



Warehouse Employees Union Local No. 730 Pension Trust Fund

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (800) 730-2241
www.associated-admin.com

4301 Garden City Drive, Suite 201
Landover, Maryland 20785-6102
Telephone: (800) 730-2241
www.associated-admin.com

April 2016

Notice of Critical and Declining Status For Warehouse Employees Union Local No. 730 Pension Trust Fund

This is to inform you that on March 30, 2016 the plan actuary certified to the U.S. Department of the Treasury, and also to the Fund's Board of Trustees, that the plan is in critical and declining status for the plan year beginning January 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's funded percentage is less than 65%. In addition, the plan is projected to become insolvent and require financial assistance from the Pension Benefit Guaranty Corporation (PBGC) by the year 2030. Insolvent means that the plan's available resources are not sufficient to pay benefits under the plan during the plan year for which they are due. Critical and declining status was introduced by the Multiemployer Pension Reform Act of 2014.

Rehabilitation Plan

Federal law requires pension plans in critical status to adopt a "Rehabilitation Plan" aimed at restoring the financial health of the plan. This is the eighth year the plan has been in critical status and the second year it has been in critical and declining status. The Trustees adopted a revised Rehabilitation Plan ("RP") on March 19, 2015. The RP described the actions to be taken by the Plan's Trustees, and the benefit and contribution changes to be bargained by the bargaining parties, to forestall insolvency.

The Fund is required to update the RP annually. If the Trustees determine that modifications are necessary, they will revise the RP and the benefit and contribution schedules recommended under it. However, a schedule of contribution rates provided by the Trustees and relied upon by the bargaining parties in negotiating a collective bargaining agreement will remain in effect for the duration of that agreement, and benefits earned for the service performed under each bargaining agreement will be determined based on the schedule applicable to that agreement at the time the service is performed.

The Rehabilitation Plan period began on January 1, 2012. The Rehabilitation Plan is reviewed annually and updated as needed.

What Does This Mean For Me?

Plans in critical and declining status may under certain circumstances apply to the Secretary of the Treasury for approval of a suspension of benefits in the future if certain conditions are satisfied and subject to certain limitations. Among other things, only limited reductions may be made to beneficiaries between the ages of 75 and 80, and no reductions may be made for disability pensioners and beneficiaries who are age 80 or older. Any suspension of accrued benefits may not reduce the level of a participant's benefit to less than 110% of the PBGC benefit guarantee level.

At this time there is no proposal to suspend benefits. If the Trustees determine that it is in the best interest of the Plan and its participants and beneficiaries to suspend accrued benefits, you will receive a separate notice in the future explaining the effect of those reductions on your pension benefit.

Where to Get More Information

For more information about this Notice, you may contact Warehouse Employees Union Local No. 730 Pension Trust Fund at 800-730-2241 or 911 Ridgebrook Road, Sparks, Maryland 21152. You have a right to receive a copy of the rehabilitation plan from the plan.