

## FROM THE BOARD OF TRUSTEES

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### *To All Participants:*

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The rules in this booklet apply to participants who retire from active covered employment on or after January 1, 2008.

We are pleased to present you with this new booklet describing the benefits in effect as of January 1, 2008 for participants of the Cement Masons' Local 502 Pension Plan.

The Plan has grown and many benefit increases and improvements have been made since the Cement Masons' Local 502 Pension Plan was established on September 20, 1955 by the Cement Masons' Local No. 502 and the Concrete Contractors Association of Greater Chicago, the Builders Association of Chicago, Illinois, and the Illinois Road Builders Association. Recent enhancements include an enhanced formula for determining pension amounts (page 7), more liberal eligibility for the bonus benefit (page 12) and spousal eligibility for the Return of Contributions pre-retirement death benefit (page 15).

The Trustees are proud of the progress that has been made by the Pension Plan in meeting the goal of providing the highest retirement benefits possible within a sound financial framework. We believe the Pension Plan provides you with a substantial measure of security during your retirement years. The Trustees continue to review the Plan, seeking ways of providing increased benefits whenever improvements can be made on a sound financial basis.

This booklet should be read carefully so that you will become familiar with all of the benefits to which you are entitled. Please retain the booklet for future reference. We urge you to share this material with your family since the Plan is for their benefit as well. If you have any questions, please feel free to contact the Fund Office.

With best wishes for the future,

*The Board of Trustees*

Cement Masons' Local 502 Pension Plan

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### **Important Note About This Booklet**

This booklet is a Summary Plan Description of the Pension Plan of Cement Masons' Union Local 502 as restated and amended through January 1, 2008. This Summary Plan Description does not apply to former participants who retired or left covered employment prior to January 1, 2008; the provisions of the Plan in effect at the time of retirement or leaving covered employment would apply.

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# TABLE OF CONTENTS

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	<b>FROM THE BOARD OF TRUSTEES .....</b>	<b>1</b>
	<b>HIGHLIGHTS AND OVERVIEW .....</b>	<b>1</b>
	Becoming Covered Under the Plan.....	4
	Eligibility to Receive Benefits From the Plan (Vesting) .....	4
	<b>PENSION CREDITS AND BENEFIT UNITS .....</b>	<b>5</b>
	Pension Credits .....	5
	Benefit Units .....	5
	<b>NORMAL RETIREMENT .....</b>	<b>7</b>
	<i>Eligibility for a Normal Retirement Pension .....</i>	<i>7</i>
* New *	Pension Amount.....	7
	Normal Retirement Pension Example .....	8
	<b>EARLY RETIREMENT.....</b>	<b>10</b>
	Eligibility for an Early Retirement Pension.....	10
	Pension Amount.....	10
	Early Retirement Pension Example.....	10
	<b>BONUS BENEFIT.....</b>	<b>12</b>
* New *	<i>Eligibility for a Bonus Benefit.....</i>	<i>12</i>
	Bonus Benefit Amount .....	12
	<b>DISABILITY RETIREMENT .....</b>	<b>13</b>
	Eligibility for a Disability Pension.....	13
	Pension Amount.....	13
	<b>DEFERRED VESTED PENSION (for Vested Participants Who</b>	
	Leave Covered Employment).....	14
	Eligibility for a Deferred Vested Pension .....	14
	Pension Amount.....	14
	<b>SURVIVOR PROTECTION.....</b>	<b>15</b>
	Survivor Protection Before You Retire.....	15
	Eligibility for Pre-Retirement Survivor Benefits.....	15
	Married Participants (50% Survivor Pension) .....	15
* New *	<i>Married and Unmarried Participants (Return of Contributions).....</i>	<i>15</i>
	Survivor Protection After You Retire .....	15
	<b>PAYMENT OPTIONS.....</b>	<b>16</b>
	Life-Only Pension.....	16
	50% Joint and Survivor Pension .....	16
	Optional Forms of Payment .....	16
	100% Joint and Survivor Pension.....	16
	50% Joint and Survivor Pension With Pop-Up .....	17
	100% Joint and Survivor Pension With Pop-Up .....	17
	Examples of Joint and Survivor Pensions .....	17
	Ten-Year Certain Option .....	18
	Partial Lump Sum Potion .....	18

**LOSS OF PENSION CREDITS AND BENEFIT UNITS ..... 19**  
 Break in Service ..... 19  
 Maternity/Paternity/Family Leave Absences ..... 19  
 Returning to Covered Employment After a Break Year ..... 20  
 Returning to Covered Employment After a Break in Service ..... 20  
**RETURNING TO WORK AFTER RETIREMENT ..... 21**  
 Suspension of Pension Benefits ..... 21  
 Recovery of Overpayments ..... 21  
**FREQUENTLY ASKED QUESTIONS ..... 22**  
**APPLYING FOR A PENSION ..... 24**  
**GENERAL PLAN PROVISIONS ..... 25**  
 Trustee Authority ..... 25  
 Qualified Domestic Relations Orders (QDROs) ..... 25  
 Non-Alienation of Benefits ..... 26  
 Facility of Payment ..... 26  
 Required Information ..... 26  
 Qualification of Plan ..... 26  
 IRS Distribution Requirements ..... 26  
 Rollovers ..... 27  
 Withholding of Taxes ..... 27  
 If the Plan is Terminated ..... 27  
**IMPORTANT TERMS AND DEFINITIONS ..... 28**  
**INFORMATION REQUIRED BY ERISA ..... 30**  
 Statement of ERISA Rights ..... 30  
 Claim Denials and Appeal Procedures ..... 31  
     Claim Denials ..... 31  
     How to Request a Review of Your Denied Claim ..... 32  
     Claim Appeal Procedures ..... 33  
 Additional Information About This Plan ..... 34  
     Name of Fund/Plan ..... 34  
     Type of Pension Plan ..... 34  
     Name of Agent for the Service of Legal Process ..... 34  
     Name and Address of the Plan Administrator ..... 34  
     Board of Trustees ..... 34  
     Employer Identification Number (EIN) and Plan Number (PN) ..... 35  
     Plan/Fund Year ..... 35  
     Collective Bargaining Agreements; Source of Financing ..... 35  
     Accumulation of Assets; Payment of Benefits ..... 35  
     Description of Provisions for Non-Forfeitable Pension Benefits ..... 35  
     Circumstances That Can result in Disqualification, Ineligibility or  
     Denial of Pension Benefits ..... 36  
     **Coverage by the Pension Benefit Guaranty Corporation ..... 36**  
     About this Booklet ..... 37  
**PLAN PROFESSIONALS ..... 38**  
**BOARD OF TRUSTEES ..... 39**



# HIGHLIGHTS AND OVERVIEW

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## BENEFITS PROVIDED BY THE PLAN

For more info refer to the section starting on:

page 7

page 12

page 10

page 13

page 14

page 15

page 16

Your Pension Plan provides the following once you have met the applicable eligibility requirements:

- A monthly pension for life when you reach retirement age (age 62 with 15 pension credits, or age 60 with 30 pension credits).
- A bonus benefit payable in addition to your monthly pension (for participants with 21 or more pension credits).
- Early retirement benefits as early as age 55.
- A disability pension if you are disabled.
- The right to a pension if you leave covered employment before you are ready to retire (vesting).
- Benefits in the event of your death either before or after you retire.
- Several different ways to receive your pension, including the ability to take part of your pension in a lump sum upon retirement.

## BECOMING COVERED UNDER THE PLAN

You are eligible for participation in the Pension Plan if you work for a participating employer in a position that requires your employer to make contributions to the Fund on your behalf (“covered employment”).

Employees of employers or the Union who have entered into agreements with the Trustees calling for contributions into the Pension Fund are also eligible to participate, as are employees of the Cement Masons’ Local 502 Pension and Welfare Funds.

You become a participant in the Plan as soon as you have accrued 250 hours in covered employment.

