Notice of Endangered Status
as of January 1, 2015
for
U.F.C.W. Local 1500 Pension Plan
EIN: 23-7176372 / PN: 001

TO: All Participants, Beneficiaries, Participating Unions and Contributing Employers

The Pension Protection Act of 2006 ("PPA") added new requirements for measuring the financial health of multiemployer defined benefit pension plans, such as the Local 1500 Pension Plan. The PPA requires that a pension plan's actuary determine the plan's funding status under these new rules and certify that status to the Internal Revenue Service and plan's board of trustees. If the actuary certifies that the plan's status is endangered ("yellow zone"), critical ("red zone"), or critical and declining ("deep red zone"), the Board of Trustees must notify the plan's participants, the contributing employers, the U.S. Department of Labor and the Pension Benefit Guaranty Corporation, in writing, of this certification and take action to improve the plan's funding status.

Yellow Zone Status

On February 24, 2015, the Local 1500 Pension Plan's actuary certified that the Plan is in the yellow zone for the Plan Year beginning January 1, 2015. The plan is considered to be in the yellow zone because, based on the PPA's funding rules, the Plan is less than 80% funded. Please be advised, however, that the Plan is able to meet its benefit obligations and is expected to continue to do so in the future.

Funding Improvement Plan

The PPA requires that a pension plan in the yellow zone adopt a Funding Improvement Plan ("FIP") within 240 days of the actuary's certification. The FIP is an action plan designed to increase a plan's funding percentage. The Board of Trustees of the U.F.C.W. Local 1500 Pension Fund adopted an FIP on September 14, 2010.

The PPA requires that the Plan's funding status be reviewed and certified annually and notices like this one will be sent each year until the Plan is out of the yellow zone. Similarly, the FIP must be updated annually. There are several variables beyond the control of the Board of Trustees, including market volatility, the number of plan participants and/or the number of contributing employers, which could affect the Plan's funding status and the necessary corrective actions in the future. The Board of Trustees remains confident, however, that the Local 1500 Pension Fund will continue to provide participants and their beneficiaries with secure retirement benefits.

Where to Get More Information

For more information, you may contact:

Board of Trustees
U.F.C.W. Local 1500 Pension Fund
Aria Employee Benefits Services, Inc.
371 Merrick Road
Suite 403
Rockville Center, New York 11570
Telephone No. 516-887-1550

cc: U.S. Department of Labor
Pension Benefit Guaranty Corporation