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# PARTICIPATION MANUAL FOR LIUNA AND AFFILIATED LOCAL UNIONS AND DISTRICT COUNCILS

**September 2006**

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## PURPOSE OF THIS MANUAL

This Manual was prepared by the Laborers National Pension Fund (LNPF) to provide representatives of the Laborers' International Union of North America (LIUNA) and of LIUNA-affiliated Local Unions and District Councils with information concerning the Pension Fund, particularly information on how to gain admission to the Pension Fund for groups of employees.

This Manual cannot answer all of the questions that a representative may have about the Pension Fund. Representatives are strongly encouraged to contact the Fund Administrator if they have any questions or for additional information. The Fund Administrator can be reached at the Fund's Administrative Office.

**NOTE: The Pension Fund will not be bound by any statements, representations or promises by any official or employee of LIUNA, of a Local Union or of a District Council. The Pension Fund is a separate legal entity governed by a Board of Trustees. Only the Board of Trustees can authoritatively interpret the Pension Fund's Rules and Regulations and Agreement, Declaration of Trust, and other governing rules and procedures.**

This Manual is not intended to serve as a promise, an offer to contract, a contract, or an otherwise legally binding document. The Manual is not intended to conflict with the rules of the Pension Fund. Care has been taken in preparing this Manual. However, the Board of Trustees reserves the right not to follow any provision of this Manual to the extent necessary to protect the interests of the Pension Fund or to comply with the Fund's rules or applicable law.

It is expected that some information in this Manual will become outdated as the Pension Fund's circumstances or rules change over time. The Pension Fund will make good faith efforts to send to Local Unions and District Councils notices of changes on the information from time-to-time.

## DESCRIPTION OF THE PENSION FUND

The Pension Fund is a joint labor-management trust fund whose primary purpose is to provide retirement and related benefits for laborers represented by the Laborers' International Union of North America (LIUNA) and employed in the pipeline, building, and construction industries. Over the many years since its formation in 1968, the Fund has grown to provide pension coverage for laborers employed in more than 20 States under collective bargaining agreements between LIUNA or LIUNA affiliates and hundreds of contractors.

The Pension Fund has paid nearly $2 billion in benefits to laborers, spouses and beneficiaries since 1968, and currently is paying more than $11 million in benefits per month.

Here are some important facts about the Pension Fund:

- The Pension Fund is regulated by the Employee Retirement Income Security Act (ERISA), a federal law that requires employee pension plans to meet certain reporting and disclosure, auditing, participation, vesting, benefit accrual, funding, fiduciary, and other standards. The Pension Fund is a multiemployer plan within the meaning of ERISA.

- The Pension Fund is a tax-qualified pension plan under Internal Revenue Code Section 401(a) and a tax-exempt trust under Code Section 501(a). Employer contributions are tax-deductible by the employers and not taxable to employees. Retirees are taxed on benefits when received.

- The Pension Fund's benefits are guaranteed by the Pension Benefit Guaranty Corporation (PBGC), an agency of the U.S. Government established by ERISA.

- The Pension Fund complies with the Labor Management Relations ("Taft-Hartley") Act, Section 302(c)(5). Accordingly, employer contributions are authorized under that Act.

- The Pension Fund is a defined benefit pension plan that offers multiple levels of benefits based on the contribution rate and hours worked and contributed by the employer. The normal form of pension benefit is a life annuity (fixed monthly benefit for life) or joint and survivor annuity (for married pensioners). Pensioners do not have to worry about out-living their retirement income. Normal, early and disability pensions are payable to eligible participants.

- The Pension Fund may grant "past service" pension credit for employment before the employer began to contribute to the Pension Fund, depending on the actuarial characteristics of the employee group and whether the group continues to participate in the Pension Fund.

- The Pension Fund is a pooled fund. Benefits are based on the benefit schedule and paid from a common fund. The Pension Fund's assets are invested as a pool, in diversified portfolios, by investment professionals hired by the Board of Trustees. The Pension Fund is not an individual account plan that limits a participant's benefits to the amount in his account or that requires participants to make investment decisions.

