

**NOTICE OF CRITICAL STATUS FOR 2015
FOR THE
LOCAL 840 PENSION FUND**

This is to inform you that on March 31, 2015 the actuary for the Local 840 Pension Fund certified to the U.S. Department of the Treasury, and also to the Fund's sponsor, that the Fund is in critical status for its year beginning January 1, 2015. Federal law requires that you receive this notice.

Critical Status: The Fund is considered to be in critical status because it has funding problems. Specifically, the Fund is projected to have a funding deficiency within the nine years succeeding the current plan year.

Rehabilitation Plan and Changes To Benefits: Federal law requires each pension fund in critical status to adopt a rehabilitation plan aimed at restoring its financial health. As a result, the Trustees adopted a rehabilitation plan on November 25, 2008. The Rehabilitation Plan was updated in 2010. (You have a right to receive a copy of the Rehabilitation Plan on request.) The benefit formula and payment options were changed effective April 1, 2009 and you were notified of this in March 2009. The law permits a pension fund in critical status to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. The law also prohibits the Fund from making payments in excess of the monthly amount paid as a single life annuity while it is in critical status. This means that the Fund could no longer pay benefits in a lump sum and can no longer provide the post-retirement death benefit. If the trustees of the Local 840 Pension 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 change in benefits will not reduce the participant's basic accrued benefit payable at normal retirement.

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. A 5% surcharge was applicable in the initial critical year (2008), starting with contributions due for May 2008. A 10% surcharge is applicable for each succeeding calendar year thereafter in which the Fund is in critical status. As a result, starting January 2009, the contributing employers are paying a 10% surcharge which will remain in effect until they adopt collective bargaining agreements that are consistent with the Rehabilitation Plan.

Where to Get More Information: For more information about this Notice, you may contact:

Board of Trustees
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