## ELIGIBILITY TO RECEIVE BENEFITS FROM THE PLAN (VESTING)

Your vesting rights are determined by your pension credits. Once you have accrued 5 pension credits, your pension is “vested” and cannot be forfeited. Pension payments begin only when you have reached the required age and have sufficient pension credits. The amount of your pension benefit depends upon your pension credits and benefit units.



## PENSION CREDITS AND BENEFIT UNITS

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The more pension credits and benefit units you have earned the greater your pension.

Your eligibility for a pension depends on your pension credits. The amount of your pension depends on both your pension credits and your benefit units. Your vesting status depends on your pension credits.

### PENSION CREDITS

The following schedule shows the pension credit which you earn in a calendar year based on the number of hours you worked in covered employment.

Hours Worked in Covered Employment in a Calendar Year	Pension Credit
1,000 or more	1 pension credit
750 thru 999	3/4 pension credit
500 thru 749	1/2 pension credit
250 thru 499	1/4 pension credit
0 thru 249	-0-

### BENEFIT UNITS

The Plan counts work on and after January 1, 1974 in the form of “benefit units,” and uses those benefit units to determine the amount of your pension benefit. You earn benefit units during each calendar year you are credited with at least 1/4 pension credit) or had at least 10 pension credits on January 1 of that calendar year.

Each 100 hours of covered employment per year earns one benefit unit.

You earn one benefit unit for each 100 hours worked in covered employment during the year. All your hours of covered employment are added together and counted, whether you work for one, two or more employers during the calendar year. There is no maximum on the number of benefit units you can earn in a year. The greater your hours worked in covered employment, the greater your benefit units. The following table shows how your benefit units are determined.



Hours Worked in Covered Employment in a Calendar Year	Benefit Units	Hours Worked in Covered Employment in a Calendar Year	Benefit Units
0-99	0*	1,100-1,199	11
100-199	1*	1,200-1,299	12
200-299	2*	1,300-1,399	13
300-399	3	1,400-1,499	14
400-499	4	1,500-1,599	15
500-599	5	1,600-1,699	16
600-699	6	1,700-1,799	17
700-799	7	1,800-1,899	18
800-899	8	1,900-1,999	19
900-999	9	2,000-2,099	20
1,000-1,099	10	etc. (no maximum)	

\* Certain restrictions apply.

You may also receive benefit units for hours that you are not at work and not paid directly by your employer. An example is an absence for sickness for which you are paid from the Cement Mason's Local 502 Welfare Fund. The maximum number of benefit units you can earn in a calendar year for all creditable absences combined is 10.

The Fund Office can give you more information on how your benefit units are determined.

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### Losing Pension Credits and Benefit Units

If you incur a break in service, all of your previously earned years of service are permanently canceled. If you are vested (5 pension credits are required for participants who had 250 or more hours of employment on or after January 1, 1999), however, your pension credits and benefit units cannot be canceled.

For more information see "Loss of Pension Credits and Benefit Units" starting on page 19.

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## **NORMAL RETIREMENT**

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### **ELIGIBILITY FOR A NORMAL RETIREMENT PENSION**

#### **15/62 Rule**

You are eligible for a normal retirement pension when you have met the following requirements:

- You have reached age 62; and
- You have earned 15 or more pension credits.

Under the 30/60 rule an eligible participant with 30 pension credits can receive an unreduced pension at age 60.

#### **30/60 Rule**

This Plan also has a “30/60 rule” for participants who retire from active covered employment on or after January 1, 1999. Under the 30/60 rule, you are eligible for a normal retirement pension when:

- You have reached age 60; and
- You have earned 30 or more pension credits.

#### **Age 65 Rule**

If you do not have 15 pension credits, your normal retirement date is the first day of the month following your 65<sup>th</sup> birthday, provided you are a Plan participant.

### **PENSION AMOUNT**

You may retire and begin receiving a normal retirement pension on or after your “normal retirement date”-the first day of the month following the date you meet both the age and service requirements.

The amount of your monthly pension benefit is based on:

- Your pension credits and benefit units; and
- The benefit levels in effect at the time you left covered employment.

The amount of the normal retirement pension payable under the Plan has been increased over the years. A full history of the benefits in effect at various dates can be obtained from the Fund Office.

If you retire on or after January 1, 2007 (with 250 or more hours of covered employment during 2006 or a subsequent plan year) and are eligible for a normal retirement pension, your monthly benefit will be calculated as follows:

- \$8.00 for each pension credit accrued prior to December 31, 1973;

PLUS



The difference between pension credits and benefit units is explained in the prior section.

- \$3.50 for each benefit unit accrued January 1, 1974 – December 31, 1984;

PLUS

- \$9.00 for each benefit unit accrued January 1, 1985 – December 31, 2000;

PLUS

- \$10.00 for each benefit unit accrued January 1, 2001 – December 31, 2008;

PLUS

- \$9.00 for each benefit unit accrued on or after January 1, 2009.

If you incur a break in covered employment, your benefits may differ from those shown above.

### NORMAL RETIREMENT PENSION EXAMPLE

Let's say you began work in covered employment January 1, 1974, and retire at age 62 on January 1, 2008, after 34 years of service.

Your normal retirement pension would be calculated as follows:

- 168 benefit units accrued 1/1/74-12/31/84 x \$3.50 = \$588.00, based on the following history:

In order to determine the number of benefit units earned in a year, round total hours down to nearest hundred and divide by 100.

<u>Year</u>	<u>Hours</u>	<u>Benefit Units</u>	<u>Year</u>	<u>Hours</u>	<u>Benefit Units</u>
1974	1,508	15	1980	1,909	19
1975	1,945	19	1981	1,414	14
1976	1,422	14	1982	1,586	15
1977	1,467	14	1983	1,341	13
1978	1,533	15	1984	1,418	<u>14</u>
1979	1,608	16	TOTAL		168

PLUS

- 198 benefit units accrued 1/1/85-12/31/00 x \$9.00 = \$1,782.00, based on the following work history:

<u>Year</u>	<u>Hours</u>	<u>Benefit Units</u>	<u>Year</u>	<u>Hours</u>	<u>Benefit Units</u>
1985	1,563	15	1994	1,324	13
1986	1,612	16	1995	1,264	12
1987	1,607	16	1996	1,056	10
1988	1,511	15	1997	1,590	15
1989	1,428	14	1998	1,502	15
1990	1,337	13	1999	1,071	10
1991	1,088	10	2000	1,023	<u>10</u>
1992	679	6	TOTAL		198
1993	833	8			

PLUS

- 107 benefit units accrued 1/1/01-12/31/07 x \$10.00 = \$1,070.00, based on the following work history:

<u>Year</u>	<u>Hours</u>	<u>Benefit Units</u>
2001	1,803	18
2002	1,619	16
2003	1,588	15
2004	1,371	13
2005	1,518	15
2006	1,448	14
2007	1,688	<u>16</u>
	Total	107

Your monthly normal retirement pension on a life-only basis, is equal to:

$$\$588.00 + \$1,782.00 + \$1,070.00 = \$3,440.00$$

A description of the life-only form of payment and the other optional forms of payment provided by the Plan are in "Payment Options" starting on page 16.

The above example shows how to determine the amount you would receive under the life-only form of payment. Actuarial reductions would usually be made to this amount for other forms of payment. For example, if you are married, your benefits will be paid as a 50% joint and survivor pension, unless you and your wife reject this form of payment prior to retirement and you elect another option. A 50% joint and survivor pension usually provides you with a somewhat smaller monthly pension during your lifetime so that payments can continue to your spouse after your death.

In this example, however, you qualify for an unreduced 50% joint and survivor benefit because you have at least 15 pension credits, assuming your spouse is no more than 10 years younger than you (see "50% Joint and Survivor Pension" on page 16). Your 50% joint and survivor pension would provide you with \$3,440.00 per month for the remainder of your life, and if your spouse outlives you, she will then receive 50% of that amount (\$1,720.00) each month for the rest of her life.



