

## Frequently Asked Questions

**Q: Allegations have been made that a former Plan executive embezzled \$5 million to \$10 million in Plan assets, and that the Plan only recovered \$2 million. Is that true?**

A: These allegations are absolutely not true. The Plans did a complete and thorough review of all possible losses flowing from the activities of a former employee and discovered approximately \$2.2 million in losses. There were no other losses. This was confirmed in a forensic audit conducted by PricewaterhouseCoopers. The Plans recovered \$2 million from insurance coverage maintained to protect against such losses. The incident was reported to the appropriate law enforcement authorities, and the Plans have secured legal judgments for remaining losses.

**Q: What about the allegations that \$1 billion in Plan assets have disappeared? Is that true?**

A: These allegations are absolutely not true. Like all other pension plans and investment funds, the Pension Plan lost money in the 2008 stock market crash. Subsequent investment gains have erased most of those losses. This recovery has been assisted by the fact that the Plans' investment performance is in the top 10% of multiemployer pension plans. The Pension Plan has been certified to be in the "green zone" under the federal Pension Protection Act. This is the healthiest financial classification of pension plans. The Health Plan has funding reserves that are sufficient to ensure payment of future health benefits.

**Q: Who is actually running the Plans now that Bruce Dow has taken a two month leave of absence?**

A: While Mr. Dow is on a two month leave of absence, Christopher Dowdell, the Chief Operating Officer of the Plans, will be in charge. Mr. Dowdell has been employed by the Plans for over twenty years. He will be assisted by an experienced executive staff, the Board of Trustees and over 200 dedicated Plan employees.

**Q: In previous communications, the Plans have referred to further review of their operational controls. Is there some problem that could affect the financial security of the Plans or that could affect my benefits?**

A: There are no outstanding operational issues or problems that could have any adverse effect on the financial security of the Plans or adversely affect your benefits. The Trustees are reviewing internal systems and policies to ensure that the corrective measures already taken continue to be effective in safeguarding Plan assets.