

CEMENT MASONS' LOCAL 526 COMBINED FUNDS, INC.

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F U N D S

August 16, 2018

Notice of Endangered Status for

Cement Masons Local Union 526 Pension Plan

This is to inform you that on August 15, 2018, the Plan actuary certified to the U.S. Department of the Treasury, and also to the Plan sponsor, that the Plan is in endangered status (yellow zone) for the plan year beginning June 1, 2018. Federal law requires that you receive this notice.

Endangered Status

The Plan is considered to be in endangered status because the Plan's actuary determined that the Plan's funded percentage on June 1, 2018 is less than 80%. The funded percentage on June 1, 2018 is 75.42%.

Funding Improvement Plan and Possibility of Reduction in Benefits

Federal law requires pension plans in endangered status to adopt a funding improvement plan aimed at restoring the financial health of the plan. 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. This can be achieved with benefit reductions, contribution rate increases, or a combination of the two. A funding improvement plan, consisting of contribution rate increases, was adopted on March 14, 2012. Currently, funding goals are projected to be achieved within the prescribed period.

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 Plan were to suffer asset returns below the expected 7.50% in the 2018 plan year or later, a drop in the hours worked, or poor experience from other sources. If at some 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 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

For more information about this Notice, you may contact Cement Masons Local 526 at 2606 California Avenue, Pittsburgh, PA 15212 or by telephone at (412)-761-6166. You have a right to receive a copy of the funding improvement plan.