

# MICHIGAN BAC PENSION FUND

SUMMARY PLAN DESCRIPTION  
Effective May 1, 2003

# Michigan BAC Pension Fund

A photograph of a person in a canoe on a calm lake. The person is seen from behind, wearing a dark jacket and a cap. The water is still, reflecting the sky and the surrounding green forested hills. The scene is peaceful and scenic.

Summary Plan Description  
and Pension Plan

## Important Notice

This booklet summarizes the principal provisions of the Michigan BAC Pension Plan. The Plan provisions as explained herein apply to Active Participants on May 1, 1989, and to other employees who become Active Participants after that date.

If you were not an Active Participant on May 1, 1989 in the Michigan BAC Pension Fund and do not become an Active Participant thereafter, your rights, if any, will be determined by the applicable Plan provisions in effect at the time you became an Inactive Participant. If you have any questions about your status under the Michigan BAC Pension Plan, you should contact the Fund Office at the address shown on the next page and elsewhere in this Summary.

### One Word of Caution:

\*NO ONE HAS THE AUTHORITY TO SPEAK FOR THE TRUSTEES OF THE FUND IN EXPLAINING THE PLAN'S ELIGIBILITY RULES, BENEFITS OR OTHER PLAN TERMS, EXCEPT THE FULL BOARD OF TRUSTEES OR THE FUND'S ADMINISTRATIVE MANAGER TO WHOM SUCH AUTHORITY HAS BEEN DELEGATED.

THIS BOOKLET IS ONLY A SUMMARY OF THE PLAN. THE PLAN, NOT THIS SUMMARY, WILL CONTROL IN THE CASE OF ANY CONFLICT BETWEEN THE PLAN AND THIS SUMMARY.

# Michigan BAC Pension Fund

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## FUND ADMINISTRATOR & AGENT DESIGNATED FOR SERVICE OF LEGAL PROCESS

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FAX: (517) 351-6442  
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## OFFICE HOURS

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# Introduction

TO ALL PARTICIPANTS, SPOUSES and BENEFICIARIES

Entitled to Benefits from the Michigan BAC Pension Fund Pension Plan

We are pleased to provide you with this Summary Plan Description (SPD) of your Pension Plan. It summarizes in question and answer form the principal provisions of your plan.

This SPD is not a substitute for the Plan, its Trust Agreement or other governing documents. If there is any conflict or difference between this SPD and the Plan provisions, its Trust Agreement or other governing documents, those documents and not this SPD will control. A copy of the Plan's governing documents can be obtained from the Fund Office.

Please read this SPD carefully to familiarize yourself with the Plan's principal provisions and to protect your rights. It will help you to understand how the Plan works and how to obtain your benefits.

If you have any questions about your status under the Plan, just contact the Fund Office. Put your question(s) in writing and send it to the Fund Office. The Fund Office will respond in writing to your questions. Addressing your questions in writing helps the Fund keep records of your questions and the Fund Office's responses to them.

Sincerely,

**Board of Trustees**

**Michigan BAC Pension Fund**

# General Information

The Michigan BAC Pension Fund was formed as of May 1, 1989, as a result of a merger of the Construction Masons' Local No. 31, Lansing, Michigan and the Saginaw Valley (Local 7) Bricklayers Pension Fund. In addition, the following Locals and Chapters have joined the Fund and, in some cases, merged their separate pension funds into the Fund:

**Chapter 40, Traverse City**

October 1, 1991

**Local 17 Pension Fund, Kalamazoo**

May 1, 1993

**Chapter 10, Port Huron**

June 1, 1993

**Local 1 Pension Fund, Grand Rapids**

April 30, 1995

**Local 14(15) Pension Fund, Jackson**

April 30, 1995

**Local No. 6, Upper Peninsula**

May 1, 1995

**Chapter 3, Adrian**

July 1, 1995

**Local 5, Muskegon**

December 31, 1996

**Local 21, Battle Creek**

April 30, 1997

**Local 12, Flint**

April 30, 1997

**Local 14 Pension Fund, Ann Arbor**

September 1, 1998

The Plan is managed by twelve (12) Trustees. Six (6) "Union" Trustees are appointed by Local 9 of the Bricklayers and

Allied Craftworkers International Union, AFL-CIO. The other six (6) "Employer" Trustees are appointed by the Michigan Chapter of the Associated General Contractors of America, Inc.

The Trustees have hired the firm of TIC International Corporation to manage the Plan's day-to-day affairs. The Trustees also have hired an actuary, an independent auditor and an attorney to help them to manage the Fund.

The Fund's employer identification number is 38-2895943. The Plan number is 001.

This is a defined benefit pension plan subject to the Employee Retirement Income Security Act of 1974, as amended, ("ERISA").

The Plan is funded through the Trust Fund, which receives employers' contributions made at rates specified in the collective bargaining agreements between the employers and Local Unions 6 and 9. Employer contributions are also transferred to the Fund as a result of reciprocity agreements to which the Fund is party. Employees cannot make contributions to the Fund.

Any participant may receive, upon written request to the Fund Office, information about whether a particular employer is contributing to the Fund and, if so, the employer's address. If you have questions about your pension program, you should contact the Fund Office.



# ERISA Rights

## YOUR RIGHTS AS A PARTICIPANT

In 1974, the Employee Retirement Income Security Act, which is often called ERISA, became law. ERISA creates minimum standards for the design and operation of privately sponsored welfare and pension plans. It also protects Plan participants and creates rights for them.

ERISA provides that you have the following rights:

### RECEIVE INFORMATION ABOUT YOUR PLAN AND BENEFITS

Under ERISA you can:

- (1) examine, without charge, at the Fund Office and at certain other specified locations, e.g., work sites and local union halls, documents related to the Plan including collective bargaining agreements, an updated summary plan description and copies of all documents filed by the Fund with the United States Department of Labor and/or the Internal Revenue Service such as the latest annual reports (“Form 5500s”);
- (2) obtain copies of all Plan documents and other Plan information upon written request to the Fund. The Fund will, however, charge you the reasonable costs for actually making the copies of the documents you

- request;
- (3) automatically receive a summary of the Plan’s annual financial report; and
  - (4) obtain a statement describing your pension benefits at normal retirement age (age 65), if any, and what your benefits would be at normal retirement age if you immediately stopped working. If you do not have a right to a pension, the statement will tell you how many more years you must work to qualify for a pension.

ERISA requires that this statement must be requested in writing and is only supplied once a year and that the Plan must provide this statement free of charge.

### PRUDENT ACTION BY FIDUCIARIES

ERISA also imposes duties upon the people who are responsible for the Plan’s operation. The people who operate your Plan, called Plan Fiduciaries, have a duty to operate the Plan prudently and in your exclusive interest and the exclusive interest of other Plan Participants and Beneficiaries.

No one including your employer, the union or any other person may fire or otherwise discriminate against you to prevent you from obtaining a pension benefit or for exercising your ERISA rights.

Should Plan Fiduciaries misuse the Fund



# ERISA Rights

(Continued)

money, or if you are discriminated against for asserting your rights, you may seek assistance from the United States Department of Labor, or you may file suit in a federal court.

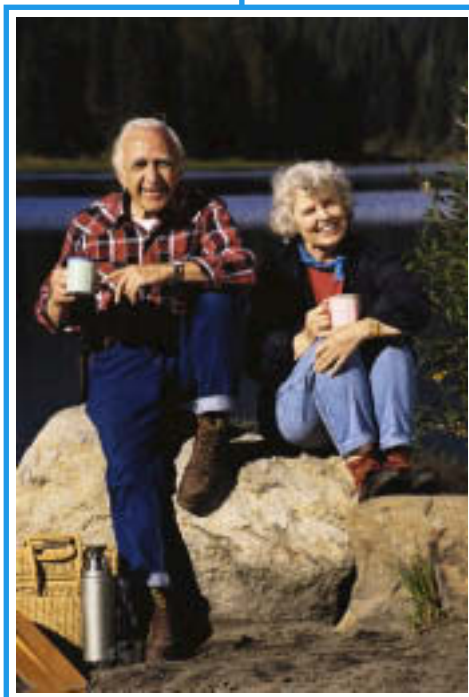
## ENFORCE YOUR RIGHTS

In accordance with ERISA Section 503 and related regulations, the Trustees have adopted certain procedures to protect your rights if you are not satisfied with action taken on your claim. If your claim to a pension benefit is denied or ignored, in whole or in part, you have the 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.

If your pension benefit claim is denied, in whole or in part, you will receive a written explanation of the denial. Then, you have a right to have the Plan reconsider your claim. Under ERISA, there are steps you can take to enforce these rights.

If, for instance, you request materials from the Plan and do not receive them within 30 days (unless for reasons beyond the control

of the administrator), you may sue in a federal court and you may be awarded up to \$110 dollars per day until you actually receive them unless the materials were not sent to you for reasons beyond the Trustees control. If you have a claim for benefits which is denied or ignored, in whole or in part, you may sue in a state or federal court.



## ASSISTANCE WITH YOUR QUESTIONS

If you have any questions about this statement or your rights under ERISA, you should contact the nearest Area Office of the United States Department of Labor's Office of Pension and Welfare Benefits Programs. You also may contact the Division of Technical Assistance and Inquiries, Pension and

Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You also may obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.

# Summary Plan Description

## Participation, Crediting, Vesting and Separation

### How Can I Become A Participant Of The Plan?

If you work under the provisions of a collective bargaining agreement to which either Local 6 or Local 9 of the Michigan Bricklayers' and Allied Craftworkers is a party and the agreement requires that your employer make contributions to the Michigan BAC Pension Fund, you can become a Plan Participant.

### How Do I Become A Participant?

You become a Plan Participant as of the first day of the calendar month after you have at least 400 Hours of Work within a period of twelve (12) consecutive months or less for an employer(s) obligated to contribute to the Fund on your behalf. For example, if you started work in January and accumulated four hundred (400) Hours of Work sometime in April of that year, you would become a Participant as of May 1<sup>st</sup> of that year.