## EARLY RETIREMENT

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### ELIGIBILITY FOR AN EARLY RETIREMENT PENSION

Retirement before age 62 is called early retirement (unless you qualify for normal retirement under the 30/60 rule).

You are eligible for an early retirement pension when you have met the following requirements:

- You have reached age 55; and
- You have earned 15 or more pension credits.

You may retire and begin receiving an early retirement pension on the first day of any month after you satisfy these requirements.

### PENSION AMOUNT

If you retire early, your pension will be calculated in the same way that your normal retirement pension is determined. Your monthly benefit will be based on your pension credits and benefit units, and the benefit levels in effect at the time you leave covered employment. Since you can expect to receive monthly benefits for a longer period of time, the amount payable each month will be less than your normal monthly retirement benefit.

To calculate the amount of the early retirement pension payable during your lifetime only:

- First, determine your normal retirement pension payable at age 62 (see the Normal Retirement section); and
- Second, reduce this amount by 1/3% for every month, or 4% for every year, that your pension commencement date precedes your 62nd birthday. The table below summarizes the early retirement percentages that apply:

<u>Age at Retirement</u>	<u>Early Retirement Percentage</u>
55	72%
56	76%
57	80%
58	84%
59	88%
60	92%
61	96%
62	100%

### Early Retirement Pension Example

**Determining Early Retirement Percentage** - The table above shows only the percentages that apply to whole years. Your actual early retirement percentage will be determined by months also. For example, if you have at least



15 pension credits and want to determine the amount your pension would be reduced if you retire at age 58 and 4 months, you would determine the total number of months until your 62nd birthday, multiply that number by 1/3%, and subtract the result from 100. The calculations are as follows:

$$\begin{array}{r} 62 \text{ years} + 0 \text{ months} \\ -58 \text{ years} + 4 \text{ months} \\ \hline 3 \text{ years} + 8 \text{ months} = 44 \text{ months} \end{array}$$

$$\begin{array}{l} 44 \text{ months} \times 0.333 \text{ (1/3\%)} = 14.67 \\ 100 - 14.67 = 85.33\% \end{array}$$

**Determining Benefit Amount** - The early retirement percentage is applied to the amount you would have received if you retired at normal retirement age. In the normal retirement example on page 8 your monthly pension amount was \$3,440.00 at age 62. If you were 58 and 4 months instead, your early retirement pension amount would be calculated as follows:

- Normal retirement pension (\$3,440.00) is multiplied by 85.33%, the early retirement percentage determined above.
- On a life-only basis, your early retirement pension would be:

$$\$3,440.00 \times 85.33\% = \$2,935.35 \text{ per month.}$$

Note that the 30/60 rule does not apply to this example because you are under age 60.

**30/60 Rule** -If you were age 60 instead of age 58, the 30/60 rule would apply (since you have at least 30 pension credits). Your retirement benefit at age 60 would be the same as your normal retirement benefit, or \$3,440.00 per month.

A description of the life-only form of payment and the other optional forms of payment provided by the Plan are in "Payment Options" starting on page 16.

**Adjustment for Form or Payment** - The above examples show how to determine the amount you would receive under the life-only form of payment. Actuarial reductions would usually be made to this amount for other forms of payment, including the 50% joint and survivor form of payment, the normal distribution method for married participants.



## BONUS BENEFIT

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### ELIGIBILITY FOR A BONUS BENEFIT

You need 21 pension credits in order to receive the bonus benefit.

You will be eligible for an additional one-time bonus benefit when you retire if:

- You have a minimum of 21 pension credits; and
- You retire on or after January 1, 2007; and
- You have at least  $\frac{3}{4}$  of a pension credit in each of the two plan years immediately preceding your retirement.

This benefit is in addition to any other pension benefits payable by the Plan.

### BONUS BENEFIT AMOUNT

The bonus benefit is payable to eligible participants in addition to their monthly early or normal retirement benefit.

If you meet the service requirements above, the amount of your bonus benefit will be as follows:

<u>Pension Credits</u> <u>At Retirement</u>	<u>Bonus Amount</u>
21	\$ 3,000
22	\$ 6,000
23	\$ 9,000
24	\$12,000
25	\$15,000
26	\$18,000
27	\$21,000
28	\$24,000
29	\$27,000
30	\$1,000 per pension credit

There is no maximum limit on the number of pension credits you can accrue, and therefore, no maximum limit on your bonus benefit. If you have 30 pension credits, you will receive \$30,000; if you have 31 pension credits, you will receive \$31,000; and so on.

You will not receive bonus benefits for reciprocal pension credits.

Your bonus benefit will be paid when you retire and begin receiving a monthly pension benefit.

Once you have received a bonus benefit, you will not receive a second bonus benefit if you later return to covered employment and earn one or more additional pension credits.

# DISABILITY RETIREMENT

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## ELIGIBILITY FOR A DISABILITY PENSION

You are eligible for a disability retirement pension (disability pension) if you have met the following requirements:

- You are permanently disabled; and
- You have earned 10 or more pension credits; and
- You have not received any other pension benefits from this Plan; and
- You incurred your disability prior to the first anniversary of the last day of your covered employment in a calendar year for which you received pension credits (or before the third anniversary if you were on medical leave since you last worked in covered employment).

To be considered permanently disabled you must qualify for Social Security disability benefits. However, you are not entitled to a disability pension if the Trustees determine that your disability resulted either from an injury suffered while engaged in criminal conduct, or service in the armed forces that entitles you to a veteran's disability pension.

## PENSION AMOUNT

Your monthly disability pension amount is \$750.00.

Your disability pension is payable as of the first day of the month following the date your disability began. The Trustees will examine all pertinent information, including statements from your physician(s), in determining the date your permanent disability began.

Your disability pension will be payable only for as long as you remain disabled, or until your normal retirement date, whichever occurs first. You may be periodically required to submit proof to the Trustees of the continuance of the disability.

If your disability continues until your normal retirement date, your normal retirement pension will begin. If you recover from your disability prior to your normal retirement date, you will no longer be eligible for a disability pension. If, after your disability ends, you go back to work and earn additional pension credits and benefit units, your pension when you retire will consider your total pension credits and benefit units under the Plan provisions then in effect.

While you are receiving a disability pension, you will receive non-working credits at the rate of 8 credits per day up to 20 hours per week, up to a maximum of 1,000 credits per period of disability. A non-working credit is counted as an hour of covered employment for the purpose of determining the amount of your normal retirement pension.



# DEFERRED VESTED PENSION

## (FOR VESTED PARTICIPANTS WHO LEAVE COVERED EMPLOYMENT)

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### ELIGIBILITY FOR A DEFERRED VESTED PENSION

When you become “vested,” it means that the pension credits and benefit units you previously earned cannot be lost, even if you stop working for employers participating in the Plan. As a vested employee, you have a right to a pension beginning at your normal retirement date, or in reduced amount as early as age 55, if you had 15 pension credits.

You can become vested at any age, provided you have earned 5 or more pension credits. The 5-year vesting rule applies to participants who had 250 or more hours of employment on or after January 1, 1999. If you do not have 250 or more hours of employment since January 1, 1999, the vesting rule in effect at the time you left covered employment will apply.

### PENSION AMOUNT

As with a normal or early retirement pension, your deferred vested pension will be paid as a 50% joint and survivor pension if you are married, unless you and your spouse elect otherwise prior to retirement.

You should apply for your deferred vested pension in writing during the six-month period preceding the date you wish your pension payments to begin.

It is to your advantage to obtain verification of your vested status as soon as you leave covered employment.



## **SURVIVOR PROTECTION**

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Survivor protection both before and after you retire is an important part of your Pension Plan. The Plan allows you to provide pension payments after your death to your spouse, or in some cases to some other person. Some of the survivor benefits are provided automatically, while others require an election. Since the choice of survivor benefits is an important retirement decision, please read the following section carefully.

