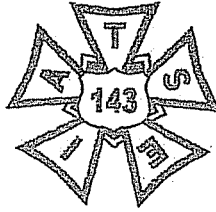


Local 143 Pension Fund  
St. Louis Convention & Visitors Commission  
Member 2008

International Alliance of Theatrical  
Stage Employees, Moving Picture  
Technicians, Artists, and Allied Crafts  
of the United States and Canada



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Affiliated with AFL-CIO, CLC

St. Louis Motion Picture Projectionists, Audio Visual Engineers & Computer Technicians

**Notice of Critical and Declining Status for the Pension Trust Fund  
Agreement of St. Louis Motion Picture Machine Operators**

This is to inform you that on November 17, 2016 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the Plan is in critical and declining status for the Plan Year beginning September 1, 2016. Federal law requires that you receive this notice.

**Critical and Declining Status**

The Plan is considered to be in critical and declining status because it has funding or liquidity problems, or both. More specifically, the Plan's actuary determined that the Plan has an accumulated funding deficiency and the Plan is expected to become insolvent in the Plan Year ending in 2031.

**Rehabilitation Plan and Possibility of Reduction in Benefits**

Federal law requires pension plans in critical and declining status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. A rehabilitation plan may involve reductions to future benefit accruals, increases to contribution rates, or both. The law also permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan (see below).

This Plan was in critical status for seven years and has been in critical and declining status since September 1, 2015. The Trustees adopted a rehabilitation plan in 2009 ("2009 Rehabilitation Plan") and an updated rehabilitation plan in 2016 ("2016 Rehabilitation Plan") under which employer contribution rates were increased and certain benefits were reduced. The 2016 Rehabilitation Plan may be further updated from year to year, and such updated plans may include increased employer contribution rates and/or changes to the benefits you earn in the future, including reductions in future benefit accruals.

You previously received notices of changes in benefits made by the Trustees in conjunction with the 2016 Rehabilitation Plan. If the Trustees determine that further benefit reductions are necessary, you will receive a separate notice identifying and explain the effect of such reductions. But you should know that whether or not the Plan further reduces benefits, the Plan is not permitted to pay any lump sum benefits in excess of \$5,000 (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical and declining status.

## **Adjustable Benefits**

The Plan offers the following adjustable benefit which may be reduced or eliminated as part of any updated Rehabilitation Plan:

- Early retirement benefit or retirement-type subsidy

## **Employer Surcharge**

The law requires that all contributing employers pay to the Plan a surcharge to help correct the plan's financial situation. The amount of the surcharge is equal to a percentage of the amount an employer is otherwise required to contribute to the Plan under the applicable collective bargaining agreement. With some exceptions, a 5% surcharge is applicable in the initial critical year. A 10% surcharge is applicable for each succeeding plan year thereafter in which the plan is in critical status. This surcharge does not apply to employers once a collective bargaining agreement that is consistent with the then current rehabilitation plan is adopted.

## **Multiemployer Pension Reform Act of 2014 (MPRA) and the Plan**

The Multiemployer Pension Reform Act of 2014 (MPRA) contains certain tools that plan sponsors of multiemployer pension plans may utilize to attempt to improve the funding and liquidity problems facing their plans. These tools include mergers, partitions and benefit suspensions. If the Trustees of the Plan determine that it is in the best interest of the Plan and the Plan's participants and beneficiaries to utilize one of the statutory tools available pursuant to MPRA, you will receive a separate notice in the future identifying and explaining the effect of these provisions.

## **Where to Get More Information**

For more information about this Notice, you may contact Gordon Hayman at 314-351-5600 and at St. Louis Motion Picture Projectionists, Audio Visual Engineers and Computer Technicians, 5214 Chippewa Street, St. Louis, MO 63109. You have a right to receive a copy of the Rehabilitation Plan from the Plan.

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