

**Construction Industry Laborers' Pension Plan  
Summary Plan Description**

**2012 Edition**

**Construction Industry Laborers' Pension Plan**

c/o TIC International Corporation

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The Segal Company

Dear Plan Participant:

We are pleased to present you with this updated description of the benefits provided by the Construction Industry Laborers' Pension Plan (referred to herein as the "Plan" or "Pension Plan"). Because the Pension Plan can be a significant part of your future retirement income, we believe it is important that you and your family understand the Plan's benefits. For this reason, every effort has been made to explain the Plan in a concise, straightforward manner.

This SPD highlights the most important features of your Plan that are effective as of January 1, 2012. It also replaces and supersedes any prior booklets describing the Plan.

The Plan Document contains the legal description of the Plan provisions. If inconsistencies arise between the content of the Plan Document and this SPD, the provisions of the Plan Document will prevail.

Please review this SPD thoroughly so that you have a clear understanding of your benefits under the Construction Industry Laborers' Pension Plan. The success of the Plan depends as much on your interest and commitment as it does on our administration. We hope that you will share our pride in the Plan, which is designed to reward your years of service to the construction industry.

Keep this booklet in a safe place. If you are married, share this booklet with your spouse. Also, if you move, be sure to notify the Fund Office of your new address.

If you have questions about the Plan or your eligibility for benefits, the Fund Office staff will be happy to help you.

*Only the full Board of Trustees is authorized to interpret the Plan described in this booklet. No Employer or Union representative is authorized to interpret this Plan nor can any such person act as agent of the Board of Trustees. Your Pension Plan rights are governed by the Pension Plan, as amended from time to time. The Board of Trustees has the sole authority to revise, construe and apply the provisions of the Plan Document and make decisions concerning your eligibility for, entitlement to, and nature, amount, and duration of benefits. The Board of Trustees reserves the right to amend, modify, or discontinue all or part of this Plan whenever, in its judgment, conditions so warrant.*

Sincerely,

Board of Trustees

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## ***Your Pension Plan***

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Retirement... for you it may be a long way off or just around the corner. While Social Security will provide some income, it probably won't be enough for a secure, enjoyable retirement. That's why, no matter your age, your Pension Plan is a valuable benefit.

The Construction Industry Laborers' Pension Plan is a defined benefit plan. That means your benefit is figured using a specific formula. It is also a qualified retirement plan and as such is subject to strict federal laws and tax rules.

The purpose of the Plan is to provide retirement income after you have worked continuously for a certain number of years. If you work long enough to qualify for the benefits described in this booklet, you may be eligible for:

- A lifetime monthly income payable beginning at age 62 or as early as age 55, reduced for your age.
- An unreduced, lifetime pension if you earn 30 years of credited service and meet the minimum age requirement.
- A vested benefit under certain conditions if you stop working or work elsewhere before you are eligible to retire.
- A disability benefit if you meet certain requirements, become totally and permanently disabled and cannot engage in gainful employment before reaching age 62.
- A choice when you retire as to how you want to receive your monthly payments and the way your survivors may be protected.
- Benefits for your survivors should you die before retirement.

## Preparing for Retirement

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### Required Income

Preparing for your retirement takes planning. Regardless of your retirement plans, you will want to be financially comfortable. To maintain your current standard of living during retirement, *experts say you may need between 70% and 80% of your pre-retirement income.*

#### Example:

Jordan plans to retire soon and currently earns \$45,000 a year. According to experts, Jordan will need about \$33,750 a year (75% of \$45,000) to maintain his current lifestyle after he retires.

Retirement income generally comes from three sources: Social Security, personal savings, and pension benefits. Understanding how all three of these sources work can help you plan for a financially secure retirement.

### Social Security Benefits

Here are a few facts that you should keep in mind about Social Security benefits:

- Social Security benefits will not change your pension benefit. Your pension benefit from the Plan, and any other plans (excluding offset plans) from which you may receive a pension benefit, are ***in addition*** to any benefits you or your spouse may receive from Social Security.
- Social Security benefits replace a higher percentage of income for retiring participants at lower pay levels. A retiring participant with annual earnings of \$35,000 could expect Social Security to replace approximately 33% of pre-retirement income. Reaching the 70% to 80% income replacement levels will require help from your pension benefits and personal savings.
- The government has gradually increased the Social Security full retirement age for people born after 1937. Full retirement age is the age at which you can collect full retirement benefits from Social Security without any reduction for early retirement. For example, if you were born in 1960 or later, full Social Security benefits will be payable to you at age 67 – not age 65. If you are planning to retire before your Social Security full retirement age, you will receive a reduced Social Security benefit (unless you wait to receive Social Security). Retirement benefits from Social Security are not payable before age 62.

#### Retirement Checklist

Consider these questions to help you estimate expenses you may incur during retirement. During your retirement years...

1. Do you plan to travel?
2. Will your home be paid for?
3. Will your household expenses be lower (children living on their own, smaller home, etc.)?
4. When do you plan to begin your Social Security benefit? How much will it be?
5. Will your hobbies require increased spending?
6. Will you be responsible for the care of your or your spouse's parents?
7. Will you have sufficient health insurance to cover your medical and prescription drug expenses?

<b>Social Security Full Retirement Age</b>	
<b>Year of Birth</b>	<b>Full Retirement Age</b>
1937 or Earlier	65
1938	65 + 2 months
1939	65 + 4 months
1940	65 + 6 months
1941	65 + 8 months
1942	65 + 10 months
1943 – 1954	66
1955	66 + 2 months
1956	66 + 4 months
1957	66 + 6 months
1958	66 + 8 months
1959	66 + 10 months
1960 or Later	67

**Your Social Security Benefits Estimate**

You receive an estimate of your Social Security benefits from the Social Security Administration each year or you can obtain an estimate at any time by contacting the Social Security Administration.

You should check your earnings record to be sure you receive the correct Social Security benefits in the future. The Social Security Administration has also developed retirement planning aids that you may access at [www.ssa.gov](http://www.ssa.gov).

To receive an estimate of your Social Security benefits, contact the Social Security Administration at [www.ssa.gov](http://www.ssa.gov).



## ***Participating in the Plan***

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### **Who is Eligible to Participate**

You become a participant on the earliest:

- January 1 or July 1 after you work 500 or more hours in covered employment; or
- January 1 or July 1 following a 12-consecutive-month period during which you completed at least 870 hours of work.

If your employer contributes to the Pension Plan for the hours you work in a job covered by a written agreement with the Union or the Construction Industry Laborers' Pension Plan, you are considered to be working in **covered employment**.

*For periods before the date contributions to this Pension Plan were required (before July 1, 1965), covered employment means work which, if it had been performed during the contribution period, would have resulted in contributions being paid to the Fund.*

### **When You Lose Eligibility to Participate**

If you haven't met the requirements for vesting and you do not complete a minimum of 100 hours of work in covered employment in a Plan year, you're no longer a participant as of the last day of the Plan year. However, once you meet the minimum vesting requirements under the Plan, you remain a participant in the Plan. You generally meet the minimum vesting requirements once you earn five (5) years of credited service without experiencing a permanent break in service. Refer to page 8 for information on the break in service rules.

### **Reinstating Your Eligibility to Participate**

You'll be a participant again if you meet the requirements for initial participation. You will then become a participant as of the date you first complete an hour of work after the Plan year in which you stopped being a participant.

## ***Earning Credited Service***

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Credited service is earned based on the hours you work continuously in covered employment. Credited service may also be allowed for military service, in accordance with the applicable federal law.

### **The Contribution Period**

The **contribution period** is defined as the period of time starting when contributions were first required to be paid to the Pension Plan. Contributions were first required to be paid to the Construction Industry Laborers' Pension Plan on July 1, 1965. Your hours of work in continuous covered employment from July 1, 1965 to the present date are considered to have taken place during the contribution period. Service prior to the July 1, 1965 occurred before the contribution date.

Your employment is **continuous** if you work a minimum of 100 hours each year in covered employment.

### **Types of Credited Service**

There are two types of credited service, depending on whether you worked before or during the contribution period - *Credited Future Service*, and *Credited Past Service*.

***Credited future service*** is earned for the hours you work continuously in covered employment each year during the contribution period (on or after July 1, 1965 to the present date). One year of credited future service is earned:

- For each Plan year that you work a minimum of 500 hours in covered employment; or
- If you have less than 25 years of credited service as of December 31, 2008, for each Plan year that you work a minimum of 750 hours in covered employment.

***Credited past service*** is earned for the hours you worked in continuous employment before the contribution period (prior to July 1, 1965). One year of credited past service is earned for each Plan year you worked a minimum of 500 hours in covered employment.

*If your employer became a contributing employer after July 1, 1968, you are eligible for up to but not more than 10 years of credited past service.*

The Trustees realize you may have difficulty in establishing a complete record of hours worked in covered employment before the contribution period. Credited service for the years before contributions began will be recognized on the basis of the best information available.

Since the Construction Industry Laborers' Welfare Fund was established before the Pension Plan, records of the Welfare Fund may be consulted as a work record during the period of 1954 - 1965.

You may also produce Social Security records of earnings. Earnings of \$150 in a year from employers who became contributing employers as of June 15, 1965, will be considered evidence that you worked continuously or at least 100 hours in that year. Earnings of \$750 in a year will be considered equal to one year of credited past service.

Other evidence may be considered in extenuating circumstances when the described information is not available.

### **Loss of Credited Service**

Because the Plan is designed to provide benefits for participants who work continuously in covered employment within the jurisdiction of the Fund, provisions have been made for:

- Years of vested service, if you leave after only a few years of work under the Plan; and
- Cancellation of years of credited service, when you have a break in continuous service.

### **Vesting**

Vesting means you are entitled to receive a benefit from the Pension Plan. It means having the right to a pension even if your employment ends.

Generally speaking, you are 100% vested in the Plan after you earn five (5) years of credited service without a permanent break in service.

### **Vested Service**

You earn one year of vested service for every Plan year you:

- Are credited with at least 500 hours of work in covered employment;
- Are credited with at least 750 hours if you have less than 25 years of credited service as of December 31, 2008; or
- Work a minimum of 870 hours of work, which may include non-covered employment. Your hours of work in non-covered employment qualify for vested service only when it is continuous with (immediately before or after) covered employment with the same employer.

Years of vested service are earned only during the contribution period. Your years of vested service are used to determine whether you are eligible for a pension benefit and when breaks in service occur.

### **Military Service**

If you terminate covered employment for the purpose of serving in any branch of the uniformed services of the United States, your military service may be counted as credited service and vested service.

Service in the uniformed services means active duty, active duty for training, initial active duty for training, inactive duty training, full-time National Guard duty and a period for which you are

absent from employment for the purpose of an examination to determine fitness for duty. Uniformed services include the Armed forces, the Army National Guard, the Air National Guard, the commissioned corps of the Public Health Service and any other category of persons designated by the President in time of war or emergency.

Generally, you may receive credit for up to 42 hours of work for each month of military service or 10 hours of work per week of military service up to a maximum of 504 hours of work per year. The maximum credit you may receive for your military service on or after January 1, 2009 will increase to 63 hours of work for each month of such military service or 14.43 hours of work per week up to a maximum of 750 hours of work per year for such military service. Credit for military service through December 13, 1994 is generally limited to four (4) years. On or after December 14, 1994, credit for military service is limited to five (5) years.