And, you automatically became a Plan Participant if you were a participant in the pension plans listed below, on the dates listed and did not suffer a Break in Service or Permanent Break in Service under the provisions of your Pension Plan: (a) the Construction Masons Local No. 31, Lansing or the Saginaw Valley Bricklayers Pension Funds as of April 30, 1989, (b) the Local 17 Pension Fund, Kalamazoo, as of April 30, 1993, (c) the Local 14 Pension Fund, Jackson, as of

April 30, 1995, (d) the Local 1 Pension Fund, Grand Rapids as of April 30, 1995, (e) Local 5 Pension Fund, Muskegon, as of December 31, 1996, (f) Local 12 Pension Fund, Flint, as of April 30, 1997, (g) Local 21 Pension Fund, Battle Creek, as of April 30, 1997 or (h) Local 14 Pension Fund, Ann Arbor as of September 1, 1998.

### What Is An Hour Of Work?

Generally, an Hour of Work is any hour for which you are paid or entitled to be paid for the performance of duties for a contributing employer. (A more detailed explanation of what is an Hour of Work and for what purpose can be found under Section 16 of Article I of the Plan.)

### What Is A Plan Year?

A Plan Year is a consecutive twelve (12) month period beginning on a May 1 and ending on the following April 30. All Fund records are kept on a Plan Year basis.

### How Do I Become Eligible For Plan Benefits?

Generally, your eligibility for benefits is based on your Years of Service under the Plan.

### What Is A Year Of Service?

For Plan Years beginning on or after the later of May 1, 1989 (or the date your Local or Chapter joined the Fund), you will be credited with a Year of Service if you have at least 400 Hours of Work for employer(s) obligated to contribute to the Fund on your behalf. Hours you work in a Plan Year as an



# Summary Plan Description

(Continued)



employee of the International Union of Bricklayers and Allied Craftworkers or a Building and Construction Trades Council, a central labor body, a state or federal Department of Labor or the AFL-CIO or its departments also count toward a Year of Service.

If, prior to May 1, 1989, you participated in either the Construction Masons' or Saginaw Valley Bricklayers' Pension Funds, your Years of Service with those Funds will be counted as Years of Service under the Michigan BAC Pension Fund.

Similarly, if you participated in a pension fund that was merged into the Michigan BAC Pension Fund after May 1, 1989 and you did not suffer a Break in Service or a Permanent Break in Service with the other pension fund, your non-forfeited pre-merger Years of Service in those fund(s) will also count as Years of Service under the Michigan BAC Pension Fund.

Write to the Fund Office if you want a more detailed explanation as to how Years of Service may have been credited to you or to obtain a statement as to your present Years of

# Summary Plan Description

(Continued)

Service. Anytime you write to the Fund Office, please include your name, Social Security Number, Local Union No., Chapter No., and indicate the name of the fund (Michigan BAC Pension Fund) about which you seek information.

## Can I Lose A Year Of Service I Earned?

Yes, but only if you fail to vest in the Plan.

A Break in Service Plan Year occurs if you fail to work four hundred (400) Hours of Work in a Plan Year. If you incur five (5) consecutive Breaks in Service Years before you become vested, you suffer what is called a Permanent Break in Service. If you suffer a Permanent Break in Service, the earlier Years of Service you earned are lost. And, you no longer are a Plan Participant.

But, if you are absent due to child birth or adoption related reasons or are on approved Family Medical Leave Act leave and have given notice to the Fund Office, the hours you would have worked may be counted toward preventing a Break in Service Plan Year. And, time you spend in military service which Federal law requires that the Fund recognize will be counted toward preventing a Break in Service Plan Year. You cannot lose your Years of Service once you are vested.

## What Is A “Child Birth Or Adopted Related Absence”?

A childbirth or adoption related absence occurs when:

- 1) a Participant is pregnant,
- 2) a child of a Participant is born,
- 3) a Participant adopts a child, and
- 4) for purposes of caring for your child immediately following their birth or adoption.

Should you experience any of these situations, you should notify the Fund Office so that the hours you normally would otherwise have worked may help you avoid suffering a Break in Service Plan Year.

## What Happens If I Take “Family Medical Leave Act” Leave?

The time you take approved leave is treated as Hours of Work only if necessary to prevent you from suffering a Break-in-Service under the Plan. But, this time does not count for determining the **amount** of your Plan benefits.

## What Is Vesting?

Vesting occurs when you earn a non-forfeitable interest in your accrued Plan benefits.

## How Do I Become Vested?

Your Years of Service with the Michigan BAC Pension Fund plus Years of Service under any plan merged into the Michigan BAC Pension Fund count in determining whether you have a vested right to benefits.

## How Do I Vest In Benefits Earned Under The Michigan BAC Pension Fund?

Before May 1, 1989, you had to earn at



# Summary Plan Description

(Continued)

least five (5) Years of Service to vest under the Michigan BAC Pension Fund. With five (5) Years of Service, you became fifty percent (50%) vested. Thereafter, your vested percentage increases by ten percent (10%) for each additional Year of Service. You became one hundred percent (100%) vested if you were credited with ten (10) Years of Service or you reached the Plans Normal Retirement Age of 65 while an Active Participant.

Participants who are credited with at least one Hour of Work after April 30, 1998 will be fully vested after earning five (5) Years of Service or reaching the Plan's Normal Retirement Age while an Active Participant.

Under certain circumstances, the time you spend working in non-covered employment with employers who are obligated to contribute to the Fund or in non-covered employment with either the International or Local Union, the AFL-CIO, the state or federal Department of Labor, or the Building and Construction Trades Council, will count in determining whether you are vested in your Plan benefits (but not for determining the **amount** of our benefit). Effective May 1, 1989, your years as a safety inspector also count in determining whether your Plan benefits are vested. And, the Fund now recognizes for vesting (but not for qualifying for unreduced early retirement benefits) your Years of Service under the Operative Plasterers Local 67 Plan. These special rules are explained in detail in Article II, Sections 3 and 4 of the Plan.

## How Do I Vest In Benefits Earned Under Plans Merged Into The Michigan BAC Pension Fund?

Whether you have earned a vested right to benefits under plans that were merged into the Michigan BAC Pension Fund generally is determined under those Plan's pre-merger vesting rules. But, Years of Service you earn after the merger will count towards those requirements.

## What Is An Inactive Participant?

An Inactive Participant is an individual who is not yet retired or becomes disabled and who has not yet suffered a Permanent Break in Service but who has not earned at least one Year of Service in either of the two (2) preceding Plan Years.

## When Do I Become An Inactive Participant?

You become an Inactive Participant if you are not retired and do not earn a Year of Service during two (2) preceding Plan Years unless your failure to earn a Year of Service during these Years is because you are disabled and receiving disability benefits from this Fund.

## What Does It Mean To Be An Inactive Participant?

Generally, it means that you can only get the vested benefits, if any, that you earned before you become inactive at the rates that were then in effect.

Remember: you may be partially vested

# Summary Plan Description

(Continued)

in the Benefit that you accrued under the Michigan BAC Pension Fund (which requires a minimum of five (5) Years of Service to be partially vested) even though you are not vested in a benefit that you accrued under plans that were merged into the Michigan BAC Pension Fund which generally required a minimum of ten (10) Years of Service for vesting.

## Does Becoming An Inactive Participant Do Anything To My Vested Rights?

No. If you are vested in your Benefit when you become inactive, you remain vested in that Benefit.

## What Happens If I Become Inactive And Then Return To Work In The Bargaining Unit For A Contributing Employer?

So long as you are vested, you will again begin participating in the Plan as soon as you return to work for a contributing employer under a collective bargaining agreement that requires contributions to the Fund. But, you must still earn a Year of Service in a Plan Year



after you return to work to earn additional Years of Service for vesting and benefits and to become an Active Participant.

## What Benefits Does The Plan Provide?

The Plan provides six (6) kinds of benefits:

- 1) Normal Retirement Benefits
- 2) Early Retirement Benefits
- 3) Disability Retirement Benefits
- 4) Deferred Vested Benefits
- 5) Survivor's Benefits
- 6) Death Benefits

The eligibility requirements for each of these benefits are different.

## NORMAL RETIREMENT BENEFITS:

### When Am I Eligible For A Normal Retirement Benefit?

You are eligible for a Normal Retirement Benefit if you retire while you are an Active Participant, are at least sixty-five (65) years old, and you have been a Plan Participant for at least five (5) years.

# Summary Plan Description

(Continued)

## How Much Will My Normal Retirement Benefit Be?

That depends on the form of benefits you or, if you're married, you and your spouse select. This selection is made at the time you apply for your benefit.

There are eight (8) optional forms of benefits available. The monthly amount of your benefit depends upon the option selected. The normal form of benefit for a single Participant is called the Straight Life Benefit. The normal form of benefit for a married Participant is called the 50% Qualified Joint and Survivor Benefit.

The other optional forms are the 66<sup>2</sup>/<sub>3</sub>%, 75% or 100% Qualified Joint and Survivor Benefits and the Life Five, Ten, or Fifteen Year Certain Benefits.

If you are married at the time of retirement and you wish to select an option other than one of the Qualified Joint and Survivor Benefits, your spouse must consent to that choice **in writing** on a Fund form. A Notary Public or an authorized Fund representative must witness your spouse's signature.

Remember: Once the Fund has made a benefit payment, no change in the form of benefit is permitted, unless you select the 50%, 66<sup>2</sup>/<sub>3</sub>%, 75% or 100% Qualified Joint and Survivor form and the spouse to whom you are married at the time of your retirement dies within twenty-four (24) months after the effective date of your retirement, in which case your benefit will be paid under the Straight

Life Form beginning the month following the month of your spouse's death. So, you should notify the Fund immediately if your spouse dies.

(The other optional Forms of Benefits which were available under plans which were merged into the Michigan BAC Pension Fund are still available for that portion of your Pension Benefit that was accrued under those plans. This is described in more detail in the Appendices in the back of this SPD. The Fund Office will provide you with this information at the time you retire or on request.)

