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## Change In Kodak Retirement Income Plan

1 message

**Bill Kadereit, President, National Retiree Legislative Network**Tue, Dec 3, 2024 at  
12:04 PM

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[Click To View Documents: KRIP\\_Important\\_Information \(003\).pdf \(148KB\);](#)

To: Kodak Retirees Chapter Members

Subject: Change In Kodak Retirement Income Plan

As you learned from Kodak's letter sent to Kodak Retirement Income Plan (KRIP) participants, (attached) the first question in their FAQ's is "How will Kodak leverage the \$1.2 billion KRIP surplus." In my message to you earlier this year regarding our assessment of your KRIP Annual Funding Notice (AFN) I summarized by writing: "So, your plan is well-funded but like many U.S. companies it is ripe for voluntary termination (de-risking) and annuitization of pension payments. If Kodak needed assets, it could voluntarily terminate the plan and annuitize your pensions, thus eliminating \$2.4 billion of liabilities then spend the \$1.2 of billion surplus elsewhere." Though Kodak "weighs options" it is abundantly clear by their actions that they are strongly leaning to annuitize the KRIP and hold it and maybe a new plan in a Master Trust.

In their letter to you and from media quotes, Kodak has now published that it is preparing to terminate its U.S. Pension plan for 35,000 participants which could result in a cash gain of as much as \$585 million that Kodak would use to reduce debt and invest in its business.

Kodak retirees would receive an annuity from as many as three insurance companies. Current employees, as well as former employees who have not yet reached retirement, would be given an option to either receive a lump sum of their balance, or an annuity once they retire. Plan participants would not see a change in the value of the benefits that have been promised to them, executives said.

So, while the KRIP termination is not finalized, there are no current legal barriers to executing a standard termination of the KRIP. The NRLN has gotten as far with a Senate committee to have language prepared for a bill to better protect retirees when a company does de-risking (Pension Risk Transfer) of their pension plans by purchasing annuities from third party insurance companies as Kodak is planning to do.

Foremost among protections that the NRLN wants to become law is our statute proposal that an annuity contract must include full reinsurance of monthly annuity payments, a group annuity contract that requires independent, third-party reinsurance with a highly rated insurance company or companies that must protect pension plan participant's annuities.

The NRLN will continue lobbying to get our proposed bill passed in both the House and Senate to provide additional reinsurance protection for pension plan participants annuities if their annuity payment is at risk.

Bill Kadereit, President  
National Retiree Legislative Network (NRLN)

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