In order to receive credited service or vested service for your military service, you must:

- Receive a discharge that is not a dishonorable discharge;
- Have worked in covered employment within 12 months of the start of military service; and
- Reapply for work in covered employment in accordance with the following schedule:

<i>Length of Military Service</i>	<i>You Must Apply By</i>
Less than 31 days	Beginning of first regularly scheduled work period after discharge plus 8 hours for transportation
More than 31 but less than 181 days	No later than 14 days after discharge
More than 180 days	No later than 90 days after discharge

You must notify your employer before you enter military service. In order to claim credit for time in the military, you must be able to provide adequate documentation of your military service. You may do this by presenting your discharge papers to the Fund Office upon your return to work.

If you received a distribution of all or part of your benefits in connection with your military service, you may repay the distributed amounts upon reemployment. The repayment amount must include any interest that would have accrued had the distribution not been made. The repayment may be made during the period beginning on the date of your reemployment and continue for up to three times your length of service, but not to exceed the earlier of five (5) years or termination of employment.

## **Breaks in Service**

When you do not earn credited service during specified periods of time, you will have a break in service. However, you cannot have a permanent break in service once you are vested.

There are two types of breaks in service—*one-year breaks in service* and *permanent breaks in service*. A one-year break in service is temporary. However, if you have a permanent break in service, you lose all years of credited service and vested service, as well as total contributions earned prior to the break in service. The rules for breaks in service changed from time to time, as follows:

### ***One-Year Break in Service On or After January 1, 1976***

On or after January 1, 1976, you have a one-year break in service in any Plan year that you do not:

- Work a minimum of 100 hours in covered employment for which contributions are required to be made to the Fund on your behalf; or
- Work at least 435 hours in covered employment or in continuous non-covered employment.

### ***Permanent Break in Service On or After January 1, 1987***

During this period of time, you do not incur a permanent break in service until your consecutive one-year breaks in service equal five (5) years.

### ***Permanent Break in Service After December 31, 1975 and Before January 1, 1987***

During this period of time, you had a permanent break in service if your consecutive one-year breaks in service became equal or exceed the number of your full years of vested service or credited service, whichever is greater.

### ***Permanent Break in Service Before January 1, 1976***

During this period of time, if you were not credited with at least 100 hours of work in covered employment in any Plan year, you had a permanent break in service.

## **Exceptions to the Break in Service Rules (Grace Periods)**

Certain periods of time do not count as a break in service. These periods of time are “grace periods” and will be considered exceptions when you do not earn years of credited service or vested service for the following reasons:

- Military service;
- Total disability;
- Employment with the Union, the International Union, or promotion by an employer to an employment category not covered by an agreement;

- Absence from work because of childbirth, adoption or infant care immediately following childbirth or adoption, up to a maximum of 435 hours in the year the absence starts; or, if not required in that year to prevent a break in service, in the following year; or
- Any leave of absence granted by your employer, up to 12 weeks, that qualifies under the Family and Medical Leave Act (FMLA).

## ***Using Reciprocal Credits***

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### **Reciprocity Agreements**

If, because of job changes or transfers, you worked under the jurisdiction of a different plan(s), you may not qualify for a pension if you do not have sufficient service under the jurisdiction of any one plan. To remedy this, plans sometimes enter into agreements to recognize service with each other for purposes of vesting. These are called “Reciprocity Agreements.” The Construction Industry Laborers’ Pension Plan has entered into several Reciprocity Agreements and each signatory plan agrees that contributory service earned under the rules of the other plan will be counted for purposes of vesting.

There are two types of reciprocity—“Money-Follows-the-Man” and “Pro Rata”—as discussed below. However, because the rules regarding reciprocity are complex, contact the Fund Office if you would like more information.

### **Money-Follows-the-Man Reciprocity**

If you qualify for Money-Follows-the-Man reciprocity and you are working under the jurisdiction of a different plan(s) other than the Construction Industry Laborers Pension Plan, you may request, at the time you are working there, that the other plan(s) transfer any and all contributions made on your behalf to the Construction Industry Laborers Pension Plan to be used for pension credit. However, if you do not qualify for Money-Follows-the-Man reciprocity or if you qualify and do not timely request such reciprocity, you may still be eligible for a Pro Rata Pension under this Plan. Contact the Fund Office for more details.

### **Pro Rata (Reciprocal) Pensions**

This Plan provides a reciprocal pension (Pro Rata Pension) to provide retirement benefits to employees who have worked under different plans and who do not have enough credit under any one plan to qualify for benefits or whose benefits would be less than the full amount because of such division of employment. You may be eligible for a Pro Rata Pension in compliance with the Plan’s Reciprocity Agreement if:

- You would be eligible for any type of pension under each plan that is signatory to the Reciprocity Agreement if your total service credits were treated as service under each plan;
- You have at least one (1) year of pension credit under each of the signatory plans;
- You meet each of the signatory plan’s definition of disability, if you are applying for a Disability Pension; and
- You meet the minimum age requirement in each of the signatory plans, if you are applying for a pension.

If you are eligible for more than one (1) type of pension or optional form of benefit under the signatory plans, you will be entitled to elect the type and form of pension you would like to receive under each signatory plan.

### ***Break in Service Rules***

Any pension credit earned for a period during which you worked in the jurisdiction of another signatory plan will be considered in determining whether you incurred a permanent break in service. Once you have left the coverage of all of the signatory plans, the determination as to whether you have incurred a permanent break in service under each signatory plan will be made by each plan, based upon the total pension credit you earned under all of the signatory plans under which you were covered.

### ***Determining Your Pension Credit***

The pension credit granted under this Plan and any other plan will be combined to determine your "total pension credits," which will be used to determine your eligibility for a pension. In no case will more than one (1) year of pension credit be counted for any calendar year.

If, in a calendar year, you worked under two (2) or more plans and accumulated fractional years of pension credit, which together add up to more than one (1) year of credit for that calendar year, then the pension credit recognized under the Reciprocal Agreement will be limited to one (1) year. Pension credit will first be counted under the Plan which provides the highest benefit level. The other plan(s) will count the necessary fractional year(s) as pension credit, in a declining benefit level order, which will bring the total for you to exactly one (1) year of pension credit.

### ***Calculating Your Pro Rata Pension Benefit Amount***

The amount of your Pro Rata Pension will be determined by each signatory plan under which you qualify for a pension and shall be the amount you accrued under each signatory plan during the period you earned pension credit under that plan.

### ***Maintaining Your Records***

If you worked under many laborers' pension funds during your lifetime, you should be sure to keep a record of the plans and include that information when you apply for a pension.

The Fund Office has no way of telling which participants have worked under other plans; therefore, you must bring this matter to the attention of the Fund Office when you are retiring.



## ***Types of Pensions Available***

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The Pension Plan provides several types of pensions:

- Regular Pension
- Special Regular Pension
- Early Retirement Pension
- Vested Pension
- Disability Pension
- At or After Normal Retirement Age
- Pro Rata Pension

The following provides the requirements for the different types of pensions. If you qualify for more than one type of pension under the Plan, you can collect only one.

### **Regular Pension**

You are eligible for a Regular Pension if you:

- Are age 62 or older;
- Have at least five (5) or more years of credited service (including at least one (1) year of credited future service); and
- Have been credited with 500 or more hours in any Plan year after December 31, 1986 or one (1) hour of service after January 1, 1989; or
- Have been credited with at least 100 hours of work in covered employment for which contributions were required to be made to the Fund on your behalf:
  - ◆ In the 12-month period immediately before your 62nd birthday; and
  - ◆ If after your 62<sup>nd</sup> birthday, during the Plan year in which you were first credited with five (5) years of credited service (including at least one (1) year of credited future service) OR in the 12-month period immediately before the date that you retire; and
- Have stopped working with any and all contributing employers for at least three (3) consecutive months immediately following the effective date of the pension.

### **Special Regular Pension**

You are eligible for a Special Regular Pension if you meet the following requirements:

- If you were hired before January 1, 2005 and have not earned 25 years of credited service as of January 1, 2012, in order to retire and be eligible for a Special Regular Pension you must:

- ◆ Be at least 55 years of age;
- ◆ Have earned the required 30 years of credited service; and
- ◆ Have severed your employment with any and all contributing employers.

**Example: Special Regular Pension on or After January 1, 2012**

Jeff was hired on May 1, 1988 and had not earned 25 years of credited service as of January 1, 2012. He plans to retire on May 31, 2018 at age 54. Jeff will have 30 years of service on the date he plans to retire, but he will need to be age 55 before he is eligible for a Special Regular Retirement Benefit. Therefore, Jeff will need to change his retirement date to May 31, 2019 in order to meet the age 55 requirement.

- If you were hired before January 1, 2005 and you have earned at least 25 years of credited service as of January 1, 2012, you may retire at any age upon:
  - ◆ Completion of the required 30 years of credited service; and
  - ◆ Severance of your employment with any and all contributing employers.
- If you were not vested as of December 31, 2004, or you had one year of credited service in a Plan year but you did not become vested before you incurred a permanent break in service, you may retire once:
  - ◆ You have attained age 55;
  - ◆ You have earned the required 30 years of credited service; and
  - ◆ After you have severed your employment with any and all contributing employers.

Credits earned under the Reciprocal Agreement with the Kansas Open End Pension Fund, the Kansas City Laborers Pension Fund and the St. Louis Laborers Pension Fund will count.

**Early Retirement Pension**

You are eligible for an Early Retirement Pension if you stop working for any and all contributing employers for at least three (3) consecutive months immediately following the effective date of the pension, **and** you meet the following requirements:

***Pensions Beginning on or After January 1, 2012***

If your pension payments begin on or after January 1, 2012, you are eligible for an Early Retirement Pension as early as age 55 if you have earned at least 2,250 credited hours of work in covered employment during the last five (5) Plan years before you retire. Hours of work will include your hours worked under a plan that has a regional reciprocal agreement with the Fund at the time you performed the work.

If you are not considered as being in active covered employment, you may retire on a Vested Pension as early as age 55. Your accrued benefit will be reduced for early retirement and will be calculated as explained beginning on page 20.

***Retirements on or After January 1, 1989 and Before January 1, 2012***

If you retire on or after January 1, 1989 and before January 1, 2012, you are eligible for an Early Retirement Pension as early as age 55 if you have earned at least five (5) years of credited future service or vested service. You must earn one or more hours of work on or after January 1, 1989.

***Retirements on or After January 1, 1988 and Before January 1, 1989***

If you retired on or after January 1, 1988 and before January 1, 1989, you are eligible for an Early Retirement Pension as early as age 55 if you:

- Have earned at least five (5) years of credited future service or at least five (5) years of vested service; and
- Are credited with at least 500 hours of work under the Plan for which contributions were required to be made to the Fund during a Plan year beginning after December 31, 1986.

***Retirements on or After October 1, 1987 and Before January 1, 1988***

If you retired on or after October 1, 1987 and before January 1, 1988, you are eligible for an Early Retirement Pension as early as age 55 if you have earned 10 or more years of credited service or 10 or more years of vested service.

