

THE SDC-LEAGUE PENSION FUND

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Notice of Endangered Status For SDC-League Pension Fund

This notice is to inform you that on November 27, 2019, the actuary for the SDC-League Pension Fund (the “Plan”) certified to the U.S. Department of the Treasury, and also to the Trustees, that the Plan is in “Endangered Status” for the plan year beginning September 1, 2019 (the “Plan Year”). Federal law requires that you receive this Notice.

Endangered Status

The Plan is considered to be in “Endangered Status” because the Plan’s actuary determined that the Plan is less than 80% funded. The Plan’s Funded Percentage for certification purposes is 73.9%.

Funding Improvement Plan and Possibility of Reduction in Benefits

Federal law requires pension plans in Endangered Status to adopt a Funding Improvement Plan aimed at restoring the financial health of the Plan. The Trustees adopted a Funding Improvement Plan effective July 19, 2011. The Funding Improvement Plan has been reviewed by the Trustees each year and updated as needed. The most recent update was adopted on July 20, 2016.

The Funding Improvement Plan adopted by the Trustees does not contemplate that any further benefit cuts would be necessary at this time. However, the law permits pension plans to reduce, or even eliminate, benefits called “non-protected benefits” as part of a Funding Improvement Plan. If the Trustees of the Plan determine that benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions. Any Plan amendment reducing non-protected benefits will not reduce the level of a participant’s benefits accrued before the date of the amendment.

Non-Protected Benefits

While no further reductions in benefits are contemplated at this time, the Plan has the following non-protected benefits that may be reduced or eliminated as part of any Funding Improvement Plan the Trustees may adopt:

- Future Accrual Rates
- Disability Pensions for participants who are not yet disabled
- Pre and Post-Retirement Lump-Sum Death Benefits

Where to Get More Information

For more information about this notice, you may contact the SDC-League Pension Fund, c/o Zenith American Solutions, Inc., 140 Sylvan Avenue, Suite 303, Englewood Cliffs, NJ 07632; telephone number: (201) 947-8000. You have a right to receive a copy of the Funding Improvement Plan upon written request.