Plumbers & Steamfitters Local 486
Pension Fund

Board of Trustees Meeting

September 29, 2016

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND

AGENDA

SEPTEMBER 29, 2016

A. ROLL CALL

B. READING OF THE MINUTES - August 25, 2016

C. ADMINISTRATION REPORTS
1. Pension Fund Cash Balance - August 31, 2016
2. Pension Fund Schedules - August 31, 2016
3. Pension Fund Bills To Be Approved & Paid – September 29, 2016
4. Administrative Cash Balance - August 31, 2016
5. Principal Account Activity - August 31, 2016
6. Investment Recap - August 31, 2016
7. Investment Analysis - August 31, 2016

D. UNFINISHED BUSINESS
1. Delinquent Contractors
2. Unauthorized Employment
3. Co-Counsel
4. Segal Report
5. Summary Plan Description
6. Request For Proposal
7. Alumni/Participation Agreement
8. Appeal 2016-2
9. Serviceman/Tradesman Pension Credits
10. Educational Conferences

E. NEW BUSINESS
1. Deaths: Betty Woodall – 6/16/2016, age 67
   Justin Smith – 6/30/2016, age 30
   Floyd Ashburn – 8/13/2016, age 84
   Carroll Warner – 8/24/2016, age 84
2. Retirements: Dale Gatton, Disability, 66% Opt., $2,104.00, L/S None
   Quido Palermo, Service, 50% H&W, $2,421.00, L/S $82,678.17
   Raymond Shortt, Normal, 100% Opt., $2,092.00, L/S $74,352.08
3. QDRO: Katheryn Geschrel (Hartig) - $442.00 / Month effective 7/1/2016
4. Annual Audit – December 31, 2015
5. Investment Performance Services
6. DOL Fiduciary Interpretation
7. Questions
8. Date of Next Meetings – Oct. 27, 2016, & Dec. 15, 2016

Plumbers & Steamfitters Local 486
Pension Fund
911 Ridgebrook Road
Sparks, Maryland 21152-9451
Toll Free Telephone (888) 494-4443
www.associated-admin.com

A. Trustees Attending: W. Adkins, M. Jackman, G. Jackson, S. Matusky, R. Rimel, S. Weissenberger, W. Welsh

Others Attending: K. Bradley, D. Jensen, D. Troll

The Trustees met on August 25, 2016 at the office of the Administrative Manager.

Chairman Jackman called the regular meeting to order at 12:00 p.m.

B. The minutes of July 28, 2016 were approved as revised.

C. The Advice Forms, Investment Analysis, Fund Cash Balance, Fund Bills to be Approved and Paid, and Administration Cash Balance Report were accepted. Trustees receiving compensation recused themselves from the votes relating to their payments.

D. Unfinished Business:

1. Ms. Bradley reported on the current delinquencies. LPC's installment agreement is completed, but it owes May and June contributions for 2016. A payroll audit is being conducted by WC&S.

2. A letter requesting additional information was mailed to Mr. Barkuloo on July 29, 2016. His response was received on August 9, 2016. At Ms. Bradley's suggestion, a letter of inquiry was sent to his employer at the address listed, requesting a job description for Mr. Barkuloo.

3. There is a request by the Arbitrator, Jerry A. Fullmer, to be covered by the same policy which covers the eight Pension Fund Trustees, pursuant to his position as part of the deadlock arbitration. The Trustees agreed to add the Arbitrator to the Pension Fund's Fiduciary

Responsibility Insurance Policy; any additional recourse premium will be shared equally by the Union and the MCA.

4. Ms. Goodstein was not scheduled to attend today's meeting.

5. Ms. Goodstein (Segal) emailed to Ms. Bradley and Mr. Troll the first red lined copy of the new combined Summary Plan Description (SPD). The Fund professionals, as well as Associated Administrators, LLC annuity and pension staff members are reviewing the document.

6. The Trustees discussed the Request for Proposal (RFP) for Custodial Services. At the last meeting Joseph Knisely and Joshua Kakel representing PNC Bank, and Steve Richter and Kameron George representing US Bank, gave presentations reviewing their companies' proposals for custodial services. After much discussion a motion failed (4-4) to change Custodial Service to US Bank. A motion to stay with PNC for Custodial Services failed (4-4).

7. The Trustees discussed the approved new Alumni / Participation Agreement. Ms. Bradley will compose a letter to be sent to all contributing employers explaining and discussing the new Participation Agreement. Trustee Matusky requested a list of contractors participating with a Participation Agreement.

8. Appeal 5-2016-2. Previously the Trustees considered this appeal and voted to request additional information regarding contiguous non-covered employment. Ms. Bradley drafted a letter requesting the additional information. The Trustees are waiting for a reply. The Trustees tabled the discussion.

9. The Trustees tabled the discussion on the pension credit calculation for a Serviceman and a Tradesman working under Schedule A to the National Service and Maintenance Agreement.

10. The Trustees signed the First Amendment to the 2016 Plan Document, reflecting the benefit accrual changes which were approved by the Trustees earlier this year.

E. New Business:

1. Deaths: Martha Spence – 5/13/2016, age 89
   Frank Engler – 7/25/2016, age 72
   Madlyn Gourley – 7/16/2016, age 91
   Kenneth Johnson – 7/30/2016, age 77
   Foster Wright – 8/10/2016, age 88

2. The Trustees approved the following Pension Benefits:
   Richard Goodman, Normal, 120 Opt., $632.00, L/S $16,986.31
   Thomas Hendricks, Normal, 60 Opt., $1,772.00, L/S None
   Craig Silver, Service, 66% Opt., $1,968.00, L/S $71,709.20

3. The Trustees approved the following Survivor Benefits:
   Bobby Green (Wendell) Wife Lump Sum $10,750.00

4. Dates of the next meetings:
   September 29, 2016
   October 27, 2016
   December 15, 2016

5. Adjournment: 3:43 p.m.

Respectfully submitted,

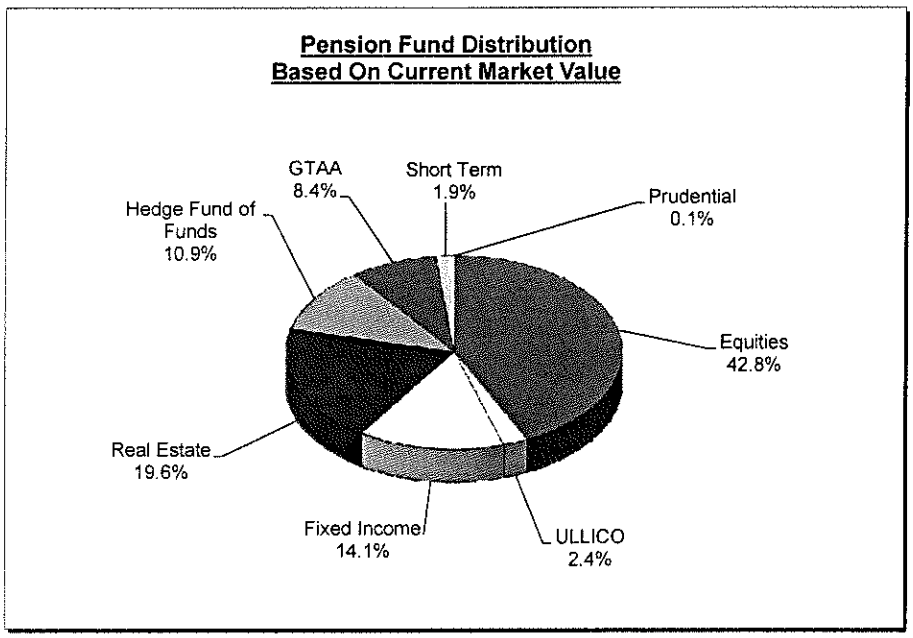
Dale O. Troll, CEBS
Secretary for the Meeting

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
CASH BALANCE REPORT
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2016