***Retirements Before October 1, 1987***

If you retired before October 1, 1987, you are eligible for an Early Retirement Pension when you have 15 years of credited service, including at least one (1) year of credited future service. The Early Retirement Pension is payable when you are:

- Age 55, 56 or 57 with at least five (5) years of credited future service;
- Age 58 with four (4) years of credited future service;
- Age 59 with three (3) years of credited future service;
- Age 60 with two (2) years of credited future service; or
- Age 61 with one (1) year of credited future service.

**Vested Pension**

You are eligible for a Vested Pension if you:

- Have earned at least five (5) years of vested service;
- Are not eligible for a Regular, Special Regular, or Early Retirement Pension;
- Are at least age 55; and
- Stopped working for any and all contributing employers for at least three (3) consecutive months immediately following the effective date of the pension.

**Disability Pension**

You are eligible for a Disability Pension if you:

- Are totally and permanently disabled;

- Have at least five (5) years of credited service; and
- Have worked at least 100 hours for which contributions were required to be made to the Fund on your behalf during the 12 months before the month in which you became permanently and totally disabled.

In addition, the Board of Trustees may require you to submit to an examination by a physician or physicians selected by them. If you are under age 55 and receiving a Disability Pension, you will be required to provide proof of your continuing disability on an annual basis.

*Reciprocal credits earned under all Reciprocity Agreements entered into by the Board of Trustees will be combined and included when determining eligibility for a disability benefit. Only the hours worked in the Construction Industry Laborers Pension Plan will apply to increase a Disability Pension to an amount greater than 75% of the amount calculated.*

You are considered to be **totally and permanently disabled** if the Board of Trustees finds, on the basis of medical evidence, that your disability (whether mental or physical) will prevent you from engaging in any occupation for pay or profit for the rest of your life, regardless of the type of work. Your disability must be permanent and continuous during the remainder of your life.

You are not eligible for a Disability Pension when your disability is caused by alcohol, drugs, intentional self-inflicted injury while sane or insane, or as a result of engaging in the commission of a felony.

#### **At or After Normal Retirement Age**

If you are actively engaged in covered employment when you reach normal retirement age, you are eligible for a pension. **Normal retirement age** is defined as the later of:

- Age 65; or
- Your fifth anniversary of participation in the Plan provided you have worked at least one (1) hour on or after January 1, 1988. Participation before a permanent break in service does not count toward determining your fifth anniversary of participation.

*Note: If you do not have at least one (1) hour of work on or after January 1, 1988, your normal retirement age is the later of age 65 or your tenth anniversary of participation in the Plan.*

You are considered to be actively engaged in covered employment unless, when you reach normal retirement age, you:

- Worked less than 100 hours in covered employment; or
- Completed 435 hours of work in a previous Plan year to reinstate your participation in the Plan as a non-vested employee.

In any case, if you are 100% vested in the Plan when you reach normal retirement age, you will be considered actively engaged in covered employment.

**Pro Rata Pension**

If you have contributions made on your behalf to more than one pension plan, you may be eligible for a Pro Rata Pension when you retire. Refer to page 10 for more information.

## ***Pension Benefit Amounts***

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*Note: If you are married, your pension will be paid in the form of a 50% Husband and Wife Pension unless you and your spouse reject that form of payment in writing. For more information on the 50% Husband and Wife Pension, refer to page 25.*

### **Regular or Special Regular Pension Benefit Amount**

If you retire on or after January 1, 1990 and have been credited with at least 500 or 750 hours of work, as applicable, for which contributions were required to be made on your behalf on or after January 1, 1989, the monthly amount of your Regular or Special Regular Pension benefit is determined by adding the following:

- \$3.00 multiplied by your credited past service; plus
- 4% of the contributions made before January 1, 1991 for Plan years in which you earned a year of credited future service or a year of vested service after a permanent break in service; plus
- 4% of the contributions made on and after January 1, 1991 and before January 1, 2003, up to and including \$2.00 per hour, for Plan years in which you earned a year of credited future service or a year of vested service after a permanent break, or for any year after you reached vested status, plus
- 4% of the contributions made on and after January 1, 1991 and before January 1, 1996, in excess of \$2.00 per hour, for Plan years in which you earned a year of credited future service or a year of vested service after a permanent break in service, or for any year after you reached vested status, plus
- 3.75% of the contributions made on and after January 1, 1996 and before January 1, 2001, in excess of \$2.00 per hour, for Plan years in which you earned a year of credited future service or a year of vested service after a permanent break in service, or for any year after you reached vested status, plus
- 3.75% of the contributions made on and after January 1, 2001 and before January 1, 2003, in excess of \$2.00 per hour but not more than \$3.00 per hour, for Plan years in which you earned a year of credited future service or a year of vested service after a permanent break in service, or for any year after you reached vested status, plus
- 3.5% of the contributions made on and after January 1, 2001 and before January 1, 2003, in excess of \$3.00 per hour, for Plan years in which you earned a year of credited future service or a year of vested service after a permanent break in service, or for any year after you reached vested status, plus
- 3.0% of the contributions made on and after January 1, 2003 and before January 1, 2005 for Plan years in which you earned a year of credited future service or a year of vested service after a permanent break in service, or for any year after you reached vested status, plus

- 2.0% of the contributions made on and after January 1, 2005 and before January 1, 2009 for Plan years in which you earned a year of credited future service or a year of vested service after a permanent break in service, or for any year after you reached vested status, plus
- 2.0% of the contributions (excluding Funding Contributions as described below) made on and after January 1, 2009 and before January 1, 2010 for Plan years in which you earned a year of credited future service or a year of vested service after a permanent break in service, or for any year after you reached vested status, plus
- 1.0% of the contributions (excluding Funding Contributions as described below) made on or after January 1, 2010 on your behalf during Plan years in which you earned hours of contributions or were credited with a year of vested service after a permanent break in service or after you reached vested status.

*Funding Contributions are contributions made to the Plan only for purposes of improving the funding of the Plan and are not applied towards your accrued benefit when determining your monthly pension benefit amount. The Funding Contribution is 15% of the contribution made on your behalf to the Plan.*

Also, reciprocal credits are not counted toward your accrued benefit when determining your monthly benefit under this Plan.

Employer contributions for fewer than 500 or 750 hours of work you earned in a Plan year will not be considered in determining your pension benefit if you have not attained vested status.

For hours of work performed on or after January 1, 2009, if you have less than 25 years of credited future service as of December 31, 2008, you must be credited with at least 750 hours of work in covered employment in a Plan year to earn a year of credited future service.

**Example: Regular Pension and Special Regular Pension Amount**

John retires on a Regular Pension in 2013, at age 62. He has 26 years of credited service (3 years of credited past service and 23 years of credited future service). He also has 500 hours of work in 2013. His contributions for the credited future service years are:

\$8,470.00 made before 1991,

\$5,500.00 for contributions up to and including \$2.00 per hour on and after January 1, 1991 and before January 1, 2003,

\$2,800.00 for contributions over \$2.00 per hour on and after January 1, 1991 and before January 1, 1996,

\$3,200.00 for contributions over \$2.00 per hour on and after January 1, 1996 and before January 1, 2001,

\$860.00 for contributions over \$2.00 per hour but not more than \$3.00 per hour on and after January 1, 2001 and before January 1, 2003,

\$1,860.00 for contributions over \$3.00 per hour on and after January 1, 2001 and before January 1, 2003,

\$1,200.00 for contributions made on and after January 1, 2003 and before January 1, 2005,

\$2,500 for contributions made on and after January 1, 2005 and before January 1, 2009,

\$850\* for contributions made on and after January 1, 2009 and before January 1, 2010, and

\$1,785\* for contributions made on or after January 1, 2010.

\*Total contributions made on your behalf, excluding the 15% Funding Contributions.

John's Regular Pension or Special Regular Pension amount is calculated as follows:

\$3.00 x 3 years of credited past service	\$	9.00
4% x \$8,470.00	=	338.80
4% x \$5,500.00	=	220.00
4% x \$2,800.00	=	112.00
3.75% x \$3,200.00	=	120.00
3.75% x \$860.00	=	32.25
3.5% x \$1,860.00	=	65.10
3% x \$1,200.00	=	36.00
2% x \$2,500.00	=	50.00
2% x \$850.00	=	17.00
1% x \$1,785.00	=	<u>17.85</u>

John's monthly Regular Pension or Special Regular Pension amount is: **\$1,018.00**

### Early Retirement Pension Benefit Amount

To calculate the amount of your Early Retirement Pension, if you are in active covered employment when you retire, the amount of the Regular Pension you would receive if you were age 62 when your pension starts is first determined. Then, that amount is reduced by .5% for each month you are younger than age 62 on the date your first pension payment is to begin.

#### Example: Early Retirement Pension Amount

Henry plans to retire in 2013 at age 58 and 2 months (46 months before he reaches age 62). His monthly Regular Pension benefit amount is calculated to be \$725.00 per month. Henry's monthly Early Retirement Pension will be calculated as follows:

Regular Pension benefit amount		\$725.00
Early retirement reduction factor (46 months x .5% reduction = 23%; 100% - 23% = 77%)	x	<u>.77</u>
Henry's monthly Early Retirement Pension amount is:		<b>\$558.25</b>

If you are not considered as being in active covered employment, you may retire on a Vested Pension as early as age 55. Your accrued benefit will be reduced for early retirement. The benefit will be actuarially equivalent to your Regular Pension benefit that would be payable to you at age 62. This means your Early Retirement benefit will be of equal value to your regular pension benefit, but will be paid to you for a longer period. Your Regular Pension benefit is adjusted using factors based on a specified interest rate and mortality table according to your age at the time your payments begin. The factors are included in the Appendix.



**Example: - Early Retirement Pension Amount – Not Retiring from Active Covered Employment**

Frank plans to retire in 2013 at age 59 and 6 months (30 months before he reaches age 62). His monthly Regular Pension benefit amount is calculated to be \$600.00 per month. Frank's monthly Vested Pension will be calculated as follows:

Regular Pension benefit amount		\$600.00
Early retirement reduction factor (see the Appendix)	x	<u>.7836</u>
Frank's monthly Early Retirement Pension amount is:		<b>\$470.16</b>

**Vested Pension Benefit Amount**

The amount of a Vested Pension is a percentage of the Regular Pension amount if you are age 62 or older or a percentage of the Early Retirement Pension amount if you are age 55 to 62.

If you earn an hour of service on or after January 1, 1989, you will be 100% vested after five (5) years of credited future service or five (5) years of vested service.

If you **do not** have an hour of work after January 1, 1989, but retire on or after January 1, 1988, you will be 100% vested after five (5) years of credited future service or five (5) years of vested service if you have 500 hours of work in a Plan year beginning after 1986.

If you **do not** have 500 hours of work after 1986 or a later Plan year or one hour of work on or after January 1, 1989, the percentage of your benefit is based on your years of credited service or years of vested service, as follows:

<b>Total Years of Credited Service or Vested Service Whichever Is Greater</b>	<b>Percentage of Benefit Amount</b>
Less than 5	None
5 but less than 6	50%
6 but less than 7	60%
7 but less than 8	70%
8 but less than 9	80%
9 but less than 10	90%
10 or more	100%

If you do not meet any of the above requirements, please contact the Fund Office to determine your benefit.

**Example: Vested Pension Benefit Amount**

George left covered employment in February of 1988 when he was age 47. He had seven (7) years of credited future service. His total contributions for credited future service years are \$9,348.

