

PENSION PRESERVATION PLAN

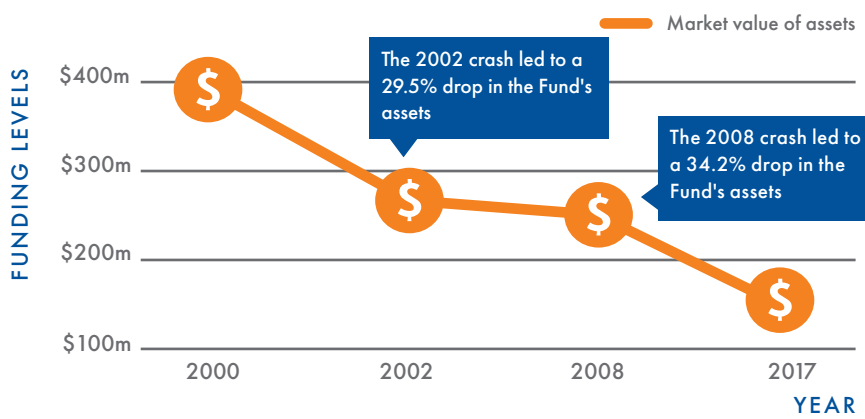


LOCAL 807
LABOR-MANAGEMENT
PENSION FUND

HOW WE GOT HERE

STOCK MARKET CRASHES

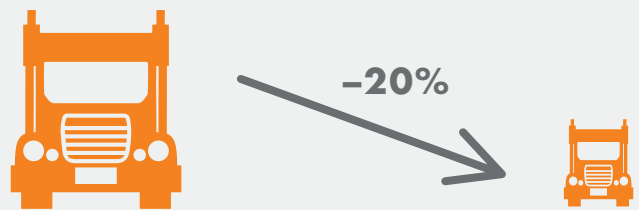
The Pension Plan's market value of assets dropped by 63% after two historic stock market crashes.



GOVERNMENT POLICIES

In 2000, our Pension Plan was more than 100% funded. But we were forced by the government to turn our surplus into benefit increases instead of creating a "rainy day fund."

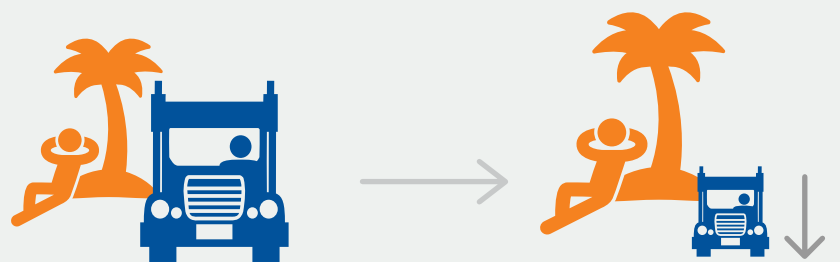
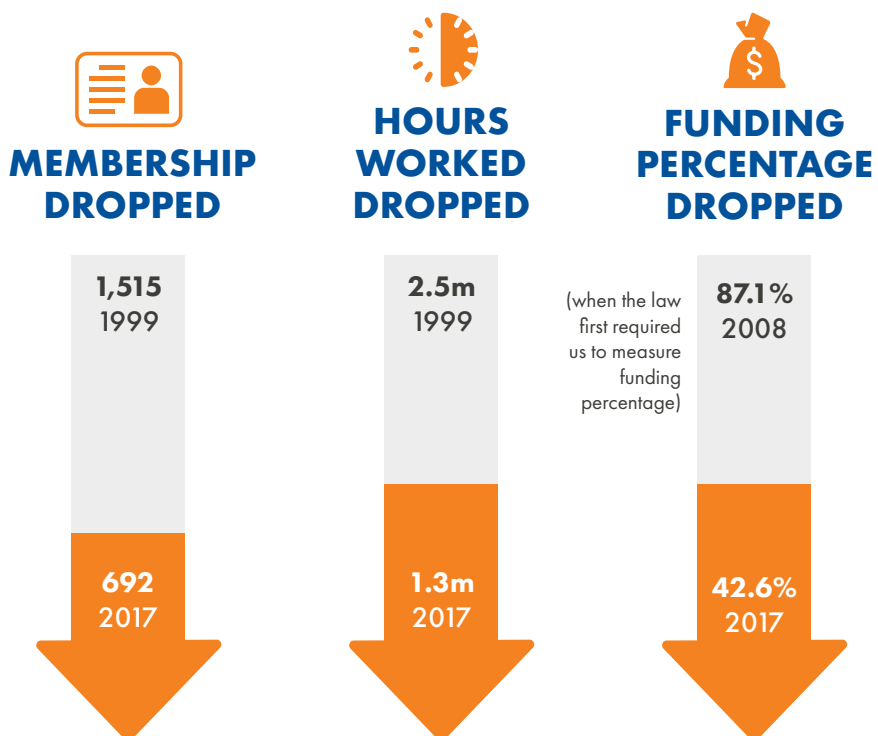
SHARP DROP IN CONTRIBUTING EMPLOYERS



