

ANNUAL FUNDING NOTICE
For
USW District 10 Local 286 Pension Fund

Introduction

This notice includes important information about the funding status of your pension plan (“the Plan”) and general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation (“PBGC”), a federal insurance agency. All traditional pension plans (called “defined benefit pension plans”) must provide this notice every year regardless of their funding status. It is provided for informational purposes and you are not required to respond in any way. This notice is for the plan year beginning January 1, 2017 and ending December 31, 2017 (referred to hereafter as “Plan Year”).

How Well Funded is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure relevant to the Plan’s circumstances. For your Plan, the relevant information is shown in the below chart. The asset values in the chart below are market values (*not including any anticipated future income or losses*) and are measured on the last day of the Plan Year. The chart also includes the year-end market value of the Plan’s assets for each of the two preceding plan years. The chart also states the value of the benefit payments made by the Plan for the same period.

	2017 Plan Year	2016 Plan Year	2015 Plan Year
Fair Market Value of Assets at end of Plan Year	\$ 76,146,199	\$ 72,299,841	\$ 70,465,442
Benefit Payments Made During Plan Year Ended	\$6,072,279	\$ 5,907,357	\$ 5,753,048

The December 31, 2017 fair market value of assets and benefit payments disclosed above are reported on an unaudited basis since this notice is required to be distributed before the normal completion time of the audit which is currently in progress.

Participant Information

The total number of participants in the Plan as of the Plan’s valuation date was 4,541. Of this number, there were no active participants accruing benefit service, 1,913 were retired or separated from service and receiving benefits, and 2,628 were retired or separated from service and entitled to future benefits or actively working but not accruing benefit service.

Right to Request a Copy of the Annual Report

A pension plan is required to file with the US Department of Labor an annual report called the Form 5500 that contains financial and other information about the plan. Copies of the annual report are available from the US Department of Labor, Employee Benefits Security Administration’s Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202.693.8673. For 2009 and subsequent plan years, you may obtain an electronic copy of the plan’s annual report by going to www.efast.dol.gov and using the Form 5500 search function. Or you may obtain a copy of the Plan’s annual report by making a written request to the plan administrator. Individual information, such as the amount of your accrued benefit under the plan, is not contained in the annual report. If you are seeking

information regarding your benefits under the plan, contact the plan administrator identified below under “Where To Get More Information about Your Plan.”

Summary of Rules Governing Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan’s available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by the PBGC, below), the plan must apply to the PBGC for financial assistance. The PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan’s financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first \$11 of the Plan’s monthly benefit accrual rate, plus 75 percent of the next \$33 of the accrual rate, times each year of credited service. The PBGC’s maximum guarantee, therefore, is \$35.75 per month times a participant’s years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of \$600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant’s years of service ($\$600/10$), which equals \$60. The guaranteed amount for a \$60 monthly accrual rate is equal to the sum of \$11 plus $\$24.75$ ($.75 \times \$33$), or \$35.75. Thus, the participant’s guaranteed monthly benefit is \$357.50 ($\35.75×10).

Example 2: If the participant in Example 1 has an accrued monthly benefit of \$200, the accrual rate for purposes of determining the guarantee would be \$20 (or $\$200/10$). The guaranteed amount for a \$20 monthly accrual rate is equal to the sum of \$11 plus $\$6.75$ ($.75 \times \$9$), or \$17.75. Thus, the participant’s guaranteed monthly benefit would be \$177.50 ($\17.75×10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified preretirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person’s monthly payment, the PBGC will disregard any benefit increases that were made under the plan within 60 months before the earlier of the plan’s termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on the PBGC's website at www.pbgc.gov/multiemployer. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. The PBGC does not have that information. See "Where to Get More Information about Your Plan," below.

Notice of Benefit Reduction

Because the Plan has been terminated, benefits may be reduced pursuant to ERISA Section 4281(c). Following is a summary of the rules governing such benefit reductions.

If the Trustees decide to reduce benefits, they must notify the PBGC and plan participants and beneficiaries whose benefits are reduced by the amendment. The notice must be mailed or otherwise delivered no later than the earlier of: (1) 45 days after the amendment reducing benefits is adopted; or (2) the date of the first reduced benefit payment.

A notice of benefit reduction filed with the PBGC must contain the following information: (1) the name of the plan, (2) the name, address, and telephone number of the plan sponsor and of the plan sponsor's duly authorized representative, if any, (3) the nine-digit Employer Identification Number (EIN) assigned by the IRS to the plan sponsor and the three-digit Plan Number (PN) assigned by the plan sponsor to the plan, and, if different, the EIN or PN last filed with the PBGC, (4) the case number assigned by the PBGC to the filing of the plan's notice of termination, (5) a statement that a plan amendment reducing benefits has been adopted, listing the date of adoption and the effective date of the amendment, and (6) a certification, signed by the plan sponsor or its duly authorized representative, that notice of the benefit reductions has been given to all participants and beneficiaries whose benefits are reduced by the plan amendment, in accordance with the requirements of this section.

A notice of benefit reduction to plan participants and beneficiaries whose benefits are reduced by the amendment must contain the following information: (1) the name of the plan, (2) a statement that a plan amendment reducing benefits has been adopted, listing the date of adoption and the effective date of the amendment, (3) a summary of the amendment, including a description of the effect of the amendment on the benefits to which it applies, and (4) the name, address, and telephone number of the plan administrator or other person designated by the plan sponsor to answer inquiries concerning benefits.

Where to Get More Information about Your Plan

For more information about this notice, you may contact:

Carlo Simone, Jr., Office Manager
USW District 10 Local 286 Pension Fund
410 North 8th Street
Philadelphia, PA 19123
(215) 829-9212

For identification purposes, the official plan number is 001; the plan sponsor's name is Board of Trustees, USW District 10 Local 286 Pension Fund; and the employer identification number or "EIN" is 23-0630051.