However, because he left in 1988 and did not have 500 hours of work after 1986, his benefit is 70% of his Regular Pension amount and his contributions are multiplied by 3.5%.

George's benefit payable at age 62 is **\$229.03** ( $\$9,348 \times 3.5\% \times 70\%$ ).

**Disability Pension Benefit Amount**

For disabilities that occur before January 1, 2005, the monthly amount of a Disability Pension is determined in the same manner as a Regular Pension. However, in no event will the monthly amount be less than \$50.

For disabilities that occur on or after January 1, 2005, the monthly amount of a Disability Pension is the amount of a Regular Pension multiplied by a fraction that corresponds to your years of credited service, as shown in the following table. However, in no event will the monthly amount be less than \$50.

<i>Your Number of Years of Credited Service</i>	<i>Percentage of Regular Pension Payable as a Disability Pension</i>
5	75%
6	76%
7	77%
8	78%
9	79%
10	80%
11	81%
12	82%
13	83%
14	84%
15	85%
16	86%
17	87%
18	88%
19	89%
20	90%
21	91%
22	92%

23	93%
24	94%
25	95%
26	96%
27	97%
28	98%
29	99%
30	100%

**Example: Disability Pension When Disability Occurs on or After January 1, 2005**

Arthur became totally and permanently disabled on March 25, 2011 at the age of 42. He had 10 years of credited service on the date of his disability and his Regular Pension amount was calculated to equal \$750.00. Arthur's monthly Disability Pension was calculated as follows:

Regular Pension amount		\$750.00
Percentage of Regular Pension Payable (80%)	x	<u>    .80</u>
Arthur's monthly Disability Pension amount is:		<b>\$600.00</b>

Reciprocal credits earned under all Reciprocity Agreements entered into by the Trustees will be combined and included when calculating a Disability Pension before applying a fraction over 75%. Only years of credited service with the Construction Industry Laborers' Pension Plan will apply to increase a Disability Pension to an amount greater than 75% of the amount calculated.

A Disability Pension is payable for life as long as you remain totally and permanently disabled, as defined on page 15. A Disability Pension will be payable as of the first month following the month in which you submit a completed application.

Your Disability Pension will end when you are no longer totally and permanently disabled, or you fail to submit the required proof of continued disability on an annual basis. If you recover from being totally and permanently disabled, you may return to covered employment and resume earning credited future service or apply for another type of pension if you have fulfilled the requirements for another type of pension.

**Pro Rata Pension Benefit Amount**

Refer to page 11 for information on how a Pro Rata Pension is calculated.

**Payment of Small Pensions**

If the actuarial value of your benefit is \$5,000 or less, your benefit will be paid to you in a single lump sum.

If you have not reached normal retirement age, your consent will be required in order for the Fund to make any lump sum distribution over \$1,000.

## ***Survivor and Death Benefits***

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### **If You Die After You Retire**

If you die *after* your retirement benefit begins, the Plan may continue to provide retirement income to your spouse in the form of a Survivor Benefit. The Plan offers four types of Survivor Benefits designed to provide retirement income to your surviving spouse after you die:

- 50% Husband and Wife Pension;
- Sixty-Month Guarantee of Pension Payments;
- Ten-Years Certain and Life; and
- Joint and Survivor Pension (66-2/3%, 75% or 100%).

### **If You Die Before You Retire**

If you die *before* you retire and are eligible for a pension, the Plan may provide a Death Benefit that is payable to your designated beneficiary as a lump sum that is actuarially equivalent to 60 payments of 50% of your monthly accrued vested benefit. If you do not designate a beneficiary, or if your designated beneficiary pre-deceases you, the benefit will be payable to your estate. The Plan offers two types of Death Benefits:

- Pre-Retirement 50% Spouse Pension; and
- Pre-Retirement Death Benefit.

The type and amount of Death Benefit payable will depend on your status in the Plan at the time of your death.

### **Designating a Beneficiary**

You must designate a beneficiary in writing on a form provided by the Fund Office. Your designation of a beneficiary or revocation of your designation will not be effective unless and until it is actually received by the Fund Office during your lifetime.

If you are married, you may not designate a beneficiary other than your spouse unless your spouse consents in writing to your designation. Your spouse's consent must acknowledge the designated beneficiary and the effect of that designation, and must be witnessed by a notary public. If you can establish that consent cannot be obtained because your spouse cannot be located, the consent will not be required. You may revoke your designation consented to by your spouse in writing at any time without the consent of your spouse, as long as you do not designate another non-spouse beneficiary without the consent of your spouse.

Any new designation must comply with these requirements. Your former spouse's consent will not be binding on a subsequent spouse.

In the event that your designated beneficiary or spouse dies before the applicable number of guaranteed monthly benefit payments (60 or 120, as you elect) have been made, including the payments to you, monthly benefit payments, if any, will be payable to your estate.

## ***Forms of Retirement Payments***

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### **50% Husband and Wife Pension**

If you're legally married when your monthly retirement benefit starts, your pension will automatically be paid in the form of a 50% Husband and Wife Pension. This form of pension provides a reduced monthly benefit to you and your spouse during your lifetime.

*Note: When you die, your spouse will receive 50% of the benefit you were receiving for the rest of his or her life. The 50% Husband and Wife Pension is required by law, unless you and your spouse provide a written, signed, and notarized rejection.*

### **50% Husband and Wife Pension Benefit Amount**

The amount of the 50% Husband and Wife Pension (except a 50% Husband and Wife Disability Pension) is determined by multiplying your regular single-life pension amount by 90% minus 4/10 of 1% (.004) for each year your spouse is younger than you or plus 4/10 of 1% (.004) for each year your spouse is older than you. The percentage may not be more than 99%.

If you retire on a 50% Husband and Wife Disability Pension, the percentage is 82% minus 4/10 of 1% (.004) for each year your spouse is younger than you or plus 4/10 of 1% (.004) for each year your spouse is older than you. The percentage may not be more than 99%.

*Note: If your monthly Husband and Wife Pension is less than \$30 per month and the actuarial lump-sum value of your benefit is \$5,000 or less, the Trustees must pay your benefit in a single lump sum.*

#### **Example: 50% Husband and Wife Pension (non-disability)**

Dick, age 62, is eligible for a Regular Pension of \$825.00 and he and his spouse choose to receive it in the 50% Husband and Wife form. His wife is age 58. Dick's 50% Husband and Wife Pension is calculated as follows:

Dick's monthly Regular Pension	\$825.00
Percentage of pension payable is 90% minus 1.6% (4 years x .004%)	x <u>88.40%</u>
Total monthly 50% Husband and Wife Pension amount payable to Dick for life is:	<b>\$729.30</b>
Total monthly 50% Husband and Wife Pension amount payable to Dick's spouse for life after his death is (50% x \$729.30):	<b>\$364.65</b>

If you retire on or after July 1, 1992 with a 50% Husband and Wife Pension and your spouse dies before you, your pension will be increased to the amount that would have been paid to you had you elected the regular single-life form of payment. This is commonly referred to as a "pop-up" provision, because your monthly benefit automatically increases – or "pops up" – to the value of your regular single-life pension. The effective date of your increased benefit is the first of the month after you notify the Fund Office in writing and submit a certified copy of your spouse's death certificate.

**Example:** Using prior scenario

Dick is receiving a 50% Husband and Wife Pension benefit of \$729.30 for life. If his wife dies before he does, on the first day of the month after Dick provides the Fund Office with a certified copy of his wife's death certificate, his pension benefit will be increased to **\$825.00** a month. This is the full amount of his regular single-life form of benefit before the reduction for the 50% Husband and Wife Pension.

***Other Rules for the 50% Husband and Wife Pension***

- You and your surviving spouse must be legally married for at least one (1) year preceding your death. *Note: This one-year marriage requirement does not apply if you die as a result of an accident.*
- If you and your spouse are divorced, your monthly pension may not be increased. Upon your death, your ex-spouse will receive the survivor benefit unless a Qualified Domestic Relations Order (see page 44) provides otherwise.
- Payments are made to your surviving spouse for his or her lifetime. Payments do not stop if your surviving spouse remarries.
- You and your spouse may reject this form of payment by a written waiver. A waiver of the 50% Husband and Wife Pension is valid only if a written explanation of the effect of this form of pension is provided to you no earlier than 180 days before the effective date of the pension, and no later than 30 days before the effective date of the pension. You may file a new waiver or revoke a previous waiver at any time during the 180-day period. No waiver is effective if given more than 180 days before the effective date of the pension. You may begin receiving benefits before 30 days have elapsed from receipt of the explanation if you and your spouse waive the 30-day advance-waiting period, in writing, and your pension payments begin no earlier than seven (7) days after the explanation is sent to you.

**Sixty-Month Guarantee of Pension Payments**

If you and your spouse reject the 50% Husband and Wife Pension in writing or you do not meet the rules for payment of the 50% Husband and Wife Pension, you will receive a single-life pension payable for your life with a guaranteed minimum of 60 monthly pension payments. If you die before receiving 60 monthly payments, the balance of monthly payments will be paid to your eligible surviving spouse or, if your spouse elects, in one actuarial lump sum payment if you are married or to your designated beneficiary if you are not married. If you do not have an eligible surviving spouse or you did not designate a beneficiary, the balance of the payments will be paid in an actuarial lump sum to your estate.

**Ten-Years-Certain and Life Pension**

If you and your spouse reject the 50% Husband and Wife Pension in writing or you do not meet the rules for payment of the 50% Husband and Wife Pension, you may elect the Ten-Years-Certain and Life Pension. If you elect to receive a Ten-Years-Certain and Life Pension, your monthly pension amount will be smaller than your regular single-life pension amount. This type of pension is payable for your life and provides a guaranteed minimum of 120 monthly payments. If you die before receiving 120 monthly payments, the balance of the payments will be paid to your surviving spouse each month or, if your spouse (if you are married) or your

designated beneficiary (if you are not married) elects, in one actuarial lump sum. If you do not have an eligible surviving spouse or you did not designate a beneficiary, the balance of the 120 monthly payments will be made in one actuarial lump sum to your estate.

If you retire on any pension (except a Disability Pension) the amount under this option is figured by multiplying your regular single-life pension amount by 94%, plus 4/10 of 1% (.004) for each year you are younger than age 62 or minus 8/10 of 1% (.008) for each year you are older than age 62 on the date of your retirement. The percentage may not be greater than 99%.

**Example: Ten-Years-Certain and Life Pension**

Mark, age 59, is eligible for a Regular Pension of \$784.00 and he and his spouse choose to receive it in the Ten-Years-Certain and Life form. Mark's Ten-Years-Certain and Life Pension is calculated as follows:

Mark's monthly Regular Pension	\$784.00
Percentage of pension payable under Ten-Years-Certain and Life Pension is	
94% plus 1.2% (3 years x 0.004)	x <u>95.2%</u>
Total monthly Ten-Years-Certain and Life Pension benefit is:	<b>\$746.37</b>
Total monthly Surviving Spouse Benefit amount payable after Mark's death, up to 120 payments total (if lump-sum benefit is not chosen) is:	<b>\$746.37</b>

**For Disability Pensions**, the amount of the Ten-Years-Certain and Life Pension is figured by multiplying your regular single-life pension amount by 81%, plus 7/10 of 1% (.007) for each year you are younger than age 62 on the date of your retirement. The percentage may not be greater than 99%.