	Current Month	Year To Date
Receipts:		
Employer Contributions	$1,122,030.89	$9,377,576.80
Reciprocal Contributions	65,646.24	379,529.65
Employee Contributions	0.00	0.00
Withdrawal Income	0.00	18,508.68
Less Reciprocals Paid	(114,210.89)	(579,431.80)
Litigation Settlement	3,035.91	7,462.29
Local 782 Merger	0.00	211,951.27
Interest & Liquidated Damages Revenue	0.00	0.00
Investment Income	3,447,131.86	6,114,688.01
	$4,523,634.01	$15,530,284.90
Pension Benefits	$1,258,594.62	$9,384,150.66
Lump Sum Benefits	0.00	120,168.92
Actuarial & Consulting - Contract	0.00	34,125.00
Actuarial - Additional Consulting	0.00	32,388.00
Actuarial - Withdrawal Liability Fees	0.00	0.00
SPD Publishing	0.00	0.00
Administration	9,225.25	74,890.80
Audit Fees	0.00	20,985.65
Conference Expenses	4,553.96	8,078.95
Dues	0.00	875.00
Fiduciary Liability Ins & Bond	0.00	27,396.47
Investment Manager Fees	14,905.43	475,699.21
Investment Performance Monitoring Fees	0.00	120,000.00
I R S Filing Fee	0.00	0.00
Legal Fees & Expenses	14,832.28	192,052.62
Medical Consulting Fees	0.00	0.00
Office Expenses	246.85	2,895.81
P. B. G. C.	0.00	0.00
Postage	0.00	1,304.25
Printing	0.00	1,681.23
Programming	0.00	0.00
Consulting Fees	0.00	0.00
Proxy Voting	750.00	2,250.00
Trustees Meeting Expenses	0.00	0.00
Bank Service Charges	0.00	0.00
U.A. Reciprocal Program	237.50	712.50
Foreign Tax Processing Fee	0.00	200.00
Mileage Reimbursement	0.00	0.00
Trustee Fees - Wayne Adkins	456.08	7,176.20
Mark Jackman	456.08	7,176.20
Mark Eckstein	0.00	2,669.48
Total Disbursements	$1,304,258.05	$10,516,876.95
Increase (Decrease) In Cash	$3,219,375.96	$5,013,407.95
Balance - December 31, 2015		181,639,375.95
Local 782 Assets Transferred In		3,664.15
Balance - August 31, 2016		$186,656,448.05

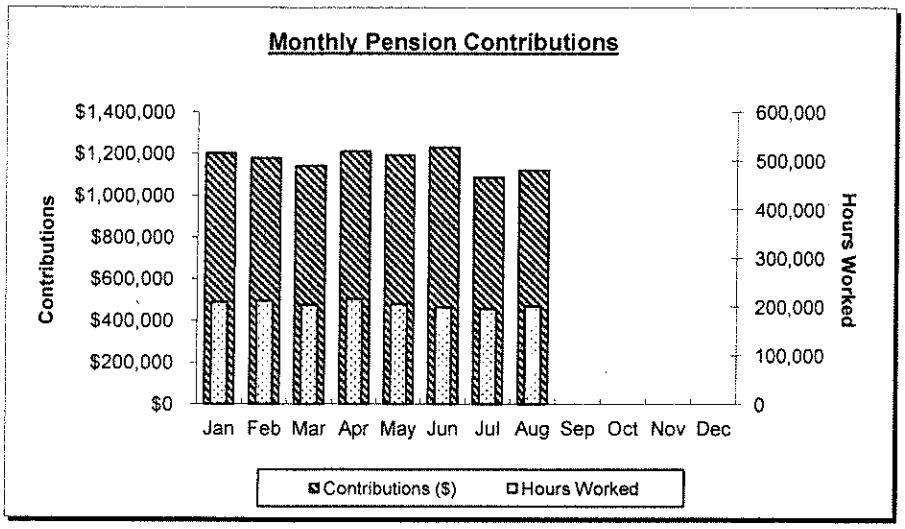
PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
CASH BALANCE REPORT
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2016

Cash Balance Consisting Of:	Market Value @ 12/31/2015	Current Market Value		Cost
Bank of America Checking	$84,545	$25,221	0.01%	$25,221.00
PNC - Cash	2,630,465	$3,923,647	1.82%	3,923,647.26
Alger - Equities	$26,876,147	$26,833,524	12.45%	23,852,175.77
Columbia Partners - Fixed Income	$10,659,914	$12,003,983	5.57%	11,941,555.78
Wedge Cap Mgmt. - Equities	$26,275,360	$27,609,402	12.81%	24,394,122.73
First Eagle - International Value	$11,609,747	$12,568,968	5.83%	9,361,532.50
Columbia Partners - Equities	$6,871,488	$2,992	0.00%	2,991.56
Rothschild - Equities	0	$22,380,825	10.38%	21,431,613.40
BlackRock - GTAA	$17,278,427	$18,064,748	8.38%	16,404,652.58
Multi-Employer Property Trust	14,039,381	$19,748,427	9.16%	19,748,427.37
American Realty	$21,232,759	$22,547,811	10.46%	16,636,374.14
Rothschild - SMID Cap Equity	$14,208,760	$0	0.00%	0.00
Columbia Partners - Hedge Fund	$0	$887,416	0.41%	887,415.99
Meridian Capital	$110,935	$80,769	0.04%	56,577.34
Penn Capital	$15,352,709	$16,658,133	7.73%	9,492,039.51
Grosvenor Capital	$9,977,146	$9,950,597	4.62%	7,319,682.22
Grosvenor Opportunity Fund	$1,357,858	$34,967	0.02%	0.00
Grosvenor Opportunity Fund III	$4,970,945	$4,554,764	2.11%	3,835,792.47
Grosvenor Opportunity Fund IV	$5,107,206	$7,889,921	3.66%	7,500,000.00
Manning & Napier (782)	$6,170,318	$0	0.00%	0.00
Segall Bryant & Hamill (782)	$6,809,895	$4,652,631	2.16%	4,652,631.10
Prudential	107,903	$108,719	0.05%	108,718.53
ULLICO - Separate Account J	2,294,784	$2,345,704	1.09%	2,345,703.76
ULLICO - Accumulation Account	2,692,112	$2,735,573	1.27%	2,735,573.04
	$206,718,806	$215,608,742	100.00%	$186,656,448.05



PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
SCHEDULES
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2016

Employer Contributions:	Current Hours	Y T D Hours	Current Month	Year To Date
Nov. 2015 & Prior	0.00	47,380	$0.00	$273,049.20
Dec. 2015 Hours	0.00	211,781	0.00	1,217,479.98
Jan. 2016 Hours	0.00	206,926	0.00	1,155,848.25
Feb. 2016 Hours	198.00	212,300	1,601.82	1,194,233.74
Mar. 2016 Hours	1,611.20	250,516	13,019.35	1,404,085.79
Apr. 2016 Hours	4,511.55	205,126	29,506.67	1,211,355.37
May 2016 Hours	1,122.50	183,427	5,002.93	1,126,482.53
June 2016 Hours	14,458.75	199,722	75,551.44	1,111,576.67
July 2016 Hours	190,008.83	190,009	1,062,994.92	1,062,994.92
Total Hours	211,910.83	1,707,187	1,187,677.13	9,757,106.45
Less Reciprocals Hours	(11,159.75)	(64,916)	(65,646.24)	(379,529.65)
Local Hours	200,751.08	1,642,271	$1,122,030.89	$9,377,576.80
Average Contribution Rates - Local			$5.58916	$5.71013
Projected Totals for 2016 - Local		2,463,407		$14,066,365.20



Investment Income:

Distribution - Short Term Fund	$296.30	$1,183.02
Dividends	55,417.51	918,887.32
Interest	67,393.41	289,696.38
Commission Recapture	0.00	5,901.15
Realized Gain or (Loss)	3,313,674.36	3,685,042.41
Distribution - Multi-Employer Property Trust	0.00	1,118,781.73
Distribution - Prudential	0.00	815.51
Distribution - ULLICO	10,350.28	94,380.49
	$3,447,131.86	$6,114,688.01
Unrealized Gain or (Loss)	(2,564,737.59)	3,872,863.83
	$882,394.27	$9,987,551.84

