

Dear Member:

We realize that trying to understand how the Laborers' District Council Construction Industry Pension Plan works may be somewhat confusing and even frustrating. We believe it is our responsibility to do our best to help you understand how the Plan works. That's why we are pleased to present you with a new and improved Summary Plan Description (SPD) for the Plan in effect as of May 1, 2005.

In the enclosed SPD, you'll find several helpful charts and examples that we hope make complex formulas easier to understand. We've also updated the text of the SPD in an attempt to make it less technical and more "readable."

We look at it this way – the Plan was established to provide you with a regular monthly income after you retire, but if you don't understand how the Plan works while you are actively employed, you might not know what you can expect to receive from the Plan.

Your pension benefits, along with Social Security and any personal savings, make up your retirement income. It's important to understand how the Plan works so you have an idea of how much you need to save in addition to your pension benefits in order to meet your retirement goals. By offering you this updated SPD, we hope that it will help you gain a better grasp of the provisions of the Plan.

Meanwhile, if you have any questions about the Plan, you can call Alan R. Parham, the Plan's administrator, at (215) 765-2014.

Sincerely,

Board of Trustees

Board Of Trustees

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Introduction

This is your Summary Plan Description (SPD) for the Laborers' District Council Construction Industry Pension Plan as in effect on May 1, 2005. This Plan was established to help you maintain your standard of living by providing you with a regular monthly income—in addition to Social Security and your personal savings—after you retire.

This Plan was formed as a result of Collective Bargaining Agreements and a trust agreement between the Laborers' District Council of the Metropolitan Area of Philadelphia and Vicinity—which is comprised of Local Unions 57, 135, 332 and 413—and Employers, many of whom are affiliated with the Contractors' Association of Eastern Pennsylvania and the General Building Contractors' Association, Incorporated. Copies of the applicable collective bargaining agreements may be obtained by participants and beneficiaries upon written request to the Plan Administrator, and are available for examination by participants and beneficiaries at the Fund Office and union halls. A complete list of employers who sponsor the plan along with the union may be obtained by participants and beneficiaries upon written request to the plan administrator, and is available for examination by participants and beneficiaries at the Fund Office and union halls.

This booklet describes your rights and benefits under the Plan in plain, everyday language. This SPD is intended to provide an overview of the Plan. Specifically, this booklet:

- ❑ Provides general information about the Plan;
- ❑ Outlines the amount of the benefits provided by the Plan;
- ❑ Shows examples of how the Plan works; and
- ❑ Provides administrative information about the Plan.

If there are any differences between the information in this booklet and the actual Plan document, the Plan document will prevail.

We encourage you to read this booklet carefully and share it with your family. If you have any questions about the Plan, please contact the Fund Office. For more information about the Plan, please contact:

Mr. Alan R. Parham
Plan Administrator
Laborers' District Council Construction Industry Pension Fund
1361 Ridge Avenue
Philadelphia, PA 19123
(215) 765-2014

Although the Trustees intend to continue the Plan indefinitely, they reserve the right to terminate the Plan or amend or eliminate any benefits offered under the Plan at any time in accordance with the law. For more information on termination or amendment of the Plan, see page

Este libretto contiene un sumario en Espanol de La Industria De Trabajadores de Construccion, (Oficina del Fondo de Pension). Si tiene alguna dificultad entendiendo alguna parte de este libretto, favor de ponerse en contacto con el Administrador de este fondo. Sr. Alan R. Parham, Administrador de este Plan, tiene su oficina localizada en el 1361 Ridge Avenue, Philadelphia, Pennsylvania 19123. Horas de servicio son de Lunes a Viernes, de las 9:00 a.m.

hasta las 5:00 p.m. Para mas información o asistencia también puede llamar por telefono la oficina del Administrador. El numero es (215) 765-2014.

Glossary Of Terms

Active Participant

Any person who is working in Covered Employment, or who is available for and actively seeking work in Covered Employment, and who, in either case, had 500 or more hours of service in the preceding calendar year.

Annuity Benefit

A benefit in addition to your regular pension benefit which is defined as a lump sum amount payable at your retirement or other termination of employment.

Benefit Rate

In general, your pension Benefit Rate is \$73.00. Your Benefit Rate is payable monthly for each year of Benefit Service you've earned, up to a maximum of 30 years. The maximum monthly benefit is \$2,190. Before May 1, 2005, the maximum monthly benefit was \$2.160.

However, if you were not an Active Participant when benefits were increased on May 1, 1993, May 1, 1997, May 1, 2000, May 1, 2002, or May 1, 2005, a different Benefit Rate or service limit may apply to past Credited Service. Here is a history of the increases:

Date	Before May1, 1993	May 1, 1993	May 1, 1997	May 1, 2000	May 1, 2002	May 1, 2005
Benefit Rate	\$48.00	\$54.20	\$60.00	\$72.00	\$72.00	\$73.00
Service Limit	25 years	25 years	25 years	25 years	30 years	30 years

In general, to have the above increases applied to your past service credits, you must have been an Active Participant under the terms of the Plan on the effective dates of each increase. Contact the Fund Office to find out what your appropriate Benefit Rate and Service Limit is, if you were not an Active Participant on the effective date but returned to active status at a later time.

