

Benefit Reduction Passed

The proposal to reduce benefits in order to save the plan has passed. The results of the vote were:

175 voted to approve
142 voted to reject
507 did not vote

No one is celebrating. None of us want to be in this situation. However, we (the Trustees) are proud of the commitment you have shown to spreading the burden fairly and working together to make it possible to save the plan.

Benefit Reduction Takes Effect July 1, 2018

If you are currently receiving your monthly pension benefit:

- Starting with your July 1 check or deposit, your benefit will be reduced in line with what was shown on your benefit estimate and in your personalized ballot packet (for some, such as those who are 80 or older as of July 1, 2018, that means no reduction).
- The amount that was shown on your estimate is your benefit before any authorized deductions are withheld; so, the payment you receive will be lower once taxes or a medical deduction are taken out. If you had an additional or fixed amount being withheld for taxes, you may want to contact the Administration Office to adjust your withholding.
- You may want to take a look at any automatic deductions or payments that you have set up with your bank etc. and make adjustments, if needed.

If you are an active participant, you will see the benefit you earned before July 1, 2016 reduced on your next statement. Benefits earned on and after that date are not reduced.

For those **not active in the plan**, but not yet receiving benefits, your vested benefit is reduced consistent with what was shown on your benefit estimate and in your personalized ballot packet. When you start your benefit, that amount will be adjusted depending on the payment option you choose, etc.

By law, the plan will be reviewed every year to see if the reduced benefits can be restored, but we do not expect that to happen for a very long time.

You've Given the Plan a Fighting Chance to Recover

We believe the plan can be saved with this reduction and that it is the fairest approach to solving the problem. The plan is still dependent on investment returns and hours worked. But, we now have a better chance of maintaining a strong contribution base, and enough assets to provide meaningful investment earnings – increasing our odds of being able to pay benefits for the long haul – and active participants have a better chance of earning meaningful benefits in the future.

We will continue to keep you informed about the health of the plan.

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