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
BILLS AND DISBURSEMENTS TO BE APPROVED AND PAID
SEPTEMBER 29, 2016

1.	Plumbers & Steamfitters Joint Funds		
	Administration @ 19% Plus Direct Costs - August 2016	$	9,948.78
2.	Trustees Checks - June 23, 2016		
	Mark Jackman @ $456.08 - Trustees Meeting - September 29, 2016		456.08
	Wayne Adkins @ $456.08 - Trustees Meeting - September 29, 2016		456.08
3.	Plumbers & Steamfitters Local 486 Pension Fund		
	Transfer To Investments - September 2016		Blank
4.	Associated Administrators, LLC		
	Lunch - September 29, 2016		Blank
	Refreshments - September 29, 2016		11.30
5.	Associated Administrators, LLC		
	Accurint Billing - August 2016		8.47
	Accurint Billing - July 2016		8.42
6.	Conference Expenses		
	R. Rimel - Air fare - November 2016		277.96
7.	BlackRock Institutional Trust Company, N.A.		
	Investment Management For April, May and June, 2016		25,734.33
8.	Columbia Partners LLC		
	Investment Management For July & Aug., 2016 - Final Invoice		10,458.49
9.	Investment Performance Services, LLC		
	Professional Services - July, Aug. & Sept., 2015		45,000.00
10.	Weyrich, Cronin & Sorra Chartered		
	Progress Billing Services rendered related to audit - Dec. 31, 2015		1,600.00
11.	Beins, Axelrod, P.C.		
	Professional Services Arbitration - August 2016		357.50
12.	Segal Consulting		
	June 2016-Two QDROs, 782 Benefit calcualations, SPD 782 Provisio		5,854.00

Accounting for August 2016 Checks

Plumbers & Steamfitters Local 486 Pension Fund		
Transfer To Investments - August, 2016		1,140,000.00
Associated Administrators, LLC		
Lunch - August 25, 2016		246.85
Refreshments - August 25, 2016		None

PLUMBERS & STEAMFITTERS LOCAL 486
M.C.A. of MD JOINT ADMINISTRATION
ADMINISTRATION CASH REPORT
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2016

	Y T D Budget	Current Month	Year To Date	
Balance - January 1, 2016				$24,595.96
Receipts:				
Medical Fund - 54%	$193,659	22,235.39	$180,217.20	
Pension Fund - 19%	78,561	9,225.25	74,617.11	
Annuity Fund - 20%	75,491	8,833.60	72,003.37	
Credit Union - 1%	3,597	441.68	3,558.14	
Training Fund - 4%	14,387	1,766.72	14,232.55	
Dues Fund - 1%	3,597	441.68	3,558.14	
Industry Fund - 1%	3,597	441.68	3,558.12	
	$372,889	$43,386		351,744.63
				$376,340.59
Expenses:				
Administration	$347,088	43,386.00	$347,088.00	
Audit	2,467	500.00	3,350.00	
Meeting Expenses	0	0.00	0.00	
Office	0	0.00	0.00	
Printing	2,067	0.00	469.37	
Postage	1,000	13.30	1,542.53	
Postage - Medical	8,800	456.42	4,666.83	
Rent	0	0.00	0.00	
Bank Service Charges	800	0.00	545.68	
Record Destruction	0	0.00	0.00	
Employer Audits	10,667	1,878.00	2,919.00	
Total Expenses	$372,889	$46,233.72	$360,581.41	
Interest Income	0	0.00	0.00	
Net Expenses	$372,889	$46,233.72		360,581.41
Balance - August 31, 2016				$15,759.18

UNAUDITED FINANCIAL REPORT

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
PNC BANK - ACCOUNT 6787658
SHORT TERM INVESTMENT ACCOUNT
AUGUST 31, 2016

Balance - July 31, 2016		$0.00
		Receipts
a. 8/1	Investment Income	$291.75
b. 8/11	PNC Government Fund	1,319,465.52
c. 8/25	Cash Transferred From 3837351	150,000.00
d. 8/25	Cash Transferred From 6783824	150,000.00
e. 8/25	Cash Transferred From 6783840	150,000.00
f. 8/25	Cash Transferred From Grosvenor Opp Credit III	315,941.00
g. 8/25	Cash Transferred From Meridian	13,585.14
h. 8/25	Cash Transferred From Grosvenor Opp Credit	492,495.90
i. 8/25	Cash Transferred From Columbia Partners	10,911.84
j. 8/31	Cash Transferred From Fund Office	857,000.00
		$3,459,691.15
		Disbursements
a. 8/1	Benefit Payments	$997,656.03
b. 8/1	Cash Transferred To 6788751	145,243.75
c. 8/1	Cash Transferred To 6788769	4,855.00
d. 8/1	Cash Transferred To 6788777	17,919.74
e. 8/1	Cash Transferred To 5984938	96,311.63
f. 8/1	Cash Transferred To 3837351	808,436.90
g. 8/31	PNC Government Fund	1,389,268.10
		$3,459,691.15
Balance - August 31, 2016		$0.00

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
INVESTMENT RECAP - STOCKS & BONDS
AUGUST 31, 2016

	Cash Income	Realized Gains	Unrealized Gains	Total Income		Market Value
		PNC BANK PENSION PAYMENT			Begin Bal.	$ 2,630,465.08
Jan.	$86.75	$0.00	$0.00	$86.75		
Feb.	48.14	0.00	0.00	48.14		
Mar.	111.89	0.00	0.00	111.89		
Apr.	133.07	0.00	0.00	133.07		
May	164.94	0.00	0.00	164.94		
June	135.33	0.00	0.00	135.33		
July	206.60	0.00	0.00	206.60		
Aug.	296.30	0.00	0.00	296.30		
Sep.				0.00		
Oct.				0.00		
Nov.				0.00		
Dec.				0.00		
Year To Date 2016	$1,183.02	$0.00	$0.00	$1,183.02	Curr Mkt.	$ 3,923,647.26
		ALGER - EQUITIES 6783824			Begin Bal.	$ 26,876,147.11
Jan.	$18,844.69	($98,271.66)	($1,789,716.30)	($1,869,143.27)	Litig Settlement	$ 1,366.58
Feb.	239,115.91	(225,936.62)	(496,019.66)	($482,840.37)	Transfer/litig	$ (149,916.66)
Mar.	43,205.00	(17,711.18)	1,562,648.21	$1,588,142.03	Transfer out	$ (75,000.00)
Apr.	14,880.67	249,980.47	(562,120.67)	($297,259.53)		
May	22,237.63	(24,328.43)	735,152.13	$733,061.33	Transfer out	$ (150,000.00)
June	43,028.45	103,188.34	(484,260.60)	($338,043.81)	Transfer out	$ (75,000.00)
July	16,853.49	80,899.60	1,218,178.20	$1,315,931.29		
Aug.	20,644.36	61,273.40	(175,838.63)	($93,920.87)	Transfer out	$ (150,000.00)
Sep.				$0.00		
Oct.				$0.00		
Nov.				$0.00		
Dec.				$0.00		
Year To Date 2016	$418,810.20	$129,093.92	$8,022.68	$555,926.80	Curr Mkt.	$ 26,833,523.83
		COLUMBIA PARTNERS - BONDS 3837351			Begin Bal.	$ 10,659,914.48
Jan.	$13,984.59	($6,401.21)	$108,329.48	$115,912.86		
Feb.	52,906.08	(5,637.00)	46,989.18	$94,258.26	Transfer out	$ (150,000.00)
Mar.	21,832.75	(21,732.78)	62,674.17	$62,774.14	Transfer in/out	$ 190,839.28
Apr.	17,210.62	18,886.20	(27,555.38)	$8,541.44	Transfer in	$ 159,885.13
May	35,382.05	(19,047.49)	(15,923.37)	$411.19	Transfer in/out	$ 127,824.40
June	18,788.76	(100,965.83)	212,932.70	$130,755.63	Transfer out	$ (75,000.00)
July	11,179.10	139.49	(862.53)	$10,456.06		
Aug.	61,820.07	(22,838.51)	(30,016.44)	$8,965.12	Transfer/litig	$ 658,444.61
Sep.				$0.00		
Oct.				$0.00		
Nov.				$0.00		
Dec.				$0.00		
Year To Date 2016	$233,104.02	($157,597.13)	$356,567.81	$432,074.70	Curr Mkt.	$ 12,003,982.60

