



Iron Workers Local 17 Fringe Benefit Funds, Inc.

INSURANCE PLAN • PENSION FUND • ANNUITY FUND

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January 27, 2017

Secretary of the Treasury
Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington DC 20220

Re: Iron Workers Local 17 Pension Fund (“Pension Fund”)– Application for Suspension of Benefits under the Klein-Miller Multiemployer Pension Relief Act of 2014

Dear Secretary of Treasury:

The Board of Trustees for the Iron Workers Local 17 Pension Fund as the Plan Sponsor, respectfully submits this updated Amendment to the Plan’s Rules and Regulations. This Amendment was revised in response to the changes required as set forth in the Department’s letter dated December 16, 2016. The Board of Trustees intends to adopt and execute this Amendment prior to the Suspension Date if the suspension of benefits pursuant to Internal Revenue Code Section 432(e)(9) and the Employee Retirement Income Security Act of 1976 Section 305(e)(9) is approved upon certification of the participant vote.

Respectfully Submitted:

Rich Jordan, Chairman of the Board

**AMENDMENT
TO THE
IRON WORKERS LOCAL 17 PENSION FUND
RULES AND REGULATIONS**

RECITALS

WHEREAS, the Board of Trustees of the Iron Workers Local 17 Pension Fund previously adopted the Pension Plan Rules and Regulations effective May 1, 2014 (the "Plan") and currently administers and maintains the Plan for the benefit of members covered thereunder;

WHEREAS, the right to further amend the Plan has been reserved to the Board of Trustees under Article VIII of the Plan;

WHEREAS, it is the intent of the Board of Trustees to amend the Plan to implement a suspension plan in compliance with the Multiemployer Pension Reform Act of 2014 ("MPRA") as codified in Internal Revenue Code ("IRC" or "Code") Section 432(e)(9) and the Employee Retirement Income Security Act of 1976 ("ERISA") Section 305(e)(9);

WHEREAS, the Board of Trustees certifies that the benefit suspension shall commence February 1, 2017, after authorization by the Secretary of Treasury and shall cease as of the first day of the first Plan Year following the Plan Year which the Board of Trustees fails to determine both of the following:

- (a) All reasonable measures to avoid insolvency continue to be taken during the period of the benefit suspension; and
- (b) The Plan is still projected to become insolvent unless benefits are suspended under this suspension plan;

WHEREAS, the Board of Trustees certifies that it will not provide any future benefit improvements during the period of this benefit suspension for active participants unless and until such time as equitable benefit improvements are adopted for all participants and beneficiaries in accordance with IRC Section 432(e)(9)(E); and

WHEREAS, the Board of Trustees certifies that the benefit suspensions in this Plan Amendment shall not be modified, notwithstanding the provisions of Article VIII of the Plan, before the suspension of benefits expires.

NOW, THEREFORE, the Board of Trustees agrees and declares that, effective February 1, 2017, the Plan be, and hereby is, amended in the following respects:

Article I, Section 1.28 shall be amended in part to add a new subsection (r) to read as follows:

Section 1.28. Other Terms

(r) Benefit Suspension Plan Article XV

Article III, Section 3.03 shall be amended in part to add a new paragraph (a) to read as follows:

Section 3.03. Regular Pension – Amount

(a) Effective as of the Suspension Date, no Affected Participant shall receive a benefit which on average is greater than \$72.00 times the Participant's Benefit Credits. For Affected Participants who are not Pensioners as of the May 1, 2016, the determination of their average benefit is based upon accrued service through April 30, 2016. Service earned on or after May 1, 2016 shall continue to accrue at \$50.00 times the number of the Participant's Benefit Credits. The Benefit Suspension Plan is provided in Article XV.

Article III, Section 3.03 shall be amended to change paragraphs (a) through (l) to (b) through (m).

Article III, Section 3.13 shall be amended in its entirety to read as follows:

Section 3.13. Special 30 Year Service Pension – Amount

(a) The amount of the Special 30 Year Service Pension shall be the amount of the Regular Pension to which the Participant would be eligible to receive upon attaining age 65 which is in effect on the Participant's Annuity Starting Date.

(b) Effective February 1, 2017 under the Suspension Plan, no Affected Participant who retired prior to age 62 shall receive the full amount of the Regular Pension to which the Participant would be eligible to receive upon attaining age 65 even under the Special 30 Year Service Pension. The monthly benefit for any Affected Participant receiving a Special 30 Year Service Pension shall receive a reduction of one and one-half percent (1.5%) per year or one eighth of one percent (0.125%) per month that the Affected Participant was younger than age 62 at his or her Annuity Starting Date. The Benefit Suspension Plan is provided in Article XV.

