# CEMENT MASONS PENSION TRUST FUND – DETROIT AND VICINITY



Managed for the Trustees by:
TIC INTERNATIONAL CORPORATION

August 2023

To: All Participants, Beneficiaries, Alternate Payees, Employers and Bargaining Parties

This notice includes the Pension Fund's Summary of Material Modifications, Annual Funding Notice and other Notices for the Plan Year ended April 30, 2023.

We encourage you to read these Notices in their entirety. If you want any information about the Plan or you wish to file a claim for benefits, contact the Fund Office.



Fraternally,
Boards of Trustees, Cement Masons Pension Trust Fund – Detroit and Vicinity

**Atención a los hablantes de español**. Este y otros anuncios de la Oficina de Fondos sobre sus derechos y sus beneficios están disponibles en español. Si quieren recibir futuros anuncios en español, escriba o llame a la oficina del Comité de los fideicomisarios, Fondo Fiduciario de Pensiones de Cement Masons – Detroit y Vecindad (Cement Masons Pension Trust Fund - Detroit And Vicinity), 30700 Telegraph Road, Suite 2400, Bingham Farms, Michigan 48025, (248) 645-6550.

## NOTICE OF YOUR RESPONSIBILITY TO KEEP RECORDS

The Fund has set up an Employer audit and collection program to make sure that your Employers pay the pension contributions owed to the Fund for your Hours of Work. But, it is your responsibility to keep records of your employment, including the names of your Employers, your pay stubs, and other information that proves you worked and for how many hours, so that if one of your Employers fails to pay the required contributions or keep records of your work, the Fund will have the information necessary to grant you the Credit Years and benefits to which you are entitled. Each year you will receive a Benefit Estimate Statement, which provides you with information concerning your pension benefits based on information available to the Pension Fund. If you believe that information is incorrect or incomplete, you must notify the Fund in writing immediately. Any action in law or equity brought against the Fund, the Board of Trustees, any of the Trustees individually, or any agent of any of the foregoing is barred unless the complaint is filed within three years from the date the incorrect information was first reported in the Statement; however, you must first go through the Fund's claim and appeal process before you can bring a suit in Court.

**ANNUAL FUNDING NOTICE**
**Cement Masons Pension Trust Fund – Detroit and Vicinity**
**Plan Year Beginning May 1, 2022**

## Introduction

This notice, which federal law requires all multiemployer plans to send annually, includes important information about the funding status of your multiemployer Pension Plan, the Cement Masons Pension Trust Fund – Detroit and Vicinity (the "Plan"). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. All traditional pension plans (called "defined benefit pension plans") must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is for the Plan Year beginning May 1, 2022 and ending April 30, 2023 (referred to hereafter as "Plan Year").

## How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the "funded percentage." The Plan divides its assets by its liabilities on the Valuation Date for the Plan Year to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the Plan Year and each of the two preceding Plan Years is shown in the chart below. The chart also states the value of the Plan's assets and liabilities for the same period.

| | 2022 | 2021 | 2020 |
|---|---|---|---|
| Valuation Date | May 1 | May 1 | May 1 |
| Funded Percentage | 88.9% | 90.2% | 82.5% |
| Value of Assets | $93,368,909 | $89,466,133 | $82,592,775 |
| Value of Liabilities | $104,978,272 | $99,162,046 | $100,054,933 |

## Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They also are "actuarial values." Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan's funded status at a given point in time. The asset values in the chart below are market values and are measured on the last day of the Plan Year. The chart also includes the year-end market value of the Plan's assets for each of the two preceding plan years.

| | April 30, 2023 | April 30, 2022 | April 30, 2021 |
|---|---|---|---|
| Fair Market Value of Assets | $ 88,472,816 (unaudited) | $ 90,295,493 | $ 100,347,595 |

## Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan generally is in "endangered" status if its funded percentage is less than 80 percent. A plan is in "critical" status if the funded percentage is less than 65 percent (other factors may also apply). A plan is in "critical and declining" status if it is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years (or within 20 years if a special rule applies). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status or critical and declining status, the trustees of the plan are required to adopt a rehabilitation plan. Funding improvement and rehabilitation plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time. The plan sponsor of a plan in critical and declining status may apply for approval to amend the plan to reduce current and future payment obligations to participants and beneficiaries.