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
INVESTMENT RECAP - STOCKS & BONDS
AUGUST 31, 2016

	Cash Income	Realized Gains	Unrealized Gains	Total Income		Market Value
		WEDGE CAPITAL MANAGEMENT - EQUITIES 6783840			Begin Bal.	$ 26,275,360.27
Jan.	$27,890.73	$14,786.91	($1,729,707.09)	($1,687,029.45)		
Feb.	27,482.56	(193,765.71)	119,822.26	(46,460.89)	Transfer out	$ (150,000.00)
Mar.	92,950.28	137,034.58	1,537,539.68	1,767,524.54	Transfer/litig	$ (74,928.17)
Apr.	22,536.32	(22,588.74)	488,643.11	488,590.69		
May	34,578.60	109,268.14	214,717.69	358,564.43	Transfer out	$ (150,000.00)
June	84,543.36	51,772.92	(401,521.18)	(265,204.90)	Transfer out	$ (75,000.00)
July	24,943.56	20,789.58	1,086,124.13	1,131,857.27	Frgn Tax Proc Fee	$ (200.00)
Aug.	25,954.39	147,700.21	12,673.69	186,328.29	Transfer out	$ (150,000.00)
Sep.				0.00		
Oct.				0.00		
Nov.				0.00		
Dec.				0.00		
Year To Date 2016	$340,879.80	$264,997.89	$1,328,292.29	$1,934,169.98	Curr Mkt.	$ 27,609,402.08
		COLUMBIA PARTNERS - SMALL/MID CAP EQUITIES 6809763			Begin Bal.	$ 6,871,488.48
Jan.	$6,065.55	($28,902.57)	($641,864.65)	($664,701.67)		
Feb.	3,911.86	(254,879.90)	113,259.93	(137,708.11)		
Mar.	12,359.14	(13,117.56)	434,334.89	433,576.47	Litig Settlement	$ 2,898.81
Apr.	7,353.30	75,674.81	(13,175.55)	69,852.56		
May	3,045.64	(89,198.30)	213,628.27	127,475.61		
June	11,782.23	69,737.92	(30,351.02)	51,169.13		
July	6,501.30	32,022.66	351,531.78	390,055.74		
Aug.	5,573.34	1,576.04	(889,416.18)	(882,266.80)	Transfer/litig	$ (6,258,848.66)
Sep.				0.00		
Oct.				0.00		
Nov.				0.00		
Dec.				0.00		
Year To Date 2016	$56,592.36	($207,086.90)	($462,052.53)	($612,547.07)	Curr Mkt.	$ 2,991.56
		ROTHSCHILD - EQUITIES 6098271			Begin Bal.	$ -
Jan.	$0.00	$0.00	$0.00	$0.00		
Feb.	0.00	0.00	0.00	0.00		
Mar.	0.00	0.00	0.00	0.00		
Apr.	0.00	0.00	0.00	0.00		
May	0.00	0.00	0.00	0.00		
June	0.00	0.00	0.00	0.00		
July	0.00	0.00	0.00	0.00		
Aug.	8,111.86	4,790.32	949,212.02	962,114.20	Transfer in	$ 21,418,711.22
Sep.				0.00		
Oct.				0.00		
Nov.				0.00		
Dec.				0.00		
Year To Date 2016	$8,111.86	$4,790.32	$949,212.02	$962,114.20	Curr Mkt.	$ 22,380,825.42

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
INVESTMENT RECAP - STOCKS & BONDS
AUGUST 31, 2016

	Cash Income	Realized Gains	Unrealized Gains	Total Income		Market Value
		ROTHSCHILD - SMALL/MID CAP EQUITY			Begin Bal.	$ 14,208,760.00
Jan.	$7,604.00	$96,750.00	($1,001,985.00)	($897,631.00)	Dir. Exp.	$ (11,093.00)
Feb.	16,764.00	59,727.00	21,834.00	98,325.00	Dir. Exp.	$ (11,165.00)
Mar.	19,188.00	6,280.00	887,041.00	912,509.00	Dir. Exp.	$ (11,916.00)
Apr.	8,036.00	67,141.00	(24,768.00)	50,409.00	Dir. Exp.	$ (11,949.00)
May	19,277.00	(48,288.00)	312,231.00	283,220.00	Dir. Exp.	$ (12,175.00)
June	19,445.00	(26,977.00)	(141,540.00)	(149,072.00)	Dir. Exp.	$ (12,040.00)
July	9,235.00	263,507.00	460,588.00	733,330.00	Dir. Exp.	$ (12,641.00)
Aug.	0.00	2,628,677.00	(2,628,677.00)	0.00	Transfer out	$ (15,156,871.00)
Sep.				0.00		
Oct.				0.00		
Nov.				0.00		
Dec.				0.00		
Year To Date 2016	$99,549.00	$3,046,817.00	($2,115,276.00)	$1,031,090.00	Curr Mkt.	$ -
		FIRST EAGLE - INTERNATIONAL VALUE			Begin Bal.	$ 11,609,746.97
Jan.	$0.00	$0.00	($477,375.23)	($477,375.23)		
Feb.	0.00	0.00	264,911.89	264,911.89		
Mar.	0.00	0.00	546,305.71	546,305.71		
Apr.	0.00	0.00	420,188.96	420,188.96		
May	0.00	0.00	(211,062.04)	(211,062.04)		
June	0.00	0.00	17,883.22	17,883.22		
July	0.00	0.00	468,767.26	468,767.26		
Aug.	0.00	0.00	(70,398.50)	(70,398.50)		
Sep.				0.00		
Oct.				0.00		
Nov.				0.00		
Dec.				0.00		
Year To Date 2016	$0.00	$0.00	$959,221.27	$959,221.27	Curr Mkt.	$ 12,568,968.24
		PENN CAPITAL - HIGH YIELD FIXED INCOME			Begin Bal.	$ 15,352,708.58
Jan.	$0.00	$0.00	($266,841.12)	($266,841.12)		
Feb.	0.00	0.00	30,215.95	30,215.95		
Mar.	0.00	0.00	396,989.74	396,989.74		
Apr.	0.00	0.00	341,043.09	341,043.09		
May	0.00	0.00	67,737.01	67,737.01		
June	0.00	0.00	95,155.07	95,155.07		
July	0.00	0.00	326,930.80	326,930.80		
Aug.	0.00	0.00	314,193.38	314,193.38		
Sep.				0.00		
Oct.				0.00		
Nov.				0.00		
Dec.				0.00		
Year To Date 2016	$0.00	$0.00	$1,305,423.92	$1,305,423.92	Curr Mkt.	$ 16,658,132.50

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
INVESTMENT RECAP - STOCKS & BONDS
AUGUST 31, 2016

