

Notice of Critical and Declining Status
for
Bricklayers and Allied Craftworkers Local 5 New York Pension Plan
EIN: 14-6016608 / PN: 001

This is to inform you that on March 31, 2015, the plan actuary certified to the U.S. Department of the Treasury, and also to the Plan sponsor, that the Plan is in Critical and Declining status for the Plan year beginning January 1, 2015. Federal law requires that you receive this notice.

Critical and Declining Status

The Plan is considered to be in Critical and Declining status because it has funding or liquidity problems, or both. More specifically, the Plan's actuary determined that the Plan has not passed the "Emergence Test", meaning that the Plan was in Critical status last year, is in critical status this year and is projected to become insolvent (that is, to lack sufficient assets to pay benefits) within the next 19 years, and the inactive to active participant ratio is in excess of 2 to 1. Currently, the Plan is expected to become insolvent and require financial assistance from the PBGC by the year 2024.

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 5th year the Plan has been in critical status. While the law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a Rehabilitation Plan, the Trustees have been very selective in doing so. Effective January 1, 2010, the unreduced Early Retirement at age 62 with 5 years of Vesting Service was dropped from the Plan and replaced with an unreduced Early Retirement at age 62 with 20 years of Pension Service, with no limitation on Service earned in a Plan Year. In addition to contribution rate increases, you have been periodically notified that the pension plan was amended for the following changes:

- Effective April 23, 2010, 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.
- Effective January 1, 2010, the accrual rate was reduced to \$50 from \$75 or to \$37.50 from \$50 depending on your date of hire.
- Effective January 1, 2010, Pension Service is credited for each 1,000 hours worked with 1/10th of a year for each 100 hours worked but if at least 200 hours are earned in a Plan Year.
- On November 15, 2011, you were notified that benefits accrued under the Plan would be frozen as of December 31, 2011.
- Effective March 21, 2013, the following benefits for participants not yet in pay status as of March 21, 2013 will be suspended until further notice:
 - Early Retirement
 - Disability
 - The Pop-Up feature on the Joint & Survivor Benefits
 - Return of Contributions Death Benefit

Further, because the Plan is in Critical and Declining status, accrued benefits and benefits that are in pay status may be reduced, subject to the following restrictions and to the approval of governmental agencies and Plan participants, as indicated on the prior page:

- Benefits may be not be reduced for
 - Participants age 80 or older
 - Participants who are disabled
- Reductions are limited for participants between age 75 and 80, pro-rated for each month a participant is less than 80 years old
- Benefits may not be reduced below 110% of the PBGC maximum benefit guarantee of 100% of the first \$11 plus 75% of the next \$33 per year of service, or \$39.33 per year of service

Employer Surcharge

The law requires that all contributing employers pay to the plan a surcharge to help correct the plan's financial situation until such time as their collective bargaining agreements are updated to reflect the contribution increases required by the Rehabilitation Plan. 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:

Albert Alimena
Dickinson Group, LLC
50 Charles Lindbergh Blvd, Ste 207
Uniondale, NY 11553
Phone (516) 740-5300

You have a right to receive a copy of the Rehabilitation Plan from the Plan.

Date sent: _____