## What Is A Straight Life Benefit?

It is the Plan's basic formula amount. The benefit is payable each month for the rest of your life. It provides the highest monthly pension benefit amount, but it ends with your death. When you die, no one will receive any further monthly benefit.

## How Is The Straight Life Benefit Calculated?

If you are an Active Participant who has participated in this Plan (a plan merged with this Plan) for at least five (5) years and you retire before May 1, 1999, on or after reaching age sixty-five (65), your monthly Straight Life Benefit will be equal to 3.75% of the contributions made to this Plan on your behalf, including reciprocity transfers from other funds. If you retire on or after May 1, 1999, your monthly Straight Life Benefit will be 3.8% of such contributions. You also receive credit for time you spent in military service



# Summary Plan Description

(Continued)

that Federal law requires the Fund to recognize.

For example: If you had \$25,000 in employer contributions made to the Fund on your behalf (and you retired on April 1, 1999), your monthly Straight Life Benefit would be \$950.00 (i.e., 3.8% of \$25,000). Thus, by the time you receive your twenty-sixth (26<sup>th</sup>) monthly pension check, you would have received, in the form of monthly pension benefits, all of the contributions made to the Fund on your behalf over the years and would still have an average life expectancy of well over an additional ten years.

Your benefit also will include any benefits you earned under a plan which was merged into the Michigan BAC Pension Fund. Any pre-merger benefits will be calculated based on pre-merger benefit formulae (increased by 1.3333% if you retired on or after May 1, 1999) and will be included with any post-merger plan benefits in a single monthly benefit check.

Federal law requires that you receive pension benefits based on some of the time that you spend in the military service (including the National Guard). Whether you qualify for such benefits and how much additional benefits you get will depend on the length of your qualifying military service, the hours you worked in the period before that service, and your compliance with the legal requirements for getting that benefit. To claim benefits for military service, you should bring the Fund proof of the date you entered

covered service, the date you were discharged and the date on which you became re-employed by your Employer.

Generally, you will have given notice to your Employer before you entered military service. To be eligible for pension credit, you must apply for re-employment with your Employer when you return from military service. If your employment ended because you were in the military (or were called up for National Guard duty) for less than 31 days, you must apply for re-employment within 32 hours after you return to your residence. If your service is 31 to 180 days, you must re-apply within 14 days of when your service ends. If your service is more than 180 days, you must re-apply within 90 days. You should provide your employer and the Fund Office with Form DD-214 when you return from military service.

To claim credit for military service, you should bring the Fund proof of the date you entered covered service, the date you were discharged and the date on which you became re-employed by your Employer. You should also provide the Fund Office with a copy of Form DD-214.

## What Is 50% Qualified Joint And Survivor Benefit (“QJSB”)?

This form of benefit is only available to married Participants. A reduced monthly benefit is payable to you for the rest of your life. If your spouse survives you, your spouse will receive, each month and for the rest of her

# Summary Plan Description

(Continued)

life, 50% of the monthly amount you had been receiving. This survivor's benefit, however, is only available to the person who was your spouse at the time of retirement.

If you are married at the time you retire, you must select your retirement benefits in a Qualified Joint and Survivor Benefit Form (the only benefit forms you may elect unless you waive this right and your spouse consents to your waiving her eligibility for survivor benefits (i.e., 50%, 66-2/3%, 75%, or 100%). You may waive your right to have your spouse be eligible for survivor benefits and your spouse may consent to your waiver by executing an approved consent form in the presence of a Notary Public or authorized Fund representative.

## How Is The 50% QJSB Calculated?

Your monthly retirement benefit is calculated by determining your Straight Life Benefit and reducing it by factors such as your age, your spouse's age and the life expectancy of each of you at the time of your retirement benefits are to begin. The reduction factors that apply to any benefits you earned under plans merged into the Michigan BAC Pension Fund will be determined based on those plans' provisions.

The Fund Office will calculate the monthly amount of benefit which will be payable under this form of benefit when you submit your application for retirement and will also advise you of these amounts at other times upon request. The following examples,

prepared based on participation in the Michigan BAC Pension Fund, should be helpful:

### Example 1:

*Assume you're age sixty-five (65) and your spouse is age sixty (60) at the time of your retirement and your Straight Life Benefit amount is \$600. Based on your respective ages, under the 50% Joint and Survivor Form, you would receive \$516.60 per month for the rest of our life. Upon your death, our spouse would receive \$258.30 (or 50% of your reduced benefit: \$516.60 divided by 1/2 = \$258.30) each month for the rest of her life.*

### Example 2:

*Assume you're age sixty-five (65) and your spouse was only age fifty-seven (57) at the time of your retirement, your monthly benefit under this Form would be \$501.60 and, upon your death, if your spouse was still alive, your spouse would receive \$250.80 (or 50% of your reduced benefit: \$501.60 divided by 1/2 = \$250.80) each month for the rest of her life.*

The monthly benefit is less under the Example 2 because your spouse is five years younger than under Example 1. Because your spouse will likely live longer, she will receive benefits over a longer period of time.

## What Is A 100% Qualified Joint Survivor Benefit ("QJSB")?

This Form of Benefit also is only avail-

# Summary Plan Description

(Continued)

able to you if you are a married Participant. It operates like the 50% QJSB described in the answer above. It too is based on the life expectancies of you and your spouse. A reduced benefit is payable to you each month for the rest of our life. If your spouse survives you, your spouse will receive, each month, and for the rest of her life, the same monthly amount that you've received. Stated another way, she will receive 100% of your monthly benefit for the rest of her life.

This survivor benefit is also only available to the person to whom you were married at the time of your retirement.

Of course, under the 100% QJSB, your monthly benefit will be reduced more than it is under the 50% Form because your spouse will receive the full amount (or 100%) of your benefit. The amounts available under this Form will also be calculated for you upon your retirement or upon your request.

**The benefit forms and reduction factors that apply to benefits you earned under plans merged into the Michigan BAC Pension Fund will be determined based on those plans' provisions.**

## What Is A $66\frac{2}{3}\%$ Qualified Joint And Survivor Benefit ("QJSB")?

This form of benefit is also only available to you if you are a married Participant. It operates just like the 50% Qualified Joint and Survivor Benefit described earlier. It too is based on your and your spouse's life expectancies. A reduced benefit is payable to you each month for the rest of your life. If your spouse survives you, your spouse will receive each month, for the rest of her life,  $66\frac{2}{3}\%$  of the amount you had

been receiving prior to your death.

This survivor portion of your benefit is only payable to the spouse to whom you were married when you first began receiving benefits.



# Summary Plan Description

(Continued)

Under the 66-2/3% Joint and Survivor Form, the monthly benefit payable to you is reduced more than it is under the 50% Form because a larger portion of the amount of your monthly benefit (or 66-2/3%) will be paid to your surviving spouse. The amounts available under this Form will also be calculated for you upon your retirement or upon your request.

**The benefit forms and reduction factors that apply to benefits you earned under plans merged into the Michigan BAC Pension Fund will be determined based on those plans' provisions.**

## What Is A 75% Qualified Joint And Survivor Benefit ("QJSB")?

This form of benefit is only available to a married Participant. It operates like the 50% Qualified Joint and Survivor Benefit described earlier. It too is based on the life expectancies of you and your spouse. A reduced benefit is payable to you each month for the rest of your life. If your spouse survives you, your spouse will receive a monthly benefit for the rest of her life, that is 75% of the amount you had been receiving prior to your death.

This survivor portion of your benefit is only payable to the spouse to whom you were married when you first began receiving benefits.

Under the 75% Joint and Survivor Form, the monthly benefit payable to you would be reduced more than it would be under the 50% Form because a larger portion of your benefit (or 75%) will be paid to your surviving spouse

upon your death. The amounts available under this Form will also be calculated for you upon your retirement or upon your request.

**The benefit forms and reduction factors that apply to benefits you earned under plans merged into the Michigan BAC Pension Fund will be determined based on those plans' provisions.**

## What Is A Life Five Year Certain Benefit?

Under this Form, a reduced amount is payable to you each month for the rest of your life. But if you die before you have received sixty (60) payments (five (5) years' worth), your beneficiary will receive the benefit each month until the combined number of monthly benefit payments made to you and your beneficiary is sixty (60). You may designate a beneficiary of your choice.

**But, if you are married at the time of your retirement, this option is not available to you unless you waive your rights to the Automatic 50% Joint and Survivor form and your spouse properly consents to your waiver and designated beneficiary as previously described.**

## How Is My Life Five Year Certain Benefit Calculated?

Your monthly retirement benefit is determined by calculating what your Straight Life Benefit would be and reducing it by factors which include your age and life expectancy.

# Summary Plan Description

(Continued)

## Example:

*Assume that you retire at age sixty (60), your Straight Life Benefit amount is \$600 per month, and you chose the Life Five Year Certain Benefit. On these facts, your monthly lifetime benefit would be \$591.12. If you died before you receive sixty (60) monthly payments, your designated beneficiary would receive \$591.12 until a total of sixty (60) monthly payments are made.*

The benefit forms and reduction factors that apply to benefits you earned under plans merged into the Michigan BAC Pension Fund will be determined based on those plans' provisions.

## What Is A Life Ten Year Certain Benefit?

Under this Form, a reduced amount is payable to you each month for the rest of your life. But, if you die before you have received one hundred twenty (120) payments (ten (10) years' worth), your beneficiary will receive the benefit each month until the combined number of monthly benefit payments made to

you and your beneficiary is one hundred twenty (120). You may designate a beneficiary of your choice.

**But, if you are married at the time of your retirement, this option is not available to you unless you waive your right to the Automatic 50% Joint and Survivor form and your spouse properly consents to our waiver and designated beneficiary as previously described.**

The benefit forms reduction factors that apply to benefits you earned under plans

merged into the Michigan BAC Pension Fund will be determined based on those plans' provisions.

## What Is A Life Fifteen Year Certain Benefit?

Under this Form, a reduced amount is

payable to you each month for the rest of your life. But, if you die before you have received one hundred eighty (180) payments (fifteen (15) years' worth), your beneficiary will receive the benefit each month until the combined number of monthly benefit payments made to you and your beneficiary is one hundred eight (180). You may designate a beneficiary of your choice.