May 1, 2005 Increase For Pensioners

Effective May 1, 2005, the monthly pension benefit payable to any persons who were entitled to receive a pension benefit for the month of April 2005 has been increased. The amount of the increase is equal to one-half of 1% for each full year between the date that pension benefits commenced and May 1, 2005 (subject to a maximum value of 10%) times the pension benefit for the month of April 2005. Further, if you began receiving your pension prior to May 1, 1993, your pension will be increased an additional \$10.00.

Benefit Service (also referred to as Credited Service)

The combined total of any Past Service and Future Service.

Break-In-Service

Interruption of service resulting in the loss of previously earned Benefit Service.

Collective Bargaining Agreement

Any labor agreement between a contributing Employer and the Union representing employees of that Employer under which the Employer is obligated to make Contributions to the Pension Fund.

Contributing Employer

An Employer who has a Collective Bargaining Agreement with the Union that requires periodic contributions to be made to the Pension Fund. The Union, the Pension Fund, and other benefit funds may also be contributing Employers for their employees.

Contributions

Payments made to the Pension Fund by a Contributing Employer in accordance with the terms of a collective bargaining agreement or any participation agreement.

Covered Employment

Any employment in the Construction Industry as a Laborer between January 1, 1948 and January 1, 1963, and employment on or after January 1, 1963 for which your Employer was obligated to make contributions to the Pension Fund on your behalf.

Disqualifying Employment

Employment of a pensioner in the same trade or craft and in the same geographical area covered by the Plan at the time the Pensioner retired.

Employee

Any employee in Covered Employment. The term "employee" does not include officers or directors of a corporation or a partner or owner of a business organization that is a contributing Employer.

Future Service

Service on or after January 1, 1963 for which an Employer made contributions to the Pension Fund on your behalf.

Normal Retirement Age

Age 65 or your age when you complete five years of participation under the Plan, if older.

Past Service

Service in Covered Employment between January 1, 1948 and January 1, 1963.

Pension Fund

The trust fund established and administered to provide pension benefits to participants of the Plan.

Pensioner

A person who has terminated Covered Employment and who has been approved by the Trustees as eligible to receive monthly retirement benefits under the Plan.

Plan

The Laborers' District Council Construction Industry Pension Fund.

Trustee

People who are acting as Employer Trustees or Union Trustees under the Trust Agreement.

Union

Any local union affiliated with the Laborers' District Council of the Metropolitan Area of Philadelphia and Vicinity, and the District Council itself.

Vested

You are vested if you have completed at least five years of Benefit Service and you earn at least one hour of service under the Plan after May 1, 1998.

Plan At-A-Glance**Am I Eligible To Participate In The Plan?**

You are an eligible participant in the Plan if an Employer is required to make contributions to the Pension Fund on your behalf.

How Do I Qualify For Benefits?

You are eligible to receive pension benefits if you meet any of the requirements shown in the chart below:

Form of Retirement	Age	Years Of Benefit Service
Normal	65 or older	5
Early Reduced	Age 55 to 62	15
Early Unreduced	Age 62 to 64	15
Twenty-five and Out*	At any age	25
Thirty and Out*	At any age	30
Disability**	At any age up to age 65	15

* The Thirty and Out provision was changed to Twenty-Five and Out effective May 1, 2002. You must have been an Active Participant under the terms of the Plan on May 1, 2002 to be eligible for Twenty-Five and Out. Otherwise, the Thirty and Out provision applies.

** You must be totally and permanently disabled as determined by the Board of Trustees.

You can also qualify for a Deferred Vested Benefit if you leave Covered Employment before you are eligible for a Normal Retirement, Early Retirement, or Disability Retirement Benefit, but after you become Vested. Your pension would be payable at your Normal Retirement Date or, on a reduced basis, after your Early Retirement Date.

How Is My Pension Calculated?

Your pension is calculated according to a formula based on your Benefit Service and your Benefit Rate(s). The Benefit Rate as of May 1, 2005 is \$73.00 (if you had a Break in Service, other rates may apply prior to 2005). In most cases, if you begin receiving your pension before age 65, it may be reduced to account for the longer period of payment.

How Is My Pension Paid?

Generally, your retirement benefits will be paid based on your marital status at the time your benefit payments begin.

□ *If you are married (for at least one year at the time your pension begins):*

--You will automatically receive your pension in the form of a Joint and Survivor Annuity. Under this type of annuity, you receive a reduced pension throughout your lifetime. Then, if you die before your spouse, he or she will receive a lifetime pension equal to one-half of your pension. However, you may elect an alternate payment form with your spouse's written, notarized consent.

□ *If you are not married (when your pension begins):*

--You will automatically receive your pension as a Life Annuity. There are two types of Life Annuities:

--A Life Annuity with 60 Payments Guaranteed; and

--A Regular Life Annuity.