**Joint and Survivor Pension**

If you are married, you may elect a Joint and Survivor Pension. Under this option, you will receive a smaller pension for your lifetime and a percentage (66-2/3% or 75%, or 100%, whichever you elect) will be paid to your surviving spouse after your death. To be eligible for this benefit, you and your surviving spouse must have been legally married throughout the 12 months before you retired and have been legally married at the time of your death. If you or your spouse dies before the pension begins, this option is cancelled.

No election may be made if it results in the pension payment amounting to less than \$15 per month.

If you retire with a Joint and Survivor Pension and your spouse dies before you, a "pop-up" provision will apply, so that your pension will be increased – or "pop up" – to the amount that would have been paid to you had you elected the regular single-life form of payment. The effective date of your increased benefit will be the first of the month after you notify the Fund Office in writing and submit a certified copy of your spouse's death certificate.



***Pension Benefit Amount (Non-Disability)***

- **If you elect the 66-2/3% Joint and Survivor Pension**, the amount of your pension is determined by multiplying your regular single-life pension amount by 87%, minus 0.5% for each year your spouse is younger than you or plus 0.5% for each year your spouse is older than you. The percentage under this option may not be greater than 99%.

**Example:** 66-2/3% Joint and Survivor Pension (non-disability)

Robert, age 62, is eligible for a Regular Pension of \$900.00 and he and his spouse choose to receive it in the 66-2/3% Joint and Survivor Pension form. His wife is age 58. Robert's 66-2/3% Joint and Survivor Pension is calculated as follows:

Robert's monthly Regular Pension	\$900.00
Percentage of pension payable is 87% minus 2% (4 years x 0.5%)	x <u>85.0%</u>
Total monthly 66-2/3% Joint and Survivor Pension amount payable to Robert for life is:	<b>\$765.00</b>
Total monthly 66-2/3% Joint and Survivor Pension amount payable to Robert's spouse for life after his death is (66-2/3% x \$765.00):	<b>\$510.00</b>

- **If you elect the 75% Joint and Survivor Pension**, the amount of your pension is determined by multiplying your regular single-life pension by 85.5%, minus 0.6% for each year that your spouse is younger than you or plus 0.6% for each year that your spouse is older than you. The percentage under this option may not be greater than 99%.
- **If you elect the 100% Joint and Survivor Pension**, the amount of your pension is determined by multiplying your regular single-life pension amount by 81%, minus 0.7% for each year your spouse is younger than you or plus 0.7% for each year your spouse is older than you. The percentage under this option may not be greater than 99%.

***Pension Benefit Amount (Disability)***

- **If you retire on a 66-2/3% Joint and Survivor Disability Pension**, the amount of your pension is determined by multiplying your regular single-life pension amount by 76%, minus 0.5% for each year your spouse is younger than you or plus 0.5% for each year your spouse is older than you. The percentage under this option may not be greater than 99%.
- **If you retire on a 75% Joint and Survivor Disability Pension**, the amount of your pension is determined by multiplying your regular single-life pension amount by 73.5%, minus 0.5% for each year your spouse is younger than you or plus 0.5% for each year that your spouse is older than you. The percentage under this option may not be greater than 99%.
- **If you retire on a 100% Joint and Survivor Disability Pension**, the amount of your pension is determined by multiplying your regular single-life pension amount by 67%, minus 0.5% for each year your spouse is younger than you or plus 0.5% for each year your spouse is older than you. The percentage under this option may not be greater than 99%.

### **Pre-Retirement 50% Spouse Pension**

If you are vested in the Plan and die before you retire, your eligible surviving spouse will receive a Pre-Retirement 50% Spouse Pension. If you die at or after age 55, your surviving spouse will be entitled to a Pre-Retirement 50% Spouse Pension beginning the month following the month of your death. The amount of this benefit will be 50% of the monthly pension benefit you would have received if you had retired the day before you died, without any reduction for your age. If you die before age 55, your surviving spouse will be entitled to a Pre-Retirement 50% Spouse Pension beginning in the month following the month in which you die and the amount of such pension will be 50% of your accrued vested benefit, calculated without reduction for age. This monthly benefit amount is payable to your surviving spouse for the rest of his or her life.

In order for your spouse to qualify, you must have been credited with at least one (1) hour of work on or after January 1, 1976. For your surviving spouse to be eligible, he or she must have been legally married to you for the 12 months prior to your death. If the actuarial lump sum value of the survivor benefit is \$5,000 or less, the Plan will pay out its full value in a single lump sum.

Upon your death, your spouse may elect, in writing, to delay payment of the Pre-Retirement 50% Spouse Pension until some specified date that is no later than the first of the month following the date you would have reached normal retirement age. The benefit amount will be determined as if you survived to the date your surviving spouse elected to begin receiving that benefit, retired at that age with an immediate 50% Husband and Wife Pension and died the next day. If your surviving spouse dies before the date the surviving spouse elected to begin receiving the benefit, the Pre-Retirement 50% Spouse Pension will be forfeited and there will be no payments to any other Beneficiary.

### **Pre-Retirement Death Benefit**

A Pre-Retirement Death Benefit is payable if you have at least five (5) years of credited future service and die before you retire, provided you do not have a surviving spouse or a spouse eligible for the Pre-Retirement 50% Spouse Pension at the time of your death.

If you do not have a surviving spouse when you die, your designated beneficiary will receive a lump sum payment that is actuarially equivalent to 60 payments of 50% of your monthly accrued vested benefit.

If you do not have a designated beneficiary at the time of your death, or your beneficiary dies before you, a lump sum payment that is actuarially equivalent to 60 payments of 50% of your monthly accrued vested benefit will be paid to your estate.

If your surviving spouse is not eligible for the Pre-Retirement 50% Spouse Pension, your spouse will receive a lump sum payment that is actuarially equivalent to 60 payments of 50% of your monthly accrued vested benefit for 60 months. However, your surviving spouse must have been legally married to you throughout the 12-month period preceding your death. If your surviving spouse dies before the 60 monthly payments have been made, the remaining payments will be paid as an actuarially equivalent lump sum to your surviving spouse's estate.

Once the Plan receives your death certificate, payment will be made in the time frame reflected below:

- If your benefit will be paid to a non-spouse beneficiary, the payment will:
  - ◆ Be completed by the December 31<sup>st</sup> of the 5<sup>th</sup> calendar year following your death, or
  - ◆ Begin by the end of the year following your death and (i) paid out over a period not longer than your beneficiary's life or life expectancy or (ii) the 5<sup>th</sup> calendar year following your death if longer.
- If you did not designate a beneficiary, your benefit will begin no later than the December 31<sup>st</sup> of the 5<sup>th</sup> calendar year following the year of your death.
- If your benefit will be paid to your surviving spouse, the payment will begin no later than the December 31<sup>st</sup> of the year you would have reached age 70-1/2 and paid over your surviving spouse's life or life expectancy. The benefit will be actuarially increased for the delay.

## **Important Information About Survivor and Death Benefits**

### ***Rules for Electing Survivor Benefits***

If you are married when you apply for a pension, the Fund Office will provide you with an estimated amount of your pension payable under each of the four (4) types of survivor benefit options described. The Fund Office will also send you an election form on which you must state how you want your benefit paid. Neither the Ten-Years-Certain and Life Pension nor the Joint and Survivor Pension may be elected if the monthly payment to the participant or spouse would be \$30 or less.

*Note: Your benefit election cannot be changed after the date you start receiving benefits.*

### ***Surviving Spouse Eligibility***

If you die before you retire, your spouse will be considered an eligible surviving spouse if you were married for the 12-month period prior to your date of death. If you die after you retire and begin receiving benefits, your spouse will be considered an eligible surviving spouse if you were married for the 12-month period prior to your date of death and you were married on the date you retired. To the extent required by a Qualified Domestic Relations Order (QDRO), your former spouse may also be considered an eligible surviving spouse. For more information on QDROs, see page 44.

If you and your spouse have been married for less than one year as of the date of your retirement, the joint and survivor rules under the Plan will still apply. However, your spouse will be considered provisionally an eligible surviving spouse. Therefore, if you die before you and your spouse have been legally married for one year, the joint and survivor pension will become invalid as of the first day of the month following your death. It will be deemed that you elected the 60 Certain Payments form of payment and payment of the remainder of the 60 guaranteed monthly payments, if any, will be made to your beneficiary or your estate if you did not designate a beneficiary. The payments will include an adjustment for the difference in the reduced monthly payment you received under the joint and survivor form of payment you

previously elected and the monthly payment amount you would have received had the joint and survivor form of payment not be elected.

If you and your spouse divorce before your first anniversary, you may waive the joint and survivor form of payment you previously elected without spousal consent and your spouse will not be eligible for a survivor's pension. Your monthly payments will be adjusted to the amount that they would have been had you not elected the joint and survivor pension as of the first of the month following your waiver of the joint and survivor pension.

## ***Special Quarry Workers Past Service Benefit***

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### **Eligibility—For retirements and benefit accruals on or after January 1, 1999**

You are eligible for a Special Quarry Workers Past Service Benefit if you:

- Were employed as of April 1, 1996 by any of the following contributing employers:
  - ◆ Fred Weber Materials, Inc.,
  - ◆ Bussen Quarries, Inc., or
  - ◆ Belfontaine Quarry, Inc. (the “Quarry Employers”) and

You were working under a collective bargaining agreement between a quarry employer and Local 110;

- You previously received credit for years of past service under the Laborers International Union of North America National (Industrial) Pension Fund (“National Fund”), which were cancelled as a result of a collective bargaining agreement change to require participation in the Plan; and
- You have been included in the schedule adopted by the Board of Trustees, which is available from the Fund Administrator upon your written request.

You may be required to provide evidence satisfactory to the Board of Trustees of credit for past service under the National Fund, as well as evidence of employment status.

### **Benefit Amount**

For each year of your past service in the National Fund, you will receive a monthly benefit payable for your lifetime in accordance with the schedule adopted by the Board of Trustees. This benefit will be paid in addition to any other benefit payable to you in accordance with the provisions of this Plan, and as adjusted for Early Retirement or any optional form of benefit chosen.

The Special Quarry Workers Past Service Benefits may be terminated by the Board of Trustees if your employer’s obligation to make contributions to the Construction Industry Laborers Pension Plan terminates.

The benefit will be funded by the first \$.05 per hour of the contributions required to be paid in accordance with any collective bargaining agreement between a quarry employer and Local 110. This first \$.05 per hour will not fund nor count toward benefit accrual for future service under the Plan.

## ***Applying for Your Pension Benefit***

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### **Pension Application**

***It is important to file a pension application before you retire and well in advance of the month you want to receive your first pension check.***

To apply for a pension, you should request a pension application by writing, calling or visiting the Fund Office at the address shown at the beginning of this booklet. The application should be completed, signed, dated, and returned to the Fund Office. You must send proof of your date of birth, and if you are married, you must send proof of your marriage and your spouse's birth date with your application. If you are divorced, you must also send a copy of the Divorce Decree.

### **Effective Dates**

Generally, pension payments begin on the first day of the month following the month that you file a claim for benefits that is approved by the Board of Trustees. However, because the Fund Office requires some time to process pension applications, the first few pension checks may be delayed.

