

**Gastronomical Workers Union Local 610
and Metropolitan Hotel Association
Pension Fund**

911 Ridgebrook Road
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September 25, 2015

**NOTICE OF CRITICAL STATUS
FOR
THE GASTRONOMICAL WORKERS UNION LOCAL 610 AND
METROPOLITAN HOTEL ASSOCIATION PENSION FUND**

The purpose of this Notice is to inform you that, on August 28, 2015, the actuary of the Gastronomical Workers Union Local 610 and Metropolitan Hotel Association Pension Fund ("Fund") certified to the U.S. Department of the Treasury, and also to the Board of Trustees of the Fund, that the Fund is in critical status for the Plan Year beginning June 1, 2015. Federal law requires that you receive this Notice.

The Fund is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the Fund's actuary determined that the Fund has a projected accumulated funding deficiency for the current plan year, which began June 1, 2015.

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 eighth year the Fund 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 September 26, 2008, you were notified that as of September 26, 2008, the Fund 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 Fund 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 date is on or after September 26, 2008.

Adjustable Benefits

The Fund offers the following adjustable benefits which may be reduced or eliminated as part of any update to the Rehabilitation Plan the Fund may adopt:

- Sixty-month payment guarantees;
- Disability benefits (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 Fund a surcharge to help correct the Fund'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 Fund under the applicable collective bargaining agreement. With some exceptions, a 5% surcharge was applicable in the initial critical year and a 10% surcharge is applicable for each succeeding Plan Year thereafter in which the Fund is in critical status until the employer agrees to a collective bargaining agreement that implements the Rehabilitation Plan.

Where to Get More Information

For more information about this Notice, you may contact the Fund Office at 911 Ridgebrook Road, Sparks, MD, 21152, (866) 424-5610. You have a right to receive a copy of the Rehabilitation Plan and the First, Second, and Third Updates to the Rehabilitation Plan from the Fund.

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