### **SURVIVOR PROTECTION BEFORE YOU RETIRE**

#### **Eligibility for Pre-Retirement Survivor Benefits**

Survivor benefits are payable if your death occurs:

- After you have become vested; and
- Before you started receiving pension benefits, or, if you were receiving a disability pension, before your normal retirement date.

#### **Married Participants (50% Survivor Pension)**

If you are legally married at the time of your death, survivor benefits will be paid to your spouse. The amount payable will be 50% of the amount that would have been payable to you if you had retired with a 50% joint and survivor pension before your death. Payments to your spouse will begin on the later of the first day of the month after your death, or the earliest date you could have commenced your pension under the Plan. This amount may be reduced if your spouse is more than 10 years younger than you.

Survivor benefits are payable on a monthly basis for the life of your spouse.

#### **Married and Unmarried Participants (Return of Contributions)**

Be sure you have  
an up-to-date  
beneficiary card on file at  
the Fund Office at all times

If you are not legally married at the time of your death, your named beneficiary will receive a lump sum payment of the amount contributed to the Plan by employers on your behalf. This is sometimes referred to as a "return of contributions" benefit. This provision was effective January 1, 2004 and only applies to deaths on or after that date. Effective January 1, 2006, this provision is also available to surviving spouses in lieu of the above 50% Survivor Pension.

### **SURVIVOR PROTECTION AFTER YOU RETIRE**

Your pension will be in the form of a 50% joint and survivor benefit if you are married when you retire, unless you and your spouse elect another form of payment. Under a 50% joint and survivor pension, your spouse will automatically continue to receive 50% of your pre-death pension benefit if you predecease before your spouse. For more information about 50% joint and survivor pensions, and a description of the other distribution options available under the Plan, see "Payment Options" starting on page 16.



## **PAYMENT OPTIONS**

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### **LIFE-ONLY PENSION**

If you are not married when your pension becomes payable, you will normally receive a monthly pension benefit for the rest of your life. This is called a life-only pension.

### **50% JOINT AND SURVIVOR PENSION**

If you are legally married when your pension becomes payable, your monthly benefit will automatically be payable in the form of a 50% joint and survivor pension, unless you and your spouse reject this form of payment in writing before your pension begins. The 50% joint and survivor form of benefit provides a reduced monthly benefit for you so that after your death 50% of your pre-death benefit will be paid to your surviving spouse for the rest of her life.

No reduction factor will be applied if you retire from active covered employment on or after January 1, 2000 with 15 or more pension credits, provided you have 250 hours of service in any plan year starting with the 1999 plan year, and further provided that your spouse is no more than 10 years younger than you.

### **OPTIONAL FORMS OF PAYMENT**

If you are married, and if your spouse consents, you can waive the 50% joint and survivor form of payment and elect one of the other optional forms of distribution explained below.

If you are not married, you can elect the ten-year certain option which is also explained below.

### **100% Joint and Survivor Pension**

Under the 100% joint and survivor option, you would receive a reduced benefit during your lifetime. Then, after your death 100% of your pre-death benefit will be payable to your spouse for her lifetime. The reduction factor used to determine your monthly benefit will be based on your age and your spouse's age. Because your spouse receives a higher amount upon your death than under the 50% joint and survivor benefit, your pre-death benefit will be lower than it would be under a 50% joint and survivor pension.

However, if you retire from active covered employment on or after January 1, 2000 with 15 or more pension credits, the initial amount payable will be calculated using the reduction factors that normally apply to a 50% joint and survivor distribution, provided you have 250 hours of service in any plan year starting with the 1999 plan year. This means that your monthly



benefit will be higher than otherwise provided by the 100% joint and survivor actuarial table.

### 50% Joint and Survivor Pension With Pop-Up

If you retire with 15 or more pension credits and qualify for a 50% joint and survivor benefit with no reduction, you do not need the pop-up option. See the examples below.

This option is like the regular 50% joint and survivor distribution in that it provides you with a monthly benefit payable to you during your lifetime, and 50% of that benefit payable upon your death to your spouse for the rest of her life. However, if your spouse dies before you, your monthly benefit will increase (“pop up”) to the benefit amount that would have been payable under the life-only form of payment, and you will receive the monthly amount you would have received at retirement if you had not been married at the time. You will receive that higher amount for the rest of your life.

The initial amount payable to you will be calculated based on factors such as your age and your spouse’s age. Because of the increased amount you could receive if your spouse predeceases you, the actuarial reduction will be even greater than under the regular 50% joint and survivor distribution.

### 100% Joint and Survivor Pension With Pop-Up

This form of payment is like the regular 100% joint and survivor distribution, but your benefit will increase (“pop-up”) to your life-only benefit amount if your spouse predeceases you. You will receive that higher amount for the remainder of your lifetime.

The reduction factor used to determine your initial monthly benefit will be based on your age and your spouse’s age. If you retire from active covered employment on or after January 1, 2000 with 15 or more pension credits, and if you have 250 or more hours of service in any plan year starting with the 1999 plan year, the amount payable will be calculated using the reduction factors that normally apply to a 50% joint and survivor benefit with pop-up. This means that your monthly benefit will be higher than otherwise provided by the 100% joint and survivor distribution with pop-up.

### Examples of Joint and Survivor Pensions

Ask the Fund Office for estimates before you retire.

Assume you are age 62, have 15 pension credits and are eligible to receive a normal retirement pension of \$2,000 per month. If you are married and your spouse is age 59, your benefit payable under the joint and survivor options with and without the pop-up feature would be as follows:

<i>Pensioner Who Retired from Active Covered Employment at Age 62</i>			
<i>• 3 Years Older Than Spouse • 15 Pension Credits • \$2,000 Life-Only Benefit</i>			
	50% J&S	100% J&S	100% J&S With Pop-Up
Amount payable to <u>YOU</u>	\$2,000	\$1,740	\$1,700
Amount payable to your <u>SPOUSE</u> upon your death	\$1,000	\$1,740	\$1,700
Amount payable to <u>YOU</u> upon your spouse's death	\$2,000	\$1,740	\$2,000



## Ten-Year Certain Option

Under this option, you will receive a benefit for the rest of your life; however, your pension payments are guaranteed for a minimum of 10 years. If you die within 10 years after you retire, your beneficiary will continue to receive the same benefit you were getting for the balance of the 10 years (120 months). After a total of 120 monthly payments are made, your beneficiary's benefits will cease.

## Partial Lump Sum Option

The tax rules for lump sum distributions are very complex. You may wish to consult a tax advisor before electing this option.

This form of payment allows you to choose a reduced monthly pension benefit in exchange for an up-front lump sum payment when your pension starts. Your lump sum payment can be rolled into a qualified individual retirement account (see "Rollovers" on page 27).

You will be eligible for this form of distribution if:

- You are eligible for a normal, early or deferred vested retirement pension; and
- You retire on or after January 1, 2000.

You can elect a 5%, 10% or 15% up-front payment. Your monthly benefit will be reduced by the percentage you choose, and then calculated based on the form of payment you elect (life-only, 50% joint and survivor, etc.) For example, if your monthly benefit under the form of payment you elected would otherwise have been \$3,000, but you choose to take a 15% lump sum payment, your monthly benefit will now be \$2,550 (15% of \$3,000 equals a reduction of \$450). The amount you will receive as a lump sum upon retirement will be calculated using actuarial factors such as your age, the effective date of your pension and federal tax laws.

If you choose a partial lump sum payment, your spouse must also consent to this election.

This option can only be elected at the time you apply for your pension benefit. Once approved by the Trustees, it cannot be revoked.



## **LOSS OF PENSION CREDITS AND BENEFIT UNITS**

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The Pension Plan is designed to provide retirement benefits to employees who have long and continuous years of service with employers participating in the Fund. As you work for a participating employer, you continue to earn both pension credits and benefit units. Since your pension is based on these pension credits and benefit units, the longer you work for an employer, the greater your pension will be. Although you may intend to continue your employment with participating employers until you retire, there may be situations that will prevent you from doing so. Therefore, you should be aware of the circumstances that could cause you to lose or forfeit your benefits under this Plan.