Life Annuity With 60 Payments Guaranteed

If you are eligible for Normal Retirement or Early Retirement Benefits, or you are eligible for a Deferred Vested Benefit and you have at least 15 years of Benefit Service, you will receive a Life Annuity with 60 Payments Guaranteed. Under this form of payment, you receive a pension throughout your lifetime. If, however, you have received less than 60 payments at the time of your death, the remaining monthly payments will be made to your beneficiary.

Regular Life Annuity

In all other cases, you will receive your pension as a Regular Life Annuity. Under this type of annuity, you receive your pension throughout your lifetime. After your death, no further benefits will be paid.

If you wish, you may elect an alternate payment form at any time before your pension begins.

What Happens To My Pension If I Die Before I Retire?

If you die before your pension begins, but after you are Vested and have been married for at least one year, your spouse is eligible to receive a Surviving Spouse Pension.

If you are at least age 55, your spouse's pension begins immediately and continues throughout the remainder of his or her life. The amount of your spouse's benefit is equal to one-half of the pension you would have received if you had retired on the date of your death and had begun receiving your pension in the form of a Joint and Survivor Annuity.

If you are under age 55, your spouse's pension begins on the first day of the month following the date you would have reached age 55 and continues throughout the remainder of your spouse's life. The amount of your spouse's benefit is equal to one-half of the pension you would have received if you had left Covered Employment on the date of your death and had begun receiving your pension in the form of a Joint and Survivor Annuity when you reached age 55.

What Happens To My Pension If I Die After I Retire?

If you die after you retire and you are receiving your pension in the form of a Joint and Survivor Annuity, your spouse or beneficiary is eligible to receive a lifetime pension. This pension is equal to one-half of the pension you were receiving at the time of your death.

If you are receiving your pension in the form of a Life Annuity with 60 Payments Guaranteed, your beneficiary receives the remainder of your guaranteed pension payments.

If you die after you retire and you are receiving your pension in the form of a Regular Life Annuity, payments will stop at your death.

In certain cases, your beneficiary may be eligible to receive a \$5,000 Lump-Sum Death Benefit.

How Do I Claim My Benefits?

You must file a written claim for benefits with the Plan Trustees at least three months before the date you plan to retire. The Trustees will review your claim and notify you as to the benefits which you are eligible to receive.

In order to claim your benefit, you will need to provide your and your spouse's birth certificates, along with your marriage license. If you are widowed, you must provide your spouse's death certificate, and if you are divorced, you will need to provide your divorce decree. If you have never been married, you will be asked to complete and sign an affidavit to that effect. The affidavit must be notarized if it is completed somewhere other than the Fund Office.

Earning Service

Your Benefit Service is equal to the sum of your Past Service Credit and your Future Service Credit.

Past Service Credit + Future Service Credit = Benefit Service
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Past Service Credit

You receive Past Service Credit depending on how many hours you worked between January 1, 1948 and December 31, 1962, as follows:

Hours Worked During Calendar Year	Past Service Credit
Less than 250 hours	None
250 but less than 500	¼ year
500 but less than 750	½ year
750 but less than 1,000	¾ year
1,000 or more	1 year

The Trustees will consider Union membership with the last date of initiation—as shown on the records of the Laborers' International Union of North America or Locals 57, 135, 332, 413, or 420—as evidence of Covered Employment.

Future Service Credit

You receive Future Service Credit depending on the number of hours you work—under Covered Employment—during each calendar year after 1962, in which contributions are made to the Fund on your behalf, as follows:

Between 1963 and 1976	
Hours Worked During Calendar Year	Past Service Credit
Less than 250 hours	None
250 but less than 500	¼ year
500 but less than 750	½ year
750 but less than 1,000	¾ year
1,000 or more	1 year
After 1976	
Hours Worked During Calendar Year	Future Service Credit
Less than 500 hours	None
500 but less than 600	¼ year
600 but less than 900	½ year
900 but less than 1,000	¾ year
1,000 or more	1 year

In some cases you will also earn Benefit Service if you are:

- Entitled to receive benefits under Workers' Compensation;
- Receiving disability benefits from a Laborers' Health and Welfare Fund which receives contributions from a contributing Employer; or
- Serving in the military.

You will be credited with 40 hours for each full week of such absence. However, you will not receive more than one-quarter year of Benefit Service during one calendar year while on disability.

You will **not** receive Benefit Service for:

- Future service for a non-contributing Employer;
- Service after termination of this Pension Plan; or
- Service before a Break-in-Service.

Break-In-Service

You incur an interruption of service if you earn less than 500 hours of service during any calendar year. You will incur a break-in-service if:

- You are not Vested; and
- The number of interruptions of service you incur is five or more years.

For example, let's assume that you have four years of Benefit Service before your absence begins. If you fail to earn at least 500 hours of service for six years, you will incur a break-in-service because the number of years of interruption in service is greater than five as follows:

Year	Hours	Benefit Service	
1996	1000	1 year	
1997	1250	1 year	4 years of Benefit
1998	1200	1 year	Service
1999	1300	1 year	
2000	400	0 years	
2001	300	0 years	6 years of No
2002	0	0 years	Benefit Service
2003	200	0 years	
2004	475	0 years	
2005	490	0 years	

If you incur a Break-in-Service, you lose all of the Benefit Service you had earned before the Break-in-Service began.