Article IV, Section 4.02 shall be amended to change subsection (c) to read as follows:

Section 4.02. Benefit Credits.

(c) Employment after May 1, 1986 until May 1, 2005

(1) For employment after May 1, 1986, a Participant shall be credited with Benefit Credits on the basis of his hours of work in Covered Employment in accordance with the following schedule for the Plan Years ending April 30, 1986 through April 30, 2005:

Hours of Work	Benefit Credit
Less than 300	0 Benefit Credit
300 but less than 600	¼ Benefit Credit
600 but less than 900	½ Benefit Credit
900 but less than 1,200	¾ Benefit Credit
1,200 but less than 1,750	1 Benefit Credit
1,750 but less than 2,000	1-1/4 Benefit Credits
2,000 or more hours	1-1/2 Benefit Credits

A Participant was no longer eligible to earn more than one (1) Benefit Credit for any Plan Year beginning on or after May 1, 2005.

- (2) Effective as of the Suspension Date, all Participants under this Plan shall have all Benefit Credits earned between May 1, 1986 and April 30, 2005 revised to the following schedule:

Hours of Work	Benefit Credit
Less than 300	0 Benefit Credit
300 but less than 600	¼ Benefit Credit
600 but less than 900	½ Benefit Credit
900 but less than 1,200	¾ Benefit Credit
1,200 or more hours	1 Benefit Credit

Under the terms of the Suspension Plan, no Affected Participant is eligible to earn more than one (1) Benefit Credit for any Plan Year. Effective as of the Suspension Date, all Affected Participants shall have any extra Benefit Credits earned over one (1) per Plan Year eliminated. The Benefit Suspension Plan is provided in Article XV.

Article VI, Section 6.08(a) shall be amended in part to add a new subparagraph (3) to read as follows:

Section 6.08. Suspension of Benefits.

- (a) Before Normal Retirement Age.

- (3) Under the Suspension Plan, any Pensioner as of the Suspension Date will have the ability to return to work in otherwise disqualifying employment for up to 39 ½ hours paid a month without having the monthly benefit suspended. “Disqualifying Employment” for this provision shall be defined under the same rules as apply to Pensioners after Normal Retirement Age in subsection (b) of this Section 6.08. Advance notice of the return to work must be provided in accordance with Section 6.08(d). Failure to provide such notice will result in the application of the penalties under Section 6.08(a)(2) above.

Article XV shall be added in its entirety to read as follows:

ARTICLE XV Benefit Suspension Plan

Section 15.01. General.

This Article sets forth the rules adopted to implement a suspension plan in compliance with the Multiemployer Pension Reform Act of 2014 (“MPRA”) as codified in Code Section 432(e)(9) and the ERISA Section 305(e)(9). The Benefit Suspension Plan was approved by the United States Department of Treasury on December 16, 2016 and subsequently by the Participants through a Participant vote that was certified January 27, 2017. Upon execution of this Amendment and adoption of this Article XV, the Suspension Plan shall be implemented which will reduce the benefits of Participants in accordance with the following provisions; provided, however, no benefit suspensions implemented under this Suspension Plan shall reduce any accrued benefit below the level permitted by Code Section 432(e)(9); ERISA Section 305(e)(9) and its implementing regulations.

Section 15.02 Definitions

(a) “Suspension Plan” means the changes to this Plan of benefit reductions, including the reduction in accrued benefits under Section 3.03(a); elimination of early retirement subsidies under Section 3.13; and elimination of extra Benefit Credits under Section 4.02, adopted by the Board of Trustees upon approval of the Department of Treasury in accordance with Code Section 432(e)(9) and ERISA Section 305(e)(9). The effective date of the Suspension Plan shall be referred to herein as the “Suspension Date” which is February 1, 2017.

(b) “Adjusted Monthly Benefit” means the amount of the monthly pension benefit Affected and Limited Suspension Participants will receive after the benefit suspension provisions in this Article are applied to their accrued benefits as of the Suspension Date.

(c) “Affected Participants” includes all Participants, Beneficiaries and Alternate Payees under the Pension Fund as of the Suspension Date who are not otherwise classified as “Exempted Participants” or “Limited Suspension Participants.”

(d) “Exempted Participants” includes the following: (1) any Participant or Beneficiary whose monthly benefit is at or below 110% of the monthly benefit which is guaranteed by the Pension Benefit Guaranty Corporation (“PBGC Guarantee”); (2) any Participant or Beneficiary who has attained age 80 as of the last day of the month that includes the Suspension Date; and (3) any Participant or Beneficiary receiving a Disability Pension as of the Suspension Date.

