NOTICE OF A PROPOSED REDUCTION OF YOUR PENSION BENEFITS

On March 30, 2017, the Board of Trustees of the Alaska Ironworkers Pension Plan ("Plan") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Plan. This type of benefit reduction is allowed by the Federal law called the Multiemployer Pension Reform Act of 2014.

You are getting this notice because you have a pension benefit under the Plan. The enclosed benefit estimate describes the proposed reduction of your monthly payments.* This notice will also answer the following questions for you—

1. Why is the Board of Trustees proposing to reduce benefits?
2. What will happen if the Plan runs out of money?
3. How did the Board of Trustees decide whose benefits to reduce and by how much?
4. What are the proposed reductions in benefits?
5. What comes next?

1. Why is the Board of Trustees proposing to reduce benefits?

The Plan's actuary estimated that, unless benefits are reduced, the Plan will not have enough money to pay benefits in the year 2030. This estimate is based on how much money the actuary expects the Plan to receive and to pay out each year. The Plan's actuary estimated that, with the reduction of benefits that the Board of Trustees has proposed, the plan should not run out of money.

2. What will happen if the Plan runs out of money?

If the Plan does not have enough money to pay benefits, then only the amount guaranteed by the Pension Benefit Guaranty Corporation ("PBGC") will be paid. The PBGC-guaranteed benefit level would be a greater reduction than what is proposed under this proposed reduction.

You can find the amount of your benefit that is guaranteed by PBGC on the enclosed benefit estimate.

Terms to Know

Actuary — professional hired to analyze the data and calculate the value of benefits earned under the Plan and determine if the Plan is well-funded.

PBGC — the Pension Benefit Guaranty Corporation is an independent agency of the federal government. The Plan pays premiums to the PBGC's insurance program to protect benefits (up to the limits set by law) if the Plan becomes insolvent.

*A version of this notice that does not include the estimate of the effect on your benefit is being sent to unions that represent Plan participants and to all contributing employers.

3. How did the Board of Trustees decide whose benefits to reduce and by how much?

Under Federal law, the Board of Trustees must apply the following rules to the proposed reduction—

- The total reduction in everybody's benefits must be estimated to be large enough to keep the Plan from running out of money but not larger than needed to do that.
- Your monthly benefit and the benefit of your beneficiary cannot be reduced below 110% of the amount guaranteed by PBGC.
- Disability benefits (as defined under the Plan) cannot be reduced.
- The benefits of people who are at least 80 years old as of the end of the month the reduction takes effect and their beneficiaries cannot be reduced.
- The benefits of people who are at least 75 years and one month old as of the end of the month the reduction takes effect and their beneficiaries are partially protected, and the closer the person is to age 80 the less the benefits can be reduced.
- The reduction of benefits must be spread fairly among the people who have a pension benefit under the Plan.

The Board of Trustees used the default method of a level percent decrease as described in the law. Everyone's benefits are reduced by the same amount and no one is treated differently, except as required by law.

4. What are the proposed reductions in benefits?

The Board of Trustees proposes the following reduction of benefits:

A 34.5% across-the-board reduction of benefits earned through June 30, 2016 for active participants, retirees, beneficiaries, and inactive participants with a vested benefit.

The reduction would take effect the first of the month following 30 days from the end of the voting period, but not earlier than 9 months from the date of this filing, and not later than February 1, 2018.

That means the amount of your benefit earned through June 30, 2016 would be multiplied by 0.345 to calculate your reduction. Amounts earned on or after July 1, 2016 will not be reduced. (See the enclosed benefit estimate for your actual reduced benefit amount.)

(Continued on the next page)

Terms to Know

Early retirement – if you retire between ages 50 and 62, with five years of pension credit, your benefit is reduced to account for the expectation you'll receive benefits over a longer time.

Normal retirement – the "normal" retirement age for this Plan is 62 for benefits earned on and after July 1, 2011 (age 60 for benefits earned before that date).

In deciding how to set up the benefit reduction, Trustees determined the fairest way to save the Plan was an across-the board percentage reduction.

Examples:

These examples assume the benefit reduction takes effect February 1, 2018.

65-year-old retiree:

Benefit earned through June 30, 2016:
$1,000

Reduction on February 1, 2018:
$1,000 x 0.345 = $345

Reduced benefit = $1,000 - $345 = $655

40-year-old active participant:

Benefit earned through June 30, 2016:
$400

Reduction February 1, 2018:
$400 x 0.345 = $138
$400 - $138 = $262

Benefit earned since July 1, 2016:
$133 (reduction does not apply)

Total benefit as of February 1, 2018:
$262 + $133 = $395

4. What are the proposed reductions in benefits? (cont'd)

No special groups would be treated differently except those required by law:

- Participants or beneficiaries with benefits based on disability would have no reduction.
- Participants or beneficiaries who are at least age 80 as of the end of the month that the reduction takes effect would have no reduction.
- Participants or beneficiaries who are at least age 75 and one month as of the end of the month the reduction takes effect would have a smaller benefit reduction. Their reduced benefit earned through June 30, 2016 would be calculated as follows:

Benefit through June 30, 2016	–	Benefit through June 30, 2016 *times* 0.345 (reduced benefit received if younger than 75)	X	Number of months beginning with the month following the benefit reduction and ending with the month the person turns 80 *divided by* 60 (percent that represents how close the person is to age 80)

The benefit reduction would be in effect only until the Plan is no longer projected to run out of money without the reduction in place. We expect reduced benefits to be in place for quite a few years. For some, that means reduced benefits for the remainder of retirement. For others, there's at least a possibility that their benefit would come back up to the unreduced amount at some point in the future.