If you are Vested, you will not incur a Break-in-Service, regardless of how long your service is interrupted. This means that you cannot lose your earned Benefit Service under any circumstances once you become Vested.

Qualifying For Benefits

This section describes the eligibility requirements for each type of pension benefit under the Plan.

Normal Retirement

You are eligible to receive a **Normal** Retirement Benefit from the Plan if you retire, as an Active Participant, at or after age 65 and have at least five continuous years of participation in the Plan.

Reduced Early Retirement

You become eligible to receive a **Reduced** Early Retirement Benefit from the Plan if you retire between ages 55 and 62 and have at least 15 years of Benefit Service.

Unreduced Early Retirement

You become eligible to receive an **Unreduced** Early Retirement Benefit from the Plan if you retire at any age and have at least 25 years of Benefit Service or if you retire after age 62 with at least 15 years of Benefit Service.

Disability Retirement

You are eligible to receive a **Disability** Retirement Benefit if you have at least 15 years of Benefit Service and the Board of Trustees determines that you are permanently and totally disabled.

Deferred Vested Benefit

You are eligible to receive a **Deferred Vested** benefit if you leave covered employment after you have become Vested. This benefit will be payable when you reach your Normal Retirement Age (age 65).

If you have earned ten or more years of Benefit Service, you may elect to receive an **Early Deferred Vested** Benefit when you reach age 55. In this case, your pension will be reduced to reflect the longer expected period of payment.

Calculating Your Benefits

Your benefits are calculated according to a formula based on your Benefit Service and the Benefit Rate. In this section we will show you how each type of benefit under the Plan is calculated. All examples assume you were an active participant on May 1, 1993, May 1, 1997, May 1, 2000, May 1, 2002, and May 1, 2005, or you became an Active Participant after those dates.

You may request a statement of your pension at any time by calling the 24-hour express service at 215-765-2014. Within 48 hours from the time you leave your message with the Plan Administrator, you will receive a statement that includes a summary of your Annuity Account. (See page for a description of this account.)

Normal Retirement Benefit

Your Normal Retirement Benefit is calculated using the following formula:

NORMAL RETIREMENT	
(1)	Benefit Rate: \$73.00
(2)	Your years of Benefit Service
(3)	Multiply (1) by (2) to get your Normal Retirement Benefit

The maximum number of years of Benefit Service that we can take into account in calculating your Normal Retirement Benefit is 30. If you have more than 30 years of Benefit Service and different Benefit Rates apply to you, the Benefit Service applied to your lowest Benefit Rate will be reduced first.

Let's look at an example of how this formula works. We will assume that you retire on December 1, 2005 at age 65, after you earn 32 years of Benefit Service. Your monthly Normal Retirement Benefit will be:

NORMAL RETIREMENT		
(1)	Benefit Rate	\$ 73.00
(2)	Years of Benefit Service, maximum of 30	30*
(3)	Multiply (1) by (2) to get your Normal Retirement Benefit	\$ 2,190.00

* Even though you had accumulated 32 years of Benefit Service, we must reduce this number because the maximum number of years of Benefit Service that is used to determine your pension benefit is 30.

□ *Adjustment For Survivor's Benefits*

If you are married at the time you retire, your pension will be adjusted for survivor's benefits. This adjustment is discussed in more detail in the “*How Benefits Are Paid*” section of this SPD.

Early Retirement Benefit

Your Early Retirement Benefit is calculated differently, depending on how many years of Benefit Service you have when you retire.

□ *If You Have At Least 25 Years Of Benefit Service*

If you retire with at least 25 years of Benefit Service, your Early Retirement Benefit is equal to the Benefit Rate (\$73.00) multiplied by your years of Benefit Service up to a maximum of 30 years. Therefore, if you retired after May 1, 2005 with 27 years of Benefit Service, your pension would be:

UNREDUCED EARLY RETIREMENT	
(1) Benefit Rate	\$ 73.00
(2) Your years of Benefit Service	27
(3) Multiply (1) X (2) to get Your Unreduced Early Retirement Benefit	\$ 1,971.00

□ *If You Have Less Than 25 Years Of Benefit Service*

If you retire with less than 25 years of Benefit Service and are under age 62, your Early Retirement Benefit will be reduced by an early retirement factor.

The early retirement factor is equal to 100% less one-half of one percent for each month that your retirement age precedes age 62. For example, if you retire at age 60 (24 months before age 62), your pension will be reduced by 12 percent ($\frac{1}{2}\% \times 24$). Your Early Retirement Benefits are determined using the following formula:

REDUCED EARLY RETIREMENT	
(1) Your pension benefit at Normal Retirement Date	
(2) Early retirement factor (100% less 1/2% times each month your retirement age precedes age 62.)	
(3) Multiply (1) X (2) to get your Reduced Early Retirement Benefit	

Let's take a look at how this can affect you if you wish to retire early. We will assume that you retire in the year 2005 at age 60 with 20 years of service.