If the effective date of your pension is on or after your normal retirement age, the monthly benefit will be the accrued benefit at normal retirement age (65), actuarially increased 1% per month for the first 60 months and 1.5% per month thereafter for each complete calendar month between normal retirement age and the effective date of the pension.

Your benefit payments must begin by April 1 of the calendar year following the year in which you turn age 70-1/2, whether or not you have applied for a pension.

### **Surviving Spouse Application**

As soon as possible after your death, your surviving spouse should contact the Fund Office to find out if any benefits are payable and to request instructions about filing an application for survivor benefits.

### **Trustees' Reliance**

The Board of Trustees is entitled to rely on the information you, your spouse, and other parties provide when determining the eligibility for payment of a Plan benefit. If you or your beneficiary knowingly provides fraudulent or inaccurate information and as a result receives a benefit from the Plan, the Board of Trustees has the right to recover any improper payments. As long as the Board of Trustees does not act in an arbitrary or capricious manner, its determinations are considered final and binding, and will discharge the Fund and the Board of Trustees from liability to the extent payments are made.

### **Appeal of the Denial of Benefits Other Than Disability Pension Benefits**

If your application for a pension is denied, you will be informed in writing of the denial. The notice of denial will include the following:

- The specific reason or reasons for the adverse determination.
- Reference to the specific Plan provision on which the determination is based.
- A description of any additional material or information necessary for you to perfect the claim and an explanation of why such material or information is necessary.
- A description of the Plan's review and hearing procedures and applicable time limits,

The notice of the denial of a claim for benefits will be furnished within ninety (90) days after receipt of the application by the Plan unless special circumstances require an extension of time for processing the claim. If such an extension of time for processing is required, written notice of the extension will be furnished to you prior to the termination of the initial ninety (90) day period. In no event will the extension exceed a period of ninety (90) days from the end of such initial period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the final decision.

If the notice of the denial of a claim for benefits is not furnished in accordance with the above, the claim for benefits will be deemed denied and you will be permitted to proceed to the review and/or hearing stage.

You or your duly authorized representative may request a review of the denied claim to the Board of Trustees or the Claims Appeal Committee, each of which has authority to make the final decision on review and/or hearing.

The Board of Trustees or Committee will conduct a review. The request for review must be made by written application within sixty (60) days after you receive written notification that your claim has been denied.

No request for review will be considered by the Board of Trustees or the Committee after the sixty (60) day period.

You or your duly authorized representative may:

- Request a review of the denied claim upon written application to the Fund,
- Review and copy pertinent documents, and
- Submit issues and comments in writing.

As part of such written request for review, you may request a hearing before the Board of Trustees or Committee.

If a hearing is not requested, the Board of Trustees or the Committee will make a prompt decision on the review of the claim and notify you of the decision within 60 days after receipt of the request for review. If special circumstances arise, such as the need to hold a hearing, an extension of time for processing will be granted and a decision will be rendered within 120 days after receipt of a request for review.

The following procedures will be followed if a hearing is requested:

- The proceedings of the hearing will be preserved by means of tape recording, stenographic or court reporter's records.
- The Board of Trustees or the Committee will not be bound by the usual common law or statutory rules of evidence in conducting the hearing.
- You or your authorized representative will have the right to review and make a copy of the record of the hearing.
- All documents and records introduced in the hearing will be copied and made a part of the record of the hearing.
- The Board of Trustees or the Committee will disclose all information on which the decision was based to you at the hearing. If any new evidence is introduced at the hearing that was not available to you prior to the meeting, you may receive a continuance of not more than 30 days to review such information. "New" evidence will not include any evidence discovered upon examination of your own witnesses.
- You will be given the opportunity to present any evidence that is related to your claim. If you present new evidence, the hearing may be adjourned for a period of not more than 30 days so that the Board of Trustees or the Committee may investigate the accuracy of the evidence and determine whether it should be considered.
- The Board of Trustees or the Committee will send you its determination within 30 days after the conclusion of the hearing. The determination will be final, binding, and conclusive on all parties.

The decision on review or upon hearing will be in writing and will include specific reasons for the decision and references to the pertinent Plan provisions. The decision on review or upon hearing will be furnished to you within the time frames explained above. If the decision is not furnished to you within such time, the claim will be deemed denied on review.

The Board of Trustees or Committee will have the authority to interpret, construe, and apply all terms of the Pension Plan including, but not limited to, provisions concerning eligibility for, entitlement and the nature, amount and duration of benefits, in reaching a decision on the claimant's request for review of the denial of the claim.

The Board of Trustees' or Committee's determination will be binding upon all parties. You must follow the Plan's claim and review procedures fully before bringing any action in court or any administrative proceeding for benefits.

### **Claim and Appeal Procedures for Disability Pension Benefits**

You must file your claim for a Disability Pension in writing on a form provided by the Plan. Unless an extension applies, the Plan will advise you of its initial decision within 45 days of actual receipt of your written claim.



The Plan may extend the date for rendering an initial decision by two separate periods of 30 days each, provided any extension is due to circumstances beyond the control of the Plan. Such circumstances will include a delay in obtaining medical information from a physician or other provider.

The Plan will notify you in writing before the end of the 45 days if the first extension is used and prior to 75 days if the second extension is used. The notification will include the circumstances requiring the extension and the date as of which the Plan expects to render a decision. It will specifically explain the standards on which entitlement to a benefit is based, the unresolved issues that prevent a decision on the claim, and the additional information needed to resolve those issues.

If the Plan requires additional information from you to process the claim, the Plan will request the additional information in writing within the initial 45-day period. You will then have 45 days to provide the additional information. If you do not provide the requested information, then the claim will be determined on the basis of the information that the Plan has at the expiration of the 45-day period and may be denied.

Any request for additional information suspends the Plan's decision deadline from the date the notice requesting information is sent to the earlier of the date the requested information is provided or the expiration of the 45-day period for submitting the additional information.

The Plan may delegate authority for and responsibility for all or any of these procedures to the Fund Administrator, or a Committee or Committees as designated by the Board of Trustees.

If your claim is denied, the notice of denial will include the following:

- The specific reason or reasons for the adverse determination.
- Reference to the specific Plan provision on which the determination is based.
- A description of any additional material or information necessary for you to perfect the claim and an explanation of why such material or information is necessary.
- A description of the Plan's review procedures and applicable time limits.
- A statement of your right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination on review.
- If an adverse determination is based upon an internal rule, guideline, protocol or other similar criteria, a statement that you may obtain a free copy of such rule, guideline, protocol or other similar criteria upon request.
- If an adverse determination is based on a medical necessity or experimental treatment or similar exclusion or limit, a statement that you may obtain a free copy, upon request, of an explanation of the scientific or clinical judgment, applying the terms of the Plan to your medical circumstances for the determination.

You may file a written appeal of a denial of a Disability Pension with the Plan within 180 days after receiving notice of the denial. You may authorize a representative to act on your behalf for this purpose.

If you file a timely written appeal, you may:

- Submit additional materials, including any written comments, records, statements, documents, or other information relating to the claim for benefits; and
- Review and copy all information relevant to the disability claim (free of charge) upon reasonable request to the Plan. A document, record or other information is relevant if:
  - ◆ It was relied upon by the Plan in making the decision;
  - ◆ It was submitted, considered or generated in the course of making the benefit determination (regardless of whether it was relied upon);
  - ◆ It demonstrates compliance with the claims processing requirements that the determination be consistent when applied to similarly situated claimants; or
  - ◆ It constitutes a statement of policy or guidance with respect to the Plan concerning the denied treatment option or diagnosis (regardless of whether it was relied upon);
- Obtain the identity of any medical or vocational experts whose advice was obtained on behalf of the Plan in connection with a claimant's adverse benefit determination (regardless of whether the advice was relied upon); and
- Request a hearing.

The Plan's review will consider all comments, documents, records and other information you submit without regard to whether such information was submitted or considered in the initial benefit determination.

The appeal will not defer to the initial benefit determination. The review will not be made by the individual who made the adverse benefit determination that is the subject of the appeal, or a subordinate of that individual.

If the determination is based on medical judgment, necessity, or appropriateness, the Board of Trustees (or review Committee) must consult a medical professional who is not the same individual consulted on the initial review of the determination or a subordinate of that individual. Such consultation is not required if the Plan relied on the treating physician.

In deciding an appeal of any benefit determination that is based in whole or in part on a medical judgment, the Plan will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment.

The Board of Trustees or its designated review Committee will schedule quarterly appeal meetings. If your written appeal is submitted more than 30 days before the next scheduled quarterly appeal meeting, the Board of Trustees will render a decision at that quarterly meeting, unless special circumstances require a delay in the decision. If your written appeal is submitted at a date 30 days or less before a quarterly meeting, the Board of Trustees will render a decision at

the second quarterly meeting following the submission of the appeal, unless special circumstances require a delay in the decision.

An extension of time for the Board of Trustees' decision is available if, due to special circumstances beyond the control of the Trustees, such as the need to hold a hearing. If the Board of Trustees needs an extension due to special circumstances, a written notice will be sent to you or your authorized representative, stating the special circumstances and the date as of which the determination will be made. The notice will be sent before the beginning of the extension. Decisions will not be delayed beyond the third meeting following the Plan's receipt of your request for review.

Once a decision has been made by the Plan, the Plan will notify you or your authorized representative of the decision within five days after the date the decision is made.

The Plan's written decision on your appeal will:

- Contain the specific reason or reasons for the decision;
- Refer to specific Plan provisions on which the decision is based;
- Notify you of your right to access and copy (free of charge) all documents, records and other information relevant to your claim;
- Notify you of your right to bring a civil action under ERISA;
- Notify you of any additional voluntary appeal procedures offered by the Plan, if any;
- If an adverse determination is based upon an internal rule, guideline, protocol or other similar criteria, contain a statement that such was relied upon and that you may obtain a free copy of such rule, guideline, protocol or other similar criteria upon request;
- If an adverse determination is based upon a medical necessity or experimental treatment or similar exclusion or limit, contain a statement that you may obtain a free copy of such rule, guideline, protocol or other similar criteria upon request, along with an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances; and
- Contain a statement that you and your Plan may have other voluntary alternative dispute resolution options, such as mediation. One way you can find out what is available to you is to contact your local U.S. Department of Labor Office and your state insurance regulatory agency.

The Board of Trustees or Committee's determination will be binding upon all parties. You must follow the Plan's claim and review procedures fully before bringing any action in court or any administrative proceeding for benefits.

## ***Direct Rollover Distributions***

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You or your beneficiary may be eligible to roll over your benefit into another qualified plan or into a qualified Individual Retirement Account (IRA). Generally, a benefit received as a lump-sum payment or in periodic payments for less than 10 years is eligible to be rolled over. By making a direct rollover of all or a portion of the pension benefit, you (or your beneficiary) can continue to defer paying taxes on that money.

If you or your beneficiary become eligible to make a direct rollover into a qualified plan, a written explanation describing the rollover rules will be provided to you no earlier than one hundred eighty (180) days prior to the distribution.

An eligible rollover distribution does not include:

- Any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more;
- Any distribution to the extent such distribution is required under Section 401(a)(9) of the Internal Revenue Code; and
- The portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities.).