If you incur a break in service, all of your previously earned years of service (pension credits and benefit units) are permanently canceled. If you are vested (5 pension credits are required for participants who had 250 or more hours of employment on or after January 1, 1999), however, your pension credits and benefit units cannot be canceled. Also, once you are vested you cannot incur a break in service.

### **BREAK IN SERVICE**

A “*break year*” is a calendar year in which you do not have at least 250 hours of covered employment. (For calendar years prior to 1985, break years are determined by the rules in effect at that time.) There are certain situations which will entitle you to non-working credits and prevent you from incurring a break in service. If you think you have an unusual situation, contact the Fund Office for additional information.

If you are not vested, you will incur a permanent break in service and lose all of your previously earned pension credits and benefit units when the number of consecutive break years you incur equals the greater of five or the number of your previously accrued pension credits.

If you are vested (5 pension credits are required for participants who had 250 or more hours of employment on or after January 1, 1999), however, your pension credits and benefit units cannot be cancelled—and you cannot incur a permanent break in service.

### **MATERNITY/PATERNITY/FAMILY LEAVE ABSENCES**

In general, if you are absent from work due to pregnancy, birth, adoption, immediate post-natal child care, or qualified family and medical leave, you will be credited with the additional hours of service required to prevent a break in service in the year of the absence, or, in some cases, the following year. These hours are credited solely for purposes of preventing a break in service.



## **RETURNING TO COVERED EMPLOYMENT AFTER A BREAK YEAR**

If you incur one or more break years before you are vested, but then you return to covered employment before a permanent break in service, your pension when you retire will consider all of your pension credits and benefit units both before and after the break year provided you return to covered employment. Depending on the length of your break, different benefit levels may be applicable in determining your pension amount.

## **RETURNING TO COVERED EMPLOYMENT AFTER A BREAK IN SERVICE**

A break in service permanently cancels all of your previously accumulated pension credits and benefit units. Therefore, if you return to work after a break in service, you will be considered a new participant with no previous service.



## RETURNING TO WORK AFTER RETIREMENT

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Once you retire and begin receiving pension payments you cannot lose your pension. Payments will be suspended, however, for months during which you work in covered employment or industry employment.

### SUSPENSION OF PENSION BENEFITS

You should contact the Fund Office for more specific information if you are contemplating returning to work.

If you are *under* normal retirement age (normal retirement age is age 62 if you have 15 or more pension credits, age 60 if you have 30 or more pension credits, and otherwise age 65) your pension will be suspended for months during which you have one or more hour of covered employment or industry employment.

If you are *over* normal retirement age, your pension will be suspended for months during which you have 40 or more hours of covered employment or industry employment.

“Industry employment” (which is defined on page 28) generally means work in any of the trades or jobs covered by Cement Masons’ Local 502 that is performed within the jurisdiction of the Cement Masons Northern Illinois District Council. If you are not sure whether certain employment would result in a suspension of your benefits, you may ask the Administrative Manager or the Trustees to review the employment you are considering and to advise you whether that employment would result in a suspension of your pension benefits.

When you discontinue such employment, you will be entitled to all pension benefits from the first day of the calendar month following the cessation of your disqualifying employment.

If you return to covered employment, you will be able to earn additional benefit units. When you again retire, your pension will be recalculated to consider your additional benefit units. However, you will not be eligible for another bonus benefit or partial lump sum payment.

### RECOVERY OF OVERPAYMENTS

If you receive pension benefits for any month during which your benefits should have been suspended, your future benefits may be reduced until the overpayment has been paid back to the Fund. Unless and until the overpayment has been recovered in full, the Fund may withhold up to by 25% of your monthly benefits.



## FREQUENTLY ASKED QUESTIONS

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### **Which of my years of employment are counted?**

Any year during which you work in a position requiring employer contributions on your behalf is counted, provided that you have 250 hours of covered employment during that year prior if you are not vested, or 100 hours of covered employment during that year if you are vested.

### **Can I keep working after age 62?**

You may postpone your retirement past your normal retirement date and retire at a later time. If you do, your retirement pension will be determined based on your pension credits and benefit units earned as of your actual retirement date.

### **If I work as a teenager or after age 65 will I still earn pension credits and benefit units?**

Yes. There are no minimum or maximum age restrictions.

### **Can I lose my previously earned pension credits and benefit units?**

You may. If you incur a break in service, all previously accumulated service is lost. See "Loss of Pension Credits and Benefit Units" starting on page 19.

### **How can the Fund Office help me plan for retirement?**

You may request a statement of your total earned pension benefit, including your vested pension benefit, if any, on the earliest date at which you will become vested. Your request should be made in writing and may not be made more often than once a year. If you are considering retirement or are interested in your pension status, we suggest you should contact the Fund Office.

### **Can I roll a lump sum benefit into an IRA?**

You may wish to consult a tax advisor before electing a rollover.

In many cases, yes. If you are entitled to a benefit that is eligible for rollover, you can have all or any portion of your payment paid in a direct rollover, meaning that your payment will be made directly to your IRA or another eligible retirement plan.

### **Can a creditor force me to sign over my pension benefit?**

No. For your protection, assignments, pledges and the like are prohibited.

### **How is my pension affected if I get divorced before retiring?**

If a Qualified Domestic Relations Order stipulates the payment of part of your pension benefits to your ex-spouse, the Plan must make such payments and your benefits will be reduced accordingly.



### **What happens if I get divorced after electing a joint & survivor pension?**

You cannot switch to another form of payment after you start receiving your pension benefits.

When you apply for early, normal or deferred vested retirement benefits, you must elect the form of payment you wish to receive. You cannot revoke or change your election later. So if you get divorced after you have begun receiving any form of joint and survivor benefit, your ex-spouse will receive the survivor portion of your pension if you die before she does.

### **If my spouse dies while I am receiving a joint & survivor pension and then I remarry, will my new spouse receive survivor benefits upon my death?**

No, You cannot change your beneficiary after your pension benefits start.

### **What happens if I get married after electing a life-only pension?**

You will not be able to change to a form of payment that provides survivor protection for your new spouse. You cannot revoke or change your election after you start receiving benefits.

### **Will I receive a refund of money paid on my behalf by my employer if I leave covered employment prior to retirement?**

No. Contributions made by employers are deposited into the Pension Trust Fund, which is used for the exclusive benefit of Plan participants. Since the Pension Plan was designed to provide pension benefits to employees who become eligible under the Plan, refunding employer contributions to employees leaving covered employment would not fulfill the purpose of the Plan.

### **Do Social Security benefits affect my pension or vice versa?**

No. You may receive benefits from Social Security in addition to the benefits you will get from the Pension Plan, and your Social Security benefits will not be reduced because you are receiving pension benefits from this Plan.

### **Can I work after retirement?**

As explained on page 21, your pension benefits can be suspended for months during which you work in covered employment or industry employment. The rules differ for persons under normal retirement age (normally, age 62) and persons over normal retirement age. If you are not sure whether certain employment would result in a suspension of your benefits, you may ask the Administrative Manager or the Trustees to review the employment you are considering and to advise you whether that employment would result in a suspension of your pension benefits.



# APPLYING FOR A PENSION

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## How Do I Apply for a Pension?

Notify the Fund Office at the address below well in advance of the date you plan to retire. When applying for a pension, you will be provided with a pension application and instructions for submitting the application together with other required forms and information. You will also be required to submit proof of your age and your spouse's age. For this purpose, a copy of your birth certificate and marriage certificate is required.

In the event of your death, your surviving spouse should request an application for a surviving spouse pension from the Fund Office. She will be required to submit documentation concerning your marriage and death.

## Fund Office

When you are ready to retire, or if you would like an estimate of your pension benefit, contact the Fund Office and request the appropriate forms.