REDUCED EARLY RETIREMENT	
(1) Your pension benefit at Normal Retirement Date	\$1,460.00
(2) Early retirement reduction per month	½%
(3) The number of months before age 62	24
(4) Multiply (2) X (3)	12%
(5) Subtract (4) from 100% (100% - 12%)	88%
(6) Multiply (1) X (5) to get your Reduced Early Retirement Benefit	\$1,284.80

Disability Retirement Benefit

Your Disability Retirement Benefit is calculated the same as a Normal Retirement Benefit, but is based on your Benefit Service at the time you became disabled.

For example, let's assume you become disabled in 2005 with 16 years of Benefit Service. Your Disability Retirement Benefit would be:

DISABILITY RETIREMENT	
(1) Benefit Rate	\$ 73.00
(2) Your years of Benefit Service	16
(3) Multiply (1) X (2) to get Your Disability Retirement Benefit	\$1,168.00

Payment begins on the first day of the sixth month following the onset of your disability or, if later, the first day of the month following the date you apply for your benefit, provided that the Trustees approve your application.

Deferred Vested Benefit

If you qualify to receive a Deferred Vested Benefit when you reach age 65, your pension is calculated like a Normal Retirement Benefit.

If you are eligible and elect to receive your Deferred Vested Benefit before age 65, your pension is reduced to reflect the earlier commencement and the expected longer period of payment. Your pension is reduced by one-half of one percent for each month that your first payment date precedes your 65th birthday. For example, if you elect to begin receiving your Deferred Vested Benefit at age 62, your pension is reduced by 18 percent ($\frac{1}{2}\% \times 36$ months).

Partial Pensions

You may be eligible for a Partial Pension if you have service under more than one pension plan. The plan(s) in which you accrued additional service is called a related plan. A related plan is defined as a plan that has executed a reciprocal agreement to which the Laborers' District Council Pension Fund is a party, and that the Trustees, at their discretion, recognize as a related plan.

The Plan provides Partial Pensions if:

- You do not have enough service credit for any type of pension—as a result of being employed under several different pension plans; or

- Your pension would be less than the full amount because of employment under several plans.

The service credit you earn under a related plan is called “Related Service Credit.” Your Related Service Credit is added to your Benefit Service under this Plan and the total is referred to as your “Combined Service Credit.”

PARTIAL PENSION	
(1)	Your Benefit Service under your home local union
(2)	Your Related Service Credit under other jurisdictions
(3)	Add (1) and (2) to get your Combined Service Credit

You are eligible for a Partial Pension if:

- You would be eligible for any type of pension under this Plan if your Combined Service Credit was treated as Benefit Service;
- You have at least two years of Benefit Service under this Plan;
- You are eligible for a Partial Pension from a related plan and you are eligible for a Partial Pension from the plan under which you are covered immediately before you retire; and
- You are not eligible for a pension (other than a Partial Pension) from a related plan.

Your Partial Pension is calculated using the following formula:

PARTIAL PENSION	
(1)	Your pension benefit under this Plan (using Combined Service Credit)
(2)	Benefit Service earned since January 1, 1960
(3)	Combined Service Credit since January 1, 1960
(4)	Multiply (1) X (2)/(3) to get your Partial Pension Benefit

Let's look at an example of how this formula works. We will assume that you are eligible to receive a Partial Pension, and that you've been covered under this Plan or related plans since January 1, 1980. We will also assume you have four years of Benefit Service under this Plan, and your Combined Service Credit is 20 years.

Assuming that the Benefit Rate is \$73.00, your pension benefit under this Plan, taking into account your Combined Service Credit, would be:

PARTIAL PENSION		
(1)	Benefit Rate	\$73.00
(2)	Your Benefit Service under this plan	4
(3)	Your Related Service Credit under a related plan	16
(4)	Your Combined Service Credit	20
(5)	Multiply (1) x (4)	\$1,460.00
(6)	Multiply (5) X (2)/(4) -- Your Partial Pension Benefit	\$292.00

A benefit of \$292.00 would be paid from this Plan. You'll need to apply directly to the Fund Office for each related plan for those pension benefits to begin.

How Your Benefits Are Paid

The Plan provides two payment options:

- ❑ A Single Life Annuity; and
- ❑ A Joint and Survivor Annuity.

If You Are Not Married When You Retire

If you are not married at the time you retire, you generally receive your pension in the form of a Single Life Annuity. Under a Single Life Annuity, you receive a pension throughout your lifetime. However, after your death, no further benefits will be paid.

If you retire with a Normal Retirement Benefit or Early Retirement Benefit, or if you are eligible for a Deferred Vested Benefit, the Plan will guarantee at least 60 payments only if you have 15 years of Benefit Service. If you die before you receive 60 payments, your beneficiary receives the payments; if you have not designated a beneficiary, or your beneficiary does not survive you, the remainder of your guaranteed payments will be paid to your survivors in the following order of preference:

- ❑ Your widow;
- ❑ Your children;
- ❑ Your parents;
- ❑ Your brothers and sisters;
- ❑ Any person determined by the Trustees to be entitled to the proceeds; and
- ❑ Your executors or administrators

If you die after you receive 60 payments, no further benefits will be paid.

