



ANNUAL FUNDING NOTICE

For Iron Workers District Council of Southern Ohio and Vicinity Pension Trust

Introduction

This notice includes important information about the funding status of your multiemployer pension plan (the “Plan”). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation (“PBGC”), a federal insurance agency. All traditional pension plans (called “defined benefit pension plans”) must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is required by federal law. This notice is for the plan year beginning February 1, 2018 and ending January 31, 2019 (“2018 Plan Year”).

How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the “funded percentage.” The Plan divides its assets by its liabilities on the Valuation Date for the plan year to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan’s funded percentage for the Plan Year and each of the two preceding plan years is shown in the chart below. The chart also states the value of the Plan’s assets and liabilities for the same period.

Funded Percentage			
	2018 Plan Year	2017 Plan Year	2016 Plan Year
Valuation Date	February 1, 2018	February 1, 2017	February 1, 2016
Funded Percentage	72.4%	71.6%	73.4%
Value of Assets	\$788,804,789	\$772,038,621	\$764,011,562
Value of Liabilities	\$1,089,799,622	\$1,078,556,891	\$1,040,659,771

Note: The Plan’s projected funded percentage as of February 1, 2019 is estimated to be 73.2%.

Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They also are “actuarial values.” Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan’s funded status at a given point in time. The asset values in the chart below are market values and are measured on the last day of the Plan Year. The chart also includes the year-end market value of the Plan’s assets for each of the two preceding plan years.

	January 31, 2019	January 31, 2018	January 31, 2017
Fair Market Value of Assets	\$789,891,798*	\$840,159,441	\$739,862,942

* This is an unaudited, fair market value amount

Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan is categorized as having “endangered” status if its funded percentage is less than 80 percent or if the plan has a projected funding deficiency within 7 years. A plan is considered to be “seriously endangered” if its funded percentage is less than 80 percent **and** the plan has a projected funding deficiency within 7 years. A plan is in “critical” status if the funded percentage is less than 65 percent (other factors may also apply). A plan is in “critical and declining” status if it is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years (or within 20 years if a special rule applies). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status or critical and declining status, the trustees of the plan are required to adopt a rehabilitation plan. Funding improvement and rehabilitation plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time. The plan sponsor of a plan in critical and declining status may apply for approval to amend the plan to reduce current and future payment obligations to participants and beneficiaries.

The Plan was in endangered status in the 2018 Plan Year because the funded percentage was less than 80%. In an effort to improve the Plan’s funding situation, the Trustees adopted and have updated the Funding Improvement Plan (originally adopted in 2008) to include the following Schedules:

Alternative Schedule:

1. Contribution rates no less than the following until the Pension Trust is no longer in endangered or seriously endangered status:

Period of Hours Worked	Hourly Contribution Rate
On or after June 1, 2016	\$9.50

2. The plan of benefits in effect, including all amendments adopted by the date the updated Funding Improvement Plan was adopted by the Trustees, for all current and future active participants and for every year that the Plan is in endangered or seriously endangered status, except for any benefit changes required for the Plan to continue meeting the requirements to maintain its tax qualification under the Internal Revenue Code and comply with other applicable law.

Default Schedule

1. A contribution rate less than \$9.50 per hour for every year that the Pension Trust is in endangered or seriously endangered status, and
2. The plan of benefits in effect, including all amendments adopted by the date the updated FIP was adopted by the Trustees, for all current and future active participants and for every year that the Plan is in endangered or seriously endangered status, except for:
 - a) A 45% reduction in the benefit accrual rate for service earned on or after January 1, 2017 (*i.e. benefit accrual rate of \$66 per pension credit*), and
 - b) Any benefit changes required for the Plan to continue meeting the requirements to maintain its tax qualification under the Internal Revenue Code and comply with other applicable law.

You may obtain a copy of the Plan's Funding Improvement Plan, any update to such plan, and the actuarial and financial data that demonstrate any action taken by the Plan toward fiscal improvement by contacting the Plan Administrator.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the valuation date was 8,266. Of this number, 3,179 were current employees, 3,787 were retired and receiving benefits, and 1,300 were retired or no longer working for the employer and have a right to future benefits.