Fund Office  
Cement Masons' Local 502 Pension Fund  
739 South 25th Avenue  
Bellwood, Illinois 60104  
(708) 544-9105 ext. 10

When writing or telephoning the Fund Office please give your name, Social Security number, home address and telephone number and employer's name and address.



## GENERAL PLAN PROVISIONS

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### Trustee Authority

Any interpretation of the Plan's provisions rests with the Board of Trustees. However, the Board of Trustees has authorized the Administrative Manager to handle routine requests from participants regarding eligibility, benefits and application procedures. But, if there are questions involving interpretation of any Plan provisions, the Administrative Manager will secure a final determination from the Board of Trustees for you. No person other than a Trustee or the Administrative Manager, acting with the consent to the full Board of Trustees, may provide interpretations of Plan provisions.

The Administrative Manager's name address and telephone number are on page 38.

Although the Trustees expect to maintain and to improve benefits, this can only be done within the limits of available financial resources. The Trustees have an obligation to make whatever Plan changes are necessary to assure the financial stability of the Plan.

The Trustees also may change the Plan in any way to protect its tax-exempt status under Internal Revenue Service rules. From time to time, these rules may change and the Trustees may have to amend certain Plan provisions in order to preserve the tax-exempt status of your Plan.

The Trustees or persons acting for them, such as an appeal committee, have sole authority to make final determinations regarding any application for benefits and the interpretation of the Plan, the Trust Agreement and any other regulations, procedures or administrative rules adopted by the Trustees. Decisions of the Trustees (or, where appropriate, decisions of those acting for the Trustees) in such matters are final and binding on all persons dealing with the Plan or claiming a benefit from the Plan. If a decision of the Trustees or those acting for the Trustees is challenged in court, it is the intention of the parties to the Trust that such decision is to be upheld unless it is determined to be arbitrary or capricious.

The Board of Trustees is the sole judge of the standards of proof required in any case, and their decision on such matters shall be final and binding.

The Trustees have the right to alter, amend or modify the Plan at any time in accordance with the laws governing the Plan.

### Qualified Domestic Relations Orders (QDROs)

If you are divorced, the court may issue a "Qualified Domestic Relations Order" (QDRO) instructing the Trustees to pay all or part of your benefit to an alternate payee (your former spouse, child or other dependent). The alternate payee may not begin receiving benefits from the Fund under the QDRO before you attain early retirement age and have met the eligibility requirements under the Plan. The order may also affect your former spouse's right to a survivor's benefit. The Trustees are required by law to recognize and comply with QDROs. If you would like a copy of the QDRO procedures, call or write the Administrative Manager.



**Non-Alienation of Benefits**

Plan benefits are intended only to protect you and your beneficiary. Except as provided under a Qualified Domestic Relations Order, neither you nor your beneficiary can assign, alienate, transfer, encumber, pledge, mortgage, hypothecate, anticipate or impair in any manner his legal or beneficial interest in the benefits payable by the Pension Plan. You cannot borrow on them and your creditors may not attach them.

**Facility of Payment**

In the event a distribution is to be made to a person who is under a legal disability or is incapacitated in any way so as to be unable to manage his financial affairs, the Administrative Manager may make payments to his legal representative, or to a relative or friend of such person, or the Administrative Manager may apply the payment for the benefit of such person in such manner as the Administrative Manager considers advisable. Any payment made in accordance with this provision shall be a complete discharge of any liability for the making of such payment.

**Required Information**

Participants and beneficiaries must furnish any information the Trustees consider necessary or desirable for the purposes of administering the Plan. Any Plan payments are conditional upon receipt of true and complete information necessary to document a person's entitlement to a benefit.

**Qualification of Plan**

Your Pension Plan is subject to economic and mortality fluctuations, however, every possible effort will be made by the Trustees to make certain that the maximum benefits actuarially allowable will be paid.

Actuarial calculations will be made by our actuarial consultant at least once every year to assure a smooth flow of benefits and establishment of adequate reserves.

It is intended that at all times the Pension Plan will be fully "qualified" by the Internal Revenue Service, and authority has been given to the Trustees to amend or change the terms and provisions of the Trust Agreement and/or Pension Plan as may be required to maintain this qualified status.

**IRS Distribution Requirements**

None of the benefit distribution options described in this booklet will be available unless the distributions to you and your beneficiary satisfy the certain minimum distribution requirements established by the Internal Revenue Code. (The government generally requires minimum payments to begin no later than April 1st following the year in which you reach age 70 1/2.)

Also, current federal income tax laws limit the amount of pension benefits a participant may receive. The maximum amount a person can receive varies based on the person's year of birth, retirement age and year of retirement. If your accrued benefit exceeds any of the federal limits, the Plan has no choice but to reduce your benefit to the maximum amount allowed. (Note that if you are eligible for a benefit that would otherwise exceed the federal limit you may be able to keep within the limit by electing a different method of payment.)



An accurate calculation of your accrued benefit amount and the maximum amount payable under the law cannot be done until you retire. However, an approximate preliminary estimation can be made before then.

**Rollovers**

Under the tax laws, lump sum payments of pension benefits may be eligible for tax-free rollover to an IRA or another eligible retirement plan. Whether or not a plan is an “eligible retirement plan” is determined in accordance with IRS rules. If you are entitled to a benefit that is eligible for rollover, you can have all or any portion of your payment paid in a direct rollover, meaning that your payment will be made directly to your IRA or another eligible retirement plan. The Fund Office will help you determine whether you can elect a rollover, and will explain your rights and obligations regarding rollovers and withholding requirements.

**Withholding of Taxes**

Certain federal and state withholding requirements may be applicable to your benefits. The Fund Office will provide you with additional information when you apply for your benefits.

**If the Plan is Terminated**

Although the Trustees have no intention of doing so, they have the right to terminate the Plan at any time. For example, a Plan can be terminated if its assets are inadequate to carry out the intent and purpose of its trust agreement, or inadequate to meet the current or future payments due. If the Plan is terminated, the Plan assets will be distributed in the order of priority set by the Employee Retirement Income Security Act of 1974 (ERISA) which regulates pension plans. The Plan document sets forth an allocation procedure in which priorities are set forth for payment of various classes of benefits in the event that assets upon termination are inadequate to pay all benefits.



## IMPORTANT TERMS AND DEFINITIONS

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There are certain words and phrases that are frequently used throughout this description of your Pension Plan. The following definitions will help you to understand these words and phrases, and will aid in understanding your pension benefits.

<b>Benefit Units</b>	Benefit units are units based on the number of hours in covered employment and are used in the determination of your pension amount. You earn one benefit unit for each 100 hours of covered employment during a calendar year.
<b>Break in Service; Break Year</b>	See “Loss of Pension Credits and Benefit Units” starting on page 19.
<b>Covered Employment</b>	This is the time you work for an employer in a position requiring employer contributions into the Fund on your behalf. In certain situations, covered employment may also include your employment before the date employer contributions to the Pension Fund were first made.
<b>Early Retirement Age</b>	The 55th birthday of a participant who has accumulated at least 15 pension credits and who has not reached normal retirement age.
<b>Employer</b>	Any business organization which has entered into a collective bargaining agreement with the Union or a participation agreement with the Trustees calling for contributions into the Pension Fund on behalf of its eligible employees.
<b>Hour of Covered Employment</b>	Each hour of employment for which a participant’s employer is obligated to make a contribution to the Pension Fund on the participant’s behalf.
<b>Industry Employment</b>	Any period during which a participant is employed in any capacity involving industry or related operations, as determined by the Trustees, within the jurisdiction of the Cement Masons Northern Illinois District Council.
<b>Normal Retirement Age</b>	The earlier of: <ol style="list-style-type: none"><li>The participant’s 62nd birthday if he has accumulated at least 15 pension credits;</li><li>The participant’s 60th birthday if he has accumulated at least 30 pension credits; or</li><li>The participant’s 65th birthday if he is working in covered employment on that date.</li></ol>
<b>Participant</b>	An employee becomes a participant under this Plan on the date he accrues 250 hours of covered employment. He will remain a participant until his death unless he incurs a break year.



