

NOTICE OF ENDANGERED STATUS

FOR

LOCAL 808 PENSION PLAN

This is to inform you that on December 28, 2022, the actuary for the Local 808 Pension Plan certified to the U.S. Department of the Treasury and to us, as the Plan's Trustees, that the Plan is in endangered status, otherwise known as the "yellow zone", for the plan year beginning October 1, 2022. Federal law requires that all participants and beneficiaries, as well as the bargaining parties, receive this notice. Copies are also being sent to the federal government.

Endangered Status or Yellow Zone

The Plan is considered to be in endangered status because it has a funding problem due to investment losses in the plan year ended September 30, 2022. Specifically, based on current projections, the actuary determined that the Plan will have an accumulated funding deficiency in the plan year beginning October 1, 2028, even though it is currently 103.6% funded. Note that the funding deficiency does not mean that the Plan will run out of money or become insolvent, in more technical terms. Rather it means that the anticipated contributions are insufficient according to the statutory minimum funding rules.

Funding Improvement Plan

The Pension Protection Act of 2006 ("PPA") requires that trustees of pension plans in endangered status adopt a "Funding Improvement Plan" ("FIP"). The FIP is an action plan aimed at restoring the Plan to financial health, improving the balance of assets and liabilities and, specifically, improving the funded status of the Plan by one-third and avoiding any accumulated funding deficiencies for the last year in the funding improvement period.

The FIP will include schedules of contribution rate increases and benefit reductions or a combination of the two that can be bargained by the bargaining parties upon the expiration of the current collective bargaining agreements (CBAs). You will be notified of any reductions in benefit rates and any reductions will not affect benefits you have already earned.

If you are already in pay status, your benefits will not be affected. In fact, the FIP will not apply to you unless you retire or terminate covered employment after the Union and your employer have agreed upon one of the schedules adopted by the Trustees.

The Board of Trustees hope that the Plan's endangered status is temporary, but there are several variables beyond our control that our advisors will monitor annually, including investment market volatility and changes in employment levels. While we understand that required notices like this can create anxiety and concern about the Plan's future, we remain confident that the Plan will continue to provide its participants and their families with retirement benefits that are secure and sufficiently funded under the law.

Where to Get More Information

The law mandates an annual review and certification of the Plan's funded status. If the Plan continues to be in endangered status, notices like this one will be sent to you each year. In addition, the Trustees must review and update the FIP each year after its initial adoption. You will have a right to receive a copy of the FIP and any updates from the Plan Administrator, once the FIP is adopted.

For more information about this Notice or the Plan, you may contact the Plan Administrator in writing at the Fund Office, 5-28 51st Avenue, Long Island City, NY, 11101 or call the Fund Office at 718-389-1900.

The Plan will send you a copy of the Funding Improvement Plan upon written request.