



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

December 16, 2016

Board of Trustees, Iron Workers Local 17 Pension Fund
2350 Euclid Avenue, Room 150
Cleveland, OH 44115

Re: Application (Application) to Suspend Benefits Submitted by the Trustees (Trustees) of the Iron Workers Local 17 Pension Fund (Plan)

Ms. Pofok and the Board of Trustees:

Pursuant to the Kline-Miller Multiemployer Pension Reform Act of 2014 (Kline-Miller), your Application, submitted by the Trustees to the Secretary of the Treasury (Treasury) on July 29, 2016, to reduce benefits under the Plan has been reviewed to determine whether it satisfies the requirements Congress established. In consultation with the Secretary of Labor (DOL) and the Pension Benefit Guaranty Corporation (PBGC), Treasury has determined (1) that the Plan is eligible to reduce benefits (referred to in the statute as a benefit "suspension") under Kline-Miller, and (2) that the Application satisfies the requirements of subparagraphs (C), (D), (E), and (F) of section 432(e)(9) of the Internal Revenue Code (Code), as added to the Code by Congress in Kline-Miller, subject to your revision of the proposed Plan amendment included in your Application.¹ Accordingly, the Application is approved, subject to your revision of the proposed amendment.

This notification is not a final authorization to implement the benefit suspension set forth in your Application. Pursuant to section 432(e)(9)(H), no suspension of benefits may take effect before a vote of the participants of the plan with respect to the suspension. Kline-Miller requires Treasury, in consultation with DOL and PBGC, to administer the vote. Accordingly, Treasury, in consultation with DOL and PBGC, will administer a vote giving participants and beneficiaries of the Plan an opportunity to decide whether the proposed benefit suspension will become effective or will be rejected.² As required by Congress under Kline-Miller, a plan participant's

¹ Although the Application correctly applies the limitation on benefit suspensions set forth in section 432(e)(9)(D)(i), which prohibits benefit reductions below 110 percent of the PBGC guaranteed amount, the proposed amendment included in the Application must be revised to accurately describe this limitation. See Application at 882-885. This letter is not a determination that the Plan or any amendment to the Plan satisfies the requirements of section 401(a).

² In certain cases, Kline-Miller requires Treasury to permit the implementation of a proposed benefit suspension (or a modification thereof) despite a rejection of that suspension by a plan's participants and beneficiaries. This applies only in the case of a plan that Kline-Miller characterizes as "systemically important." Under the statute, a systemically important plan is a plan with respect to which the PBGC projects the present value of projected financial assistance payments exceeds \$1,000,000,000 if the proposed benefit suspensions are not implemented. Treasury, in consultation with DOL and PBGC, has determined that the Plan is not a systemically important plan. Therefore, the participant and beneficiary vote on the proposed benefit suspension will be binding.

or beneficiary's failure to vote has the same effect on the outcome of the vote as a vote in favor of the suspension.

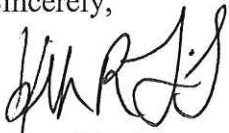
Pursuant to the regulations issued under Kline-Miller, the Trustees must submit to Treasury or its designated vendor no later than December 23, 2016 the following:

- a voting roster that identifies eligible voters in accordance with the regulations under Kline-Miller (including all Plan participants – active participants, deferred vested participants, and retirees – and beneficiaries of deceased participants);
- Plan information (such as participant identification codes used by the Plan) to enable Treasury to verify the identity of each eligible voter;
- mailing addresses for all voters on the roster (or an indication that an address could not be located through reasonable efforts);
- current electronic mailing addresses for those voters who also may be contacted electronically; and
- individualized estimates of the effect of your proposed benefit suspension on the participant or beneficiary under the Plan.³

The Trustees are responsible for contacting eligible voters to inform them that a ballot package on your proposed benefit suspension is being mailed to them and for making reasonable efforts to identify the mailing address for those eligible voters whose ballot packages are returned as undeliverable (upon notice of such returns by Treasury).⁴ Please review the regulations under Kline-Miller for further details regarding these requirements. **If you fail to satisfy the applicable requirements, it may not be possible to timely administer a vote and certify the results of the vote. In that case, it may not be possible to issue a final authorization permitting implementation of the proposed suspension.**⁵

Please contact Treasury staff if you have any questions regarding this information.

Sincerely,



Kenneth Feinberg
Special Master for Implementation of Kline-Miller

³ Treas. Reg. sec. 1.432(e)(9)-1(h)(2)(iii)(B)(2).

⁴ Treas. Reg. sec. 1.432(e)(9)-1(h)(2)(iii)(B)(3).

⁵ See Treas. Reg. sect. 1.432(e)(9)-1(a)(4)(iii)(D) (The effective date of a suspension may not precede the date on which a final authorization to suspend benefits is issued.)