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# Locke Lord Partner Allen Woolley Quoted by Bloomberg Law on Multiemployer Pension Plan Withdrawal Penalty Dispute Headed for U.S. Supreme Court

Bloomberg Law

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Locke Lord Chicago Partner [Allen Woolley](#) was quoted by Bloomberg Law discussing *M&K Emp. Sols., LLC v. Trs. of IAM Pension Fund*, a multiemployer pension plan withdrawal penalty calculation dispute that may be headed for the U.S. Supreme Court. The article details that pension funds' actuaries calculate the amount an exiting employer has to pay, known as withdrawal liability, based on interest rate and other actuarial assumptions. Under the law, the assumptions must be set based on circumstances as they existed as of the last day of the plan year before the exit, but there is a circuit split as to whether a pension fund's actuaries must actually determine the assumptions by that date or whether they are free to review the data and determine the assumptions at a later point in time.

M&K seeks the justices' review of a D.C. Circuit Court of Appeals decision holding that the IAM National Pension Fund's actuary was free to set the interest rate assumption used to value the pension fund's liabilities after the last day of the prior plan year. The opinion was directly at odds with a prior Second Circuit decision holding that a fund's actuaries must decide the assumptions no later than the end of the prior plan year. The Supreme Court has now invited the U.S. solicitor general to weigh in on whether they should hear the case. The clear circuit split paves the way for potential high court involvement, as Woolley notes, "The circuit split makes it more likely the justices will grant M&K's request."

The final decision could present multimillion-dollar consequences for companies leaving union pension plans.

[Read the full Bloomberg Law article](#) (subscription may be required).

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