

ANNUAL FUNDING NOTICE
Roofers Union Local 30 Combined Pension Plan

Introduction

This notice includes important information about the funding status of your multiemployer pension plan (“the Plan”). It also includes 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. This notice does not mean that the Plan is terminating. 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 (“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 called the “funded percentage.” The Plan divides its assets by its liabilities on the Valuation Date for the plan year to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan’s funded percentage for the Plan Year and each of the two preceding plan years is shown in the chart below. The chart also states the value of the Plan’s assets and liabilities for the same period.

	2017	2016	2015
Valuation Date	January 1, 2017	January 1, 2016	January 1, 2015
Funded Percentage	67.5%	64.8%	62.9%
Value of Assets	\$117,784,412	\$112,798,077	\$108,959,142
Value of Liabilities	\$174,487,707	\$173,887,466	\$173,198,939

Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date for the Plan Year. They also are “actuarial values.” Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan’s funded status at a given point in time. The asset values in the chart below are market values 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.

	12/31/2017	12/31/2016	12/31/2015
Fair Market Value of Assets	\$123,420,571*	\$108,799,568	\$101,927,235

* Preliminary.

ANNUAL FUNDING NOTICE

Roofers Union Local 30 Combined Pension Plan

Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan generally is in “endangered” status if the funded percentage is less than 80 percent. A plan is in “critical” status if the funded percentage is less than 65 percent (other factors may also apply). A plan is in “critical and declining” status if it is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years (or within 20 years if a special rule applies). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status or critical and declining status, the trustees of the plan are required to adopt a rehabilitation plan. Funding improvement and rehabilitation plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time. The plan sponsor of a plan in critical and declining status may apply for approval to amend the plan to reduce current and future payment obligations to participants and beneficiaries.

The Plan was in endangered status in the Plan Year ending December 31, 2017 because the funded percentage of the Plan is 80% or less. In an effort to improve the Plan’s funding situation, the Trustees adopted a funding improvement plan effective January 1, 2018. The funding improvement plan is intended to reduce the Plan’s underfunded percentage by one-third by the end of a ten-year period and avoid a projected funding deficiency at the end of the period. You may get a copy of the Plan’s funding improvement plan, any update to such plan and the actuarial and financial data that demonstrate any action taken by the Plan toward fiscal improvement. You may get this information by contacting the plan administrator.

If the Plan is in endangered, critical, or critical and declining status for the Plan Year ending December 31, 2018, separate notification of that status has been or will be provided.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the valuation date was 2,462. Of this number, 887 were active participants, 1,179 were retired or separated from service and receiving benefits, and 396 were retired or no longer working for an employer and have a right to future benefits.

Funding & Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The funding policy of the Plan is that the contributions required by participating employers as part of the respective collective bargaining agreements will meet the statutory funding requirements under the Employee Retirement Income Security Act of 1974 (as amended) and will, in combination with invested assets and earnings, meet the benefit and administrative obligations of the Plan.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The investment policy of the Plan is to create moderate capital growth with some focus on income. Specifically, the Plan seeks to achieve an average annual return of 7.50%. In order to minimize risk, the Plan diversifies its investments by targeting an asset allocation of 69% equity investments, 31% fixed income investments, and 0% cash. The Trustees review the Plan’s actual allocation versus the target allocation no less frequently than each calendar quarter and, if the Plan’s investment consultant so recommends, the Trustees rebalance the actual allocation to meet the target allocation. The investment consultant also advises the Trustees regarding modifications to the target allocation based on periodic changes in market conditions. The Trustees hire numerous investment managers to invest the Plan’s assets within each discrete asset class. These managers are selected through a search process conducted by the Plan’s investment consultant and after a manager is appointed. The Trustees monitor the performance of the manager on a regular basis but in no case less frequently than each calendar quarter. In addition, the Trustees give each manager a set of objectives and restrictions to follow in the execution of their investment duties. If certain managers underperform or violate these restrictions,

ANNUAL FUNDING NOTICE

Roofers Union Local 30 Combined Pension Plan

the Plan's investment consultant so advises the Trustees and, with the advice of the consultant, the Trustees determine whether to terminate the manager and, in the case of a terminated manager, whether to appoint a replacement manager or place the assets with existing managers.

Under the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are preliminary, unaudited percentages of total assets:

Asset Allocations	Percentage
Stocks	56.0%
Investment grade debt instruments	20.7 %
High-yield debt instruments	12.1 %
Real estate	6.5 %
Other	4.7 %

Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the "Form 5500." These reports contain financial and other information about the plan. You may obtain an electronic copy of your Plan's annual report by going to www.efast.dol.gov and using the search tool. Annual reports also 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. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact your Plan administrator if you want information about your accrued benefits. Your Plan administrator is identified below under "Where To Get More Information."

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.

ANNUAL FUNDING NOTICE

Roofers Union Local 30 Combined Pension Plan

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. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multiemployer plans. Your Plan is covered by PBGC's multiemployer program. 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 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. PBGC does not have that information. See "Where to Get More Information" about your plan, below.

Where to Get More Information

For more information about this notice, you may contact the: Joint Board of Trustees of the Roofers Union Local 30 Combined Pension Plans, c/o BeneSys, Inc., P.O. Box 4600, Troy, MI 48099, Amanda Watson, 877-280-8874, amanda.watson@benesys.com. For identification purposes, the official Plan number is 001, and the Plan sponsor's employer identification number or "EIN" is 23-6289069. For more information about the PBGC and benefit guarantees, go to PBGC's Web site, www.pbgc.gov.