

Notice of Endangered Status as of July 1, 2018
For The
United Association of Plumbers and Steamfitters Local 521 Pension Trust Fund

EBSA/PUBLIC DISCLOSURE
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The Pension Protection Act of 2006 (“PPA”) has requirements for measuring the financial health of multiemployer plan such as yours. The PPA requires that the plan actuary determine annually the Plan’s status under these new rules, and to certify that status to the IRS and the Board of Trustees. If the Plan’s status for a plan year is “endangered” (i.e., “yellow” zone) or “critical” (i.e., “red” zone), the Trustees must notify all plan participants, and other interested parties, and take corrective action to restore the financial health of the Plan.

Endangered Status (i.e., “Yellow” Zone)

This notice is to inform you that on September 24, 2018, the plan actuary certified to the U.S. Department of the Treasury, and to the Board of Trustees, that the Plan is in “endangered status” for the plan year beginning July 1, 2018. Federal law requires that you receive this notice.

The Plan was approximately 69% funded at July 1, 2018. This means that the ratio of Plan assets to Plan liabilities was 69% at that date. The Plan would need to have a funded ratio of at least 80% in order to be out of the “yellow” zone.

Funding Improvement Plan

Federal law requires plans in endangered status to adopt a Funding Improvement Plan, designed to improve the financial health of the Plan. Since this plan became endangered as of July 1, 2012, a Funding Improvement Plan began July 1, 2013. As part of that Funding Improvement Plan the contribution rate was increased 25 cents per hour in 2013, and 50 cents per hour each year in 2014, 2015 and 2016.

A 2015 update to the Funding Improvement Plan lowered the benefits available to participants retiring due to disability in the future. The Funding Improvement Plan CANNOT take away benefits you have already accrued. No benefit increases are permitted while the Plan is under a Funding Improvement Plan, unless such increases are funded by additional contributions.

Commitment to Continued Improvement

At this point, the Trustees anticipate that the Fund will eventually emerge from endangered status and continue to see improved funded percentages. The Trustees maintain their commitment to providing a retirement benefit on which you can rely to pay a lifetime benefit that will play a significant role in your overall retirement planning.

Where to Get More Information

For more information about this Notice, you may contact American Benefit Corporation at 3150 U.S. Route 60, Ona, WV, 25545 or by telephone at 304-525-0331. You have a right to receive a copy of the Funding Improvement Plan.