<b>Pension Credits</b>	Pension credits are the years or units of years you must have worked in covered employment in order to qualify for pension benefits. Pension credits earned prior to January 1, 1974 are also used in the determination of your pension amount. (“Benefit units” are used from 1974 on).
<b>Retirement</b>	The period after you qualify for a pension under the Plan and start to receive monthly pension payments is considered “retirement.” Once you start receiving pension payments you will always be considered to be in retirement status. Note that once you are in retirement there are certain types of employment which are prohibited. This is explained further in the section entitled “Returning to Work After Retirement” starting on page 21.
<b>Union</b>	Cement Masons’, Rock Asphalt and Composition Floor Finishers, Local Union No. 502.
<b>Vested</b>	When you become “vested,” you cannot lose your pension credits or benefit units, and your right to a pension benefit upon reaching early or normal retirement age is guaranteed. You become vested when you have earned 5 or more pension credits. The 5-year vesting rule applies to participants who had one or more hours of employment on or after January 1, 1999. The vesting rules applicable to other participants depend on the vesting rules in effect at the time they left covered employment.

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### **Pronouns Used in This Booklet**

To avoid awkward wording, this booklet generally uses masculine pronouns—such as “he” or “his”—to refer to participants and other persons, and feminine pronouns—such as “she” or “her” when referring to spouses. All such pronouns refer to persons of either sex, unless the context clearly indicates otherwise. Similarly, the singular may include the plural unless the singular is clearly indicated by the context.

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# INFORMATION REQUIRED BY ERISA

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## STATEMENT OF ERISA RIGHTS

As a participant in the Cement Masons' Local 502 Pension Fund, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

### Receive Information About Your Plan and Benefits

- Examine, without charge, at the Administrative Manager's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Administrative Manager, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary Plan description. The administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Administrative Manager is required by law to furnish each participant with a copy of this summary annual report.

### Prudent Actions by Plan Fiduciaries

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

### Enforce Your Rights

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court



may require the Administrative Manager to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. If you believe that Plan fiduciaries misuse the Plan's money, or if you believe you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees.

### **Assistance With Your Questions**

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Administrative Manager, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration. You may also find answers to your questions and a list of EBSA field offices at the website of the EBSA at [www.dol.gov/ebsa](http://www.dol.gov/ebsa).

### **How to Read or Get Plan Material**

You can read the material listed in the previous section by making an appointment at the Fund Office during normal business hours. This same information can be made available for your examination at certain locations other than the Fund Office. The Fund Office will inform you of these locations and tell you how to make an appointment to examine this material at these locations. Also, copies of the material will be mailed to you if you send a written request to the Fund Office. There may be a small charge for copying some of the material. Before requesting material, call the Fund Office to find out the cost. If a charge is made, your check must be attached to your written request for the material. The Fund Office address and phone number are shown on page 38 (same as the Administrative Manager).

## **CLAIM DENIALS AND APPEAL PROCEDURES**

### **Claim Denials**

1. Approval or denial of a claim for any type of benefit, other than a claim for a disability pension, will normally be made within 90 days after the claim has been received by the Fund Office. Additional time may be

required in special cases. If so, the claimant will be notified in writing within 90 days after the claim is received. The written notification will explain the special circumstances necessitating the extension, and give the date by which the Fund Office expects to make a final decision on the claim. The extension will not last more than 90 days, which means that the maximum claim processing time is 180 days (the initial 90 days plus one 90-day extension).

2. Approval or denial of a claim for a disability pension will normally be made within 45 days after the claim has been received by the Fund Office. If additional time is required because of circumstances beyond the Plan's control, the 45-day period can be extended by 30 days. If the 30-day extension is not sufficient, the Fund Office can take a second 30-day extension. The claimant will be notified in writing if an extension is needed before the end of the initial 45-day period (or, for a second extension, before the end of the first 30-day extension), and the written notification will explain the special circumstances that necessitate the extension, and the date by which the Fund Office expects to make a final decision on the claim.
3. If the Fund Office needs additional material or information to process a claim, and if the Fund Office requests that material in writing, the need for the additional material is considered to be a circumstance that requires an extension.
4. If a claim is denied, the Fund Office will send a written notice to the claimant stating the specific reason or reasons for the denial, making reference to pertinent Plan provisions on which the denial was based. If applicable, the notice will also describe any additional material or information necessary to process the claim, along with an explanation of why such material or information is necessary. A notice of claim denial will also include an explanation of the Plan's appeal procedures.

### **How to Request a Review of Your Denied Claim**

1. Any claimant whose claim has been denied in whole or in part may request a full and fair review (referred to in these procedures as an "appeal") by filing a written request for review with the Fund Office. If you are a pensioner and your pension payments are suspended or stopped for any reason, you have the right to appeal that decision. A notice of appeal must be received by the Fund Office not more than 60 days after receipt by the claimant of the written denial or suspension notice (180 days for disability pensions).
2. Send your request for review to the following address:  
Cement Masons' Local 502 Pension Fund  
739 South 25th Avenue  
Bellwood, Illinois 60104
3. Your appeal is considered to have been filed on the date the written request for review is received at the Fund Office.



## Claim Appeal Procedures

1. If you wish, another person may represent you in connection with an appeal. If another person claims to be representing you in your appeal, the Trustees have the right to require that you provide them with a signed statement advising the Trustees that you have authorized that person to act on your behalf regarding your appeal. Any representation by another person will be at your own expense.
2. In connection with your appeal, you or your authorized representative may review pertinent documents and may submit issues and comments in writing.
3. The appeal will be considered by the Board of Trustees, or at the Board's discretion, by an appeal committee. The decision on your appeal will be made promptly, and will not ordinarily be made later than the Board's next regularly scheduled quarterly meeting. If the appeal is filed within 30 days of the next scheduled meeting, the appeal may be heard at the second regularly scheduled quarterly meeting.
4. If special circumstances (such as the need to hold a hearing) require a further extension of time for processing, a benefit determination will be rendered not later than the third meeting of the Board following the Fund Office's receipt of the request for review. If such an extension of time for review is required because of special circumstances, the Fund Office will notify you in writing of the extension, describing the special circumstances and the date as of which the benefit determination will be made, prior to the commencement of the extension.
5. You or your authorized representative may request to appear before the Board of Trustees, or the Trustees may require your personal attendance at a hearing regarding your review. You will be notified if your request is granted, or if your attendance is required.
6. Once your appeal has been decided, the Board of Trustees will advise you in writing within 60 days following the meeting at which the appeal was considered (within 5 days if the appeal was for a disability pension). If the Trustees uphold the denial of your claim, you will then have the right to file suit under the Employee Retirement Income Security Act (ERISA). Also, if your appeal is denied, you are entitled to receive, upon request and at no cost, copies of documents and information that the Fund Office relied on in denying your claim.

If the decision on a claim or the decision on appeal is not furnished within the time limits stated in these procedures, the claim or appeal is deemed to have been denied. No claim shall be considered to have been denied until the claimant has exhausted all the procedures described in these processing and appeal procedures.



## **ADDITIONAL INFORMATION ABOUT THIS PLAN**

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### **Name of Fund/Plan**

The name of the fund providing this Plan is the Pension Fund of Cement Masons' Union Local No. 502. The pension benefit plan provided by this Fund is referred to in this booklet as the Cement Masons' Local No. 502 Pension Plan.

### **Type of Pension Plan**

The Cement Masons' Local 502 Pension Plan is a defined benefit plan maintained for the purpose of providing retirement, disability and survivor benefits to eligible participants and eligible beneficiaries. This Plan is not an insurance policy and no benefits are provided by or through an insurance company.

### **Name of Agent for the Service of Legal Process**

The agent whom the Trustees have appointed for service of legal process is shown on page 39. Legal process may also be served on the Administrative Manager or on any Trustee.