# Summary Plan Description

(Continued)

**But, if you are married at the time of our retirement, this option is not available to you unless you waive your rights to the Automatic 50% Joint and Survivor form and your spouse properly consents to your waiver.**

**The benefit forms and reduction factors that apply to benefits you earned under plans merged into the Michigan BAC Pension Fund will be determined based on those plans' provisions.**

## Are My Benefits The Same If I Retire After Normal Retirement Age?

No. The benefit payable when you retire and begin to receive benefits generally will be calculated by determining the benefit you would have been entitled to receive had you retired at Normal Retirement Age, but actuarially increased to reflect the later starting date.

## EARLY RETIREMENT BENEFITS:

### When Am I Eligible For An Early Retirement Benefit

You are eligible for an Early Retirement Benefit if you retired before May 1, 1999 while an Active Participant, are at least sixty (60) years old, and have earned at least ten (10) Years of Service. If you retire on or after May 1, 1999 while an Active Participant, you will be eligible for an Early Retirement Benefit if you are at least 56 years old and have earned

at least ten (10) Years of Service. If you were a member of Chapters 3, 10 and 40 or of Local 6 for a period during which you were not covered under this Plan, years of continuous Local membership in these Chapters or Local will be counted as Years of Service only to meet the Years of Service requirement for this benefit. Effective on or after May 1, 1999, the early retirement rules described in this section became applicable to all pre-merger benefits of persons who were Active Participants on or after that date.

### How Much Will My Early Retirement Benefit Be?

The same forms of benefit which are available as Normal Retirement Benefits are also available as Early Retirement Benefits. The same forms and consent requirements for married participants are also applicable. The monthly amount of your benefit will depend on the form in which the benefit is paid. In determining how much is payable under any of the options, it is always necessary to first determine the Straight Life Benefit.

If you are an Active Participant when you retire, are at least sixty-three (63) years of age and have accumulated ten (10) Years of Service, the Straight Life Benefit earned under the Michigan BAC Pension Fund (not taking into account benefits accrued under plans merged into the Michigan BAC Pension Fund) is exactly the same as it would be if you were applying for Normal Retirement Benefits.

# Summary Plan Description

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If you were an Active Participant, you retired after April 30, 1998 and before May 1, 1999, you were at least sixty (60) years of age and you have accumulated at least 25 Years of Service, the Straight Life Benefit earned under the Michigan BAC Pension Fund (not taking into account benefits under plans merged into the Michigan BAC Pension Fund) is exactly the same as it would be if you were applying for Normal Retirement Benefits.

If you are an active Participant, you retire on or after May 1, 1999, you were at least fifty-eight (58) years of age and you have

accumulated at least 25 Years of Service, the Straight Life Benefit earned under the Michigan BAC Pension Fund (not taking into account benefits earned under plans merged into the Michigan BAC Pension Fund) is exactly the same as it would be if you were applying for Normal Retirement Benefits.

The above rules also apply to the benefits that you earned under the plans that were merged into the Michigan BAC Pension Fund, but only if you were an Active Participant on or after May 1, 1999.

If you were a member of Local 6 prior to that Local providing for participation in the Michigan BAC Pension Fund, your years of Local 6 membership will count towards the 25 years required for an unreduced benefit provided you are an Active Participant when you retire. But, these years will not count

when computing the amount of your Michigan BAC Pension Fund benefit.

If you were an Active Participant on or after May 1, 1998, your years of service under the Michigan Laborers' Pension Fund and under the OutState Michigan Trowel

Trades Pension Fund also will count towards meeting the 25-year requirement but will not count when computing the amount of your Michigan BAC Pension Fund benefit.

Contiguous service also counts toward meeting the 25-year requirement for an unreduced early retirement benefit but it too does not count when computing the amount of your Michigan BAC Pension Fund benefit.

Otherwise, your monthly Early Retirement Straight Life Benefit earned under the



# Summary Plan Description

(Continued)

Michigan BAC Pension Fund is calculated exactly as the Normal Retirement Benefit and then reduced by one-half (1/2) of one (1%) percent for each month that you are younger than age sixty-three (63) when payment of your benefit begins. The reduced monthly benefit is payable to you for the rest of your life. Different eligibility and reduction factors may apply to benefits you earned under plans merged into the Michigan BAC Pension Fund.

If, for example, you wished to retire early at age sixty-one (61) and your accrued Straight Life Benefit at that time was \$600 per month to begin at age sixty-three (63), your Straight Life Benefit beginning as of that date you reached age sixty-three (63) and retired would be \$528 (1/2 of 1% x 24 months = 12% reduction, \$600 reduced by 12% = \$528).

Under the example, the amount of benefit payable under any form other than the Straight Life Benefit which would become payable to you upon your early retirement would be based on the reduced Straight Life Benefit of \$528.

If you elect one of the other options (50%, 66-2/3%, 75%, or 100% Qualified Joint and Survivor, Life Five, Ten or Fifteen Year Certain), there is a further reduction based upon the same actuarial factors that are considered when calculating your benefits under normal retirement.

If you are legally married at the time you

retire and apply for Early Retirement Benefits, you will automatically receive benefits under the 50% Qualified Joint and Survivor Form unless you choose the 66-2/3%, 75%, or 100% Qualified Joint and Survivor form or you choose, with the written consent of your spouse, one of the other optional forms.

## DISABILITY RETIREMENT BENEFITS:

### Under What Conditions Am I Eligible For Disability Retirement Benefit?

You are eligible for a Disability Retirement Benefit if you became totally and permanently disabled after April 30, 1989 (or the date your Chapter or Local joined the Michigan BAC Pension Fund), while you are an Active Participant and before you reach age sixty-five (65).

### What Does It Mean To Be Totally And Permanently Disabled?

Before May 9, 2000, you had to be totally unable, for the rest of your life, to engage in any regular occupation or employment for pay or profit. If you are or were an Active Participant on or after May 9, 2000, you must be totally unable for the rest of your life to work as a bricklayer or in any allied crafts. The Trustees are the sole judges of whether the available medical evidence shows that you are totally and permanently disabled. The Trustees may require you to be examined



# Summary Plan Description

(Continued)

by a Fund physician to confirm that you are totally and permanently disabled.

Before the Trustees approve your Total and Permanent Disability Retirement, they generally will require a copy of your Disability Award from the Social Security Administration. No Disability Retirement is granted if your disability is attributable to the use of illegal narcotics, the result of certain criminal activities, or a self-inflicted injury. If you become disabled, you should file for a Disability Retirement Benefit from the Fund as soon as you or your doctor has determined that disabled status. Do not wait until you receive a Social Security Disability Award.

The Fund's procedure for handling claims for Disability Benefits is not exactly the same as the Fund's claims procedure for other benefits. Disability claims generally are processed faster. More information is included in the section of this Summary, which describes the Fund's claims procedure.

## How Much Will My Disability Benefit Be?

The amount and form of your Disability Benefit is determined by your Years of Service since the Effective Date of the Plan, or pre-merger Plan, as of the date on which you become totally and permanently disabled.

- (1) If you have less than five (5) Years of Service when you become disabled, subject to general Fund limits on benefits, you will receive benefits equal to employer contributions

made directly to this Fund on your behalf. Your payment options depend on whether employers made more than \$5,000 of Fund contributions on your behalf. If employer contributions are \$5,000 or less you get a single cash payment equal to the amount of contributions made on your behalf.

If employer contributions are more than \$5,000, you can choose: (1) a single cash payment if your spouse gives written consent to this payment; or (2) monthly benefits for your life and a further reduced benefit for your spouse after your death. If you are paid the disability benefits described above, you will not also be eligible for a regular Fund pension based on the same Years of Service for which you receive disability pension payments.

- (2) If you have at least five (5) Years, but less than ten (10) Years of Service, when you become disabled you have two options. Your options depend on whether the cash value of our vested regular Fund benefit is more than \$5,000. If it is \$5,000 or less, you can get a single cash payment. This payment is the **greater** of employer contributions made directly to the Fund on your behalf or the Actuarial Equivalent of the benefits you would be entitled to

# Summary Plan Description

(Continued)

receive at age 65 as a deferred vested benefit. You could also wait until age 65 and receive your regular Vested Fund Benefit.

If your benefit is more than \$5,000, you can choose: (1) a single payment of the cash value of your regular Fund benefit if your spouse consents in writing to the cash payment; (2) benefits in the form of reduced monthly benefits for your lifetime and a further reduced benefit for your spouse after your death; or (3) not to take the disability benefit and collect, instead, the regular Vested Fund Benefit when you become eligible.

- (3) If at the time you become disabled, you have ten (10) or more Years of Service since the Effective Date of the Plan or the re-merger Plan, you will be entitled to a monthly Disability Retirement Benefit of \$100 per



month. This monthly Benefit will be paid until 1) you die, 2) you reach age sixty-five (65), 3) you choose to retire under the Early Retirement provisions of the Plan, or 4) you are no longer totally and permanently disabled, which-

ever occurs first. When you reach age sixty-five (65), or earlier if you become eligible for an unreduced Fund benefit before reaching age 65 you will receive a Normal Retirement Benefit (or unreduced Early Retirement Benefit) paid under the form you select subject to the provisions of the Plan. Effective May 1, 1989, time you are receiving state workers compensation benefits will count to determine whether your Fund benefit is vested and whether you are eligible for an unreduced early retirement Benefit. But, this time won't count in determining the amount of your benefit or whether you are eligible for a Disability Retirement Benefit.

# Summary Plan Description

(Continued)

## If The Disability Retirement Benefit Payable Based On My Participation In A Plan Merged Into The Michigan BAC Pension Fund Was Higher Than The Disability Retirement Benefit Payable Under The Michigan BAC Pension Fund, What Would My Benefit Amount Be?

If you were disabled prior to when your Chapter or Local joined this Plan, the eligibility requirements and Benefit amount payable was determined under the provisions of the pre-merger plan in which you then participated. If you become disabled after the Merger Date, the eligibility requirements and Benefit amount payable are determined under the provisions of the Michigan BAC Pension Fund.