Some key employers who have left the Plan:

- ABC Supply
- AC Trucking
- Alside Aluminum
- Apex Xpress
- Brothers Roofing
- Dry Ice
- Farmer Brothers
- Goltens
- Independent Chemical
- Lindenmeyr Munroe
- Maio Trucking
- Nabisco/Kraft/Mondelez (all but one facility)
- National Tinsmith
- Prest O Sales
- RJR Mechanical
- Stanley Supply
- Superior Printing
- VJ Marrian
- Williams & Wells
- Williams Specialized

FEWER ACTIVE MEMBERS = FEWER HOURS WORKED AND CONTRIBUTIONS COMING IN



1991
Two retirees and beneficiaries for every active participant

2017
5.42 retirees and beneficiaries for every active participant

As a result, we are receiving **\$20 MILLION LESS** in contributions per year than we are paying. This is not sustainable.

WHAT HAPPENS IF WE DO NOTHING?



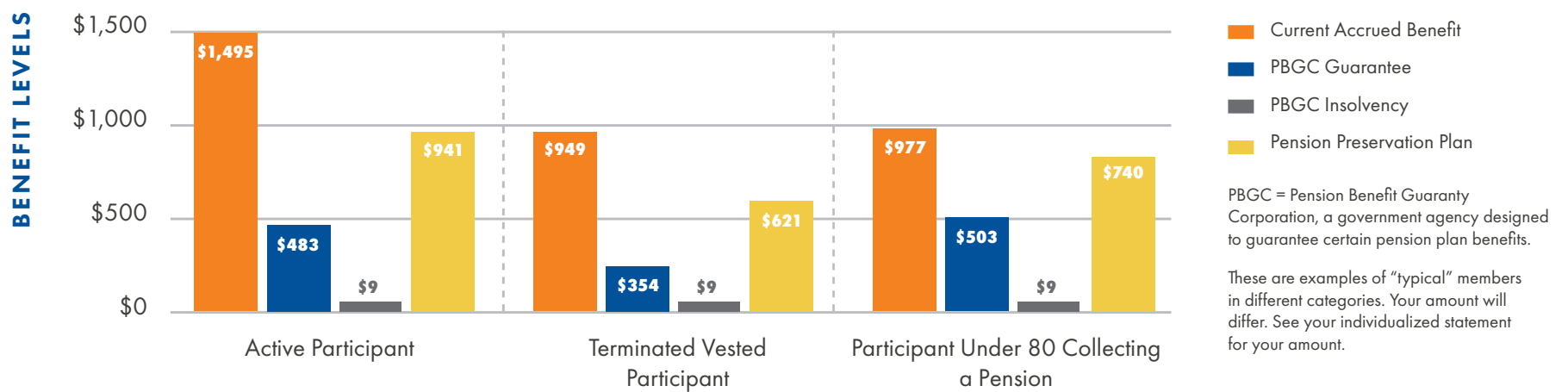
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WHAT'S AT STAKE

IF WE DO NOT PASS THE PENSION PRESERVATION PLAN, YOUR MONTHLY BENEFITS WILL BE REDUCED EVEN MORE.



If the PBGC takes over the Pension Fund, the benefit cuts will be large.



The PBGC may run out of money by 2025, in which case, all benefits will be cut to almost NOTHING.



The suspensions under our Pension Preservation Plan are a better alternative.

OUR PROPOSED SOLUTION

BY IMPLEMENTING A BENEFIT SUSPENSION NOW, THE PENSION FUND WILL BE ABLE TO CONTINUE PAYING BENEFITS PAST 2028.



ACTIVES, RETIREES UNDER 80 AND TERMINATED VESTED PARTICIPANTS
Average benefit suspension of 21%



RETIRES OVER 80 AND DISABLED PENSIONERS
Your benefits will **NOT** be suspended

PROCESS AND TIMELINE