	Cash Income	Realized Gains	Unrealized Gains	Total Income		Market Value
	GROSVENOR CAPITAL - HEDGE FUND OF FUNDS				Begin Bal.	$ 9,977,146.22
Jan.	$0.00	$0.00	($291,392.00)	($291,392.00)		
Feb.	0.00	0.00	(155,592.00)	(155,592.00)		
Mar.	0.00	0.00	37,190.00	37,190.00		
Apr.	0.00	0.00	96,738.00	96,738.00		
May	0.00	0.00	102,920.00	102,920.00		
June	0.00	0.00	(65,056.00)	(65,056.00)		
July	0.00	0.00	95,684.00	95,684.00		
Aug.	0.00	0.00	152,959.00	152,959.00		
Sep.				0.00		
Oct.				0.00		
Nov.				0.00		
Dec.				0.00		
Year To Date 2016	$0.00	$0.00	($26,549.00)	($26,549.00)	Curr Mkt.	$ 9,950,597.22
	GROSVENOR OPPORTUNITY FUND - HEDGE FUND OF FUNDS				Begin Bal.	$ 1,357,858.24
Jan.	$0.00	$0.00	($13,547.00)	($13,547.00)		
Feb.	0.00	218,893.84	(226,017.42)	(7,123.58)	Transfer out	$ (284,438.42)
Mar.	0.00	265,839.28	(258,022.00)	7,817.28	Transfer out	$ (265,839.28)
Apr.	0.00	0.00	8,201.00	8,201.00		
May	0.00	277,824.40	(273,492.00)	4,332.40	Transfer out	$ (277,824.40)
June	0.00	0.00	(943.00)	(943.00)		
July	0.00	0.00	(334.00)	(334.00)		
Aug.	0.00	492,495.90	(493,192.00)	(696.10)	Transfer out	$ (492,495.90)
Sep.				0.00		
Oct.				0.00		
Nov.				0.00		
Dec.				0.00		
Year To Date 2016	$0.00	$1,255,053.42	($1,257,346.42)	($2,293.00)	Curr Mkt.	$ 34,967.24
	GROSVENOR OPPORTUNITY FUND III - HEDGE FUND OF FUNDS				Begin Bal.	$ 4,970,945.00
Jan.	$0.00	$0.00	($100,992.00)	($100,992.00)		
Feb.	0.00	0.00	(100,708.89)	(100,708.89)	Transfer out	$ (154,750.11)
Mar.	0.00	0.00	113,995.00	113,995.00		
Apr.	0.00	0.00	71,010.13	71,010.13	Transfer out	$ (159,885.13)
May	0.00	0.00	54,611.00	54,611.00		
June	0.00	0.00	36,909.00	36,909.00		
July	0.00	0.00	60,376.00	60,376.00		
Aug.	0.00	0.00	79,195.00	79,195.00	Transfer out	$ (315,941.00)
Sep.				0.00		
Oct.				0.00		
Nov.				0.00		
Dec.				0.00		
Year To Date 2016	$0.00	$0.00	$214,395.24	$214,395.24	Curr Mkt.	$ 4,554,764.00

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
INVESTMENT RECAP - STOCKS & BONDS
AUGUST 31, 2016

	Cash Income	Realized Gains	Unrealized Gains	Total Income		Market Value
	GROSVENOR OPPORTUNITY FUND IV - HEDGE FUND OF FUNDS				Begin Bal.	$ 5,107,205.95
Jan.	$0.00	$0.00	($31,060.95)	($31,060.95)		
Feb.	0.00	0.00	(42,366.00)	(42,366.00)	Transfer in	$ 430,680.02
Mar.	0.00	0.00	70,965.98	70,965.98	Transfer in	$ 102,542.86
Apr.	0.00	0.00	47,260.14	47,260.14	Transfer in	$ 164,068.58
May	0.00	0.00	63,473.42	63,473.42	Transfer in	$ 497,084.45
June	0.00	0.00	82,486.55	82,486.55	Transfer in	$ 393,525.19
July	0.00	0.00	129,368.81	129,368.81	Transfer in	$ 166,147.83
Aug.	0.00	0.00	145,323.17	145,323.17	Transfer in	$ 563,214.68
Sep.				0.00		
Oct.				0.00		
Nov.				0.00		
Dec.				0.00		
Year To Date 2016	$0.00	$0.00	$465,451.12	$465,451.12	Curr Mkt.	$ 7,889,920.68
	MERIDIAN CAPITAL - HEDGE FUND OF FUNDS				Begin Bal.	$ 110,935.20
Mar	$0.00	$0.00	($1,738.64)	($1,738.64)	Transfer out	$ (9,534.01)
June	0.00	0.00	(5,308.55)	(5,308.55)	Transfer out	$ (13,585.14)
Sep.				0.00		
Dec.				0.00		
Year To Date 2016	$0.00	$0.00	($7,047.19)	($7,047.19)	Curr Mkt.	$ 80,768.86
	AMERICAN REALTY - REAL ESTATE				Begin Bal.	$ 21,232,759.44
Mar.	$0.00	$0.00	$1,096,365.29	$1,096,365.29		
June	0.00	0.00	218,686.63	218,686.63		
Sep.				0.00		
Dec.				0.00		
Year To Date 2016	$0.00	$0.00	$1,315,051.92	$1,315,051.92	Curr Mkt.	$ 22,547,811.36
	MULTI-PROPERTY TRUST - REAL ESTATE				Begin Bal.	$ 14,039,380.62
Mar.	$0.00	$778,654.92	$0.00	$778,654.92	Transfer out	$ (127,786.98)
June	0.00	340,126.81	0.00	340,126.81	Transfer in/out	$ 4,876,252.79
Sep.				0.00	Transfer out	$ (158,200.79)
Dec.				0.00		
Year To Date 2016	$0.00	$1,118,781.73	$0.00	$1,118,781.73	Curr Mkt.	$ 19,748,427.37
	COLUMBIA PARTNERS - HEDGE FUNDS				Begin Bal.	$ -
Mar	$0.00	$0.00	$0.00	$0.00		
June	$0.00	$0.00	$0.00	0.00		
Sep.				0.00	Transfer in	$ 887,415.99
Dec.				0.00		
Year To Date 2016	$0.00	$0.00	$0.00	$0.00	Curr Mkt.	$ 887,415.99

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
INVESTMENT RECAP - STOCKS & BONDS
AUGUST 31, 2016

	Cash Income	Realized Gains	Unrealized Gains	Total Income		Market Value
			BLACKROCK - GTAA		Begin Bal.	$ 17,278,426.60
Jan.	$0.00	$0.00	($648,310.55)	($648,310.55)		
Feb.	0.00	0.00	(107,351.93)	(107,351.93)		
Mar.	0.00	0.00	720,276.78	720,276.78		
Apr.	0.00	0.00	248,244.42	248,244.42		
May	0.00	0.00	(59,557.50)	(59,557.50)		
June	0.00	0.00	(13,729.56)	(13,729.56)		
July	0.00	0.00	572,196.67	572,196.67		
Aug.	0.00	0.00	74,553.45	74,553.45		
Sep.				0.00		
Oct				0.00		
Nov.				0.00		
Dec.				0.00		
Year To Date 2016	$0.00	$0.00	$786,321.78	$786,321.78	Curr Mkt.	$ 18,064,748.38
			MANNING & NAPIER (782)		Begin Bal.	$ 6,170,318.39
Jan.	$20,759.31	($240,863.10)	$19,128.23	($200,975.56)		
Feb.	746.73	0.00	0.00	746.73	Transfer in	$ 1,429.75
Mar.	360.19	0.00	0.00	360.19	Transfer out	$ (5,102,542.86)
Apr.	424.53	0.00	0.00	424.53	Transfer out	$ (164,068.58)
May	68.36	0.00	0.00	68.36	Transfer out	$ (497,084.45)
June	47.42	0.00	0.00	47.42	Transfer out	$ (208,723.92)
July	20.36	0.00	0.00	20.36	Transfer out	$ (20.36)
Aug.	0.00	0.00	0.00	0.00		
Year To Date 2016	$22,426.90	($240,863.10)	$19,128.23	($199,307.97)	Curr Mkt.	$ -
			SEGALL BRYANT & HAMILL (782)		Begin Bal.	$ 6,809,895.07
Jan.	$25,534.81	($410,163.01)	$34,046.69	($350,581.51)		
Feb.	384.80	0.00	0.00	384.80	Transfer in	$ 2,234.40
Mar.	389.78	0.00	0.00	389.78		
Apr.	459.68	0.00	0.00	459.68		
May	520.65	0.00	0.00	520.65		
June	434.36	0.00	0.00	434.36	Transfer out	$ (184,801.27)
July	678.58	0.00	0.00	678.58	Transfer out	$ (1,064,475.66)
Aug.	706.90	0.00	0.00	706.90	Transfer out	$ (563,214.68)
Year To Date 2016	$29,109.56	($410,163.01)	$34,046.69	($347,006.76)	Curr Mkt.	$ 4,652,631.10

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
INVESTMENT RECAP - STOCKS & BONDS
AUGUST 31, 2016