The Plan was not in endangered, critical, or critical and declining status in the Plan Year.

## Participant Information

The total number of participants and beneficiaries covered by the Plan on the Valuation Date was 1,153. Of this number, 554 were active participants, 357 were retired, separated from service or otherwise receiving benefits, and 242 were retired, separated from service or otherwise have a right to future benefits.

## Funding and Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The funding policy of the Plan can be summarized as follows:

> Benefits under the Plan are provided through a trust. Contributions and investment returns together fund current and future liabilities. Contributions are obtained directly from participating employers based on hours worked by Plan participants at rates specified in the collective bargaining agreements.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The investment policy of the Plan can be summarized as follows:

> Investment income is one significant contributor to the funding of the Plan. The federal law provides that the Fund's Trustees are responsible for investing the assets of the Plan. To assist them in carrying out this responsibility, the Trustees have delegated authority to manage the assets, as permitted by federal law, to Investment Managers with the skills and specialized research facilities needed to assure expertise in financial market investments. The Trustees have also engaged the services of an Investment Consultant to assist them in selecting and evaluating the performance of the Investment Managers. The Trustees, Investment Managers and Investment Consultant shall, as fiduciaries, adhere to the "prudent man rule" under the federal laws that apply or may in the future apply to the Fund's investments. More specifically, they must adhere to the safeguards and diversification standards that a prudent investor would adhere to and all transactions undertaken on behalf of the Plan must be for the sole interest of Plan Participants and their Beneficiaries. Under the terms of the policy, the Fund's assets are invested in a manner consistent with a primary emphasis upon consistency of performance; i.e., the achievement of growth in such a manner as to protect the Fund from excessive volatility in market value from year to year. Significant emphasis is also placed upon capital protection; i.e., the achievement of adequate investment growth such that the purchasing power of the principal amount of these assets is maintained over the investment horizon.

In accordance with the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

| Asset Allocation | Percentages |
|---|---|
| Stocks | 78.05% |
| Investment Grade Debt | 10.61% |
| High Yield Debt | 6.06% |
| Real Estate | 2.49% |
| Other | 2.79% |

## Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the "Form 5500." These reports contain financial and other information. You may obtain an electronic copy of your Plan's annual report by going to www.efast.dol.gov and using the search tool. Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N- 1513, Washington, DC 20210, or by calling 202.693.8673. Or you may obtain a copy of the Plan's annual report by making a written request to the Board of Trustees. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact the Board of Trustees if you want information about your accrued benefits. Contact information for the Board of Trustees is provided on the next page under "Where To Get More Information."

## Summary of Rules Governing Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by the PBGC, below), the plan must apply to the PBGC for financial assistance. The PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

## Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multiemployer plans. Your Plan is covered by PBGC's multiemployer program. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first $11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next $33 of the accrual rate, times each credited Year of Service. Thus, the PBGC's maximum guarantee is $35.75 per month times a Participant's credited Years of Service ($1,072.50 for a Participant with 30 Years of Service and an accrued monthly benefit of $1,320 or more).

***Example 1*:** If a Participant with 10 credited Years of Service has an accrued monthly benefit of $600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service ($600/10), which equals $60. The guaranteed amount for a $60 monthly accrual rate is equal to the sum of $11 plus $24.75 (.75 x $33), or $35.75. Thus, the Participant's guaranteed monthly benefit is $357.50 ($35.75 x 10).

