

Maryland Race Track Employees Pension Fund

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NOTICE OF CRITICAL STATUS FOR

MARYLAND RACE TRACK EMPLOYEES PENSION FUND

EIN: 52-6118068

This is to inform you that on or about March 31, 2023, the actuary for the Maryland Race Track Employees Pension Plan (“Plan”) certified to the U.S. Department of the Treasury, and also to the Plan sponsor, that the Plan remains in critical status for the plan year beginning January 1, 2023. Federal law requires that you receive this notice.

Critical Status

The Plan is considered to be in critical status because it has funding problems. More specifically, the Plan’s actuary determined that the Plan had an accumulated funding deficiency for the 2022 plan year, and is projected to have an accumulated funding deficiency for the 2023 plan year.

Rehabilitation Plan and Reduction in Benefits

Federal law requires a pension plan in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the Plan. The Trustees adopted such a rehabilitation plan effective November 26, 2010, which has been updated from time to time since. The law permits pension plans to reduce, or even eliminate, benefits called “adjustable benefits” as part of a rehabilitation plan (and such reductions may apply to participants and beneficiaries whose benefit commencement date is on or after the date the plan first entered critical status). The Trustees determined that certain adjustable benefit reductions were necessary. Separate notices identifying and explaining the effect of these reductions were already provided. The reduction of adjustable benefits did not reduce the level of a participant’s basic benefit payable at normal retirement.

Special Financial Assistance

The Trustees are in the process of applying to the Pension Benefit Guaranty Corporation (PBGC) for Special Financial Assistance under the American Recovery Plan Act. If the PBGC approves the application, the Plan will receive a Federal government grant that should substantially improve the Plan’s funded status. More information will be provided if the application is approved.

Where to Get More Information

For more information about this Notice, or to request a copy of the rehabilitation plan, you may contact Associated Administrators, LLC, 911 Ridgebrook Road, Sparks, Maryland 21152-9451.