

Notice of Endangered Status as of October 1, 2018
for
I.B.E.W. Local 1579 Pension Plan

This is to inform you that on December 17, 2018, the actuary for the I.B.E.W. Local 1579 Pension Plan (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 October 1, 2018.

Federal law requires that you receive this notice. The certification of Plan status and this notice are requirements under the Pension Protection Act of 2006 (the "PPA") for multiemployer pension plans for plan years beginning in 2008. This notice is intended to meet the disclosure requirements of the PPA and to inform you of the status of the above mentioned Plan.

In general, PPA defines four levels of concern for multiemployer pension plans: #1) Endangered; #2) Seriously Endangered; #3) Critical; or #4) Critical and Declining. The severity or potential severity of concern for plan participants increases from #1 to #4. Plans that do not meet any of these four levels of concern must still report to the Department of the Treasury, but these plans are not considered to be a significant risk and are therefore not required to provide the notice information contained herein.

Endangered Status

The Plan is considered to be in endangered status because it has funding or liquidity problems, or both. More specifically, the Plan's actuary determined that the projected funded percentage is approximately 79.9% and that over the next seven plan years, the Plan is not projected to have an accumulated funding deficiency. A funding deficiency occurs when contributions made to a plan are less than the minimum required amount determined under current law. In determining this, the Plan's actuary has utilized the current demographic and financial information to project both assets and liabilities, based on the benefits and contributions that are reasonably expected to occur during the period and assuming that the Plan's assets return 7.00% per year.

Due to the Plan having been certified in seriously endangered status for the plan year beginning October 1, 2016, the Trustees implemented a "Funding Improvement Plan", which is explained further below.

Funding Improvement Plan

Federal law requires multiemployer pension plans in endangered status to adopt a Funding Improvement Plan aimed at restoring the financial health of the Plan. The law requires that the Trustees adopt a Funding Improvement Plan identifying options that will be proposed to the union and employers which will help to improve the funded position of the Plan. The Trustees adopted a Funding Improvement Plan on August 11, 2017. As part of the Funding Improvement Plan certain adjustable benefits were changed including the lump sum cash option and disability benefits. Specifically, the lump sum cash option will be frozen at the September 30, 2017 level and disability benefits will no longer be available for disabilities occurring after

September 30, 2017. Additionally, there will be three \$0.50 increases in non-benefit bearing contributions effective as of October 1st of 2017, 2018, and 2019.

From the time the Plan's actuary has certified that the Plan is in endangered status, the Plan cannot accept a bargaining agreement which provides for: (a) a reduction in future contribution rates; (b) a suspension of contributions; (c) exclusion of new hires; or (d) benefit improvements. Additionally, once the Funding Improvement Plan has been adopted, the Plan may not be amended so as to increase benefits, unless the Plan actuary certifies that the benefit increases are consistent with the Funding Improvement Plan and can be paid for out of contributions not required by the Funding Improvement Plan.

If a contributing employer fails to timely pay contributions to the Plan in accordance with the Funding Improvement Plan, then the employer will be liable for the contributions, along with interest and liquidated damages under Employee Retirement Income Security Act of 1974. In addition, the employer and its control group may be liable for an excise tax equal to the amount of the delinquent contributions.

Where to Get More Information

For more information about this notice, you may contact:

Board of Trustees of I.B.E.W. Local 1579 Pension Fund
c/o National Employee Benefits Administrators, Inc.
8657 Baypine Road, Building 5 – Suite 200
Jacksonville, FL 32256
1-888-396-5899

You have the right to receive a copy of the Funding Improvement Plan from the Plan. Additional inquiries may be directed to the Department of Labor, Division of Technical Assistance & Inquiries, Employee Benefits Security Administration, U.S. Dep't. of Labor, Washington, DC 20210.