



## CENTRAL STATES FUNDS

**EMPLOYEE TRUSTEES**  
CHARLES A. WHOBREY  
GARY DUNHAM  
TREVOR LAWRENCE

**EMPLOYER TRUSTEES**  
GARY F. CALDWELL  
CHRISTOPHER J. LANGAN  
(Health Fund Only)  
ROBERT WHITAKER  
MARK F. ANGERAME  
RICHARD K. ELLIS  
(Pension Fund Only)

**EXECUTIVE DIRECTOR**  
THOMAS C. NYHAN

### **SUBJECT: DISSOLUTION OF CENTRAL STATES FUNDS' CONSENT DECREES**

Since the early 1980's, the Central States Pension Fund and the Central States Health Fund have operated under Federal Court supervision because of separate consent decrees between the Funds and the Department of Labor (DOL). The intent of the consent decrees was to provide oversight through an Independent Special Counsel (ISC) who attended all Board of Trustee meetings and submitted quarterly reports to the court regarding the Funds compliance with the decrees.

In a June 9, 2023 opinion, and at the request of the Independent Special Counsel, Judge Thomas M. Durkin of the U.S. District Court for the Northern District of Illinois dissolved the decades-old consent decrees. Central States did not advocate for or oppose the dissolution of the consent decrees.

Noting that the Funds have been well-managed and in compliance with federal law to an "incredible" degree over the past four decades, Federal Judge Durkin stated "that the DOL, the ISC and the Government Accountability Office (GAO) have all acknowledged that there has been no indication or hint of wrongdoing or ERISA violations since the entry of the consent decrees."

The Judge went on to state that circumstances "have so changed" since the decrees were entered in the 1980s that their underlying purpose "has long since been achieved."

The dissolution of the consent decree will have no impact on how the Pension Fund and Health Fund assets are managed by its Named Fiduciaries. Each Funds' assets will continue to be managed consistent with federal guidelines and the Court-approved Investment Policy Statements which maintains an extremely low risk profile, while still generating returns that will support the Funds' long-term financial stability.

This ruling will have no impact on the day-to-day operations of the Funds, nor will the ruling affect the benefits or service that our members expect from the Central States Funds.

Sincerely,

THOMAS C. NYHAN,  
EXECUTIVE DIRECTOR