International Painters and Allied Trades **Industry Pension Fund**

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RE: Pension Accrual in 2020

You may have recently received your Pension Statement for the hours you worked in 2018. Next year you will receive your statement for the hours you are working in 2019 (this year). Please remember that in 2018 the pension investment returns were -3.7%. This triggered provisions in the FIP II that will be reflected as a zero accrual on your 2020 pension statement.

FIP II established safeguards to protect the Fund against any future years of negative investment returns. This provides that participants would receive a zero benefit on their contributions in the second year following a year of a negative investment return. This was a deliberate strategy to prevent another catastrophic loss such as we had in 2008.

This action saves the Fund approximately 90 million dollars, but most importantly protects and safeguards the balance you currently have in your retirement benefit. This will go directly to reducing the Plan's unfunded liability. Keeping the Fund on track towards being fully funded. However, due to the new accrual formula established in 2017, most participants will likely more than offset a year of zero accrual.

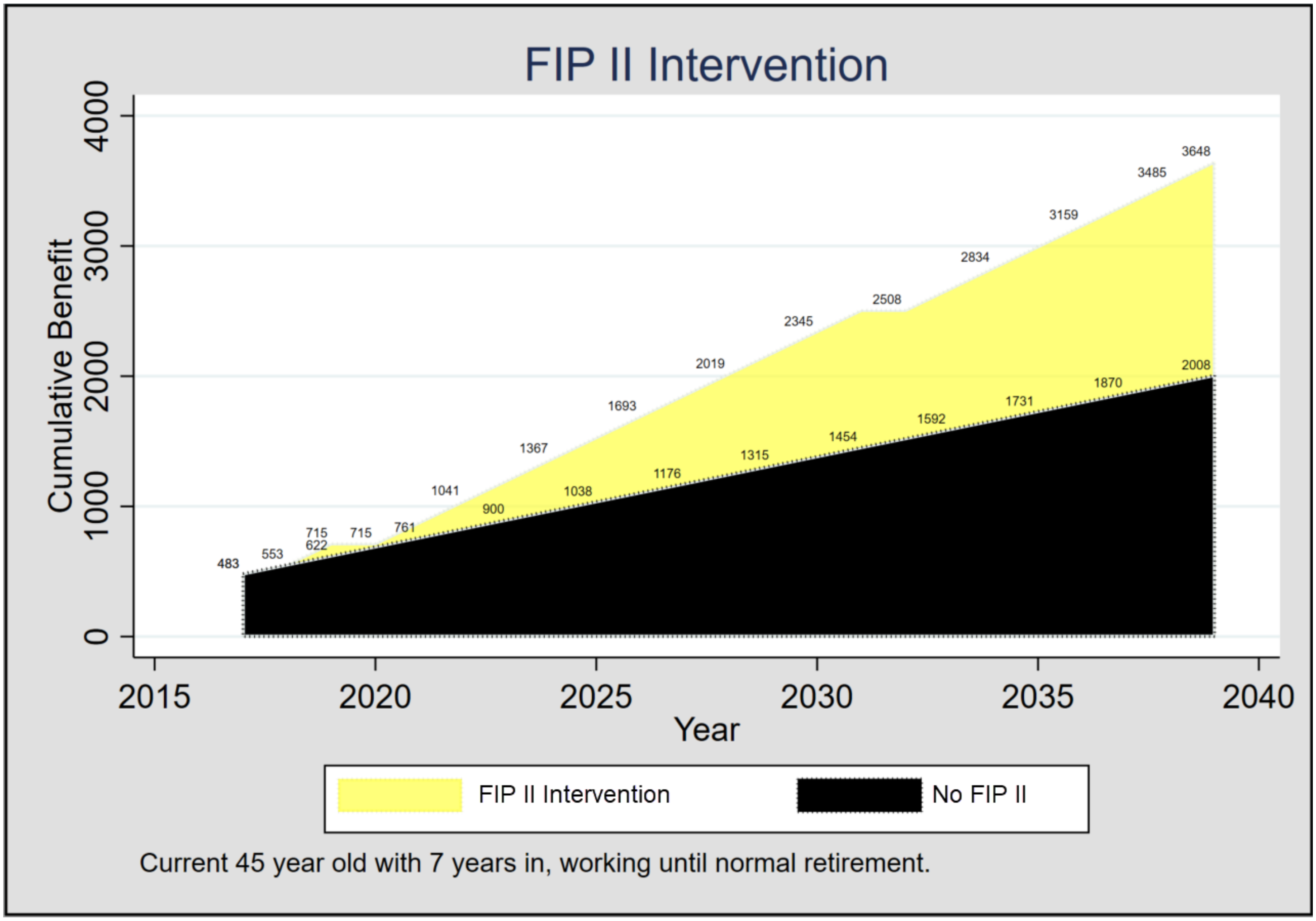
Participants will still accrue hours in 2020 and normal accruals are scheduled to resume in 2021.

Since 2008 our fund has paid out over 3 billion dollars in benefit payments to our retirees and beneficiaries while never missing a payment. Over the same time period, we also increased the assets to the fund by 1 billion dollars.

We need you to understand the fund is secure in meeting its obligations and will continue to be as long as we take the necessary steps to adjust for the decrease in participants and contributions experienced after the 2008 recession.

To illustrate how the zero accrual will not significantly impact your pension benefit, see the reverse of this page for an estimate projection.

Tim D. Maitland
Fund Administrator



The above graphic is intended to highlight how FIP II intervention will impact the average participant and is meant to provide an overview of what the 2020 no accrual strategy means for your overall monthly benefit. The estimate is taken out to normal retirement at age 65. Additionally, we show the impact of this strategy were it to be utilized once more due to another year of negative return. We show that one or even two years of this stop gap are offset by the increased accrual gained by FIP II contributions. These measures result in a significantly higher retirement benefit than if no action were taken. If you have any questions, please feel free to contact the fund directly.