

**YOU ARE RECEIVING THE ENCLOSED NOTICE AS REQUIRED BY LAW.
THIS NOTICE IS FOR INFORMATIONAL PURPOSES ONLY AND YOU ARE
NOT REQUIRED TO DO ANYTHING.**

**Notice of Critical Status
For
Local 917 Pension Fund**

February 2024

This is to inform you that on January 29, 2023, the actuary of the Local 917 Pension Fund (hereinafter, the "Plan") 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 November 1, 2023. Federal law requires that you receive this notice.

What is Critical Status?

The Plan is considered to be in critical status because the plan received SFA under Section 4262 of ERISA, and therefore shall be deemed to be in critical status for plan years beginning with the plan year in which the effective date for such assistance occurs and ending with the last plan year ending in 2051.

Rehabilitation Plan and Possibility of Reduction in Benefits

Federal law requires that pension plans in critical status adopt a plan aimed at restoring the financial health of the plan. This is commonly known as a rehabilitation plan. The law permits pension plans in critical status to reduce, or even eliminate, benefits called "adjustable benefits" as part of the rehabilitation plan. As the Trustees of the Plan determined that benefit reductions were necessary, you should have received a separate notice in the past identifying and explaining the effect of those reductions. Any reduction of adjustable benefits (other than a repeal of a benefit increase made in the prior five years) 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 May 1, 2012 and who were terminated vested participants before commencing benefits. You were also advised that effective February 28, 2012, 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. You may obtain a copy of the Plan's rehabilitation plan and the actuarial and financial data that demonstrate any action taken by the plan toward fiscal improvement by contacting the plan administrator.

Adjustable Benefits

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

- Sixty-month payment guarantees;
- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidy;
- Eighteen month payment guarantees;
- Other similar benefits, rights, or features under the plan.

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 first year when a Plan is certified critical and a 10% surcharge is applicable for each succeeding plan year thereafter in which the Plan is in critical status until a collective bargaining agreement that includes terms consistent with a rehabilitation plan is adopted.

Where to Get More Information

For more information about this Notice, you may contact Ana Tang at 516-326-3371 or at 22 N. Tyson Avenue, 1st Floor, Floral Park, New York, 11001. You have a right to receive a copy of the rehabilitation plan from the plan sponsor.