	Cash Income	Realized Gains	Unrealized Gains	Total Income		Market Value
			ULLICO		Begin Bal.	$ 4,986,896.31
Jan.	$0.00	$707.25	$0.00	$707.25		
Feb.	0.00	19,722.05	0.00	19,722.05		
Mar.	0.00	12,222.37	0.00	12,222.37		
Apr.	0.00	12,614.15	0.00	12,614.15		
May	0.00	13,670.93	0.00	13,670.93		
June	0.00	10,356.60	0.00	10,356.60		
July	0.00	14,736.86	0.00	14,736.86		
Aug.	0.00	10,350.28	0.00	10,350.28		
Sep.				0.00		
Oct.				0.00		
Nov.				0.00		
Dec.				0.00		
Year To Date 2016	$0.00	$94,380.49	$0.00	$94,380.49	Curr Mkt.	$ 5,081,276.80
					BoA Cash	$ 25,221.00
					Prudential	$ 108,718.53
					Total Current Market Value	**$ 215,608,742.02**

HISTORY

1996 TOTALS	$2,204,544.56	$5,928,732.50	$5,189,047.00	$13,322,324.06
1997 TOTALS	$2,579,477.82	$9,183,810.63	$5,986,110.00	$17,749,398.45
1998 TOTALS	$3,021,979.58	$12,967,748.52	($9,046,018.00)	$6,943,710.10
1999 TOTALS	$2,987,551.15	$10,695,037.54	($12,153,635.00)	$1,528,953.69
2000 TOTALS	$3,043,126.35	$2,493,768.87	($1,228,647.39)	$4,308,247.83
2001 TOTALS	$2,675,739.91	($4,817,423.81)	($1,126,385.72)	($3,268,069.62)
2002 TOTALS	$2,562,707.00	($8,481,756.10)	($10,295,919.27)	($16,214,968.37)
2003 TOTALS	$2,483,176.83	($591,504.28)	$16,696,227.09	$18,587,899.64
2004 TOTALS	$2,753,594.50	$4,720,120.49	$3,262,318.83	$10,736,033.82
2005 TOTALS	$2,805,339.48	$7,712,412.23	($3,122,198.65)	$7,395,553.06
2006 TOTALS	$2,937,686.58	$5,685,773.03	$3,594,347.77	$12,217,807.38
2007 TOTALS	$3,121,232.26	$9,997,814.18	($6,167,404.69)	$6,951,641.75
2008 TOTALS	$2,601,089.28	($13,881,905.90)	($20,375,925.43)	($31,656,742.05)
2009 TOTALS	$1,773,245.10	($7,554,175.64)	$18,173,590.86	$12,392,660.32
2010 TOTALS	$1,907,992.01	$5,409,005.96	$6,807,215.02	$14,124,212.99
2011 TOTALS	$1,940,649.93	$6,076,101.05	($6,165,005.18)	$1,851,745.80
2012 TOTALS	$2,172,721.47	$2,533,657.73	$9,904,080.75	$14,610,459.95
2013 TOTALS	$1,680,945.72	$12,697,032.91	$4,082,498.12	$18,460,476.75
2014 TOTALS	$1,400,503.61	$11,684,657.21	($523,753.38)	$12,561,407.44
2015 TOTALS	$1,403,203.27	$9,448,990.76	($4,741,377.20)	$6,110,816.83
TOTALS Y T D 2016	$1,209,766.72	$4,898,204.63	$3,872,863.83	$9,980,835.18

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
DELINQUENT CONTRACTORS
AS OF AUGUST 31, 2016

Delinquent Contractors:	Work Month	Amount	Date Received
1. Capitol Refrigeration Inc	Jul-16	$4,325.78	9/19/2016
2. CBI Services LLC	Jun-16		
CBI Services LLC	Jul-16		
3. Excel Mechanical Contractors	Jul-16	$6,470.22	9/6/2016
4. James P. Kruger & Assoc	Jul-16		
5. M&E Sales, Inc.	Nov-15		Agreement
6. South Mountain Mechanical	May-16	$5,301.54	9/6/2016
South Mountain Mechanical	Jun-16		
South Mountain Mechanical	Jul-16		
7. Statewide Mechanical	Jul-16		
8. Stone Services, Inc.	May-15		Agreement
Stone Services, Inc.	May-16		
Stone Services, Inc.	Jun-16		
Stone Services, Inc.	Jul-16		
9. Triad Mechanical Services	Jul-16	$5,809.24	9/6/2016

PLUMBERS AND STEAMFITTERS LOCAL 486 PENSION FUND

		Last Trustee Review	Latest Contract Start	Contract Expires	Original Scheduled		2014 Fees
PNC Institutional Investments	1	Fall 2013	Jan-13	Open	2015	Avg.	$ 48,000.00
Investment Performance Services - IPS	2	2016	Jul-16	Open	2010	Fixed	$ 180,000.00
Weyrich Cronin & Sorra	3	Fall 2013	Nov-13	Dec-15	2013	Estimated	$ 26,000.00
Abato, Rubenstein & Abato, PA	4	Fall 2012	Jan-13	Dec-15	2011	Retainer +	$ 17,200.00
Segal Company - Actuarial	5	Spring 2015	Jul-15	Jul-20	2014	Fixed +	$ 45,500.00

Dale Troll

Subject:

Flo Tron

Cosentino, A

Elkins, D

Matusky, F

Taylor, C

Robidoux S

J. F. Fisher

Daniel Fischer

Jason Fischer

Horton

Keith R Horton

Wayne Fishpaw

Michael Dobbs

Power & Combustion

David Fischer

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND

Optional Methods of Receiving Disability Retirement Benefits

Name:	DALE GATTON JR	Age at Retirement:	54.3
SS #:		Type of Pension at Retirement:	S-DISABILITY

Date of Birth:	31-May-62	Date Eligible for Normal Pension:	01-Jun-24
Spouse's DOB:	28-Feb-65	Effective Date of Retirement:	01-Sep-16
Age Difference	-2.7	Years	
Date of Init.:	01-Apr-80		
Past Srv.Date:	1962		
# Months Early:	93		
# Months Late:	-93		

Past Credits Before 4/1/62=	0.00	@	$9.00 Per Credit	$0.00
Fut 1 Credits 4/62 - 12/80	0.75	@	$48.00 Per Credit	$36.00
Fut 2 Credits 1/81 - 12/93	13.00	@	$70.00 Per Credit	$910.00
Fut 3 Credits 1/94 - 12/95	2.00	@	$70.00 Per Credit	$140.00
Fut 4 Credits 1/96 - 12/2013	18.00	@	$88.00 Per Credit	$1,584.00
	33.75			
Total Benefit Before Adjustments for Early or Delayed				$2,670.00
Less Reduction - Early Pension @			0 Months =	$0.00
Plus Increase - Delayed Pension @			0 Months =	$0.00
Total Benefit Before Adjustments for Lump Sum Benefit				$2,670.00
Maxiumum Reduction for Lump Sum, Not to Exceed 15% of Total Pension, in multiples of $10 =			$400	
Less reduction in $10 multiples for Lump Sum Benefit:				$0.00
Base Monthly Pension Benefit Amount:				$2,670.00

B. BRASWELL 9/1/16

Based on a Monthly Reduction of $0.00 and L/S Factor of: $1,976.89

The Lump Sum Benefit Amount Equals: $0.00

			Employee Monthly Benefit	Survivor Monthly Benefit
50% H&W Option @	83.20%	of base amount	$2,221.44	$1,110.72
75% H&W Option @	75.90%	of base amount	$2,026.53	$1,519.90
Opt 1 - 120 Month Option	100.00%	of base amount	$2,670.00	$1,335.00
Opt 2 - 100%	71.22%	of base amount	$1,901.57	$1,901.57
Opt 3 - 66%	78.79%	of base amount	$2,103.69	$1,402.46
Opt 4 - 50%	83.20%	of base amount	$2,221.44	$1,110.72

PLUMBERS STEAMFITTERS LOCAL 486 PENSION FUND

Optional Methods of Receiving Normal, Early or Service Retirement Benefits

Name:	GUIDO PALERMO	Age at Retirement:	61.0
SS #:		Type of Pension at Retirement:	S-SERVICE
Date of Birth:	September 16, 1955	Date Eligible For Normal Pension:	October 1, 2017
Bene's D O B:	November 18, 1956	Effective Date of Retirement:	October 1, 2016
Age Difference	-1.2 Years		
Age at Retirement:	61.0 Years		
Past Srv.Date:	1962		
# Months Early:	12		
# Months Late:	-12		
Total Credits---------->	41.00		