- The Pension Fund is funded by employer contributions and investments of the Pension Fund's assets. Employers are required by their collective bargaining agreements to make contributions at certain rates to the Pension Fund. Contributions are based on hours paid in a month for which laborers are covered by the agreement.

- The Pension Fund automatically covers every employee in the bargaining unit once the unit is accepted into participation. An employee does not have to elect to participate in the Pension Fund.

- The Pension Fund provides portable pension coverage. A participant can move from one contributing employer to another and maintain his or her coverage and credits. The Pension Fund is also signatory to the LIUNA National Reciprocal Agreement that generally combines a participant's credit under two or more Laborers' pension funds for purposes of vesting and bridging breaks in service.

- The Pension Fund also enters into "Money-Follows-The-Man" Agreement with other Pension Funds. This provides the laborers the option to take jobs in others areas not covered by this Fund and have their contributions remitted back to their Home Fund, provided both Funds have entered into a "Money-Follows-The-Man" Agreement and the participant has signed "Consent-To-Transfer" Form. If more information is needed please contact this Fund Office.

- The Pension Fund is administered by a joint labor-management Board of Trustees. The Board maintains an administrative office (the Fund Office) in Dallas, Texas, which is headed by the Fund Administrator and is fully staffed and equipped. The Board has engaged for the fund a full complement of professionals including actuaries, attorneys, accountants, investment consultants, and investment managers.

Additional information about the Pension Fund can be found on its website at www.lnpf.org. The Pension Fund's Summary Plan Description, Plan Description (Rules and Regulations), forms, and other information can be found at that site. This information is also available in Spanish in written format and on the website.

## GROUPS ELIGIBLE TO JOIN THE PENSION FUND

Participation in the Pension Fund is generally limited to laborers who are represented by LIUNA or LIUNA-affiliated Local Unions for purposes of collective bargaining and who are employed in the pipeline or building and construction industries. Groups in other industries may be accepted into participation with the permission of the Fund's Board of Trustees.

Participation in the Pension Fund is limited to common law employees of an employer. The Pension Fund cannot accept into participation any self-employed person, any sole proprietor, any partner, or any other person who is not an employee. Generally speaking, an owner of a business cannot participate in the Pension Fund unless the business is a corporation and the owner is an employee of the corporation. Independent contractors are not employees and, therefore, cannot participate in the Pension Fund.

Non-bargaining unit employees may also participate in the Pension Fund under certain terms and conditions. The terms and conditions under which such "Special Class" groups of non-bargaining unit employees may be accepted into participation are described in a separate section of this Manual ["**Special Class (Non-Bargaining Unit) Employees**"].

## THE BENEFITS OF JOINING THE PENSION FUND

Employees benefit from participation in the Pension Fund by earning pension benefits that become payable upon their retirement. The particulars of what benefits are available, how they are earned and vested, and their eligibility requirements are described in the Pension Fund's Summary Plan Description and the Pension Fund's Plan Description (Rules and Regulations).

The Pension Fund's defined benefit pension program has definite advantages over "401(k), salary reduction plans" that require each employee to make individual investment decisions and limit his or her benefits to the amount in his or her individual account. For example:

- The normal form of pension under the Pension Fund is a monthly benefit for the rest of the pensioner's life after retirement. Unlike a "401(k) plan," the Pension Fund does not limit a pensioner's benefits to an amount of money held in his or her individual account. In other words, a pensioner cannot outlive his or her retirement income from the Pension Fund.

- Participants (covered employees) do not have to worry about making investment choices under the Pension Fund. The participants are promised certain pension benefits, and investing the Pension Fund's assets to fund those benefits is the responsibility of the Pension Fund's investment professionals, not of the participants. The investment risk is taken by the Pension Fund, not by the individual participant.

- Individual participants do not have to worry about salary reduction decisions. The employer's contributions to the Pension Fund are in addition to the employee's salary or wages, and the contributions are not taxable income to the employee. Only the benefits paid from the Pension Fund are taxable income.