## SURVIVORS' BENEFITS AND DEATH BENEFITS:

### If I Die Before I Retire, Are Any Benefits Payable?

Yes. Under certain conditions, benefits may be paid to your surviving spouse or your beneficiary.

### What Benefit Will My Surviving Spouse Receive?

That depends. Some benefits are available only if you had been married for at least one (1) year at the time of your death. Other benefits depend on your Years of Service and/

or age at the time of your death and whether or not you were vested at the time of your death.

If you die before you retire, there are four types of benefits payable to your survivors. They are:

- 1) a monthly benefit beginning immediately after your death and payable to your surviving spouse for their lifetime;
- 2) a deferred monthly benefit, payable to the surviving spouse for their lifetime, beginning when you would have first been able to start receiving monthly benefits had you lived;
- 3) a single sum cash payment equal to the greater of a) the actuarial equivalent of your deferred monthly benefit described in 2) above or b) the first \$3,000 of actual contributions made to the Fund on your behalf; and
- 4) a monthly benefit beginning immediately after your death and payable for a minimum of sixty (60) months or until the death of your surviving spouse, if sooner.

The benefit under 1) above is payable if you were eligible but had not started to receive Normal, Early or Deferred Vested Benefit at the time of your death and if you had been continuously married to your surviving spouse for at least one (1) year at the time of your death. The monthly benefit payable to your surviving spouse would be the amount which your spouse would have received as the surviving spouse had you retired immediately prior to your death and had your benefits

# Summary Plan Description

(Continued)

been payable under the 50% Qualified Joint and Survivor Form.

The benefit under 2) above is payable if you were vested but were not yet eligible to start receiving a monthly benefit at the time of your death. Payment of the monthly benefit under 2) will begin for your surviving spouse at the time you would have first been eligible to start receiving monthly benefits had you lived. It is equal to the amount your surviving spouse would have received under the 50% Qualified Joint and Survivor Form based on your accrued benefit at the time of your death and computed as if you had lived to such date, retired and died immediately thereafter. For example, if you were age fifty (50) at the time of your death, the deferred monthly benefit payable to your surviving spouse hereunder would not commence for another six (6) years when you would have reached age sixty (56) (the earliest date as of which you could have begun to receive monthly benefits had you lived).

The single sum benefit payable under 3)

above may be elected only by a surviving spouse entitled to the deferred survivor's benefit described in 2) above.

The monthly benefit described in 4) above is available only if you were an Active Participant with at least ten (10) Years of Service at the time of your death and shall be equal to a percentage of your accrued benefit at the time of your death beginning with 50% with ten (10) Years of Service and increasing by 10% per year until 100% is reached after fifteen (15) Years or more of Service. It is payable for a maximum of sixty (60) months but should your surviving spouse die within that sixty (60) month period, the value of any remaining payments will be paid in a lump sum to your

beneficiary.

The payment of any one of the surviving spouse benefits described above shall be in lieu of any other benefits payable under the Plan. If a surviving spouse is eligible for more than one form of surviving spouse benefit, the surviving spouse has the option of electing



# Summary Plan Description

(Continued)

which form they wish to receive from the Plan. But, the Plan will pay only one survivor benefit. Such an election must be made within ninety (90) days after the Fund Office makes information available as to the amounts payable under the various forms and the conditions under which such amounts will be paid.

If any event, however, if the actuarial single sum value of the surviving spouse benefit available or elected is less than \$5,000, the Fund will pay a single sum distribution equal to such value in lieu of any monthly benefit.

## What If I Am Unmarried At The Time I Die?

If you should die while unmarried and an Active Participant or while an unmarried Inactive Participant and you have not received any Normal, Early, or Vested Benefits from the Plan, your beneficiary is entitled to receive a lump sum benefit equal to the contributions made to the Fund in your behalf up to a maximum of \$3,000.

## May I Designate Anyone I Wish As My Beneficiary?

Yes. But if you are, or become married, there are certain restrictions which apply. If you are, or become, married for at least one (1) year, your spouse automatically becomes your beneficiary unless your spouse properly consents to your designation of a different beneficiary.

## Are Any Benefits Payable When I Die After Retirement?

Only if you have been receiving benefits under a Joint and Survivor or Life Period Certain form previously described which provides for the continuation of benefits after your death.

## DEFERRED VESTED:

### What Happens If I Become An Inactive Participant Before I Am Eligible For The Plan Benefits?

If you have been credited with at least five (5) Years of Service, you may be eligible for a Deferred Vested Benefit.

### When Will I Receive A Deferred Vested Benefit And How Much Will It Be?

If you have accrued at least five (5) but less than ten (10) Years of Service and are not eligible for any other type of benefit under the Plan, you will be eligible for a monthly benefit payable when you reach age sixty-five (65). The benefit will be paid consistent with the Normal Retirement provisions of the Plan with the basic vested amount (based only on contributions payable to the Fund on your behalf in years for which you earned a Year of Service) substituted throughout for the Straight Life Benefit. You will not become automatically vested upon reaching age 65.

If you have accrued at least ten (10) Years of Service and are not eligible for any other

# Summary Plan Description

(Continued)

type of benefit under the Pension Plan, you will also be eligible, at your option, to begin to receive a monthly benefit at any time after you reach age sixty (60) or age 56 if you were an Active Participant on or after May 1, 1999, provided you are then retired. The benefit will be paid consistent with the Early Retirement provisions of the Plan with the basic vested amount (based only on contributions payable to the Fund on your behalf in years for which you earned a Year of Service) substituted throughout for the Straight Life Benefit. You will not be eligible for unreduced benefits.

## Can I Lose All Or Part Of My Plan Benefits?

Generally, no. But, there are some occasions when you might lose Plan Benefits. The following are some, but not all, of the possible reasons that you may not receive all or part of a benefit:

- if the Plan investments lose their value;
- if the Plan is terminated before all benefits are funded; and

- if you do not work enough hours to be vested.

## RETURN TO WORK:

### What Happens If I Return To Work After Beginning To Receive Monthly Benefits?

You must notify the Fund Office in writing immediately if you become employed after you begin to receive Normal, Early, or Deferred Vested Benefits.

If you return to work in the building and construction industry within the State of Michigan and perform work in any capacity (including supervisory, managerial or self-employment) which is related to the masonry trade, your monthly retirement benefit will be suspended for each month in which you work (40) or more Hours of Work.

When you retire again, your benefit payments will resume under the same option as they were before you returned to work unless there has been a general improvement in the Plan benefits for which you qualify. You will be entitled to additional benefits based on



# Summary Plan Description

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contributions payable on your behalf while you returned to work.

If you return to work without notifying the Fund Office and you are discovered on a job, the Trustees may presume that you have worked since that job started under the conditions described above and may suspend your monthly benefits for such period. You may, within thirty (30) days of receiving notice that your benefits have been suspended, submit evidence to prove that presumption is not true.

If, at anytime, in the sole opinion of the Trustees, there is a shortage of qualified people trained to perform work under the jurisdiction of a participating local or zone, the Trustees may waive these Suspension of Benefit provisions for a limited period of time. If such a waiver is granted, you will receive notification of the waiver of these rules.

## QUALIFIED DOMESTIC RELATIONS ORDER:

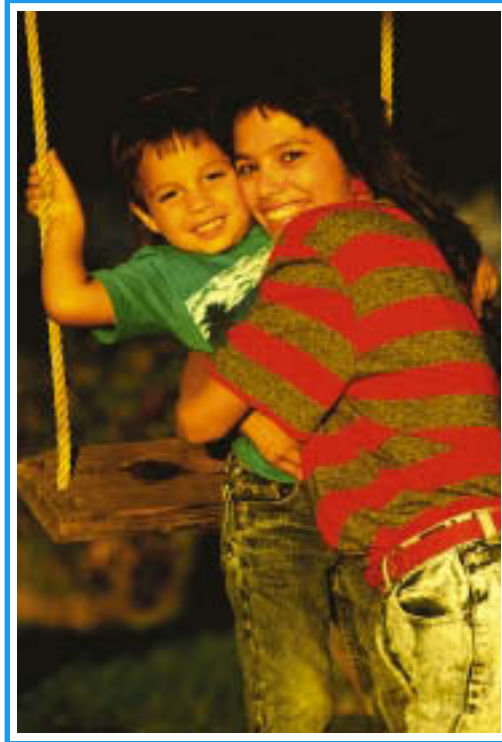
**If I Divorce Or Am Legally Separated, Will My Former Spouse**

## Or My Dependents Be Entitled To Any Of My Pension Benefits?

Perhaps. A court may issue a Qualified Domestic Relations Order ("QDRO") which could assign a portion of your pension benefits to your spouse, former spouse, child, or other dependents. A QDRO is any order or judgment entered in your divorce or separation case that clearly identifies the Plan and the benefits assigned and meets other requirements of federal law. A QDRO also may be an order or judgment entered to enforce your support obligations. A QDRO may, for example, assign to your former spouse a portion of your monthly benefit and/or provide for payment of surviving spouse benefits after your death.

When the order or judgment is filed with the Fund, the Fund will determine whether it is a QDRO, and if so, what portion of your benefits have been assigned to your spouse, former spouse, child, or dependent. You will be sent a letter which will tell you whether your divorce and/or separation documents are a QDRO.

If get divorced, you should supply a copy



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(Continued)

of your divorce judgement and any QDRO included with that judgement to the Fund Office. The judgement and order will be reviewed to determine whether it satisfies the legal rules so that the Fund can recognize it as a QDRO. You will receive a letter to inform you if the order is a QDRO. If an order tries to assign a portion of your benefit but does not satisfy the legal rules for QDROs, the Fund will notify you and the QDRO's beneficiary of the changes that must be made to the order so that the Fund can recognize it as a QDRO. If you apply for Fund benefits during this time, the Fund must holdback from your benefit payments at least the amount that could be paid under the QDRO after it has been modified to meet the legal rules for QDROs. If an order that assigns Fund benefits but does not satisfy the rules for QDROs is not fixed to meet those rules within eighteen (18) months of the time you applied for and are eligible to receive benefits, the Fund can pay your entire benefit to you notwithstanding the fact that the QDRO has not been fixed to satisfy the legal rules applicable to QDROs.