If You Are Married When You Retire

If you have been married for at least one year at the time you retire, you automatically receive your pension in the form of a Joint and Survivor Annuity. Under a Joint and Survivor Annuity, you receive a reduced benefit throughout your lifetime. After your death, your surviving spouse receives a Lifetime Benefit equal to one-half of the pension you were receiving at the time of your death.

Your Monthly Pension Benefit divided by 2 = Your Spouse's Monthly Lifetime Benefit

For example, if you were receiving a Monthly Pension Benefit of \$1,250 and you died, your spouse would continue to receive a Lifetime Monthly Pension of \$625.

For more information about the amount of the joint and survivor reduction, please contact the Plan Administrator.

Pop-Up Benefit

If you begin receiving your pension as a Joint and Survivor Annuity, and your spouse dies before you, you are eligible for a Pop-Up Benefit. This means that your reduced Joint and Survivor Annuity pension “pops up” to the Single Life Annuity amount and you receive your Unreduced Pension Benefit for the rest of your life.

Electing Another Form Of Payment

If you are married, you may elect to receive your pension as a Single Life Annuity (or a Single Life Annuity with 60 payments guaranteed, if you are eligible). However, you must have your spouse's written and notarized consent.

If you wish to receive your pension in an alternate form of payment, you have 30 days (or seven days if the 30-day period is waived) before your pension begins to elect to do so. In most cases, the form of payment that is in effect when your payment begins will remain in effect as long as you are alive. However, if you were married for less than one year at the time payments began, your pension would begin as a Single Life Annuity, and then switch to a Joint and Survivor Annuity after you have been married for exactly one year.

Death Benefits

If you die before you apply for pension benefits and you are not married at the time of your death, no benefits will be paid to your survivors. If you die before you apply for pension benefits and you are married at the time of your death, your spouse may be eligible to receive a Surviving Spouse Pension.

Surviving Spouse Pension

Your spouse is eligible for a Surviving Spouse Pension if:

- You die before your benefit payments begin;
- You have at least five years of Benefit Service (or ten years if you have not received an hour of service under the Plan after May 1, 1998); and
- You and your spouse have been married for at least one year at the time of your death.

If you meet these requirements, your spouse will receive a Surviving Spouse Pension for the remainder of his or her life.

If you are age 55 or over at the time of your death, your spouse's pension will equal 50 percent of the pension you would have received if you had retired on the date of your death and elected to receive your benefits in the joint and survivor form (see “*How Your Benefits Are Paid*”). Your spouse's benefit will begin immediately.

Let's look at an example of how this works. We will assume that you died at age 60 with 25 years of Benefit Service. If you had retired on the date of your death, you would have been entitled to a monthly pension of \$1,825 ($\73.00×25), unreduced for early retirement. The amount payable as a

Joint and Survivor Annuity would have been reduced to \$1,663.49. Therefore, your spouse would be eligible to receive 50 percent of \$1,663.49, or \$831.75.

If you are under age 55 at the time of your death, your spouse's pension will equal 50 percent of the pension you would have received if you had left Covered Employment on the date of your death and begun receiving your pension in the form of a Joint and Survivor Annuity on your 55th birthday. Your spouse's pension will not begin until the date you would have reached age 55.

Let's look at an example of how this formula works. We will assume that you die at age 40 with 15 years of Benefit Service. If you had left Covered Employment on the date of your death, when you reached age 55 you would have been eligible to receive a pension of \$635.10, which is \$1,095 ($\$73.00 \times 15$), reduced for early retirement by 42 percent ($\frac{1}{2}\% \times 84$ months). The amount payable as a Joint and Survivor Annuity, assuming that you and your spouse are the same age, would have been \$586.96. Therefore, your spouse's benefit would be 50 percent of \$586.96, or \$293.48

Your surviving spouse may elect to receive a 60-month certain benefit. If this alternative is elected, your spouse would waive his or her rights to the Surviving Spouse Pension discussed above. Instead, beginning with the first day of the month following your death, your spouse would receive 60 monthly payments of the pension you would have received if you had left Covered Employment on the date of your death. If your spouse does not survive to receive all 60 payments, the remaining payments would be made to his or her named beneficiary.

Let's look at an example of how this formula works. We will assume that you die at age 40 with 15 years of Benefit Service. If you had left Covered Employment on the date of your death, when you reached age 65 you would have been eligible to receive a pension of \$1,095 ($\73.00×15). Therefore, your spouse would receive 60 monthly payments of \$1,095, beginning on the first day of the month following your date of death.

Lump-Sum Death Benefit

If you die after you begin receiving a Normal Retirement Benefit, Early Retirement Benefit, Disability Retirement Benefit, or, if you have earned at least 15 years of Vesting Service, a Deferred Vested Benefit; your beneficiary will receive a \$5,000 lump-sum death benefit (\$2,000 if death occurred prior to May 1, 2002). If you are receiving a Partial Pension Benefit at the time of your death, your beneficiary will receive a prorated lump-sum death benefit. If you have not designated a beneficiary, or your beneficiary does not survive you, the lump-sum death benefit will be paid to surviving relatives in the following order: (1) pensioner's spouse, (2) pensioner's children, (3) pensioner's parents, (4) pensioner's brothers and sisters, (5) other persons as determined by the Trustees, or (6) pensioner's executors or administrators.

