the plan in general, you may contact the Board of Trustees at 1200 East Second Street, Dayton, Ohio 45403. You have a right to receive a copy of the funding improvement plan.