## CLAIMS, APPEALS AND OTHER MATTERS:

### How Is A Claim For Benefits Made?

Whenever you wish to apply for Plan benefits, you should complete a Request for Application form. Copies of these forms can

be obtained through the Fund Office, 6525 Centurion Drive, Lansing, Michigan 48917-9275, telephone (800) 531-2244, (517) 321-7502, FAX (517) 321-7508, or your local union.

**Any questions you may have can be answered by the Fund Office.**

Your Request for Application form is submitted to the Fund Office, which calculates the amount of benefits you are entitled to under each of the optional forms and sends that information to you with a benefit application form.

To allow sufficient time to process your retirement application, you should file your Request for Application form when you plan to retire. If you are married, you and your spouse may have some decisions to make regarding the form of your retirement benefit. Those decisions must, by law, be made within the ninety (90) days just before your benefits begin.

In anticipation of your retirement, you should have available a copy of your birth certificate and, if you are married, a copy of your marriage certificate or license and your spouse's birth certificate. If you were previously married, you should also have a copy of all judgments of divorce with all attachments or a copy of the death certificate of your former spouse, if applicable. Having these documents available will speed up the processing of your retirement application.

When you submit an application for



# Summary Plan Description

(Continued)

benefits, the Fund Office will determine whether you are eligible and the amount of the benefit payable to you, if any. The Fund generally will decide your claim at its next regular meeting if your claim is received at least 30 days before that meeting. If it is not, the Fund generally will decide your claim at the second meeting following the date on which the Fund receives your claim. If the Fund cannot decide your claim because of special circumstances or because you have not provided all of the needed information, the Fund will notify you that it will not be deciding your claim until a later date and the date by which your claim will be decided. The notice will tell you the information that you need to supply the Fund so that it can decide your claim. You will be sent final notice of the Fund's decision on your claim within 5 days of the meeting at which the Fund's decision is made.

## If My Claim Is Denied, May I Appeal?

Yes. If your application for benefits is either totally or partially denied for any reason, the Fund Office will provide you with a written explanation of why your claim was denied and what information, if any, you

must supply to the Fund to complete your claim. The explanation will include the following information: (1) the specific reason or reasons why your claim was denied, (2) reference to the specific Plan provisions on which the denial was based, (3) a description of additional information, if any required to complete your application and an explanation of why that information is necessary, (4) notice that you are entitled to receive on request and free of charge reasonable access to and copies of all documents, records and other information relevant to your claim for benefits, and (5) a description of the steps which may be taken if you want to appeal the decision and describing your right to sue the Fund if you believe that claim was denied improperly.

If the Fund Office intends to deny your claim, the Fund Office generally will contact you before you are sent final notice that your claim is denied. You may, but are not required to ask the Fund Office to informally reconsider its decision on your claim before you receive final notice of your claim's denial if you think that the Fund Office has made a mistake. The Fund Office, at that time, may ask you to provide addi-



# Summary Plan Description

(Continued)

tional information which might assist in the reevaluation of your claim.

If you still do not agree with the action taken on your claim, you have the right to appeal to the Trustees for further review as follows:

Within 60 days after you have received final notice denying your claim, notify the Fund Office in writing that you want your claim reviewed by the Trustees.

Your written request for review or hearing should include all information regarding your claim as well as the reasons you feel that the original decision was wrong. As was described in the final denial notice, the Fund Office will make available information from the Fund records which you reasonably believe might help support your claim. Copies of pertinent records regarding your claim will be provided to you at no cost upon request. The review will take into account all comments, documents, records and other information submitted by you or your representative without regard as to whether that information was submitted or considered when your claim is denied.

If you are granted a personal hearing by the Trustees, you may appear in person or choose a representative to appear on your behalf.

If you are not granted or you do not wish to make a personal appearance before the Trustees, the Fund Office Manager will present your written statement and other

pertinent information.

The Trustees or a Committee appointed by them and authorized to act in their behalf will act on your request for review and will notify you of their decision.

The appeal will be presented to the Trustees, or a designated subcommittee, at their next regular meeting. You will be informed in writing of their decision.

You will receive notice of the decision in writing, including the reasons for the decision and references to the specific Plan provisions on which the decision is based. You also will be provided with notice about your right to reasonable access to review and obtain free of charge copies of all documents, records and other information relevant to your claim for benefits and an explanation of the Fund's remaining voluntary appeal procedures and your right to sue the Fund if you still believe that your claim was denied improperly.

Special rules apply to claims for Disability Retirement Benefits. If the Trustees deny your claim for Disability Retirement Benefits, they will provide you with a copy of the rule governing disability benefits determinations. If your claim was denied based on scientific or clinical judgments, the notice will include an explanation of the scientific or clinical judgment that applies the terms of the Plan to your medical circumstances. If your claim was denied based on scientific or medical judgment, the Trustees, on appeal, will consult with a health care professional with appropri-

# Summary Plan Description

(Continued)

ate training and experience in the field involved as part of their consideration of your appeal. This professional will not have been involved with the Fund's original decision on your claim. If your appeal is denied, the information provided to you will include information of the type you received when your claim was denied but will include the name of the health care professional with which the Trustees consulted and the names of any vocational or occupational experts consulted by the Trustees in connection with your appeal whether or not their advice was relied upon in denying your appeal.

You may, at your own expense, have legal representation at any stage of these procedures but you may not begin any legal action including proceedings before administrative agencies until you exhaust the Plan's internal appeal procedure.

If you have any questions about the review procedures described above, please contact the Fund Office. Address your written question to:

Michigan BAC Pension Fund  
6525 Centurion Drive  
Lansing, Michigan 48917-9275

## Is There Any Limit On The Amount of Annual Pension Benefits I Can Receive From The Plan?

There may be. Section 415 of the Internal Revenue Code and applicable rules and regulations provide some limitation to the amount of pension benefits which you could

receive. But, it is unlikely that you will reach this limit.

## Can I Assign, Pledge Or Sell My Right To Benefits?

No. With only two exceptions, your benefits cannot be assigned, pledged or sold to anyone or used as security for a loan. One exception provided by law is called a Qualified Domestic Relations Order. It is a court order, which is discussed earlier, dealing with divorce, alimony, or child support. The other exception is that the United States may levy upon or file a lien against your benefits to collect federal taxes.

## Can I Authorize Withholding From My Monthly Pension Benefits?

Yes. You may contact the Fund Office to request an authorization form for self-payment deduction.

## Can I Authorize Direct Deposit Of My Monthly Pension Benefits To My Financial Institution?

Yes. You can have your monthly pension benefits deposited to your bank, credit union, etc., via wire transfer. When you retire, you will be given an opportunity to authorize direct deposits. Or, you can authorize direct deposit any time after the payment of benefits begin.

## Does This Plan Have Any Reciprocity Agreements With Any Other Pension Plans?

Yes. The Trustees have entered into



# Summary Plan Description

(Continued)

reciprocity agreements with Trustees of other pension funds covering bricklayers and masons.

The purpose of these agreements is to allow you to earn whatever pension benefits are available in the areas in which you work. But, reciprocity is **not** automatic, and you should ask about it each time you work outside of the Fund's jurisdiction. You must request Reciprocity by completing a reciprocity request form. Reciprocity request forms are available from the Fund Office and your local union.

If you have any questions about reciprocity, please contact the Fund Office.

## How Could The Plan Be Terminated?

The Plan will terminate if one or more of the following events occur:

1. The Trustees determine, based on the advice of the Fund's actuary, that the Fund cannot carry out its purpose or is unable to meet the payment of benefits due to retirees.
2. There are no individuals living who can

qualify for benefits under the Plan.

3. The Union, the employers and the Trustees unanimously agree to terminate the Plan.
4. The Pension Benefit Guaranty Corporation terminates the Plan.
5. The obligations of all Employers to contribute to the Plan end.

## What Happens If The Plan Terminates?

If the Plan should terminate, the Trustees must (1) make provision for the payment of any and all debts and obligations of the Plan, including benefits; (2) arrange for a final audit and financial report; and (3) give the notices required by law and file any required reports.

At present, what happens if the Plan terminates wholly or partially is governed by federal statute, which requires, under certain

circumstances, that benefits, even vested and accrued benefits, may be reduced.

## Are My Benefits Insured?

Yes. To a certain extent.

Your pension benefits under this multiemployer Plan are insured by the PBGC,



# Summary Plan Description

(Continued)

a federal agency. A multiemployer plan is a collectively bargained pension arrangement between two or more unrelated employers, usually in a common industry.

Under the multiemployer plan insurance 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 guaranty 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 \$5 of the monthly benefit accrual rate and (2) 75% of the next \$15. The maximum PBGC guarantee limit is \$16.25 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 \$5,850.

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 guarantee amount set by law; (2) benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 plan years at the earlier of the date the plan terminates or the date 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 the Fund Office 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>.



# Summary Plan Description Appendices

The following appendices describe special rules which apply to members of Locals or Chapters which joined the Michigan BAC Pension Fund after its initial effective date and which are not summarized directly in the main text of this Summary.

When reading these summaries, you should keep in mind two Plan amendments that affect the benefits earned under pension plans that were merged into the Michigan BAC Pension Fund. First, as is indicated at page \_\_\_ of the main text of the Summary, participants in these plans may qualify for unreduced early retirement benefits based on both Michigan BAC Pension Fund benefits and per-merger benefits under their old plans if they meet certain standards. Second, the Trustees increased pre-merger benefits by 1.3333 percent for persons who were Active Participants on May 1, 1999.

## APPENDIX A - CHAPTER 40, TRAVERSE CITY, MICHIGAN

Chapter 40 joined the Fund effective October 1, 1991. The following special rules apply to persons who were Chapter 40 members prior to that date.

