

**Notice of Critical Status For**  
**Upstate New York Engineers Pension Fund**

EIN: 15-0614642  
Plan Number: 001  
July 23, 2021

This is to inform you that on June 29, 2021 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the plan is in critical status for the plan year beginning April 1, 2021. Federal law requires that you receive this notice.

**Critical Status**

The plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the plan's actuary determined that the plan was in critical status last year and, the plan is projected to have an accumulated funding deficiency over the next 9 years.

**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 13th year the plan has been in critical status. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. On July 1, 2010 and in June 2019, you were notified that the plan reduced or eliminated adjustable benefits. In January 2010, you were notified that 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. Any reduction of adjustable benefits will not reduce the level of a participant's basic benefit payable at normal retirement. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement is at least 30 days after the separate notice.

**Adjustable Benefits**

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

- Post-retirement death benefits;
- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidy;
- Benefit payment options other than a qualified joint-and survivor annuity (QJSA);

**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 and a 10% surcharge is applicable for each succeeding plan year thereafter in which the plan is in critical status.

**Where to Get More Information**

For more information about this Notice, you may contact Deborah Spaulding at (315) 492-1796, 101 Intrepid Lane, Syracuse, NY 13205. You have a right to receive a copy of the rehabilitation plan from the plan.