Employers also benefit from participation of their employees in the Pension Fund:

- Pension Fund coverage is an attractive employment benefit that will help the employer to recruit and retain qualified, productive laborers.

- Contributions to the Pension Fund are immediately tax deductible for the employer, even though the contributions are not taxable to the employees. Employment taxes are generally not imposed on the contributions.

- Employers do not have to get involved in administering a pension plan. The Pension Fund's administration is handled by the Board of Trustees, the Fund's staff, and professional advisors. The employer need only make the required payments to the Pension Fund, send contribution report forms to the Fund office, and provide information that the Pension Fund needs from time-to-time for administrative purposes.

- Employer contributions are, in most collective bargaining situations, money that the employer would have included in salary or wages had the Union not bargained for the employer's agreement to contribute to the Pension Fund. In other words, contributions to the Pension Fund typically do not increase an employer's labor costs. In fact, they may reduce labor costs because employment taxes are generally not owed on contributions.

# HOW TO GAIN ADMISSION TO THE PENSION FUND

## Bargaining Unit Laborers

This section of the manual describes the process by which a group of laborers represented by LIUNA or a LIUNA-affiliate can gain admission to the Pension Fund.

### Pipeline, Building & Construction Industries

LIUNA or a LIUNA-affiliated Local Union can gain admission to the Pension Fund for a group of bargaining unit groups of laborers in the pipeline industry or the building and construction industry in the following way:

(1) The Union must negotiate a collective bargaining agreement (or an amendment to an existing agreement) that requires the signatory contractor or contractors to contribute to the Pension Fund for all laborers covered by the agreement. The agreement's language must be acceptable to the Pension Fund and must include the following points:

- (a) the contractor must be required to contribute to the Laborers National Pension Fund (Dallas, Texas);
- (b) contributions must be required for each and every hour for which every laborer receives pay;
- (c) the contribution rate must be specified (no less than twenty cents (**$0.20**) per hour, nor more than five dollars (**$5.00**) per hour);
- (d) the contractor's contributions must be submitted to the Pension Fund no less frequently than monthly, and the contributions for a month are due on the 20th day of the following month;
- (e) the contractor must be required to submit to the Pension Fund a contribution report with each contribution payment in a form that is acceptable to the Fund;

(f) the contractor and Union must accept the Agreement and Declaration of Trust of the Laborers National Pension Fund ( or sign a copy of the Agreement and Declaration of Trust);

(g) the contractor must agree the Pension Fund has a right to audit the contractor's payroll records to verify the accuracy of contributions made or to determine whether contributions are owed; and

(h) the contractor must agree a contribution delinquency is not subject to any grievance or arbitration procedures in the agreement

The agreement must not include any provision limiting the right of the Pension Fund to enforce the contractor's obligation to submit contributions and obtain any remedy available by law. The agreement may require the contractor to pay liquidated damages, additional interest, or other charges in the event of a contribution delinquency.

Model collective bargaining agreement language that is acceptable to the Pension Fund is contained in the Manual (Tab 1).

(2) The collective bargaining agreement must be submitted to the Pension Fund Office before the date on which the signatory contractor is first required to contribute to the Pension Fund.

(a) In special circumstances, the Pension Fund may accept an agreement after it first becomes effective if the required contributions are paid and the agreement is otherwise acceptable to the Pension Fund.

(3) If, upon receipt of a collective bargaining agreement, the Pension Fund determines the pension language is inadequate or the agreement is otherwise unacceptable to the Fund, the Fund Office may:

(a) reject the agreement and notify the Union and contractor the group covered by the agreement has not been accepted into participation in the Fund; or

(b) require the Union and the contractor to sign a Participation Agreement which is acceptable to the Pension Fund as a condition for acceptance into the Fund. The Fund's Standard Participation Agreement can be found under Tab 2.

The mere signing of a collective bargaining agreement or other agreement providing for employer contributions to the Pension Fund does not mean the group is accepted into participation by the Pension Fund.