**Initial Eligibility.** Chapter 40 members who worked at least 300 hours during the period October 1, 1991 through April 30, 1992 became eligible to participate in the Plan.

**Past Service Credit for Vesting.** Chap-

ter 40 members who became Fund participants prior to April 30, 1992 received vesting service credit for their years of continuous employment within the jurisdiction of Chapter 40 prior to October 1, 1991. Continuous membership in Chapter 40 through October 1, 1991 is acceptable evidence of continuous employment within the jurisdiction of Chapter 40.

### **Special Service Credit for Benefit**

**Accrual.** Chapter 40 members who became Fund participants prior to April 30, 1992 receive credit for contributions made to the Fund or one of its predecessor funds, but only if the amount of contributions made on their behalf would have been sufficient to receive a “Year of Service” in the year in which the contributions were made.

### **NORMAL RETIREMENT ELIGIBILITY:**

Chapter 40 members who received past service credit for vesting did not have to participate in the Fund for 10 years to be eligible for Normal Retirement, provided they were credited with at least 10 Years of Service under the Fund for vesting purposes.

## APPENDIX B - CHAPTER 17, KALAMAZOO, MEMBERS

The Pension Plan for Bricklayers and Allied Craftsmen International Union Local No. 17, Kalamazoo, Michigan (“Local 17 Plan”) was merged into the Michigan BAC Pension Fund effective May 1, 1993.

# Summary Plan Description Appendices

(Continued)

Protected benefits earned under the Local 17 Plan prior to May 1, 1993 are preserved by the Michigan BAC Pension Fund. Therefore, Participants who participated in the Local 17 Plan prior to May 1, 1993 generally can elect to have their benefit earned under the Local 17 Plan prior to May 1, 1993 paid as permitted by Local 17 Plan. But, any benefits earned after April 30, 1993 are subject only to the provisions of the Michigan BAC Pension Fund and can be paid only at the times and in the forms permitted by the Michigan BAC Pension Fund.

The following special rules apply to pre-May 1, 1993 Local 17 Plan benefits.

## **NORMAL RETIREMENT:**

Unreduced pre-May 1, 1993 Local 17 Plan benefits can be received as early as age 62 and completion of 10 years of service or upon the later of age 65 or five years of Local 17 Plan participation.

## **EARLY RETIREMENT:**

Reduced pre-May 1, 1993 Local 17 Plan benefits can be received as early as age 55 and completion of 10 Years of Service (counting certain periods of continuous employment before September 30, 1969 by employers who had contracts with Local 17). These benefits are reduced to the actuarial equivalent of normal pension benefits (to take into account their early start) using Local 17 Plan actuarial assumptions.

## **CONTINGENT ANNUITANT OPTION:**

Local 17 Plan participants, subject to applicable spousal consent requirements, in addition to the options available under the Michigan BAC Plan may elect to be paid pre-May 1, 1993 Local 17 Plan benefits in the form of that plan's "contingent annuitant" option. Under this option, a participant can elect to receive an actuarially reduced annuity that will pay a benefit to the participant during his or her lifetime and a survivor benefit to a person designated by the participant. The amount of benefit payable may be subject to tax law limitations.

## **VESTING:**

Local 17 Plan vesting was "ten year cliff vesting" which is slower than that available under the Michigan BAC Pension Fund.

## **BENEFIT FORMULA FACTORS:**

Local 17 Plan benefits currently are computed based on the sum of (a) \$5.00 multiplied by pre-October 1, 1969 Credited Service, (b) \$5.00 multiplied by years of credited service before October 1, 1970 and after October 1, 1969, (c) \$8.00 multiplied by years of Credited Service before October 1, 1979 and after October 1, 1970, and (d) \$24.00 multiplied by years of Credited Service after October 1, 1979 and (e) \$32.00 multiplied by years of Credited Service before October 1, 1989 if one hour of service after October 1, 1989.

## **DISABILITY BENEFIT:**

Eligible Local 17 Plan participants can



# Summary Plan Description Appendices

(Continued)

elect to receive disability benefits in amounts and under the circumstances those benefits were payable under the Local 17 Plan.

## **APPENDIX C - CHAPTER 10, PORT HURON, MEMBERS**

No special rules apply to pre-June 1, 1993 participation by Chapter 10 members.

## **APPENDIX D - CHAPTER 1, GRAND RAPIDS, MEMBERS**

The Bricklayers and Allied Craftsmen Local No. 1, Michigan Defines Benefit Pension Plan ("Local 1 Plan") was merged into the Michigan BAC Pension Fund effective April 30, 1995. Protected benefits earned under the Local 1 Plan prior to April 30, 1995 are preserved under the Michigan BAC Pension Fund, and are generally paid under the terms of the Local 1 Plan. Therefore, Participants who participated in the Local 1 Plan prior to the merger generally can elect to have pre-April 30, 1995 benefits paid as permitted by the Local 1 Plan. Any benefits earned after April 29, 1995 can be paid only at the times and in the forms permitted by the Michigan BAC Pension Fund.

The following special rules apply to pre-April 30, 1995 Local 1 Plan benefits.

### **NORMAL RETIREMENT:**

Unreduced pre-April 30, 1995 Local 1 Plan benefits can be received upon retirement

after the earlier of the date the participant reaches age 65 or the date the participant reaches age 65 and has participated in the Local 1 Plan for 5 years.

### **EARLY RETIREMENT:**

Reduced pre-April 30, 1995 Local 1 Plan benefits can be received upon retirement after age 60 with 10 Years of Local 1 Plan Credited Service. These benefits are reduced by 1/2 of 1 percent for each month that the benefits starts before the date the Participant would be eligible for unreduced benefits.

### **BENEFIT FORMULA FACTORS:**

Local 1 Plan benefits currently are based on the following formula. For retirements and terminations after May 1, 1991 and before May 1, 1994, \$15 multiplied by years of Local 1 Plan pre-May 1, 1994 Credited Service. For retirements and terminations after April 30, 1994, 3.75% of Employer Contributions made directly to the Local 1 Plan on behalf of the Participant for each Plan Year in which the Participant is credited with 400 Hours of Service.

## **APPENDIX E - CHAPTER 14 (15), JACKSON, MEMBERS**

The Bricklayers Local No. 14(15) Jackson Pension Plan ("Local 14(15) Plan") was merged into the Michigan BAC Pension Fund effective April 30, 1995. Protected benefits earned under the Local 14 Plan prior to April 30, 1995 are preserved under the Michigan



# Summary Plan Description Appendices

(Continued)

BAC Pension Fund, and are generally paid under the terms of the Local 14(15) Plan. Therefore, Participants who participated in the Local 14(15) Plan prior to the merger generally can elect to have pre-April 30, 1995 benefits paid as permitted by the Local 14(15) Plan. Any benefit earned after April 29, 1995 can be paid only at the times and in the forms permitted by the Michigan BAC Pension Fund.

The following special rules apply to pre-April 30, 1995 Local 14(15) Plan benefits.

## **NORMAL RETIREMENT:**

Unreduced pre-April 30, 1995 Local 14(15) Plan benefits can be received upon retirement at age 65.

## **EARLY RETIREMENT:**

Reduced pre-April 30, 1995 benefits can be received upon retirement after age 60 with at least 10 years of Credited Service. These benefits are reduced to the actuarial equivalent of normal pension benefits (to take into account their early start) using Local 14(15) Plan actuarial assumptions.

## **VESTING:**

Local 14 (15) Plan vesting was “ten year cliff vesting” which is slower than that available under the Michigan BAC Pension Fund.

## **BENEFIT FORMULA FACTORS:**

Local 14(15) Plan benefits currently are computed based on the following factors. For a Local 14(15) Plan participant who termi-

nates after July 30, 1991, and 120 hours worked credited after that date, \$20 multiplied by pre-April 30, 1995 Local 14(15) Plan Years of Service, provided that the Local 14(15) Plan accrued benefit of a participant whose benefit begins after November 30, 1991 always is the greater of his accrued benefit as of November 30, 1991 (determined using “Benefit Service” or “Alternate Benefit Service”) or the benefit determined using the sum of Benefit Service for Hours Worked after January 1, 1992 plus Benefit Service for Hours worked after 1991.

## **APPENDIX F - LOCAL 6, UPPER PENINSULA, MEMBERS**

No special rules apply to pre-May 1, 1995 participation by Local 6 members.

## **APPENDIX G - CHAPTER 3 ADRIAN, MEMBERS**

No special rules apply to pre-July 1, 1995 participation by Chapter 3 members.

## **APPENDIX H - CHAPTER 5, MUSKEGON, MEMBERS**

The Pension Plan for Bricklayers and Allied Craftsmen International Union Local No. 5 of Michigan (“Local 5 Plan”) was merged into the Michigan BAC Pension Fund effective December 31, 1996. Protected



# Summary Plan Description Appendices

(Continued)

benefits earned under the Local 5 Plan prior to December 31, 1996 are preserved under the Michigan BAC Pension Fund, and are generally paid under the terms of the Local 5 Plan. Therefore, Participants who participated in the Local 5 Plan prior to the merger generally can elect to have pre-December 31, 1996 benefits paid as permitted by the Local 5 Plan. Any benefits earned after December 31, 1996 can be paid only at the times and in the forms permitted by the Michigan BAC Pension Fund.

The following special rules apply to pre-December 31, 1996 Local 5 Plan benefits.

## **NORMAL RETIREMENT:**

Unreduced pre-December 31, 1996 Local 5 Plan benefits can be received upon retirement after the later of the date the Participant reaches age 60 or the five years after the Participant began participating in the Local 5 Plan.

## **EARLY RETIREMENT:**

Reduced pre-December 31, 1996 Local 5 Plan benefits can be received upon retirement after age 60 with at least 10 Local 5 Plan Years of Service. These benefits are reduced to the actuarial equivalent of normal pension benefits (to take into account their early start) using Local 5 Plan actuarial assumptions.