An eligible retirement plan is:

- An individual retirement account described in Section 408(a) of the Internal Revenue Code;
- An individual retirement annuity described in Section 408(b) of the Internal Revenue Code;
- An annuity plan described in Section 403(a) of the Internal Revenue Code;
- A qualified trust described in Section 401(a) of the Internal Revenue Code that accepts a distributee's eligible rollover distribution;
- An annuity contract described in Internal Revenue Code Section 403(b) and an eligible plan under Internal Revenue Code Section 457(b), which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from the Plan; and
- A Roth IRA described in Internal Revenue Code Section 408A, subject to restrictions that currently apply to rollovers from a traditional IRA into a Roth IRA.

## ***Working after Retirement***

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Prior to normal retirement age (age 65), a participant must stop working for any contributing employer for at least three (3) consecutive months from the effective date of his benefit to be considered "retired." While in retirement, you will receive monthly pension checks as long as you do not engage in "***disqualifying employment.***"

### **Disqualifying Employment**

If you engage in certain kinds of work, known as "disqualifying employment," your pension checks will be withheld for each month you work.

#### ***Disqualifying employment before normal retirement age:***

- Means either:
  - ◆ Work or self-employment of 475 hours in disqualifying employment during the calendar year that is in the construction industry and in the geographic area covered by the Plan, including areas covered by reciprocal agreements; or
  - ◆ Any employment covered by the Plan when your pension began; and
- Does not include employment as an estimator or a supervisor for a contributing employer if the employment first begins at least three (3) consecutive months after your pension payments began.

#### ***Disqualifying employment after normal retirement:***

- Means work or self-employment for 475 hours in a calendar year in an industry and geographic area covered by the Plan when your pension payments began. The geographic area covered by the Fund includes Missouri, Kansas, and the remainder of any Standard Metropolitan Statistical Area (SMSA) that falls in part within Missouri and Kansas. Any areas covered by the Fund by the collective bargaining agreements with the local unions are also included.
- Includes any type of job in which you worked while you were a participant in the Plan or any job covered by the Plan when your pension payments began.

### **Suspension of Benefits Rules**

***Note:*** *If your employer contributes to the Pension Plan for the hours you work in a job covered by a written agreement with the Union or the Construction Industry Laborers' Pension Plan, you are considered to be working in covered employment.*

If you work in disqualifying employment that is **not** covered employment, your benefits will be suspended if you work 475 or more hours.

Your benefits will not be suspended unless you perform more than 475 hours of disqualifying employment that is also covered employment in any one calendar year. If your benefits are suspended, the suspension will begin the first of the month during which you work more than

475 hours in disqualifying employment. **Note:** *If you are over normal retirement age and work 475 hours in disqualifying employment, your benefits will not be suspended if you don't work more than 39-1/2 hours in any month after reaching 475 hours.*

You will receive a copy of the Plan's Suspension of Benefits Rules when you first receive a benefit check. If your benefits have been suspended, you will receive new notification of the rules upon resumption of your pension payments if there has been any material change in the rules, industry, or areas covered by the Plan. The Plan rules are in accordance with Department of Labor regulations concerning suspension of benefits. Those regulations can be found in Section 2530.203-3 of Title 29 of the Code of Federal Regulations.

***Exception to Suspension of Benefits Rule:***

Any work after April 1 of the year following the calendar year in which you reached age 70-1/2 is not considered disqualifying employment. If you are working when you reach age 70-1/2, your benefit must be paid as of April 1 of the year following the calendar year in which you reach age 70-1/2.

**Other Types of Jobs after Retirement**

You may perform any work, provided it is not of the type described above as "disqualifying employment," and continue to receive your monthly pension check as usual. If you are not sure whether a job you are considering will be disqualifying employment, check with the Fund Office.

**Notice of Your Return to Work**

***You must notify the Fund Office of your return to work*** within 15 days of the date you return, regardless of the number of hours you intend to work. If you do not give the Plan notice that you returned to covered employment, the Plan will presume that you worked for at least 40 hours per month and your pension will be suspended. You may overcome the Plan's presumption that you are working in disqualifying employment by providing proof that you are not working in disqualifying employment.

If your work is disqualifying, the Fund Office will provide you with a notice that your benefit is suspended. This notice will tell you the reason for the suspension and how to let the Fund Office know when you stop working. Once you notify the Fund Office that your disqualifying employment has ended, your pension checks will resume not later than the third month after the last calendar month in which you stopped working in disqualifying employment.

If you disagree with or do not understand the suspension, you may write to the Fund Office and request a review of the decision within 60 days of receiving the suspension notice. The Board of Trustees will consider your comments promptly.

## **If You Receive Payment While Working in Disqualifying Employment**

It is important for you to know that you are obligated to repay the amounts you receive if you work in disqualifying employment and receive your pension. When you stop working and your benefits begin again, part or all of your payments may be withheld until the Fund has recovered benefits improperly paid to you. If you are age 65 or older, the Fund may withhold 100% of the first pension payment made to you plus up to 25% of the following monthly amounts (including payments to your spouse) if necessary to recover any improper payments. Before age 65, all checks due to you or your spouse or beneficiary will be withheld by the Fund until the overpayment is recovered.

## **When Your Pension Resumes**

*Note: If you work in disqualifying employment for which contributions are made to the Fund, your pension amount will be adjusted the first of the year following the year in which the hours were worked.*

When your pension resumes, if you earned at least one (1) year of vested service during your return to work, your benefit amount will be adjusted based on any additional contributions that were made on your behalf, your age and any increase in your vesting percentage. All contributions will be used in recalculating your benefit, regardless of the number of hours worked during the year. In addition, any benefit increase that became effective for pensioners during the time your benefit was suspended will be added to the amount of your benefit in effect before your suspension.

If you retired when you were not 100% vested and you earned an hour of work on or after January 1, 1989, you will become 100% vested. In other words, the pension you earned before you returned to work in covered employment will also be 100% vested.

If your pension checks are withheld and you end disqualifying employment, you need to write the Fund Office and provide:

- Your name;
- Your Social Security number; and
- Your last day of work.

Payments will begin the first of the month following the latest to occur of the following:

- Your last day of work;
- The day you request pension payments to resume; or
- The end of any month added by the Trustees to the time checks were withheld.

### **Retirement on a Disability Pension**

If you are receiving a Disability Pension, different work restrictions apply. You may not perform any type of work for pay while you are receiving your Disability Pension. If you recover from your disability, you may apply for another type of pension, if eligible, or return to covered employment.

### **Social Security Supplemental Benefit**

Prior to January 1, 2005, the Plan offered a Social Security Supplemental Benefit. This benefit was not a vested benefit and the Board of Trustees eliminated the benefit, effective January 1, 2005 in order to keep the Plan on sound financial footing. However, for retirees who were receiving the benefit as of January 1, 2005, the benefit terminates on the earlier of the first day of the month after the retiree reaches age 65 or January 1, 2006.



## ***Qualified Domestic Relations Orders (QDROs)***

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If you get a divorce, a portion of your accrued benefit under the Plan may be paid to your spouse, former spouse, child or other dependent (alternate payee) if provided for in a Qualified Domestic Relations Order (QDRO).

A QDRO is an order made pursuant to state law that is qualified by the Fund, pursuant to the procedures provided in the Plan, and consistent with the law as summarized below. If a QDRO is obtained, the alternate payee may receive benefits on the date you reach the earliest retirement age under the Plan, even if you have not left covered employment. Furthermore, a QDRO may provide that the alternate payee is to be treated as a surviving spouse for purposes of all or a portion of the qualified pre-retirement survivor benefit under the Plan.

The Plan is required to honor a QDRO. The Plan has written procedures for determining whether an order is a QDRO. The order must contain specific information and be deemed qualified before the Plan is required to comply with the order. The information required is as follows:

- Your name and last mailing address and the name and last mailing address of each Alternate Payee under the order;
- The amount or percentage of your benefits to be paid to the Alternate Payee or the manner in which the amount or percentage is to be determined;
- The number of payments or the period to which the order applies; and
- The name of each plan to which the order relates.

A QDRO may affect the amount of benefits you will receive or are receiving. Please contact the Fund Office immediately if you have an order, have questions about QDROs, or would like to receive a copy of the Plan's QDRO procedures, free of charge.

## ***Important Facts About the Plan***

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The following information provides important facts about the Plan that you should know.

**Name of Plan.** The Plan is known as the Construction Industry Laborers' Pension Plan.

**The Pension Plan.** The Pension Plan is a legal trust fund set up for the purpose of providing retirement benefits. The Agreement and Declaration of Trust established the Pension Trust Fund effective July 1, 1965. The Trust Agreement and the Pension Plan govern the operation of the Fund.

**The Pension Plan.** The Pension Plan sets forth the various types of pensions provided by the Fund, the benefit amounts for each type of pension and the eligibility requirements.

**Fund Administration.** A Board of Trustees manages the Pension Plan's operations on behalf of you and your fellow employees. The Board, serving without compensation, is made up of labor and management appointees. Their powers and duties are defined in the Agreement and Declaration of Trust. The Board of Trustees employs an administrator who oversees the day-to-day operations of the Fund.

**Contributions and Cost.** The entire cost of the Fund is paid by participating employers who contribute to the Pension Plan according to their collective bargaining agreements with the Union. No contributions are required from you and none are permitted.

**Plan Sponsor and Administrator.** The Board of Trustees is both the Plan Sponsor and Plan Administrator.

**Identification Numbers.** The number assigned to the Plan by the Board of Trustees pursuant to instructions of the Internal Revenue Service is 001.

The Plan identification number assigned to the Board of Trustees by the Internal Revenue Service is 43-6060737.

**Agent for Service of Legal Process.** Arnold, Newbold, Winter & Jackson, P.C. is the Plan's agent for service of legal process. Accordingly, if legal disputes involving the Plan arise, any legal documents should be served upon Arnold, Newbold, Winter & Jackson, P.C. at 1125 Grand Boulevard, Suite 1600, Kansas City, Missouri 64106-2503, or upon any of the Trustees at the Fund Office.

**Collective Bargaining Agreements.** The Plan is maintained pursuant to collective bargaining agreements between the contributing employers and the Union. Collective bargaining agreements with respect to participation in the Plan will be provided upon written request.

**Source of Contribution.** The benefits described in this booklet are provided through employer contributions. The amount of employer contributions and the employees on whose behalf contributions are made are determined by the provisions of the collective bargaining agreements.

The Fund Office will provide you, upon written request, with information as to whether a particular employer is contributing to the Plan on behalf of employees working under the collective bargaining agreements or with a list of contributing employers.

**Pension Plan's Assets and Reserves.** All assets are held in trust by the Board of Trustees for the exclusive purpose of providing benefits to eligible participants and their beneficiaries and defraying reasonable administrative expenses. The Pension Trust's assets and reserves are presently invested in stocks, bonds, government and agency securities, guaranteed insurance contracts and certificates of deposit by investment managers appointed by the Trustees.

**Plan Year.** The records of the Plan are kept separately for each Plan Year. The Plan Year begins on January 1 and ends on December 31.

**Type of Plan.** This is a defined benefit plan maintained for the purpose of providing retirement benefits to eligible participants.

**Eligibility and Benefits.** The types of benefits provided and the Plan's requirements with respect to eligibility, as well as circumstances that may result in disqualification, ineligibility, or denial or loss of any benefits, are fully described in this booklet.

