

**YOU ARE RECEIVING THE ENCLOSED NOTICE AS REQUIRED BY LAW.
THIS NOTICE IS FOR INFORMATIONAL PURPOSES ONLY AND YOU ARE
NOT REQUIRED TO DO ANYTHING.**

**Notice of Critical and Declining Status
For
Local 917 Pension Fund**

February 2020

This is to inform you that on January 29, 2020 the actuary of the Local 917 Pension Fund (hereinafter, the "Plan") 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 November 1, 2019. Federal law requires that you receive this notice.

What is Critical and Declining Status?

The Plan is considered to be in critical and declining status because the plan's actuary determined that the Plan has a minimum funding deficiency for the plan year beginning November 1, 2019 and is projected to become insolvent within 10 years.

Rehabilitation Plan and Possibility of Reduction in Benefits

Federal law requires that pension plans in critical status adopt a plan aimed at restoring the financial health of the plan. This is commonly known as a rehabilitation plan. The law permits pension plans in critical status to reduce, or even eliminate, benefits called "adjustable benefits" as part of the rehabilitation plan. As the Trustees of the Plan determined that benefit reductions were necessary, you should have received a separate notice in the past identifying and explaining the effect of those reductions. Any reduction of adjustable benefits (other than a repeal of a benefit increase made in the prior five years) will not reduce the level of a participant's basic benefit payable at Normal Retirement. In addition, the reductions only apply to participants and beneficiaries whose benefit commencement date is on or after May 1, 2012 and who were terminated vested participants before commencing benefits. You were also advised that effective February 28, 2012, the plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical status. If the Trustees of the Plan determine that further benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions.

Adjustable Benefits

The Plan offers the following adjustable benefits which may be reduced or eliminated as part of any future rehabilitation plan that the Plan may adopt:

- Sixty-month payment guarantees;
- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidy;
- Eighteen month payment guarantees;
- Other similar benefits, rights, or features under the plan.

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 first year when a Plan is certified critical and a 10% surcharge is applicable for each succeeding plan year thereafter in which the Plan is in critical status until a collective bargaining agreement that includes terms consistent with a rehabilitation plan is adopted.

Where to Get More Information

For more information about this Notice, you may contact Joann Emmons at 516-326-3371 or at 22 N. Tyson Avenue, 1st Floor, Floral Park, New York, 11001. You have a right to receive a copy of the rehabilitation plan from the plan sponsor.

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EQUITY/PUBLIC DISCLOSURE