Reemployment After Retirement

If you retire and then return to work in Disqualifying Employment, your pension will be suspended for each month that:

- ❑ you work one hour, if you are under age 65 or
- ❑ you work 40 or more hours, if you are age 65 or older

Your pension will resume when you are no longer working in Disqualifying Employment.

Annuity Benefit

On May 1, 1992, an Annuity Benefit was added to the Plan. This Annuity Benefit allows you to accumulate money in addition to your pension and has no effect on your pension benefit. You are neither required nor permitted to make any contributions of your own towards your Annuity Benefit.

How Your Account Balance Is Calculated

The Plan set up an Annuity Benefit Accumulation Account for all participants on May 1, 1992. Those participants who had two years of service as of May 1, 1992 were automatically vested.

Each year, a contribution credit is made to your account. The amount of this contribution credit is equal to the number of hours you work in Covered Employment during the calendar year, multiplied by the applicable contribution rate, which is currently \$3.75 per hour for Building and Construction employees. This \$3.75 rate is subject to change through collective bargaining.

Hours Worked in Covered Employment During the Calendar Year X Contribution Rate = Credit

Your account balance at any point in time will be equal to the amount of your contribution credits plus interest earned. Your account balance will also earn an interest credit at an annual rate determined from time to time by the Trustees. Currently the interest credit is 7.5%.

Note: Because the contributions which come in during each calendar year are in your accumulation account for six months on average during the year, you earn six months of interest on your new contributions each year. The balance in your accumulation account at the beginning of the year earns interest for the full year.

For example, if you work 1,000 hours in Covered Employment during the period January 1, 2005 to December 31, 2005, the Fund will credit \$3,750 (1,000 hours x \$3.75) to your Annuity Benefit Accumulation Account. Because this \$3,750 represents new credits, you would earn \$140.62 in interest (six months' interest at 7.5% annual rate). So the balance in your Annuity Benefit Accumulation Account would be \$3,890.62, as follows:

ANNUITY BENEFIT	
(1) Contribution credit for the year (1,000 hours x \$3.75)	\$3,750.00
(2) Six months' interest on (1) (\$3,750 x 3.75%)	140.62
(3) Account balance as of December 31, 2001	\$3,890.62

If you work 2,000 hours in Covered Employment during the next calendar year (January 1 to December 31, 2006), the Fund would credit \$7,500.00 (2,000 hours x \$3.75) to your Annuity Benefit Accumulation Account. Your account balance at the end of the second calendar year would be calculated as follows:

ANNUITY BENEFIT		
(1)	Account balance as of December 31, 2005	\$3,890.62
(2)	Full year's interest on balance (\$3,890.62 X 7.5%)	291.80
(3)	Contribution credit for the year (2,000 hours X \$3.75)	7,500.00
(4)	Six months' interest on (3) (\$7,500.00 x 3.75%)	281.25
(5)	Account balance as of December 31, 2006	\$11,963.67

Vesting

You will have a non-forfeitable (vested) right to the money in your account after only two years of Benefit Service. This means, after two years of Benefit Service, it's your money.

How Your Account Balance Will Be Paid

If you retire after meeting the qualifications for pension benefits under the Plan, you are entitled to receive the full value of your account balance. Your account balance will be paid to you as a Single Life Annuity or a Joint and Survivor Annuity, depending on whether you are married when you retire. You may also elect to receive your account balance in installments for a period of 12-to-180 months, provided your account balance is \$2,000 or more, or in a lump sum. If you are married, you must have your spouse's written, notarized consent to elect an optional payment form.

If you have a break-in-service before you earn two years of Benefit Service, you will forfeit the amount in your Annuity Accumulation Account.

If you do not work under Covered Employment for a period of 24 consecutive months after you have earned two or more years of Benefit Service, you will be entitled to receive a lump sum payment of your total account balance.

If you die with more than two years of Benefit Service, your beneficiary will receive a lump sum payment of your total account balance.

You may request a statement of your accumulation account at any time by calling the 24-hour express service at 215-765-2014). Within 48 hours from the time you leave your message with the Plan Administrator, you will receive a statement that includes a summary of your Annuity Accumulation Account.

Claiming Your Benefits

You must file a written claim for benefits with the Plan Administrator at least three months before the date you plan to retire. You can send your written claim to:

Laborers' District Council
 Construction Industry Pension Fund
 1361 Ridge Avenue
 Philadelphia, PA 19123

The Administrator will review your claim and notify you of the benefits to which you are entitled.

The Trustees have the authority to determine eligibility for benefits, construe the terms of the Plan and resolve factual disputes, including fact-based benefit issues.

If Your Claim Is Denied

If your claim is denied, in whole or in part, you will receive written notification within 90 days of the date the Trustees receive your claim. This notification will include the specific reasons for the decision, the Plan provisions on which the decision is based, the information needed to complete the claim, and the procedures for appealing the claim.

In some cases, the Trustees may require more than 90 days to make a decision regarding your claim. If so, the Trustees may take up to an additional 90 days, provided they notify you of the extension within the initial 90-day period and explain why more time is needed.

