

***Notice of Critical and Declining Status***  
***For***  
***Milk Industry Office Employees' Pension Plan***

This is to inform you that on September 28, 2018 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 July 1, 2018. 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 for the current plan year and has insufficient assets to pay for benefits without PBGC assistance.

**Rehabilitation Plan and Reduction in Future Benefits**

In accordance with Federal law, this plan has adopted a rehabilitation plan aimed at restoring the financial health of the plan. After a review of the progress of the Rehabilitation Plan in place, the actuary has informed the Trustees that based on the current actuarial projections, the plan will not be able to avoid becoming insolvent within the next 14 years. The Trustees have taken significant steps to try and forestall insolvency, including freezing benefits and increasing employer contributions. The fund has also experienced the withdrawal of a substantial employer.

As of January 1, 2017, the Plan became insolvent and applied for and received Financial Assistance from the Pension Benefit Guaranty Corporation (PBGC). As a result, the monthly benefits being paid to current retirees have been reduced to the maximum benefits guaranteed by the PBGC. It is expected that the plan will continue to receive financial assistance from the PBGC and that benefits paid to future retirees will also be reduced to the maximum benefits guaranteed by the PBGC.

**Rehabilitation Plan and Elimination of Adjustable Benefits**

The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. The Rehabilitation Plan adopted in May, 2009 eliminated the adjustable benefits in the Plan. The elimination of the adjustable benefits 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 October 27, 2009. On or after that date, 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 and declining status.

The following adjustable Benefits were eliminated under the Rehabilitation Plan:

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

As of January 1, 2017, the Plan became insolvent and applied for and is receiving assistance from the PBGC. Therefore, in addition to any reduction or elimination of benefits under the Rehabilitation Plan, benefits have already been reduced to the PBGC guaranteed benefit levels, as communicated to you in earlier notices from the Plan.

### **Where to Get More Information**

For more information about this Notice, you may contact the Trustees of the Milk Industry Office Employees Pension Plan at 265 W. 14th Street #902, New York, N.Y. 10011, telephone 212-528-1998. You have a right to receive a copy of the rehabilitation plan from the plan.