**Example 2:** If the Participant in Example 1 has an accrued monthly benefit of $200, the accrual rate for purposes of determining the guarantee would be $20 (or $200/10). The guaranteed amount for a $20 monthly accrual rate is equal to the sum of $11 plus $6.75 (.75 x $9), or $17.75. Thus, the Participant's guaranteed monthly benefit would be $177.50 ($17.75 x 10).

The PBGC guarantees pension benefits payable at Normal Retirement age and some Early Retirement benefits. In addition, the PBGC guarantees qualified preretirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under a plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on PBGC's website at www.pbgc.gov/multiemployer. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See "Where to Get More Information About Your Plan," below.

## Where to Get More Information

For more information about this notice, you may contact Board of Trustees of the Cement Masons Pension Trust Fund – Detroit and Vicinity, 30700 Telegraph Road, Suite 2400, Bingham Farms, Michigan 48025 or at (248) 645-6550. For identification purposes, the official plan number is 001 and the plan sponsor's employer identification number or "EIN" is 38-6242187.

**NOTICE REGARDING CHANGES TO THE SUSPENSION OF BENEFITS PROVISIONS**

The Trustees of the Cement Masons Pension Trust Fund – Detroit and Vicinity have, with the advice of the Fund's actuary and attorney, amended the Pension Plan, effective October 1, 2023, to extend the date at which the Fund's Plan stops applying the suspension of benefit rules from April 1st following the calendar year in which the retiree reaches age 72 to when the retiree reaches the triggering age under the minimum distribution rule of Section 401(a)(9) of the Internal Revenue Code (April 1st following the calendar year in which the retiree reaches age 73 as of October 1, 2023 and age 75 as of January 1, 2033). This change is being made in coordination with the SECURE Act 2.0 change of the required age for minimum distributions. **This change will not affect any benefits for people who turned 70 ½ on or before December 31, 2019 or those who turned 72 on or before December 31, 2022. Please also note that the limited waiver currently in effect remains in effect for eligible retirees in 2023.**

The Pension Plan's Suspension of Pension Benefits rule applies to Participants who have Retired and later decide to return to work. Under the current provisions, **unless a limited waived applies, like the one currently in effect**, Pension Benefits being paid to retirees may be suspended only if ALL of the following conditions are met:

1. A retiree is working **40** or more hours during any given month (or during the payroll periods ending in that month); and

2. The work is in the same industry as the type of business activity engaged in by employers who contribute to the Plan even though the employer may not be a contributing Employer (e.g., non-union); and

3. The work is at the same trade or craft in which the retiree was working when he earned benefits under the Plan. (Self-employed work, as well as supervisory or managerial work can be considered as a return to work so long as activity is reasonably related to the underlying skills associated with the trade or craft for which the retiree was trained or in which he acquired his work experience); and

4. The work is performed within the State of Michigan, or within the remainder of any Standard Metropolitan Statistical Area (SMSA), part of which is within the State of Michigan.

These suspension rules were applicable until the April 1st following the calendar year in which the retiree reaches age 70 ½ (for those who reached age 70 ½ on or before December 31, 2019) or age 72 (for those who reach age 70 ½ after December 31, 2019), the same rules will generally continue to apply until the April 1st following the calendar year in which the retiree reaches age 73 (or 75 starting in 2033). Thereafter, you may both work and receive your monthly pension. This change sets the Plan's suspension rule to be consistent with the change in the law following the adoption of SECURE Act 2.0. This change sets the Plan's suspension rule to be consistent with the change in the law following the adoption of SECURE Act 2.0.

The following examples should help explain this rule and how it works:

**Examples:**

***Example 1:*** Jason reached age 72 on February 3, 2023. He stopped working at the trade and retired in 2016 then began to receive monthly retirement benefits. In July 2024, Jason decides to return to work at the trade in Michigan and works 150 hours in that month. Under the new benefit suspension rule, which impacts Jason's benefit because he turned 72 after December 31, 2022, Jason's benefit would be suspended for the month of July 2024 because he worked 40 or more hours in a month before April 1, 2025 (the April 1st following the calendar year in which he reaches age 73).