If your claim for benefits is denied, in whole or in part, you may appeal the denial in writing within 60 days after you receive the denial. You or your representative has the right to review pertinent Plan documents and submit a written statement in support of your claim. The Trustees, or a representative appointed by the Trustees, will conduct a full review of your claim and make a decision on the denial within 60 days after they receive your written request for review.

In some cases, the Trustees may need more time to make a decision. In this case, they may take an additional 60 days, provided they notify you of the extension within the initial 60-day period and explain why more time is needed. The Trustees' decision regarding your appeal will be made in writing and will be final and binding.

Other Important Information

Non-Assignment/QDRO's

You may not assign your benefits to another person, use your benefits as collateral for a loan, or receive any part of your benefits before your early, normal, or late retirement date. Federal law does permit payment of all or part of your benefits to another person in the case of a Qualified Domestic Relations Order ("QDRO") relating to child support, alimony, or marital property rights payment. The Plan Administrator must comply with a QDRO, provided such order does not require payment of a form of benefit not otherwise provided under the Plan, require increased benefits, or require the payment of benefits which are required to be paid to another individual under a previous QDRO. You have the right to request a copy of the Plan's procedures for determining whether a domestic relations order is a QDRO at no charge to you.

Plan Termination

The Trustees expect to continue the Plan indefinitely. However, they reserve the right to amend or terminate the Plan at any time, in whole or in part, subject to the provisions of ERISA and applicable collective bargaining agreements.

Generally, if the Plan is terminated, and there are unfunded vested benefits, the Contributing Employers would be responsible for contributing some or all of the amount needed to fund the benefits. This obligation is referred to as Withdrawal Liability.

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 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: (1) Normal and early retirement benefits; (2) disability benefits if you become disabled before the plan becomes insolvent; and (3) certain benefits for your survivors.

The PBGC guarantee generally does not cover: (1) Benefits greater than the maximum guaranteed amount set by law; (2) benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the earlier of: (i) the date the plan terminates or (ii) the time the plan becomes insolvent; (3) benefits that are not vested because you have not worked long enough; (4) benefits for which you have not met all of the requirements at the time the plan becomes insolvent; and (5) 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 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 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 on the Internet at <http://www.pbgc.gov>.

Plan Funding

This Plan is funded entirely by contributions from participating Employers as set forth in their collective bargaining agreements. Employee contributions are neither required nor permitted. For a list of participating Employers, please contact the Plan Administrator.

The Trustees will meet annually with the enrolled actuary representing the Fund and other advisors, as the Trustees deem appropriate. At this meeting, they will review the anticipated Employer contributions for the forthcoming year, anticipated investment income, anticipated Fund benefit payments and anticipated Fund expenses in order to ensure that the financial operation of the Fund is on a sound basis, that benefits as outlined in the Plan can be paid and the funding requirements of the

Employee Retirement Income Security Act of 1974 (ERISA) are met. The Trustees reserve the right to make Plan changes to ensure the ongoing operation of the Plan.

Incompetence Of Pensioner

If you are unable to manage your affairs because of illness, accident, or incapacity (mental or physical), benefits may be applied, at the discretion of the Trustees, to maintain the support of you, unless proper claim is made by a legally appointed guardian, committee, or other legal representative.

Your ERISA Rights

As a Participant in the Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all Participants of the Plan shall be entitled to:

- ❑ Examine, without charge, at the Administrator's office and at other specified locations such as worksites and union halls, all Plan documents, including Plan descriptions, collective bargaining agreements and copies of all documents filed by the Fund with the U.S. Department of Labor, such as detailed annual reports and plan descriptions.
- ❑ Obtain copies of all Plan documents and other Plan information upon written request to the Administrator. The Administrator may make a reasonable charge for copies.
- ❑ Receive a summary of the Fund's annual financial report. The Administrator is required by law to furnish each Participant with a copy of this summary annual report.
- ❑ Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (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 months. The Plan must provide the statement free of charge.

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of all 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. If your claim for a benefit is denied in whole or in part, you must receive a written explanation of the reason for denial. You have the right to have the Board of Trustees review and reconsider your claim.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials 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 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 Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file

suit in a state or federal court. If it should happen that Plan fiduciaries misuse 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 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, if for example, it finds your claim is frivolous.

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, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210.

Administrative Information

This section provides you with information about how the Laborers' District Council Construction Industry Pension Fund is administered.

Plan Name

Laborers' District Council Construction Industry Pension Fund

Type Of Plan

This Plan is a defined benefit Plan designed to provide pension and survivor benefits.

Plan Number

001

Employer Identification Number

23-6235338

Plan Year

May 1 through April 30

Agent For Service Of Legal Process

Mr. Alan R. Parham
Laborers' District Council Construction Industry Pension Fund
1361 Ridge Avenue
Philadelphia, PA 19123

Service of process on the Plan may also be made upon any Plan Trustee.

Plan Administrator

Mr. Alan R. Parham
Laborers' District Council Construction Industry Pension Fund
1361 Ridge Avenue
Philadelphia, PA 19123