

# Alaska Ironworkers Trust Funds

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Administered by  
Labor Trust Services, Inc.

**OCTOBER 20, 2022**

**TO: ALL PARTICIPANTS, BENEFICIARIES, LOCAL UNIONS, CONTRIBUTING EMPLOYERS, PENSION BENEFIT GUARANTY CORPORATION AND SECRETARY OF LABOR**

## **Notice of Critical and Declining Status For Alaska Ironworkers Pension Plan**

The purpose of this notice is to inform you that on September 28, 2022 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, the Board of Trustees, that the Alaska Ironworkers Pension Plan (the "Plan") is in critical and declining status for the plan year beginning July 1, 2022. Federal law requires that you receive this notice.

A similar notice was provided at this time in 2021, with notification of the Plan's critical status in 2021. As you have been notified, benefit suspensions began on July 1, 2018.

### **Critical and Declining Status**

The Plan is considered to be in critical and declining status at July 1, 2022 because it has funding or liquidity problems, or both. More specifically, the actuary has determined the Plan is in Critical Status, the funded percentage is less than 80%, and it is projected to become insolvent in one of the next 19 years. The Trustees of the Plan remain committed to providing the best and most secure benefits possible under the conditions. The Fund's investment portfolio remains well diversified and is positioned to maximize future investment returns.

### **Rehabilitation Plan and the Reduction of Benefits**

Federal law requires pension plans in critical status to adopt a Rehabilitation Plan aimed at restoring the financial health of the Plan. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a Rehabilitation Plan.

On September 10, 2010, you were notified that the Plan reduced or eliminated adjustable benefits. The reduction of adjustable benefits does not reduce the level of a participant's basic benefit payable at normal retirement. In addition, the reductions only applied to participants and beneficiaries whose benefit commencement date is on or after November 1, 2010.

Benefits already in pay status as of October 31, 2010 were not affected. Also, the Plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical status.

On July 1, 2018, benefit suspensions took effect in accordance with the Plan's approved application to suspend benefits under the Multiemployer Pension Relief Act of 2014. The benefit suspension is a 26.5% reduction on all benefits accrued through July 1, 2016. This reduction could be less due to individual protections built into the law.

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## **Adjustable Benefits**

All adjustable benefits have been eliminated from the Plan.

## **Additional Rehabilitation Plan Contributions**

The Bargaining Parties have incorporated the Rehabilitation Plan into the collective bargaining agreement and employers are making additional contributions as defined by the Rehabilitation Plan. The Rehabilitation Plan was amended in 2014 with a modification to the additional contribution requirement.

## **Where to Get More Information**

For more information about this Notice, you may contact the Plan's Administration Office:

Address: 375 W. 36<sup>th</sup> Avenue, Suite 200  
P.O. Box 93870  
Anchorage, AK 99509-3870

Telephone: 1-800-325-6532

You have a right to receive a copy of the Rehabilitation Plan from the Plan.