### **Name and Address of the Plan Administrator**

The Board of Trustees is the Plan Administrator. The address of the Board of Trustees is:

Board of Trustees  
Cement Masons' Local 502 Pension Plan  
739 South 25<sup>th</sup> Avenue  
Bellwood, Illinois 60104

The Trustees are assisted in the administration of the Plan by an Administrative Manager who is responsible for routine administrative duties and processing claims and benefit payments. The name and address of the Administrative Manager is:

Mr. Patrick J. La Cassa  
Cement Masons' Local 502 Pension Plan  
739 South 25<sup>th</sup> Avenue  
Bellwood, Illinois 60104

### **Board of Trustees**

Your Plan is sponsored and administered by a joint labor-management Board of Trustees. The Board is divided equally between Trustees selected by the Union and by Trustees appointed by contributing employers. The Trustees authorize benefit payments, and make all decisions regarding questions, interpretations and applications of Plan provisions. The procedures and rules which the Trustees establish are designed to insure the financial security of the Fund, and to provide for the equitable treatment of all partici-



pants. Only the Board of Trustees has the authority to alter the terms of the Plan or to modify the benefits provided by amending the Plan. The names of the individual members of the Board of Trustees is on page 39.

### **Employer Identification Number (EIN) and Plan Number (PN)**

The Employer Identification Number (EIN) assigned by the Internal Revenue Service is 51-6034597. The Plan Number (PN) is 001.

### **Plan/Fund Year**

January 1 through December 31.

### **Collective Bargaining Agreements; Source of Financing**

The Fund receives contributions from employers who have entered into collective bargaining agreements with the Union and from employers who have special participation agreements with the Trustees. The exact dollar amount of the contribution is determined by collective bargaining between the Union and the employers.

Information as to whether a particular employer is participating in the Fund, and the address of such employer, is available upon written request to the Fund Office. For information concerning the terms of your collective bargaining agreement, contact the Fund Office.

### **Accumulation of Assets; Payment of Benefits**

Employer contributions are received and held in trust by the Trustees pending the payment of benefits and administrative expenses. Fund assets, including investment income, will be retained for the exclusive benefit of participants and their beneficiaries, and to pay administrative expenses, and will not revert to the employer(s). Forfeitures that occur when a person terminates participation in the Plan prior to becoming vested shall be applied to reduce the cost of the Plan and not to increase the benefits otherwise payable to participants.

The Trustees invest the Fund's assets in a diversified investment portfolio managed by professional investment managers.

The level of benefits is determined actuarially to take into consideration: contribution income, mortality rates, turnover of employees, general economic conditions, and other factors affecting Fund income and costs. Benefits will only be paid to the extent that assets are available in the Fund.

### **Description of Provisions for Non-Forfeitable Pension Benefits**

The types of benefits provided and the Plan's requirements with respect to participation, eligibility and vesting are described in this booklet. An employee who was a participant in this Plan on or after January 1, 1999 can



achieve vested status upon accumulating 5 pension credits or attainment of normal retirement age.

### **Circumstances That Can Result in Disqualification, Ineligibility or Denial of Pension Benefits**

The circumstances that may result in disqualification, ineligibility or denial or loss of any benefits, are described in this booklet.

### **Coverage Provided by the Pension Benefit Guaranty Corporation**

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

The PBGC provides financial assistance through loans to plans that are insolvent. A multiemployer plan is considered insolvent if the plan is unable to pay benefits (at least equal to the PBGC's guaranteed benefit limit) when due. The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by: (1) 100% of the first \$11 of the monthly benefit accrual rate and (2) 75% of the next \$33. The PBGC's maximum guarantee limit is \$35.75 per month times a participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be \$12,870.

The PBGC guarantee generally covers: (1) normal and early retirement benefits; (2) disability benefits if you become disabled before the plan becomes insolvent; and (3) certain benefits for your survivors. The PBGC guarantee generally does not cover: (1) benefits greater than the maximum guaranteed amount set by law; (2) benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the earlier of: (i) the date the plan terminates, or (ii) the time the plan becomes insolvent; (3) benefits that are not vested because you have not worked long enough; (4) benefits for which you have not met all of the requirements at the time the plan becomes insolvent; and (5) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

For more information about the PBGC and the benefits it guarantees, ask your Plan Administrator or contact the PBGC at P.O. Box 151750, Alexandria, VA 22315-1750 or call 800-400-7242 (toll free) or 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 800-400-7242. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.



## About This Booklet

This booklet is a comprehensive Summary Plan Description which summarizes the official Plan documents. We have tried to write this summary in clear, understandable and informal language. However, you should refer to the official Plan documents for more extensive information. Official Plan documents include the Trust Agreement, collective bargaining agreements, Pension Plan, the latest Plan Annual Report, and documents relating to the Cement Masons' Local 502 Pension Fund.

If you wish to examine the formal documents establishing or maintaining the Fund, they are available for inspection at the Fund Office.

To obtain a copy of any document, write to the Fund Office asking for what you want. The Fund Office will state the charge for specific documents on request so that you may find out the cost before ordering. Such charge will not be more than 25¢ per page or the actual cost of the entire document. Please direct all requests to:

Cement Masons' Local 502 Pension Fund  
739 South 25th Avenue  
Bellwood, Illinois 60104

In the event of any conflict between the information we have summarized and the official Plan documents, the Plan documents will govern.



## PLAN PROFESSIONALS

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### ADMINISTRATIVE MANAGER

Mr. Patrick J. La Cassa  
Cement Masons' Local 502 Pension Fund  
739 South 25<sup>th</sup> Avenue  
Bellwood, Illinois 60104  
(708) 544-9105

### LEGAL COUNSEL

Mr. Hugh Arnold  
Attorney at Law  
Arnold and Kadjan  
19 West Jackson Boulevard  
Chicago, IL 60604

### CONSULTANT/ACTUARY

Mr. Ralph M. Weinberg  
Milliman  
71 South Wacker Drive  
31<sup>st</sup> Floor  
Chicago, IL 60606



## BOARD OF TRUSTEES

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### UNION TRUSTEES

Mr. Donald W. Moss, Sr.  
Cement Masons' Local 502  
739 South 25<sup>th</sup> Avenue  
Bellwood, Illinois 60104

Mr. William H. Beeman  
Cement Masons' Local 502  
739 South 25<sup>th</sup> Avenue  
Bellwood, Illinois 60104

Mr. Robert Soufal  
Cement Masons' Local 502  
739 South 25<sup>th</sup> Avenue  
Bellwood, Illinois 60104

Mr. Anthony A. Farrell  
Cement Masons' Local 502  
739 South 25<sup>th</sup> Avenue  
Bellwood, Illinois 60104

Mr. Thomas E. Kendall  
Cement Masons' Local 502  
739 South 25<sup>th</sup> Avenue  
Bellwood, Illinois 60104

Mr. Russel S. Simoncelli  
Cement Masons' Local 502  
739 South 25<sup>th</sup> Avenue  
Bellwood, Illinois 60104

### EMPLOYER TRUSTEES

Mr. Donald Deetjen  
501 E. Porter Avenue  
Naperville, Illinois 60540

Mr. Robert Krug  
K-Five Construction  
1801 Main Street  
Lemont, Illinois 60439

Mr. Gary Lundsberg  
135 S. Basswood Road  
Lake Forest, Illinois 60045

Mr. William F. Martin  
804 Hawthorn Lane  
Geneva, Illinois 60134

Mr. Michael Pirron  
103 East Elaine Circle  
Prospect Heights, Illinois 60070

Mr. John Pridmore  
2500 Indigo Lane  
Glenview, Illinois 60026

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**To write to the Board of Trustees, mail your letter to:**

Board of Trustees  
Cement Masons' Local 502 Pension Plan  
739 South 25<sup>th</sup> Avenue  
Bellwood, Illinois 60104

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