

NOTICE OF ENDANGERED STATUS
for the
LABORERS' DISTRICT COUNCIL PENSION & DISABILITY TRUST FUND NO. 2

To: All Participants, Beneficiaries, Participating Unions, and Contributing Employers
From: Board of Trustees
Date: April 29, 2019

Under the Pension Protection Act of 2006 (“PPA”) and the Multiemployer Pension Reform Act of 2014 (“MPRA”), the actuary of the Laborers’ District Council Pension and Disability Trust Fund No. 2 (the “Fund”) is required to certify to the Board of Trustees and the United States Department of the Treasury the Fund’s status within 90 days from the beginning of the plan year. Federal law requires that you receive this notice.

Endangered Status

On March 29, 2019, the Fund’s actuary determined and certified that the Fund is in “endangered” status. The Fund is considered to be in endangered status because it has funding problems. More specifically, the Fund’s actuary determined that the Fund’s funded percentage for the 2019 plan year is less than 80%, but is not projected to have an accumulated funding deficiency within 7 years. **Please note the Plan is not considered to be in critical status for the 2019 plan year (this status indicates a more serious funding and/or liquidity problem).**

Funding Improvement Plan

Given the Fund’s status, PPA and MPRA required the Fund to adopt a “Funding Improvement Plan” (“FIP”) within 240 days of the 2010 certification. The FIP is a plan, to be proposed to the bargaining parties, which, based on experience and under reasonable actuarial assumptions, is designed to significantly increase the Fund’s funding percentage and to avoid any accumulated funding deficiency. The Fund adopted a FIP on November 12, 2010 based on the “seriously endangered” status as of January 1, 2010, and the 15-year Funding Improvement Period began January 1, 2013. The FIP will be reviewed each year, and if any changes are necessary they will be communicated to you. **No benefits already earned will be reduced or eliminated as part of the FIP.**

While the “endangered” label is required by law, **the Fund is making all benefit payments and is expected to do so in the future.** The Trustees are confident that with appropriate adjustments, the Fund will continue to provide participants and their families with secure retirement benefits while satisfying PPA and MPRA benchmarks.

Where To Get More Information

For more information about this Notice, you may contact the Fund’s administrator in writing at: R. René Parenti, Plan Administrator, Laborers’ District Council Pension & Disability Trust Fund No. 2, 7130 Columbia Gateway Drive, Suite A, Columbia, MD 21046. You have a right to receive a copy of the FIP from the Fund.