(4) Contributions from the contractor must be received by the Pension Fund. Until contributions are received by the Fund, the group covered by the collective bargaining agreement will not be considered participating in the Fund.

## Non-Construction Industries

LIUNA or a LIUNA-affiliated Local Union can gain admission to the Pension Fund for a group of bargaining unit groups of employees in an industry other than the pipeline industry or the building and construction industry in the following way:

(1) Contact the Fund Office. The Fund Administrator can guide you through the special process for obtaining acceptance for the group to participate in the Pension Fund.

(2) Obtain employee information needed for the Employee Census Data Form (Tab 5). The Pension Fund's actuaries need certain information about the group in order to determine whether it meets the Fund's actuarial standards or whether special terms and conditions are necessary to protect the Fund's financial soundness. The Employee Census Data Form is used to collect this needed information (each employee's name, date of birth, gender and date of initial hire).

(3) Determine the contribution rate at which the employer will be required to contribute (or a target contribution rate that the Union intends to propose to the employer).

(4) Submit to the Fund Office a completed Application for Participation (Tab 4) and complete Employee Census Data Form (Tab 5).

(5) Upon receipt of the completed Application for Participation and Employee Census Data Form, the Fund Office and the Fund's actuaries will evaluate the group for participation to determine whether the group's participation would be consistent with the Fund's standards. The Union and the contractor will be notified of the Pension Fund's decision on the application as soon as possible.

(6) A group's acceptance will be conditioned on submission of an acceptable collective bargaining agreement or participation agreement and contributions. Other conditions may also be imposed to protect the financial soundness of the Fund. An acceptance will expire after twelve (12) months if the Union and employer have not yet entered into an acceptable collective bargaining agreement or participation agreement requiring contribution to the Pension Fund.

## Pension Fund's Rights

The Board of Trustees reserves all rights and discretionary authority to take any and all action it deems necessary to protect the interests of the Pension Fund and its participants and beneficiaries as a whole. This includes the right to:

- deny participation in the Pension Fund to any group or employer;

- expel any employer or group from participation in the Pension Fund for noncompliance with its obligations, such as non-payment of required contributions;

- reject any amended or new collective bargaining agreement as a basis for continued participation in the Pension Fund, and terminate the group's participation;

- reject, retroactively or prospectively, participation by an individual whose participation in the Pension Fund would violate the Fund's rules or applicable law; and

- return contributions that were made by mistake, including contributions made for a group or individual who is not accepted into participation or has been rejected or expelled.

## EMPLOYER CONTRIBUTIONS TO THE PENSION FUND

Where does the Pension Fund get the money with which to pay benefits? There are only two sources: employer contributions and investments of the Fund's assets.

To ensure fairness among all of the employers and employee groups participating in the Pension Fund, while providing flexibility to accommodate various work schedules, the Board of Trustees has adopted certain uniform rules governing employer contributions. Compliance with these rules is a condition of participation in the Pension Fund. It is important that Union representatives familiarize themselves with these rules before negotiating with an employer over participation in the Pension Fund.

(1) Contributions to the Pension Fund are usually based on a certain amount per hour paid on behalf of all employees covered by the collective bargaining agreement (for example, 50 cents per hour paid).

(2) Contributions are made on an hourly basis, the Pension Fund requires that contributions be made for all hours (or portions of hours) for which each employee is <u>paid</u>, not merely for all hours <u>worked</u> by the employee. This means that contributions are owed for hours (or portions of hours) of paid vacation, sick leave, holidays, personal leave and other paid leave. It also means that contributions are owed for hours or portions of hours of paid overtime.

(3) Contribution Rate Limits: The lowest acceptable hourly contribution rate is twenty cents (**$0.20**). The highest acceptable hourly contribution rate is five dollars (**$5.00**), absent specific approval by the Board of Trustees. The Board may approve, upon request, a higher rate up to the Pension Fund's maximum of five dollars (**$5.00**) per hour paid.

(4) "All or None:" The Pension Fund requires contributions be made for all employees in the bargaining unit covered by the collective

bargaining agreement. No employee in the unit can be excluded from the employer's contribution obligation, even if the employee wishes to be excluded.

