American Federation
of Musicians &
Employers' Pension Fund

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Fund

ANNUAL FUNDING NOTICE

For Plan Year Beginning April 1, 2019 and Ending March 31, 2020
For
American Federation of Musicians and Employers' Pension Fund

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 required by federal law. This notice is for the plan year beginning April 1, 2019 and ending March 31, 2020 ("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.

	Funded Percentage		
	April 1, 2019 to March 31, 2020	April 1, 2018 to March 31, 2019	April 1, 2017 to March 31, 2018
Valuation Date	April 1, 2019	April 1, 2018	April 1, 2017
Funded Percentage	59.2%	61.8%	64.5%
Actuarial Value of Assets	$1,829,653,768	$1,844,511,996	$1,908,814,167
Actuarial Value of Liabilities	$3,088,466,672	$2,985,962,165	$2,958,237,592

Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. 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.

	March 31, 2020	March 31, 2019	March 31, 2018
Fair Market Value of Assets	$1,592,769,713	$1,803,484,119	$1,874,607,166

Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan generally is in "endangered" status if its 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 "critical and declining" status in the Plan Year ending March 31, 2020 because the Plan's actuary determined that (i) the Plan was projected to become insolvent during the Plan year ending March 31, 2037 (ii) the Plan was in critical status last year and, over the next nine years, it is projected to have an accumulated funding deficiency for the Plan year ending March 31, 2020 and (iii) the sum of the Plan's normal cost and interest on the unfunded benefits for the current Plan year exceeds the present value of all expected contributions for the year, the present value of vested benefits of inactive participants is greater than the present value of vested benefits of active participants and over the next four plan years, the Plan is projected to have an accumulated funding deficiency in the Plan year noted above. Insolvency would result in benefit reductions. In an effort to improve the Plan's funding situation, the Plan's Board of Trustees ("Board") adopted its initial rehabilitation plan (the "Rehabilitation Plan") on April 15, 2010, which was intended to help the Plan improve its funded status through various benefit reductions and, generally, a 9% increase in the rate of employer contributions. The Rehabilitation Plan originally employed reasonable measures to enable the Plan to emerge from critical status at a later date than the 10-year rehabilitation period. As the Plan is currently not projected to emerge from critical status (either during the 10-year rehabilitation period that began April 1, 2013 or otherwise), the Rehabilitation Plan was restated in 2016 to employ reasonable measures to forestall insolvency and it does not have a definite term. The Rehabilitation Plan was further updated in 2018 to require an additional 10% increase in the rate of contributions in collective bargaining agreements, or extensions thereof, that expire on or after August 1, 2018 and after the bargaining parties received notice of the update. The additional 10% in the rate of contributions will not be used to calculate any participant's benefits under the Plan, but will be used solely to improve the financial health of the Plan. The Trustees have taken the following legally permitted actions to prevent insolvency: reducing benefits, changes in investment advisors and managers, modifying its investment asset allocation, increasing contributions, reducing administrative expenses and advocating for a legislative solution. You may obtain a copy of the Plan's Rehabilitation Plan Effective June 27, 2016, the June 2018 Update to the Rehabilitation 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 Fund Office at 1-800-833-8065 (extension 1311) or through the "Contact Us" link on the Plan's website (www.afm-epf.org). Copies of the following are available by written request to the Fund Office and can also be accessed on the Plan's website:

- Rehabilitation Plan Effective June 27, 2016 which is available on the website at www.afm-epf.org/RehabPlan.aspx
- Update to the Rehabilitation Plan June 2018 which is available on the website at www.afm-epf.org/RehabUpdate2018.aspx

Since the Plan remains in critical and declining status for the Plan year ending March 31, 2021, a separate notification of that status has been provided in this mailing.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the valuation date was 50,897. Of this number, 20,316 were current employees, 16,286 were retired and receiving benefits, and 14,295 were retired or no longer working for the 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 to fund it in accordance with the updated Rehabilitation Plan.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. In brief summary, the investment policy of the Plan is to maximize investment returns within prudent levels of risk through portfolio diversification across different classes of assets and a variety of asset management styles. The Plan has retained an outsourced chief investment officer ("OCIO"), who is charged with the responsibility of selecting and monitoring professional investment managers and/or commingled vehicles and of allocating the assets of the Plan among those investment managers and vehicles, within parameters established by the Trustees. The Trustees, in consultation with the OCIO and independent monitoring firm, establish asset allocation parameters to seek to achieve the stated investment objectives and to control risk. The Trustees also establish performance benchmarks and guidelines for the OCIO, specifying acceptable and/or prohibited investments, limits on asset and asset class exposures, risk constraints and investment return objectives. The OCIO does the same for the investment managers and commingled funds. The Board regularly monitors the performance of the OCIO, as well as its compliance with the investment policy.

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 percentages of total assets:

Asset Allocations		**Percentage**
1.	Cash (Interest bearing and non-interest bearing)	0.40%
2.	U.S. Government securities	4.51%
3.	Corporate debt instruments (other than employer securities):	
	Preferred	1.34%
	Common	2.09%
4.	Corporate stocks (other than employer securities):	
	Preferred	
	Common	11.61%
5.	Partnership/joint venture interests	35.94%
6.	Real estate (other than employer real property)	
7.	Loans (other than to participants)	
8.	Participant loans	
9.	Value of interest in common/collective trusts	38.49%
10.	Value of interest in pooled separate accounts	
11.	Value of interest in 103-12 investment entities	
12.	Value of interest in registered investment companies (e.g., mutual funds)	5.50%
13.	Value of funds held in insurance co. general account (unallocated contracts)	
14.	Employer-related investments:	
	Employer Securities	
	Employer real property	
15.	Buildings and other property used in plan operation	0.02%
16..	Other	0.10%

For information about the Plan's investment in the following type of investment – common/collective trusts and registered investment companies (e.g., mutual funds) contact American Federation of Musicians and Employers' Pension Fund by phone at 1-800-833-8065 (extension 1311), by email through the "Contact Us" link on the Plan's web site (www.afm-epf.org) or by mail to 14 Penn Plaza, 12th Floor, P.O. Box 2673, New York, New York 10117-0262.

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. 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 N1513, Washington, DC 20210, or by calling 202.693.8673. The annual report is also on the Plan's website at https://afm-epf.org/StayInformed/Form5500.aspx. 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 the 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, if any.

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 the 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 x $33), or $35.75. Thus, the participant's guaranteed monthly benefit is $357.50 ($35.75 x 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 x $9), or $17.75. Thus, the participant's guaranteed monthly benefit would be $177.50 ($17.75 x 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 a 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/prac/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" below.

Where to Get More Information

For more information about this notice, you may contact the Fund Office by phone to Customer Service at 1-800-833-8065 (extension 1311), by e-mail through the "Contact Us" link on the Plan's web site (www.afm-epf.org) or by mail to 14 Penn Plaza, 12th Floor, P.O. Box 2673, New York, New York 10117-0262. For identification purposes, the official plan number is 001, the plan sponsor is the Board, and the plan sponsor's employer identification number or "EIN" is 51-6120204.