***Example 2:*** Sam reached age 73 on December 3, 2022. He stopped working at the trade and retired in 2016 then began to receive monthly retirement benefits. In July 2024, Sam decides to return to work at the trade in Michigan and works 150 hours in that month. Under the new suspension rule, which does not impact Sam's benefit because he turned 72 before December 31, 2022, Sam's benefit would not be suspended for the month of July 2024 because he has passed April 1, 2023 (the April 1st following the calendar year in which he reached age 72).

This change in the Plan will match the date the suspension rule is applied to the date required for a minimum distribution under the law. So, if the law is changed again at some point in the future, the application of the Plan rule will also change without the need for another amendment.

The Trustees decided to make this change in the Plan after meeting with the Fund's professional advisors and reviewing the change in the law under the SECURE Act 2.0 as well as the many factors which determine the level of benefits that can be promised and paid. The professionals retained by the Fund have advised the Trustees that this change is reasonable in light of the change in the law. If you have any questions about your Plan or this Notice, please call the Fund Office at (248) 645-6550.

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## SUMMARY OF MATERIAL MODIFICATIONS

A summary plan description was distributed to participants in August 2021, which reflected the provisions of the Pension Plan in effect on November 1, 2020. It has continued to be distributed to new participants. If you have not received one, contact your local union or the Plan's administrative office. Since the summary plan description ("SPD") was written, the Trustees, in consultation with the Fund's actuaries and attorneys, have adopted changes in the Plan, the most important of which are reported below. This Summary of Material Modifications supplements the SPD previously provided to you. You should retain this document with your copy of the SPD.

**Effective May 1, 2021**, the Fund's Plan was amended to provide that, for benefits accrued on and after May 1, 2021, the accrual rate increased from 8.1¢ for each hour of work to 10¢ for each hour of work. This will only apply to benefits accrued on or after May 1, 2021. For work in a classification or under a collective bargaining agreement that required a different contribution than the AGC of Michigan Agreement requires for a Journeyman, including contributions received through reciprocity, the accrual rate will be a prorated amount, rounded up, if necessary, to the next highest full cent.

**Effective May 1, 2021**, the Fund's Plan was amended to provide that, each retiree, beneficiary and totally and permanently disabled participant who was paid or was entitled to be paid a monthly benefit on September l, 2021 and remained entitled to receive a monthly benefit on December 1, 2021, will be paid an additional benefit of the same amount on December 2, 2021. This is sometimes referred to as a "thirteenth check". This was a one-time, non-recurring payment and not a cost-of-living increase or other annual increase in benefits.

**Effective January 1, 2022**, the Fund's Plan was amended to provide that a totally and permanently disabled participant is one who is determined on the basis of satisfactory medical evidence to have a physical or mental condition which commenced while the individual was an active participant, which has rendered him totally unable to engage in any regular occupation or employment in the cement mason trade for remuneration or profit, and which will be permanent and continuous during the remainder of his life. This is commonly referred to as trade based disability. Prior to this change, a participant was found to be disabled if he was unable to work in any occupation or employment (commonly referred to as Social Security based Disability).

**Effective May 1, 2022**, the Fund's Plan was amended to provide that the amount of the disability benefit payable would be the greater of (a) seventy five percent (75%) of the Single Life Benefit form of normal retirement benefit an active or inactive participant would be eligible for at his normal retirement date, or (b) the lesser of the (i) Single Life Benefit form of normal retirement benefit an active or inactive participant would be eligible for at his normal retirement date, or (ii) seven hundred and fifty dollars ($750.00). If the amount under (a) and (b) above are the same, the disability benefit payable shall be seven hundred and fifty dollars ($750.00). Prior to the change, the amount of the disability benefit was ***the lesser of*** the accrued benefit that would have been payable at Normal Retirement Age or $750.