(5) No Probationary Period: The Pension Fund requires contributions be made on behalf of each employee covered by the collective bargaining agreement from the date of his hire or date of first coverage under the agreement, whichever is later. This includes any probationary period for employees covered by the agreement.

(6) If a collective bargaining agreement does not contain pension language that is acceptable to the Pension Fund, the Fund Office may require the Union and the employer to enter into a Participation Agreement. The Fund's Standard Participation Agreement can be found under Tab 2.

The purpose of the Standard Participation Agreement is to ensure that generally employers contribute to the Pension Fund on a uniform basis. Contributions are made to the Fund under hundreds of different collective bargaining agreements. The Fund does not negotiate collective bargaining agreements between the Union and employers. Indeed, it often does not know a particular agreement is being negotiated. From time-to-time collective bargaining agreements are negotiated by Local Unions and employers that include language that is inconsistent with the Pension Fund's Rules and Regulations or policies, and that cannot be accepted by the Pension Fund as a basis for participation by the group covered by the agreement.

The Standard Participation Agreement is a means for replacing unacceptable collective bargaining agreement language with an agreement that supercedes the collective bargaining agreement language. But for the Standard Participation Agreement, some employers might have more or less favorable terms for contributing to the Pension Fund than other employers.

As noted above, an employer is not required to execute a Standard Participation Agreement **<u>if</u>** its collective bargaining agreement includes the model collective bargaining agreement language provided by the Pension Fund or language having the same effect. This is because the model collective bargaining agreement language includes the same terms as the Standard Participation Agreement.

If a group's acceptance is conditioned by the Board of Trustees on special conditions, the employer and the Union may be required to execute a Special Participation Agreement.

Note that contribution payments and completed report forms must be submitted on a monthly basis. In particular, contributions and report forms are due in the Fund Office by the twentieth ($20^{th}$) day of the following month. The Pension Fund may impose interest charges on late payments (at the rate of 1% per month). A contribution report must be submitted even for months during which no employees were paid and if job is final and they do not anticipate using laborers in the future.

The Pension Fund is entitled to have an independent certified public accountant conduct an audit of an employer's payroll records from time-to-time to verify the accuracy of the employer's contribution payments and report forms. This audit program is necessary to protect the financial soundness of the Pension Fund and to ensure fairness to all contributing employers and participating groups. The Pension Fund is also entitled to initiate legal proceedings under the Employee Retirement Income Security Act (ERISA) to collect delinquent contributions, interest, collection costs, and penalties.

## COLLECTIVE BARGAINING AGREEMENTS: AMENDMENTS, EXTENSIONS & RENEWALS

As noted above, acceptance of a group into the Pension Fund is conditioned on the Union and/or employer submitting to the Fund Office any future amendments to their collective bargaining agreement as well as any extensions of the agreement, and any new agreements. The Pension Fund needs this information to ensure:

- the collective bargaining agreement continues to be acceptable to the Board of Trustees as a basis for participation in the Pension Fund;
- the contribution rate and expiration date are properly reflected in the Pension Fund's records and systems;
- contributions are accurate and properly credited; and
- the Fund Office knows whether and when an employer's obligation to contribute to the Pension Fund ceases.

If the Union and employer reopen a collective bargaining agreement to amend the provisions relating to contributions to the Pension Fund, a new Standard Participation Agreement must be completed, signed and submitted to the Fund Office as soon as possible, unless the Pension Fund's model collective bargaining agreement language is included in the collective bargaining agreement. The same applies if the Union and the employer enter into a new collective bargaining agreement.

### Contribution Rate Reduction: Advance Notice Required

If the Union and an employer are considering reducing the rate of employer contributions to the Pension Fund for any group you represent, it is very important the Union inform the Fund Office as soon as possible and preferably at least three (3) months in advance of the effective date of the reduction. This includes contribution rate reductions made by amendments to existing collective bargaining agreements as well as rate reductions in extensions of existing agreements or in successor agreements.