(e) “Limited Suspension Participants” include (1) any Participant or Beneficiary who, if the Suspension Plan was applied, would have a monthly benefit below 110% of the PBGC Guarantee, and who shall have the suspension and reduction down to 110% of the PBGC Guarantee; and (2) Participants and Beneficiaries who are between age 75 and age 80 as of the last day of the month that includes the Suspension Date, and who shall have the suspension and reduction of benefits limited in accordance with Code Section 432(e)(9)(D)(ii).

Section 15.03 Benefit Suspensions under Approved Suspension Plan

(a) Benefit Accrual Reduction Under Section 3.03. Effective as of the Suspension Date, no Affected Participant shall receive a benefit which on average is greater than \$72.00 times the Participant's Benefit Credits.

- (1) Effective as of the Suspension Date, all Affected Participants in pay status shall begin receiving an Adjusted Monthly Benefit calculated using an average benefit accrual of no greater than \$72.00 per Benefit Credit.
- (2) Effective as of the Suspension Date, all other Affected Participants under the Plan shall receive an adjustment in the Plan records documenting the Adjusted Monthly Benefit calculated using accrued service through April 30, 2016 and a benefit accrual rate of no greater than \$72.00 per Benefit Credit on average.
- (3) Effective as of the Suspension Date, the benefit reduction in Section 3.03 shall be applied to Limited Suspension Participants as provided in Section 15.04.

(b) Partial Elimination of Early Retirement Subsidy for Special 30 Year Service Pension Under Section 3.13. Effective as of the Suspension Date, no Affected Participant who retired prior to age 62 shall receive the full amount of the Regular Pension to which the Participant would be eligible to receive upon attaining age 65 even under the Special 30 Year Service Pension. The Adjusted Monthly Benefit for any Affected Participant receiving a Special 30 Year Service Pension shall receive a reduction of one and one-half percent (1.5%) per year or one eighth of one percent (0.125%) per month that the Affected Participant was younger than age 62 at his or her Annuity Starting Date.

- (1) Effective as of the Suspension Date, all Affected Participants in pay status shall begin receiving the Adjusted Monthly Pension calculated under Section 3.13.
- (2) Effective as of the Suspension Date, the benefit reductions in Section 3.13 shall be applied to Limited Suspension Participants as provided in Section 15.04.

(c) Elimination of Extra Benefit Credits under Section 4.02. Effective as of the Suspension Date, no Affected Participant is eligible to earn more than one (1) Benefit Credit for any Plan Year, so all extra Benefit Credits earned over one (1) per Plan Year shall be eliminated.

- (1) Effective as of the Suspension Date, all Affected Participants in pay status shall begin receiving the Adjusted Monthly Benefit reflecting the new total Benefit Credits calculated under Section 4.02(c).
- (2) Effective as of the Suspension Date, all other Affected Participants under the Plan shall receive an adjustment in the Plan records documenting the Adjusted Monthly Benefit calculated using the new total Benefit Credits calculated in accordance with Section 4.02(c).
- (3) Effective as of the Suspension Date, the benefit reductions in Section 4.02(c) shall be applied to Limited Suspension Participants as provided in Section 15.04.

Section 15.04 Application of Benefit Suspensions to Limited Suspension Participants

(a) Limited Suspension Participants will first have their monthly benefit recalculated under Section 15.03 (a), (b) and (c). If any of these reductions, separately or in combination, result in the monthly benefit being reduced to 110% of the PBGC Guarantee or less, the Limited Suspension Participant's Adjusted Monthly Benefit under this Suspension Plan will be 110% of the PBGC Guarantee.

(b) Limited Suspension Participants who are between age 75 and 80 will first have their monthly benefit calculated in accordance with paragraph (a) above to determine the Adjusted Monthly Benefit and then have their Adjusted Monthly Benefit increased due to their age as follows:

- (1) The Adjusted Monthly Benefit will be subtracted from the monthly benefit prior to Suspension; then
- (2) The resulting difference will be divided by 60 to determine the age based adjustment factor; then
- (3) The age based adjustment factor will be multiplied by the number of months the Limited Suspension Participant is over age 75 as of February 28, 2017 to determine the age based increase factor; then
- (4) The resulting product is the age based increase factor; then
- (5) The Adjusted Monthly Benefit will be added to the age based increase factor to determine the age Adjusted Monthly Benefit.

The Limited Suspension Participants under this provision will receive the age Adjusted Monthly Benefit as of the Suspension Date.

EXCEPT as herein amended and modified, all of the terms and provisions of the Plan are hereby affirmed.

IN WITNESS WHEREOF, the Board of Trustees of the Iron Workers Local 17 Pension Fund has caused the foregoing Amendment to be executed at Cleveland Ohio on this _____ day, of January 2017.

BOARD OF TRUSTEES

