



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C.

March 21, 2019

Mr. Frederick R. Christen  
Board of Trustees of the Toledo Roofers Local No. 134 Pension Fund  
7142 Nightingale, Suite 1  
Holland, OH 43528

Re: Toledo Roofers Local No. 134 Pension Fund (Fund) Application for Reduction of Benefits

Dear Mr. Christen:

On February 4, 2019, you were notified that the Secretary of the Treasury (Treasury), in consultation with the Secretary of Labor (DOL) and the Pension Benefit Guaranty Corporation (PBGC), had reviewed your application (Application) for a reduction in benefits, which was submitted on June 25, 2018, and determined that the Application satisfied the requirements of subparagraphs (C), (D), (E), and (F) of section 432(e)(9) of the Internal Revenue Code (Code), which were added to the Code by the Multiemployer Pension Reform Act of 2014 (MPRA). The notification explained that, as required under MPRA, before any benefit reduction could go into effect, Treasury would administer a vote of eligible participants and beneficiaries to approve or reject the proposed benefit reduction.

The voting period began on February 21, 2019, and ended on March 14, 2019. The Fund identified 537 participants and beneficiaries as eligible to vote. Of the voters identified by the Fund who received a ballot, 113 (or 21.04 percent of all eligible voters) voted to reject the benefit reduction, 50 voted to approve the benefit reduction, and 374 did not return a ballot. Because a majority of voters identified as eligible by the Fund did not vote to reject the benefit reduction, the benefit reduction is permitted to go into effect. Treasury, in consultation with DOL and PBGC, has issued a final authorization to reduce benefits under the Fund as described in the Application, effective April 1, 2019, subject to the conditions described below.

Under MPRA, the Fund's ability to reduce benefits is conditioned on the Fund's compliance with subparagraphs (C) and (E) of section 432(e)(9). Under subparagraph (C), after the benefit reduction goes into effect, the Fund's plan sponsor must make an annual determination that, despite all reasonable measures to avoid insolvency, the Fund is projected to become insolvent unless a benefit reduction continues. The Fund's plan sponsor must maintain a written record of these annual determinations, and this record must include a description of the factors considered to determine whether all reasonable measures have been taken to avoid insolvency. The written record must be made available to participants and beneficiaries. If the Fund's plan sponsor fails to satisfy the annual plan sponsor determination requirement for a plan year (including maintaining the written record), then the reduction of benefits will expire as of the first day of the following plan year.<sup>1</sup>

Subparagraph (E) of section 432(e)(9) establishes rules that apply to any benefit improvements that

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<sup>1</sup> 26 C.F.R. § 1.432(e)(9)-1(c)(5).

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are made under the Fund during the period that the benefit reduction remains in effect.

A copy of this letter will be posted on the Treasury Department website. Please contact Treasury staff if you have any questions or need any additional information.

Sincerely,

A handwritten signature in blue ink that reads "Danielle Norris". The signature is written in a cursive, flowing style.

Danielle Norris  
MPRA Director

cc: Scott Newsom  
Erika Creager