This advance notice to the Fund Office is very important because of regulations issued by the Labor Department require the Pension Fund to provide to all affected laborers a written notice of certain contribution rate reductions. The notice must be provided to these affected individuals at least fifteen (15) days in advance of the rate reduction. The notice must contain certain information to enable each affected individual to determine the impact of the rate reduction on his pension status. The fact the agreement providing for a lower contribution rate was ratified by the Union's membership does not excuse the Pension Fund from providing the required notice.

Once the Fund Office receives notice of a contribution rate reduction from the Union, the Fund Office will have to determine whether a notice is required, prepare a notice if one is required, determine who the affected individuals are, obtain the mailing addresses of the affected individuals, and mail the notices before the notice deadline. These tasks will be time-consuming, so the Fund Office needs as much advance notice of rate reductions as possible.

The penalties for noncompliance with the regulations' notice requirements can be very costly.

## SPECIAL CLASS (NON-BARGAINING UNIT) EMPLOYEES

The Pension Fund permits non-bargaining unit employees of contributing employers to participate under certain conditions and with the consent of the Board of Trustees which has discretion to permit or deny participation by such groups. The non-bargaining unit employees of an employer are referred to as "special class" employees. The following are the conditions that must be met on an ongoing basis:

(1) the employer is obligated to contribute to the Pension Fund for bargaining unit employees pursuant to a collective bargaining agreement with LIUNA or a LIUNA affiliate;

(2) the special class must include all of the employer's employees who are not in a bargaining unit represented by LIUNA, a LIUNA affiliate or another union;

(3) the employer must contribute to the Pension Fund for all of the special class employees at the same contribution rate, and the contribution rate for the special class employees must be the same as the contribution rate for the bargaining unit employees represented by LIUNA or a LIUNA affiliate (except where the Fund determines a higher contribution rate for the special class is necessary to provide the same level of benefits for the special class as for the bargaining unit employees on an actuarially sound basis);

(4) the employer must sign a Participation Agreement for Special Class Employees (Tab 3); and

(5) the employer must submit annually a certificate of compliance with these conditions (Tab 6).

If the Union and an employer agree to apply for participation for the employer's special class employees in the Pension Fund, they must submit to the Fund Office a completed Application for Participation (Tab 4) and a completed

Employee Census Data Form (Tab 5). This is the same application process as the Fund requires for bargaining unit employees in industries other than pipeline, building and construction. (See page 11, "Non-Construction Industries").

No special class will be eligible for past service credit for pre-contribution service unless the Board of Trustees expressly agrees that group will be eligible. Usually a special class will not be granted eligibility for past service credit if it's participation in the Fund commences after the bargaining unit employees' participation began. If the special class is eligible for past service credit, the Special Class Participation Agreement will so provide.

The Board of Trustees may place conditions on participation by a special class that varies from the conditions of participation by the bargaining unit employees. Any such special conditions will be set forth in the Special Class Participation Agreement with the employer.

## TERMINATION OF PARTICIPATION:
## Effect On Benefit Rights, Including Past Service Credit

The participation of a group in the Pension Fund may terminate for a variety of reasons, including:

- the employer ceases to have an obligation to contribute to the Pension Fund due to an amendment to the collective bargaining agreement;

- the employer ceases to have an obligation to contribute to the Pension Fund due to the expiration and non-renewal of the collective bargaining agreement;

- the employer ceases to have an obligation to contribute to the Pension Fund because the Union ceases to represent the employees;

- the employer has gone out of business;

- the employer has been expelled by the Board of Trustees for noncompliance with its obligations to the Pension Fund;

- the employer's and/or group's participation in the Pension Fund has been terminated by the Board of Trustees to protect the Fund.

### Vested Benefits

Termination of an employer's and/or group's participation does not mean that the employees lose earned benefits in which they are vested at the time of termination. That is, an individual's vested benefits earned for employment after the group began participating in the Pension Fund are not affected by the termination of participation.