## **CONTINGENT ANNUITANT OPTION:**

Local 5 Plan vesting was 10 year graded vesting. A Local 5 Plan Participant becomes vested in his pre-December 31, 1996 Local 5

Plan benefit according to the following schedule:

<b>Vesting Service</b>	<b>Vested Percentage</b>	<b>If 1 hour Vested after 4/1/89</b>
Less than 3 years	0%	0%
3 but less than 4 years	50%	50%
4 but less than 5 years	50%	50%
5 but less than 6 years	50%	60%
6 but less than 7 years	60%	80%
7 but less than 8 years	70%	100%
8 but less than 9 years	80%	100%
9 but less than 10 years	90%	100%
10 or more years	100%	100%

## **BENEFIT FORMULA FACTORS:**

Pre-December 31, 1996 Local 5 Plan benefits for Local 5 Plan participants who were credited with at least one pre-December 31, 1996 Local 5 Plan Hour of Service after March 31, 1991 is based on the sum of (a) \$11 provided the Participant completed one year of Local 5 Plan Credited Service before April 1, 1966 (or July 1, 1970 for Union B and C Participants) and was a Participant on April 1, 1966 for Participants represented by Union A or July 1, 1970 for Participants represented by Union B or C; and (b) for Participants represented by Union A, the sum of (i) \$6.22 multiplied years of Local 5 Plan Credited Service or represented by the Union A from April 1, 1966 to April 1, 1970, and (ii) \$14.85 multiplied by pre-December 31, 1996 Years of Local 5 Plan Credited Service after April 1977; (c) for Participants employed or represented by Union B, the sum of (i)

# Summary Plan Description Appendices

(Continued)

\$14.85 multiplied by years of Local 5 Plan Credited Service before March 31, 1977 and (ii) \$25.85 multiplied by pre-December 31, 1996 years of Local 5 Plan Credited Service after April 1977; and (c) for Participants employed or represented by Union C the sum of (i) \$6.22 multiplied by years of Local 5 Plan Credited Service from July 1, 1976 to April 1, 1977 and (ii) \$34.10 multiplied by pre-December 31, 1996 years of Local 5 Plan Credited Service after April 1, 1977.

## APPENDIX I - CHAPTER 21, BATTLE CREEK, MEMBERS

The Pension Plan for Bricklayers and Allied Craftsmen International Union Local No. 21 (“Local 21 Plan”) was merged into the Michigan BAC Pension Fund effective April 30, 1997. Protected benefits earned under the Local 21 Plan prior to April 30, 1997 are preserved under the Michigan BAC Pension Fund, and are generally paid under the terms of the Local 21 Plan. Therefore, Participants who participated in the Local 21 Plan prior to the merger generally can elect to have pre-April 30, 1997 benefits paid as permitted by the Local 21 Plan. Any benefits earned after April 29, 1997 can be paid only at the times and in the forms permitted by the Michigan BAC Pension Fund.

The following special rules apply to pre-April 30, 1997 Local 21 Plan benefits.

### NORMAL RETIREMENT:

Unreduced pre-April 30, 1997 Local 21 Plan benefits can be received upon retirement after age 62 and completion of 5 years of Local 21 Plan participation.

### EARLY RETIREMENT:

Reduced pre-April 30, 1997 Local 21 Plan benefits can be received as early as age 55 and completion of 10 Years of Service. These benefits are reduced to the actuarial equivalent of normal pension benefits (to take into account their early start) using Local 21 Plan actuarial assumptions.

### CONTINGENT ANNUITANT OPTION:

Local 21 Plan participants, subject to applicable spousal consent requirements, in addition to the options available under the Michigan BAC Plan may elect to be paid pre-April 30, 1997 Local 5 Plan benefits in the form of that plan’s “contingent annuitant” option. Under this option, a participant can elect to receive an actuarially reduced annuity that will pay a benefit to the participant during his or her lifetime and a survivor benefit to a person designated by the participant. The amount of benefit payable may be subject to tax law limitations.

### VESTING:

Local 21 Plan vesting was “ten year cliff vesting” which is slower than that available under the Michigan BAC Pension Fund.

# Summary Plan Description Appendices

(Continued)

## **BENEFIT FORMULA FACTORS:**

Local 21 Plan benefits for Local 21 Participants who retire or terminate after June 30, 1990 currently are based on the sum of (a) years of Local 21 Plan Credited Service before July 1, 1966 multiplied by \$5.40, (b) for all Participants except tilesetters, years of Local 21 Plan Credited Service after June 30, 1966 and before July 1, 1979 multiplied by \$14, (c) for all Participants except tilesetters, years of Local 21 Plan Credited Service after June 30, 1979 and before July 1, 1990 multiplied by \$18.50, (d) for all Participants except tilesetters, years of Local 21 Plan credited service after June 30, 1990 multiplied by \$39.50, (e) for tilesetters, years of Local 21 Plan Credited Service after June 30, 1966 and before July 1, 1979 multiplied by \$13.25 and (f) for tilesetters, years of pre-April 30, 1997 Local 21 Plan Credited Service after June 30, 1979 multiplied by \$14.00.

## **APPENDIX J - CHAPTER 12, FLINT, MEMBERS**

The Bricklayers and Allied Craftsmen International Union Local 12 Pension Fund ("Local 12 Plan") was merged into the Michigan BAC Pension Fund effective April 30, 1997. Protected benefits earned under the Local 12 Plan prior to April 30, 1997 are preserved under the Michigan BAC Pension Fund, and are generally paid under the terms of the Local 12 Plan. Therefore, Participants who participated in the Local 12 Plan prior to the merger generally can elect to have pre-

April 30, 1997 benefits paid as permitted by the Local 12 Plan. Any benefit earned after April 29, 1997 can be paid only at the times and in the forms permitted by Michigan BAC Pension Fund.

The following special rules apply to pre-April 30, 1997 Local 12 Plan benefits.

### **NORMAL RETIREMENT:**

Unreduced pre-April 30, 1997 Local 12 Plan benefits can be received upon retirement after the earlier of (a) the later of age 60 or 10 years of Local 12 Plan participation, or (b) age 65 of 5 years of Local 12 Plan participation.

### **EARLY RETIREMENT:**

Reduced pre-April 30, 1997 Local 12 Plan benefits can be received upon retirement after age 55 with at least 10 years of Local 12 Plan Credited Service. These benefits will be reduced by 1/4 of one percent for each month by which you are younger than age 60 when benefit payments first begin.

### **SOCIAL SECURITY ADJUSTMENT BENEFIT:**

Local 12 Plan participants, subject to applicable spousal consent rules, may elect to receive their pre-April 30, 1997 Local 12 Plan benefit in the form of annuity for your lifetime, which pays you a higher payment during the years before you are eligible for Social Security and a reduced benefit once you are eligible for Social Security. The amounts of your payments before and after you become eligible for Social Security will be computed

# Summary Plan Description Appendices

(Continued)

by the Fund based on the estimated Social Security amount that you provide and the Local 12 Plan's rules for determining actuarial equivalent benefits.

## **VESTING:**

Local 12 Plan vesting was "ten year cliff vesting" which is slower than that available under the Michigan BAC Pension Fund.

## **BENEFIT FORMULA FACTORS:**

Local 21 Plan benefits for active participants who retire after December 31, 1993 currently are based on \$48.50 multiplied by years of Benefit Accrual Service.

## **INSTALLMENT SURVIVING SPOUSE BENEFIT:**

As an alternative to the legally required spouse death benefit, surviving spouses of Local 12 Plan participants can elect to receive the actuarial equivalent of the legally required surviving spouse benefit based on pre-April 30, 1997 Local 12 Plan years of service in 60 monthly installments.

## **APPENDIX K – CHAPTER 14 ANN ARBOR MEMBERS**

The Trowel Trades Local No. 14 Pension Fund (Local 14 Ann Arbor Plan) was merged into the Michigan BAC Pension Fund effective September 1, 1998. Protected benefits earned under the Local 14 Plan prior to September 1, 1998 are preserved under the Michigan BAC Pension Fund, and are gener-

ally paid under the terms of the Local 14 Ann Arbor Plan. Therefore, Participants who participated in the Local 14 Ann Arbor Plan prior to the merger generally can elect to have pre-September 1, 1998 benefits paid as permitted by the Local 14 Ann Arbor Plan. Any benefit earned after August 31, 1998 can be paid only at the times and in the forms permitted by Michigan BAC Pension Fund.

The following special rules apply to pre-September 1, 1998 Local 14 Ann Arbor Plan benefits.

## **NORMAL RETIREMENT:**

Unreduced pre-September 1, 1998 Local 14 Ann Arbor Plan benefits can be received upon retirement after age 65 or 5 years of Local 14 Ann Arbor Plan participation.

## **EARLY RETIREMENT:**

Reduced pre-September 1, 1998 Local 14 Ann Arbor Plan benefits can be received upon retirement after age 60 with at least 10 years of Local 14 Ann Arbor Plan Credited Service (including 2 post-1998 years). These benefits will be reduced by 1/2 of one percent for each month by which you are younger than age 65 when benefit payments first begin.

## **VESTING:**

Local 14 Ann Arbor Plan vesting was five year "cliff vesting", which is the same as that currently available under the Michigan BAC Pension Fund.



# Summary Plan Description Appendices

(Continued)

## **BENEFIT FORMULA FACTORS:**

Local 14 Ann Arbor Plan benefits for active participants who retire with more than 600 Hours of Work after August 31, 1992 currently are based on \$26.00 multiplied by years of Benefit Accrual Service; \$22.00 for active participants who retire with less than 600 Hours of Work after August 31, 1992 but more than 600 post-August 31, 1999 Hours of Work and \$18.00 for active participants who retire with less than 600 Hours of Work after August 31, 1991.

## **INSTALLMENT SURVIVING SPOUSE BENEFIT:**

As an alternative to the legally required spouse death benefit, surviving spouses of Local 14 Ann Arbor Plan participants can elect to receive the actuarial equivalent of sixty monthly payments of the deceased Participant's benefit beginning at the deceased Participant's Normal Retirement Age based on pre-September 1, 1998 Local 14 Ann Arbor Plan Credited Service.