**Plan Insurance.** Your pension benefits under this multiemployer plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. A multiemployer plan is a collectively bargained pension arrangement involving two (2) or more unrelated employers, usually in a common industry.

Under the multiemployer plan program, the PBGC provides financial assistance through loans to plans that are insolvent. A multiemployer plan is considered insolvent if the plan is unable to pay benefits (at least equal to the PBGC's guaranteed benefit limit) when due.

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by (1) 100% of the first \$11 of the monthly benefit accrual rate and (2) 75% of the next \$33. The PBGC's maximum guarantee limit is \$35.75 per month times a participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be \$12,870.

The PBGC guarantee generally covers:

- Normal and early retirement benefits;
- Disability benefits if you become disabled before the Plan becomes insolvent; and
- Certain benefits for your survivors.

The PBGC guarantee generally does not cover:

- Benefits greater than the maximum guaranteed amount set by law;
- Benefits based on Plan provisions that have been in place for fewer than five years at the earlier of:
  - ◆ The date the Plan terminates; or

- ◆ The time the Plan becomes insolvent;
- Benefits that are not vested because you have not worked long enough;
- Benefits for which you have not met all of the requirements at the time the Plan becomes insolvent; and
- Non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

For more information about the PBGC and the benefits it guarantees, ask your Plan Administrator or contact:

The PBGC's Technical Assistance Division  
 1200 K Street N.W., Suite 930  
 Washington, D.C. 20005-4026

You may also call the PBGC at 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website at <http://www.pbgc.gov>.

**Plan Amendment or Termination.** The Construction Industry Laborers' Pension Plan may be amended or terminated in accordance with the Agreement and Declaration of Trust by a written instrument executed by the Board of Trustees and the parties to the Trust Agreement. The Board of Trustees reserve the right to amend, modify or discontinue all or part of the Plan whenever, in its judgment, conditions so warrant. You will be notified in writing of any Plan amendment or termination.

In the event of a termination, the Board of Trustees will direct the Fund to pay or provide for the payment of any and all obligations of the Fund and will distribute and apply any remaining surplus in such manner as will, in its opinion, best effectuate the purposes of the Fund. However, no part of the assets or income of the Fund will be used or diverted for purposes other than for the exclusive benefit of the covered persons, their families, beneficiaries or dependents, the administrative expenses of the Fund, or for other payments in accordance with provisions of the Fund. Under no circumstances will any portion of the assets or income of the Fund, directly or indirectly, revert or accrue to the benefit of employers.

**Authority of Trustees.** Only the full Board of Trustees is authorized to interpret the Pension Plan described in this booklet. The Trustees have broad discretion in determining eligibility and interpreting the terms of the Plan. No employer or union nor any representative of any employer or union, in such capacity, is authorized to interpret the Plan nor can any such person act as agent of the Trustees. It is the intention of the Plan that the decisions of the Board of Trustees will be given judicial deference unless they are found to be arbitrary or capricious.

**Non-Assignment of Pensions and Payments under QDROs.** You may not sell, assign or pledge your pension as security for a loan. In addition, pensions are not subject to attachment or execution under any judgment or decree of a court or otherwise. However, there are two (2) exceptions:

- If you are divorced, a Qualified Domestic Relations Order (QDRO) may give your ex-spouse or child some rights to your pension. In that case, benefits will be payable to the ex-spouse or child at the time and in the amount set forth in the QDRO.
- The Fund must also honor a federal tax lien and certain judgments and settlements against your monthly benefit payments.

Non-assignment does not include your voluntary authorization to withhold specified amounts to be remitted to the Construction Industry Laborers' Welfare Fund as payment for your medical and hospital benefits and death benefits.

Although you or your beneficiary may be entitled to benefits under the Plan, the Fund will not be liable for any debts, contracts, liabilities, engagements or torts of yours or your beneficiary.

**Right of Recovery.** If the Plan makes inadvertent, mistaken or excessive payment of benefits, the Board of Trustees or their representatives have the right to recover such types of payment.

**Rights and Responsibilities.** As someone who is eligible for benefits from the Plan, you are no doubt aware of the fact that the benefits are paid in accordance with Plan provisions out of a trust fund, which is used solely for that purpose. If you have any questions or problems as to benefit payments, you have the right to get answers from the Board of Trustees who administer the Plan.

The same basic rights are incorporated in the Employee Retirement Income Security Act, which Congress adopted in 1974, for application to all qualified benefit plans. Those rights are set forth in the section entitled "Statement of Rights Under Employee Retirement Income Security Act of 1974."

**Incompetence or Incapacity of a participant or Beneficiary.** If it is determined to the satisfaction of the Board of Trustees that you or your beneficiary are unable to care for your affairs because of a physical or mental incapacity, the Board of Trustees may pay benefits to another person (such as a beneficiary, administrator or executor of your affairs, conservator, or guardian) for your or your beneficiary's support. If a legal representative is appointed for you or your beneficiary, the Board of Trustees will pay your benefits to that representative.

**Board of Trustees.** The Board of Trustees is appointed in accordance with the provisions of the Agreement and Declaration of Trust. The Board of Trustees is responsible for the operation of the Fund. If you wish to contact the Board of Trustees, you may use the address and telephone number below:

Construction Industry Laborers' Pension Plan  
c/o TIC International Corporation  
6405 Metcalf  
Cloverleaf Building 3, Suite 200  
Overland Park, Kansas 66202  
Telephone: (913) 236-5490

As of January 1, 2012, the Trustees of this Plan are:

**Union Trustees**

Mr. Patrick R. Pryor  
Eastern Missouri Laborers District Council  
Laborers – Employers Cooperation &  
Education Trust  
3450 Hollenberg Drive  
Bridgeton, Missouri 63044

Mr. M. Scott Howell  
Laborers Local Union No. 579  
1203 N. 6<sup>th</sup> Street  
St. Joseph, Missouri 64501

Mr. Rick McGuire  
Laborers' Local 1104  
773 Enterprise Street  
Cape Girardeau, Missouri 63703-7513

Mr. Jason P. Mendenhall  
Laborers Local Union No. 663  
7820 Prospect  
Kansas City, Missouri 64132

Mr. Mark R. Nidiffer  
Laborers Local Union No. 1290  
2600 Merriam Lane  
Kansas City, Kansas 66106

Mr. Anthony Sims  
Laborers Local Union No. 955  
370 N. Roby Farm Road  
Rocheport, Missouri 65279

**Management Trustees**

Mr. Robert Plisky  
American Paving & Construction Company  
1203 East 85th Street  
Kansas City, Missouri 64131

Mr. Michael J. Bocelewatz  
Beemer Construction Company  
606 S.E. Central Drive  
Blue Springs, Missouri 64104

Mr. Kevin R. Fahey  
J. M. Fahey Construction Company  
408 High Grove Road  
Grandview, Missouri 64030

Mr. M. Joe Ritz  
Comanche Construction, Inc.  
Post Office Box 14158  
Shawnee Mission, Kansas 66285

Mr. Steve Schrimpf  
Schrimpf Landscaping, Inc.  
2820 Brush Creek Court  
Jefferson City, Missouri 65109

## ***Statement of Rights Under ERISA***

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As a participant in the Construction Industry Laborers' Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA), as amended. ERISA provides that all plan participants are entitled to:

### ***Receive Information About Your Plan and Benefits***

Examine without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration (EBSA).

Obtain, upon written request to the Plan Administrator, copies of documents governing the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. The Plan Administrator may make a reasonable charge for the copies.

Receive a copy of the Plan's Annual Funding Notice, providing information on the Plan's funded status. The Plan Administrator is required by law to furnish each participant with a copy of the Annual Funding Notice.

Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (normally age 65) and, if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

### ***Prudent Actions by Plan Fiduciaries***

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who have the responsibility for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

### ***Enforce Your Rights***

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require

the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it should happen that Plan fiduciaries misused the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U. S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

### *Assistance with Your Questions*

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the EBSA, U.S. Department of Labor listed in your telephone directory or the:

#### **National Office:**

Division of Technical Assistance and Inquiries  
Employee Benefits Security Administration  
U.S. Department of Labor  
200 Constitution Ave. NW  
Washington, D.C. 20210  
(866) 444-3272

#### **Regional Office:**

Kansas City Regional Office  
2300 Main St, Ste. 1100  
Kansas City, MO 64108  
(816) 285-1800

For more information about your rights and responsibilities under ERISA:

- Call (866) 444-3272; or
- Visit <http://www.dol.gov/ebsa>



## ***Important Things to Remember***

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- Save this booklet.
- Tell your family, particularly your spouse, about this booklet and where it can be easily located.
- We urge you to read this booklet carefully. It summarizes the most important features of the Plan. Please understand that no general explanation can adequately give you all of the details of the Plan. This general explanation does not change or expand or otherwise interpret the terms of the Plan. Your rights can be determined only by referring to the full text of the Plan, including any amendments. If you have any questions about the Plan or your rights, please feel free to contact the Fund Office.
- If you lose your copy, you may ask the Fund Office for another.
- If you have worked in employment covered by the Plan for five (5) years or more and you are leaving without definite plans to return in the near future, you may be entitled to a pension, payable when you reach retirement age. To determine your benefit rights call or write the Fund Office.
- Arrangements will be made to furnish you with a statement of your benefit rights. In that case, the Fund will also file notice with the government so that the Social Security Administration can remind you at a future time of your vested pension rights.
- Notify the Fund Office promptly if you change your address. If the Trustees are unable to reach you at your last address on record, any benefit payments will be held without interest.
- Only the full Board of Trustees is authorized to interpret the Pension Plan described in this booklet. No employer or union, nor any representative of any employer or union, in such capacity, is authorized to interpret this Plan nor can any such person act as agent of the Board of Trustees. The Board of Trustees reserves the right to amend, modify or discontinue all or part of this Plan whenever, in their judgment, conditions so warrant.

## *Appendix*

### Actuarial Equivalent Early Retirement Reduction Factors From Age 62

#### Factor Based on Age at Retirement (in Years and Months)

<u>Age in Years</u>	<u>Months</u>								
	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
55	0.5153	0.5194	0.5234	0.5275	0.5316	0.5356	0.5397	0.5438	0.5478
56	0.5641	0.5686	0.5731	0.5777	0.5822	0.5867	0.5912	0.5957	0.6002
57	0.6183	0.6233	0.6284	0.6334	0.6384	0.6435	0.6485	0.6535	0.6586
58	0.6787	0.6843	0.6899	0.6955	0.7011	0.7067	0.7124	0.7180	0.7236
59	0.7460	0.7523	0.7585	0.7648	0.7711	0.7773	0.7836	0.7899	0.7961
60	0.8212	0.8282	0.8352	0.8423	0.8493	0.8563	0.8633	0.8703	0.8773
61	0.9054	0.9133	0.9212	0.9291	0.9369	0.9448	0.9527	0.9606	0.9685
62	1.0000								

#### Factor Based on Age at Retirement (in Years and Months)

<u>Age in Years</u>	<u>Months</u>		
	<u>9</u>	<u>10</u>	<u>11</u>
55	0.5519	0.5560	0.5600
56	0.6048	0.6093	0.6138
57	0.6636	0.6686	0.6737
58	0.7292	0.7348	0.7404
59	0.8024	0.8087	0.8149
60	0.8844	0.8914	0.8984
61	0.9764	0.9842	0.9921
62			