## Past Service Credit

The termination of an employer's or group's (e.g. special class) participation in the Pension Fund will cause the employees of the employer or the group to lose any eligibility for past service credit and for any benefits based on such credit, with certain exceptions. Generally, past service credit is benefit credit for employment with a contributing employer before the employer first became obligated to contribute to the Pension Fund.

Upon the termination of an employer's or group's participation, the Pension Fund's actuaries study whether the contributions made by the employer to the Fund were sufficient to fund the credit earned by the employees during the period while the employer was obligated to contribute ("future service credit") and the employees' past service credit. To the extent the contributions were not sufficient, the past service credit is cancelled.

This past service credit cancellation rule is not applied in the following situations:

(a) if the employer has been contributing to the Pension Fund for at least 20 years, past service credit is not cancelled for any of the employees; and

(b) the benefits of a pensioner or beneficiary in pay status at the time of the termination of the employer or group will not be reduced even if the benefits are based in part on past service credit.

The cancellation of past service credit is necessary to protect the Pension Fund's financial soundness. Past service credit is credit for a period for which the employer has made no contributions. The Fund expects the past service credit of an employer's employees will be funded by the employer's contributions over time, like a home mortgage, along with the employees' future service credit. If the employer's contributions terminate before the credits attributable to its employees are funded, the Fund's financial condition would be harmed if the past service credit was not cancelled. Federal law does not require pension plans like the Pension Fund to grant past service credit, and it allows plans to cancel such credit upon the cessation of an employer's contributions.

## Withdrawal Liability

If an employer ceases to have an obligation to contribute to the Pension Fund, it might be required to pay withdrawal liability to the Pension Fund in accordance with applicable law. As of September 2006, the Fund has never had to assess withdrawal liability. Even if the Fund were required to assess withdrawal liability at some point, the Fund uses building and construction industry fund withdrawal liability rules under which an employer is generally not subject to withdrawal liability unless the employer ceases contributions to the Fund but continues to operate in the Fund's area.

## APPLYING FOR PENSION BENEFITS

If a member (or other participant or beneficiary) in the Pension Fund asks a Local Union or District Council about how to apply for benefits from the Pension Fund, the Local Union or District Council should tell him or her to contact the Fund Office. The Fund Office can best answer all questions relating to filing for benefits.

However, the Local Union or District Council should remind the member of the following important points:

- A Written Application Is Required: A participant must submit a written application for benefits to the Pension Fund before any benefits can be paid. The standard application form (and related instructions and forms) can be obtained from the Pension Fund. Upon request, the Fund Office will send these materials to the member.

- No Retroactive Benefits: Generally, benefits cannot be paid for periods before the participant submits the completed application to the Fund Office. Also, it may take four to six months or more to process an application (particularly when information must be obtained from the Social Security Administration). Accordingly, a participant should obtain and submit his or her completed application to the Fund Office at least four to six months in advance of the date on which he or she wants to retire and begin receiving benefits.

- Disability Pensions: A participant who is disabled and wishes to apply for a Disability Pension from the Pension Fund should submit his or her application to the Fund Office as soon as he or she decides to seek a Disability Pension. The participant should not wait for a Social Security Administration determination of his or her disability before applying to the Pension Fund. The Social Security disability benefits program and the Pension Fund are separate programs. The submission of an application to the Social Security Administration is not the same as applying to the

Pension Fund. The Pension Fund will not be able to grant retroactive benefits for periods before the participant submits an application for a Disability Pension to the Fund Office, even if the Social Security Administration determines that the participant was disabled earlier.

## PENSION FUND CONTACT INFORMATION

The Fund Administrator is Lu Beth Greene.

The Fund Office is located at 14140 Midway Road, Suite 105, Dallas, Texas, 75244.

The mailing address is P. O. Box 803415, Dallas, Texas, 75380-3415.

The Pension Fund’s toll-free telephone number is 1-877-233-LNPF(5673).

The local telephone number is (972) 233-4458.

The Pension Fund’s fax number is 972-233-3026.

The Pension Fund’s website is located at www.lnpf.org.