

**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 19, 2015 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, 2015. 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 2028.

**Rehabilitation Plan**

Federal law requires pension plans in critical and declining status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. This Plan has been in critical status for eight years. The Plan Trustees adopted a Rehabilitation Plan on August 4, 2009 under which employer contribution rates were increased. The Trustees modified the Rehabilitation Plan for the plan year beginning August 1, 2011 to further increase employer contributions to the Plan.

The law permits pension plans in critical and declining status to reduce benefits. If the Trustees of the Plan determine that benefit reductions are necessary, you will receive a separate notice in the future identifying and explain the effect of such reductions.

**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 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.