This benefit reduction is expected to stabilize the Plan and keep it from running out of money. This expectation is based on a number of assumptions; if reality differs significantly from these assumptions, the reduction might not work as intended. However, we have used realistic assumptions to give the Plan the best chance of success.

The proposed reduction is not designed to get the Plan back to 100% funded. The cuts are only big enough, and will only last long enough, to keep the Plan from running out of money.

Examples:

These examples assume the benefit reduction takes effect February 1, 2018.

Retiree who is 78 and 4 months on February 28, 2018:

Benefit earned through June 30, 2016:
$1,000

Reduction on February 1, 2018 if younger than 75:
$1,000 x 0.345 = $345

Number of months beginning with March 2018 and ending with the month the person turns 80:
20 months

$345 x (20 ÷ 60) = $115

Reduced benefit = $1,000 - $115 = $885

80-year-old retiree:

Benefit earned through June 30, 2016:
$1,000

No reduction: Benefit on February 1, 2018 remains $1,000

5. What comes next?

Approval or denial of the application by the Treasury Department

The Treasury Department will review the application to see whether it meets all of the legal requirements under Federal law. If the application meets all of those requirements, the Treasury Department is required to approve the application. If the application does not meet the legal requirements, the Treasury Department will deny the application. The Treasury Department will have until November 10, 2017 to make a decision.

You can get information from the Treasury Department

More information about the proposed benefit reductions and a copy of the application is available at www.treasury.gov/mpra.

The application will be available on that website within 30 days after the Treasury Department receives it. The application includes more information about the proposed reduction, including details about:

1) the Plan actuary's certification that the Plan will run out of money (that is, that the plan is in "critical and declining status");
2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is estimated not to run out of money, while not being larger than needed; and
3) the sensitivity of these estimates to the assumptions used.

The application describes the steps the Board of Trustees has already taken to keep the Plan from running out of money and why the Board of Trustees believes that a benefit reduction is the only remaining option to keep the Plan from running out of money. In addition, the application explains why the Board of Trustees believes that the proposed reduction is spread fairly among the people who have a pension benefit under the Plan.

The Treasury Department website will also provide updated information on the application, such as whether the application has been updated or withdrawn.

For further information and assistance you can also write to the Treasury Department at the following address:

Department of the Treasury
Attn: MPRA Office, Room 1001
1500 Pennsylvania Avenue, NW
Washington, DC 20220

You can comment on the application to reduce benefits

You can submit a comment on the application by going to www.treasury.gov/mpra. Comments may also be mailed to the Department of the Treasury, at the address listed above. All interested parties can make comments, and the comments will be publicly available.

Retiree representative

The Board of Trustees is not required to select a retiree representative, because the Plan has fewer than 10,000 participants. The Board of Trustees has not chosen to select a retiree representative.

Vote on the proposed benefit reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then you will have the opportunity to vote on the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the Treasury Department must allow the reduction of benefits to take effect. This means that not voting counts the same as a vote to approve the reduction.

Your right to see Plan documents

You may want to review Plan documents to help you understand your rights and the proposed reduction to your benefits. The Plan administrator must respond to your request for the following documents within 30 days:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements).
- The Plan's most recent summary plan description (SPD or plan brochure) and any summary of material modifications.
- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years.
- The annual funding notices furnished by the Plan during the last six years.
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years.
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid running out of money continue to be taken and that the Plan would run out of money if there were no benefit reductions.
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The Retirement Plan Booklet (Summary Plan Description) is available at www.akironworkerstrust.com in the Plan Information section.

The Plan administrator may charge you the cost per page to the Plan for the cheapest way of copying documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the Plan administrator's office, your worksite or union hall.

Your right to challenge incorrect calculations

If you think the Plan miscalculated the reduction to your benefits, then you have the right to submit a claim to the Plan to have the calculation corrected. The Plan's summary plan description ("SPD") tells you how to submit a claim for appeal. The SPD also describes your right to have an arbitrator review the Plan's final decision on your claim.

If you believe the information used to calculate your estimate (shown on the enclosed benefit estimate) is wrong, please contact the Plan Administration office:

By phone:	(907) 561-5119 or (800) 325-6532
By email:	retirement@wpas-inc.com
By mail:	PO Box 93870 Anchorage, AK 99509-3870