Total Benefit Before Adjustments for Early or Delayed			$3,142.00
Less Reduction - Early Pension @	0 Months =		$0.00
Plus Increase - Delayed Pension @	-12 Months	0	$0.00
Total Benefit Before Adjustments for Lump Sum Benefit			$3,142.00
Maximum Reduction for Lump Sum, Not to Exceed 15% of Total Pension, in multiples of $10 =		$470	
Less reduction in $10 multiples for Lump Sum Benefit:			$470.00
Base Monthly Pension Benefit Amount:			$2,672.00

Based on a Monthly Reduction of $470.00 and L/S Factor of: $1,759.11

The Lump Sum Benefit Amount Equals: $82,678.17

			Employee Monthly Benefit	Survivor Monthly Benefit
50% Husband & Wife	90.60%	of base amount	$2,420.83	$1,210.42
75% Husband & Wife	86.53%	of base amount	$2,312.08	$1,734.06
Opt 1 - 120 Month Option	100.00%	of base amount	$2,672.00	$1,336.00
Opt 2 -100%Option	82.83%	of base amount	$2,213.22	$2,213.22
Opt 3 - 66% Option	87.85%	of base amount	$2,347.35	$1,564.90
Opt 4 - 50% Option	90.60%	of base amount	$2,420.83	$1,210.42

B. BRASWELL

9/1/16

PLUMBERS STEAMFITTERS LOCAL 486 PENSION FUND

Name:	RAYMOND SHORTT	Age at Retirement:	63.2
SS #:		Type of Pension at Retirement:	S-NORMAL
Date of Birth:	July 31, 1953	Date Eligible For Normal Pension:	August 1, 2015
Bene's D O B:	November 16, 1955	Effective Date of Retirement:	October 1, 2016
4. Age Difference	-2.3 Years		
Age at Retirement:	63.2 Years		
Past Srv.Date:	1962		
14a. # Months Early:	-14		
14b. # Months Late:	14		

11a. Past Credits Before 4/1/62=	0.00	@	$9.00	Per Credit	$0.00
11b. Fut 1 Credits 4/62 - 12/80	1.75	@	$48.00	Per Credit	$84.00
11c. Fut 2 Credits 1/81 - 12/93	13.00	@	$70.00	Per Credit	$910.00
11d. Fut 3 Credits 1/94 - 12/95	2.00	@	$70.00	Per Credit	$140.00
11e. Fut 4 Credits 1/96-12/15	20.00	@	$88.00	Per Credit	$1,760.00
11e. Fut 4 Credits 1/16-Current	1.00	@	$92.00	Per Credit	$92.00
12. Total Credits---------->	37.75				
13. Total Benefit Before Adjustments for Early or Delayed					$2,986.00
15. Plus Increase - Delayed Pension @				14 Months =	$0.00
16. Total Benefit Before Adjustments for Lump Sum Benefit					$2,986.00
17. Maximum Reduction for Lump Sum, Not to Exceed 15% of Total Pension, in multiples of $10 =				$440	
Less reduction in $10 multiples for Lump Sum Benefit:					$440.00
18. Base Monthly Pension Benefit Amount:					$2,546.00
19a. Based on a Monthly Reduction of	$440.00	19b. and L/S Factor of:			$1,689.82
20. The Lump Sum Benefit Amount Equals:					$74,352.08

			Employee Monthly Benefit	Survivor Monthly Benefit
21a. 50% Husband & Wif	90.20%	of base amount	$2,296.49	$1,148.25
21b. 75% Husband & Wif	85.98%	of base amount	$2,189.05	$1,641.79
21c. Opt 1 - 120 Month Option	100.00%	of base amount	$2,546.00	$1,273.00
21d. Opt 2 -100%Option	82.16%	of base amount	$2,091.79	$2,091.79
21e. Opt 3 - 66% Option	87.35%	of base amount	$2,223.93	$1,482.62
21f. Opt 4 - 50% Option	90.20%	of base amount	$2,296.49	$1,148.25

K. Tracy

7/16/16

APPLICATION FOR ALTERNATE PAYEE BENEFIT

Complete this form in full and return to:

PLUMBERS & STEAMFITTERS
LOCAL 486 PENSION FUND
911 Ridgebrook Road
Sparks, MD 21152-9451

(SUBMISSION OF THIS APPLICATION DOES NOT GUARANTEE YOU A BENEFIT)

NAME OF PARTICIPANT Keith Brian Hartig

SS# OF PARTICIPANT _____

ALTERNATE PAYEE INFORMATION:

1. **Name (Last, First, Middle):** Geschrei, Katheryn, Swanner
2. **Social Security Number:** _____
3. **Home Telephone #:** 410.923.2871
4. **Home Address (# and Street):** 1613 Maud Lane
5. **City, Town or Post Office:** Crownville
6. **State and 9-Digit Zip Code:** MD 21032-1938
7. **Birth Date (Mo/Day/Yr):** 03/17/61

I hereby certify that the above information is true and correct to the best of my knowledge and belief. I understand that a false statement may disqualify me for pension benefits, and that the Trustees have the right to recover payments made to me as a result of false statements.

Katheryn A. Geschrei — April 4, 2016

Signature of Alternate Payee — **Date**

Subscribed and sworn before me this 4 day of April 2016.

Notary Public Signature (seal)

My commission expires: 4/18/2018

APR 25 2016

AA LLC

FOR OFFICE USE ONLY - PLEASE DO NOT WRITE IN SPACES BELOW

THE TRUSTEES OF THE PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND APPROVE FOR RETIREMENT THE ABOVE PARTICIPANT AT A MONTHLY PENSION OF $ 442.00 PER MONTH STARTING ON THE FIRST DAY OF THE MONTH July, 2016.

APPROVAL DATE: _____

CHAIRMAN: _____

SECRETARY: _____

LAW OFFICES
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James R. Rosenberg •
Paul D. Starr •
Corey Smith Bott
Brian G. Esders •
Shauna Barnaskas

• Also admitted in DC

Cosimo C. Abato
(1930 - 1995)
Bernard W. Rubenstein
(1920 - 2009)
Anthony A. Abato, Jr.
(1933 – 2015)

Of Counsel
H. Victoria Hedian
Stephen W. Godoff •

To: Boards of Trustees, Plumbers and Steamfitters Local 486 Funds
Date: September 28, 2016
From: Kim Bradley
Re: Recent Developments in DOL Fiduciary Interpretation

DOL LAWSUIT FOR BREACH OF FIDUCIARY DUTY

This year, an investigation by the U.S. Labor Department's EBSA found that International Association of Machinists National Pension Fund and its Trustees violated ERISA and breached their fiduciary duties by:

- failing to select fund service providers loyally and prudently, including consultants and fund investment managers
- ignoring required procedures included in the fund's governing plan documents regularly
- creating conflicts of interest for the fund
- unlawfully soliciting and accepting gratuities from plan service providers
- spending and permitting others to spend fund assets lavishly on unnecessary trips, parties and extravagant food, wine and accommodations

DOL filed a lawsuit against the IAM Pension Fund and its Trustees in January of this year. A settlement agreement recently signed by the Judge ordered the defendants to repay $200,000 to the fund and pay $40,000 in civil money penalties. The order also requires the plan trustees to adopt the new manager and consultant selection policy, which mandates that the plan trustees use a three-part search process for selecting an investment consultant or investment manager, engage in a new search process for a new general investment consultant for the fund, and hire an independent search consultant to conduct a comprehensive and objective request for proposal process for this search, amend the fund's code of conduct and ethics to prohibit the same person from acting as both an investment consultant and investment manager for the fund, and amend the fund's record retention policy to hold records relating to the hiring or firing of any investment consultant or manager for six years.

