

April 27, 2018

**Notice of Endangered Status
for
Engineers – A.G.C. Pension Plan of the Inland Empire**

Starting with the 2008 plan year, the Pension Protection Act of 2006 (“PPA”) amended existing federal law to require that the actuary of a multiemployer pension plan certify the plan’s status each year under the PPA’s new funding rules. In addition, if the actuary determines that the plan’s status for the year is Endangered (“Yellow Zone”) or Critical (“Red Zone”), the plan is required to provide a written notice of that status to plan participants, beneficiaries, and bargaining parties.

Plan Status for 2018 Plan Year – Endangered Status (“Yellow Zone”)

This notice is being provided in accordance with the PPA, to inform you that on March 30, 2018, the Plan actuary certified that the Engineers – A.G.C. Pension Plan of the Inland Empire was certified to be in endangered status for the plan year beginning January 1, 2018.

The Plan is considered to be in Endangered Status for the current year because the Plan’s funded percentage is less than 80%. As of January 1, 2018, the funded percentage of the Plan is expected to be 71%. The funded percentage compares the plan’s assets to the present value of accumulated benefits.

Funding Improvement Plan

The PPA requires that pension plans in Endangered Status adopt a Funding Improvement Plan that must meet certain benchmarks for improving the Plan’s financial condition over a period of years. The Plan was in Critical Status in 2016, and the Board of Trustees and the bargaining parties adopted a Rehabilitation Plan aimed at restoring the financial health of the Plan. The schedules provided for increased contributions as well as certain benefit reductions. Due to the increased contributions and benefit reductions included in these schedules, the Plan’s status improved from Critical to Endangered in 2017.

The benefit reductions made as part of the Rehabilitation Plan remain in place and the contribution increases negotiated as part of the Rehabilitation Plan now constitute the Funding Improvement Plan.

No additional benefit changes are being made at this time or in connection with this notice. If the Board of Trustees determines that additional benefit reductions are necessary, you will receive a separate notice identifying and explaining the effect of those reductions.

Where to Get More Information

For more information about this Notice, you may contact Engineers - A.G.C. Retirement Trust Fund of the Inland Empire c/o Zenith American Solutions at 111 W. Cataldo, Suite 220, Spokane, Washington 99201 or at (509) 534-5625.