

IAM National Pension Fund
2018 Green Zone Notice

We are pleased to report that the IAM National Pension Fund (the “Fund”) remains in the *Green Zone* as of March 2018, as it has been ever since this zone certification was established by law in 2006. While the law does not require the Fund to report its *Green Zone* status to participants, we believe it is important information to share. In a recent industry survey, only 65 percent of multiemployer Funds in America were in the *Green Zone*.

For background, the Fund’s actuary must certify the Fund’s financial status with the U.S. Internal Revenue Service annually. The *Green Zone* certification is outlined in the Multiemployer Pension Reform Act passed by Congress in 2014, which amended the Pension Protection Act of 2006. The law sets out five certification levels that describe the financial health of pension plans from strongest to weakest: Green, Yellow, Orange, Red, and Deep Red.

To qualify for *Green Zone* certification status, a plan must meet several qualifying standards, which the IAM National Pension Fund has met. If a plan does not meet these standards and is determined to be in one of the lower zones, that Plan’s Board of Trustees must develop a funding improvement plan or rehabilitation plan to improve the Fund’s financial health over time. They must further notify participants, contributing employers, and sponsoring unions about the funding improvement or rehabilitation plan. The Deep Red Zone is reserved for Funds in the most severe financial danger.

We have monitored—and will continue to monitor—our Fund’s zone certification status to ensure we remain strong into the future. There are many variables, including investment market volatility, which can affect the Fund from year to year. We are committed to maintaining the Plan so all participants, retirees, beneficiaries, and their families will be confident in their financially secure retirement.

Sincerely,

THE BOARD OF TRUSTEES