This lawsuit and investigation provide insight into DOL's interpretation of trustee responsibilities and the specific issues that DOL considers important in the administration of plan duties. The allegations made by DOL provided examples of the types of behaviors and facts that DOL considers to cross the line of fiduciary duty and/or violate the rules on prohibited transactions under ERISA. In light of this lawsuit and settlement, the Trustees may want to review their selection and monitoring processes and review policies to ensure that they are in compliance with current DOL interpretation.

DOL FINAL FIDUCIARY RULE ON CONFLICT OF INTEREST

DOL issued a final fiduciary rule effective June 7, 2016, which is applicable to ERISA plans on April 10, 2017. Originally, the fiduciary rule was adopted in 1975, when the activities of investment brokers, managers and other investment professionals were significantly different from the current investment environment. The original fiduciary rule was designed to protect retirement plans forty years ago when few consumers were managing their own retirement savings, or relying on third party investment advice. The new fiduciary rule targets investment advice to ensure that it is provided in the consumer's best interest, and is intended to improve compliance and security of ERISA plan assets and benefits.

ERISA Statutory Provision

ERISA provides that "a person is a fiduciary with respect to a plan to the extent . . . he renders investment advice for a fee or other compensation, direct or indirect, with respect to any moneys or other property of such plan, or has any authority or responsibility to do so." 29 U.S.C. §1002(21)(A)(ii). A fiduciary, in turn, must discharge his duties prudently and in the sole interest of plan participants and beneficiaries. 29 U.S.C. § 1104. Moreover, fiduciaries must refrain from engaging in prohibited transactions (i.e., self-dealing). 29 U.S.C. §1106.

The 1975 Rule

In 1975, in order for a person to be held to ERISA's fiduciary standards with respect to providing investment advice for a fee, such person must have met the following criteria, having: (i) made recommendations as to investing in, purchasing or selling securities or other property, or given advice as to their value, (ii) on a regular basis, (iii) pursuant to a mutual understanding, (iv) that the advice would serve as a primary basis for investment decisions with respect to plan assets, and (v) would be individualized to the particular needs of the plan. This rule existed for 35 years until the DOL determined that it was insufficient to protect fiduciaries managing participant-directed accounts and IRAs. The DOL said that as a result of the five-part test, many investment professionals and advisers have no obligations to adhere to ERISA's fiduciary standards or prohibited transaction rules. Thus, as non-fiduciaries, investment professionals were able to give imprudent or disloyal advice without liability under ERISA.

The 2010 Proposed Rule

In 2010, the DOL sought to update the rules applicable to investment advisors to cover those individuals who did not have ongoing relationships with fiduciaries or plan participants, and to broaden the circumstances in which an investment advisor would be considered a fiduciary with regard to investment advice. In general, the 2010 proposed rule stated that:

A person gives fiduciary investment advice if, for a direct or indirect fee, he or she –

Provides the requisite type of advice:

- Appraisals or fairness opinions about the value of securities or other property;
- Recommendations on investing in, purchasing, holding, or selling securities; or
- Recommendations as to the management of securities or other property;

And meets one of the following conditions:

- Represents to a plan, participant or beneficiary that the individual is acting as an ERISA fiduciary;

- Is already an ERISA fiduciary to the plan by virtue of having any control over the management or disposition of plan assets, or by having discretionary authority over the administration of the plan;
- Is an investment adviser under the Investment Advisers Act of 1940; or
- Provides the advice pursuant to an agreement or understanding that the advice may be considered in connection with investment or management decisions with respect to plan assets and will be individualized to the needs of the plan.

The 2010 Proposed Rule was a significant departure from the 1975 Rule, encompassing a new large group of investment professionals who would be bound by fiduciary standards prohibiting them from profiting from the decisions made by their clients. The 2010 regulations were met with such widespread disapproval that they were ultimately withdrawn by the DOL.

The 2015 Proposed Rule

The market for individual investment advice has exploded over the last decade, with $4.8 trillion in IRA investments, $3.8 trillion in 401(k) investments, most of which are made by unsophisticated investors seeking guidance and instruction from investment professionals regarding management, allocation and transfers of their accounts. Rollovers from work-related retirement plans to IRAs are expected to total near $2.5 trillion over the next five years, and most of these transfers will be made upon advice from broker-dealers with proprietary arrangements with retail investment companies. In light of the potential for self-dealing by those broker-dealers, the DOL devoted significant time and energy restructuring the fiduciary and conflict of interest regulations under ERISA.

The 2015 Proposed Rule provided for withdrawal of the 2010 Proposed Rule. The 2015 Proposed Rule sought to subject a person to ERISA's fiduciary standards, if, for a fee or other compensation, the person:

- Provides one of four types of advice directly to a retirement plan, plan fiduciary, participant or beneficiary, IRA or IRA Holder ("Covered Advice"); and
- Either directly or indirectly (e.g., through or together with an affiliate):
- represents or acknowledges fiduciary status; or
- provides the advice under an agreement, arrangement or understanding that the advice is individualized to, or specifically directed to, the advice recipient for consideration in making investment or management decisions with respect to securities or other property.

This marked a significant expansion of the 1975 Rule, which required covered advice to be provided on a regular basis, and for the advice to be the primary basis for investment decisions. The 2015 Proposed Rule lowered the threshold for covered investment advice: permitting one-time advice that is simply an ancillary consideration in the decision-making process to be covered under the fiduciary rule.

2016 Final Rule

The 2016 Final Rule modifies certain provisions of the 2015 Proposed Rule to address comments made by practitioners seeking clarification of certain provisions. Specifically, it

describes the kinds of communications that would constitute investment advice and describes the types of relationships that would cause a person to be considered a fiduciary under ERISA.

The five-part test that was enacted in 1975 has been amended, and the regulatory definition of fiduciary investment advice in 29 CFR § 2510.3-21 replaces the five-part test to better comport with the statutory language of ERISA and the Internal Revenue Code. Generally, there are three broad requirements that would cause a person to be considered a fiduciary: 1) the person must provide advice; 2) the person must receive a fee or other compensation in connection with such advice; and 3) the recommendation provided must be provided either directly or indirectly by a person who meets certain requirements.

Communications constituting covered investment advice include providing any recommendations to a plan, plan fiduciary, plan participant, plan beneficiaries, or IRA owners for a fee or compensation. It includes direct or indirect advice relating to advisability of acquiring, holding, disposing of, or exchanging securities or other investment property; how securities or other investment property should be invested after being rolled-over, transferred or distributed from an IRA; management of securities or other investment properties including recommendations on investment policies, portfolio composition, or selection of other persons to provide investment advice; and rollovers, transfers or distributions from a plan or IRA, including amounts of such transactions. The fee or compensation associated with the recommendation can be direct or indirect including commissions, finder's fees, revenue sharing, shareholder servicing fees, marketing or distribution fees, recruitment compensation, or many other forms of compensation. Finally, the recommendation must be provided by a person who represents or acknowledges that he is acting as a fiduciary within the meaning of ERISA or the Code, renders advice pursuant to a written or verbal understanding that advice is based on the particular investment needs of the recipient, or directs the advice to a specific recipient regarding the advisability of a piratical investment or management decision with respect to securities or other investment property of the plan.

Under the 2016 Final Rule, the fundamental threshold in determining whether an individual is a fiduciary is whether a recommendation actually occurred. "A recommendation is a communication that, based on its content, context, and presentation, would reasonably be viewed as a suggestion that the advice recipient engage in or refrain from taking a particular course of action." (See U.S. DOL Employee Benefits Security Administration Fact Sheet, "DOL Finalizes Rule to Address Conflicts of Interest in Retirement Advice, Saving Middle-Class Families Billions of Dollars Every Year," (2016)). General communications, such as circulating newsletters, educational materials and plan information, is not enough to trigger the recommendation section of the Rule. In addition to specifically stating what constitutes fiduciary status under ERISA, the 2016 Final Rule also provides for what advice should not be considered investment advice, or fiduciary communications. This includes four broad categories of non-fiduciary, educational information including: plan information; general financial, investment and retirement information; asset allocation models; and interactive investment materials.

I hope this information is helpful to the Trustees and may further discussions with the Fund's current investment managers regarding advice that they provide. If you have any questions, or would like to discuss these issues in greater detail, do not hesitate to contact me by telephone or by email at kbradley@abato.com.