

HOLLOW METAL TRUST FUND HOLLOW METAL PENSION FUND

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Notice of Critical Status For Hollow Metal Pension Plan

This is to inform you that on March 31, 2019 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, the Board of Trustees, that the Hollow Metal Pension Plan (the "Plan") is in endangered status for the plan year beginning January 1, 2019. However, as permitted under the law, because the Plan is projected to be in critical status within the next five plan years, on April 26, 2019, the Board of Trustees elected for the Plan to be in critical status for the current plan year beginning January 1, 2019. By doing so, the Board of Trustees may take certain actions that help improve the Plan's funded status that are not otherwise permitted. Federal law requires that you receive this notice.

Critical Status

The Plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the Plan's actuary determined that over the next six plan years, the Plan is projected to have an accumulated funding deficiency and would likely be certified in critical status within two years. Therefore, the Trustees elected to be in critical status under the Multi-employer Pension Reform Act of 2014 to try to start fixing the problems now.

Rehabilitation Plan and Possibility of Reduction in Benefits

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. If the trustees of the Plan determine that 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 (other than a repeal of a recent benefit increase, as described below) 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 April 26, 2019. But you should know that whether or not the Plan reduces adjustable benefits in the future, effective as of March 31, 2019, 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.

Adjustable Benefits

The Plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan adopted by the Board of Trustees:

- Post-retirement death benefits;

- Sixty-month payment guarantees;
- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidy;
- Benefit payment options other than a qualified joint-and survivor annuity (QJSA);
- Recent benefit increases (i.e., occurring in past 5 years);
- 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 initial critical year and a 10% surcharge is applicable for each succeeding plan year thereafter in which the Plan is in critical status.

Where to Get More Information

For more information about this Notice, you may contact the Fund Office at (212) 366-7881, 395 Hudson Street, 9th Floor, New York, NY 10014. You have a right to receive a copy of the rehabilitation plan from the Plan once it is finalized which will happen by the end of November of 2019. For identification purposes, the official plan number is 001 and the employer identification number or "EIN" is 11-2758544.