Checklist Item #20	Application for Approval of a Suspension of Benefits Under MPRA
Iron Workers Local 17 Pension Fund	EIN: 51-0161467 Plan No.: 001
Does the application describe how the plan sponsor took into account – or did not take into account – the factors listed in section 5.02 in the determination that all reasonable measures were taken to avoid insolvency. See section 5.03.	The Board of Trustees for the Iron Workers Local 17 Pension Fund has continuously worked, since 2002, through a series of new possible solutions to the funding problems facing the Pension Fund. The steps they took are detailed in Checklist Item #18. As stated in several other sections of this Application, the Board of Trustees had already determined that there was no reasonable measures that the Trustees could take to avoid insolvency, so the Trustees were working with the contributing employers, Groom Law Group and PBGC to negotiate the termination of the Pension Fund when MPRA was passed. **<u>Increases in Contributions & Reductions in Benefits Not Considered Reasonable Measure to Undertake at this Time</u>** With this said, the Trustees did take another look at possible increases to the contribution rate and elimination of the remaining early retirement subsidies as part of the Suspension Plan. However, as described previously, the current active participants are already paying in such a large portion of their wages, any further reduction to their benefits or increase in the contribution rate would only decrease their support for this Pension Fund, while making the contributing employers less competitive at the same time. The Board of Trustees determined that the potential increase in contributions is detrimental to the continuing support of the active participants. These participants, if allowed to invest their current contribution in a defined contribution plan, would have $19,000 per year invested. Even in the unlikely event of a 50% loss in the market, they would end up with an $8,000 contribution to their

	own accounts, not merely a $50.00 credit. While this argument does not reflect the long term value of the defined benefit plan over the defined contribution plan, it is one faced by the Board of Trustees in communicating with the participants and beneficiaries. Additionally, lowering the Benefit Credit rate below $50.00 was also considered, and determined to be unreasonable based upon the inequity between the contributions paid and benefit recieved. **Further Reductions in Adjustable Benefits Not Considered Reasonable Measure to Undertake at this Time** The Board of Trustees did review and evaluate the impact of the changes adopted in May 2009 under the initial Rehabilitation Plan when making this determination that they exhausted all reasonable measures. As of May 1, 2009, all adjustable benefits were eliminated with the exception of the subsidy to participants who earned 30 years of Vesting Service who retire between age 62 and 65 and those participants that were determined by Social Security to be totally and permanently disabled. As part of the updated Rehabilitation Plan in 2011, the Board of Trustees struggled with elimination of any further adjustable benefits and determined to leave only the small remaining subsidy for the long time (30+ year) participants who work until age 62 contributing almost $20,000 per year to receive this small subsidy. The bargaining parties added contributions to avoid eliminating the disability pension for those participants that are no longer able to work in gainful employment. The Trustees still believe that based upon the adverse impact the elimination of these last two adjustable benefits would have on the current participants, there were no other adjustable benefits to be eliminated **Evaluation of Industry Rates and Economic Impact on Contributing Employers** The Board of Trustees believe that the termination of the Pension Fund under a managed mass withdrawal may result in a better benefit for new

	iron workers just joining the industry. It would also provide the contributing employers with a finite liability to this Pension Fund. However, the termination of the Pension Fund under a managed mass withdrawal would hasten the insolvency of the Pension Fund resulting in significant benefit reductions for the participants currently in pay status and those that have contributed for years toward these retirement benefits. Accordingly, when provided with this new legislative solution that would help avoid insolvency and place the Pension Fund back on a path to eventual recovery, the Trustees determined that filing the application was in the best interest of all participants and beneficiaries. Since there is no scheduled increase in contributions, it was also determined that the Suspension Plan would not harm the existing contributing employers.