Funding & Investment Policies

Every pension plan must have a procedure for establishing a funding policy to carry out plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The funding policy of the Plan is that the Plan is funded by contributions made by employers pursuant to collective bargaining agreements with the unions that represent the Plan's participants and other agreements with participating employers, and by earnings on the investment of plan assets.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The current investment policy statement of the Plan targets the following asset classes:

47%	US Equities
5%	Global Equities
8%	International Equities
23%	Fixed Income
5%	Real Estate
7%	Alternatives
5%	Cash

The Investment Policy guidelines define an acceptable asset class range as the asset class +/-5% (i.e., Fixed Income 18-28%, with the target being 23%).

Investments are made in these asset classes by hiring qualified investment managers.

Under the Plan's investment policy, the Plan's assets were allocated among the following categories of investments as of the end of the Plan Year. These allocations are percentages of total assets:

	Asset Allocations	Percentage
1.	Cash (Interest-bearing and non-interest bearing)	4.6%
2.	U.S. Government securities	--
3.	Corporate debt instruments (other than employer securities): Preferred All other	-- --
4.	Corporate stocks (other than employer securities): Preferred Common	-- 13.3%
5.	Partnership/ joint venture interests	7.3%
6.	Real estate (other than employer real property)	--
7.	Loans (other than to participants)	--
8.	Participant loans	--
9.	Value of interest in common/ collective trusts	65.8%
10.	Value of interest in pooled separate accounts	--
11.	Value of interest in 103-12 investment entities	--
12.	Value of interest in registered investment companies (e.g., mutual funds)	9.0%
13.	Value of funds held in insurance co. general account (unallocated contracts)	--
14.	Employer-related investments: Employer Securities Employer real property	-- --
15.	Buildings and other property used in plan operation	--
16.	Other	--

For information about the Plan's investment in any of the following types of investments—common/collective trusts, pooled separate accounts, or 103-12 investment entities – contact the plan administrator at the mailing address and/or telephone number listed in the last section of this notice.

Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the “Form 5500.” These reports contain financial and other information. You may obtain an electronic copy of your Plan’s annual report by going to www.efast.dol.gov and using the search tool. Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration’s Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling (202) 693-8673. Or you may obtain a copy of the Plan’s annual report by making a written request to the plan administrator. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact your plan administrator if you want information about your accrued benefits. Your plan administrator is identified below under “Where To Get More Information About Your Plan.”

Summary of Rules Governing Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan’s available resources. If such resources are not enough to pay benefits at the level specified by law (see “Benefit Payments Guaranteed by the PBGC,” below), the plan must apply to the PBGC for financial assistance. The PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan’s financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multiemployer plans. Your Plan is covered by the PBGC’s multiemployer program. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first \$11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next \$33 of the accrual rate, times each year of credited service. The PBGC’s maximum guarantee, therefore, is \$35.75 per month times a participant’s years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of \$600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant’s years of service ($\$600/10$), which equals \$60. The guaranteed amount for a \$60 monthly accrual rate is equal to the sum of \$11 plus $\$24.75 (.75 \times \$33)$, or \$35.75. Thus, the participant’s guaranteed monthly benefit is $\$357.50 (\$35.75 \times 10)$.

Example 2: If the participant in Example 1 has an accrued monthly benefit of \$200, the accrual rate for purposes of determining the guarantee would be \$20 (or \$200/10). The guaranteed amount for a \$20 monthly accrual rate is equal to the sum of \$11 plus \$6.75 (.75 x \$9), or \$17.75. Thus, the participant's guaranteed monthly benefit would be \$177.50 (\$17.75 x 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified preretirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under a plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on the PBGC's website at www.pbgc.gov/multiemployer. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit, the PBGC does not have that information. See "Where to Get More Information About Your Plan" below.

Where to Get More Information About Your Plan

For more information about this notice, you may contact the individual below.

Ms. Penny Brown
Iron Workers District Council of Southern Ohio & Vicinity Pension Trust
1470 Worldwide Place
Vandalia, OH 45377-1156
(937) 454-1744 or (800) 331-4277

For identification purposes, the official plan number is 001 and the plan sponsor's name and employer identification number or "EIN" is Iron Workers District Council of Southern Ohio & Vicinity Pension Trust and 31-6038516. For more information about the PBGC, go to the PBGC's website, www.pbgc.gov.

Date of Notice: May 31, 2019

As required by law, this notice is being provided to all required parties including the Pension Benefit Guaranty Corporation (PBGC), each Plan Participant and Beneficiary, the Union and all Contributing Employers