**Effective January 1, 2022**, the Fund's Plan was amended to provide that an active participant who becomes employed by a department or agency of any labor organization or council of labor organizations with which the union or one of the Locals is affiliated, shall be credited with hours of service to receive a Credit Year only and not for benefit accruals, up to a maximum of 500 hours of service.

**Effective January 1, 2023**, the Fund's Plan was amended to provide for a limited and temporary waiver of the Pension Plan's suspension of benefit rule from January 1, 2023 through December 31, 2023. Under the Fund's limited and temporary waiver, a Retiree, who retired on or before October 1, 2022, may return to work as a Cement Mason for a contributing employer for more than 40 hours without incurring a suspension of benefits then in pay status if they provide advance notice to the Fund Office.

## TRUSTEE CHANGES

The current Fund Trustees as of August 2023 are as follows:



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## NOTICE TO RETIREES
## ABOUT SUSPENSION OF PENSION BENEFITS

This Notice is to remind you of the provisions of the Pension Plan governing Suspension of Pension Benefits, which apply to Participants who have Retired and later decide to return to work. Under these provisions, Pension Benefits being paid to retirees may be suspended only if **ALL** of the following conditions are met:

1. A retiree is working at least **40** Hours during any given month (or during the payroll periods ending in that month); and

2. The work is in the same industry as the type of business activity engaged in by employers who contribute to the Plan even though the employer may not be a contributing Employer (e.g., non-union); and

3. The work is at the same trade or craft in which the retiree was working when he earned benefits under the Plan. (Self-employed work, as well as supervisory or managerial work can be considered as a return to work so long as activity is reasonably related to the underlying skills associated with the trade or craft for which the retiree was trained or in which he acquired his work experience); and

4. The work is performed within the State of Michigan, or within the remainder of any Standard Metropolitan Statistical Area (SMSA), part of which is within the State of Michigan.

This suspension is applicable until the April 1$^{st}$ following the calendar year in which you reach age 70 ½ if you were born before July 1, 1949, April 1$^{st}$ following the calendar year in which you reach age 72 if you were born after June 30, 1949 but before October 1, 1951, or April 1$^{st}$ following the calendar year you reach age 73 if you were born on or after October 1, 1951. Thereafter, you may both work and receive your monthly pension.

Under the provisions of the Plan, every retiree **is required** to notify the Fund Office immediately if he intends to return to work in any capacity, regardless of the number of hours you intend to work or whether you return to work for a non-contributing employer (e.g., non-union) or in a self-employed, supervisory, or managerial capacity. Failure to notify the Pension Department in a timely manner of a return to work may subject the retiree to possible suspension of his current and/or future Pension Benefits. Should a retiree who returns to such employment without notifying the Trustees of his intent to do so be found to be or to have been working on a job, the Trustees will presume that he has been re-employed under the four conditions set forth above for the entire period that his employer has been working or worked on that particular jobsite and suspend the retiree's monthly benefits for such period. This presumption shall be rebuttable, but it shall be the responsibility of the retiree to submit evidence to rebut said presumption.

Notwithstanding the above, the Board of Trustees has adopted a limited waiver to the suspension of benefits rule applicable to retirees who retired on or before October 1, 2022 and returned to work for the period of January 1, 2023 through December 31, 2023.

**Note**: Returning to work for fewer than 40 hours a month after you Retire will not result in a suspension of your monthly Retirement benefit, but it could, depending on the circumstances, be evidence that you did not intend to Retire and could result in a determination that you were not eligible to begin receiving Retirement Benefits.

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## NOTICE TO PLAN PARTICIPANTS APPROACHING NORMAL RETIREMENT AGE

This notice applies only to Plan Participants who do **NOT** elect to retire at the normal retirement age and who may choose to continue working. “Normal Retirement Age” under the Pension Plan is age 65.

If you continue to work after reaching the normal retirement age, your Plan’s Suspension of Benefit Rules will be applied even though you have not actually retired.

Under the Suspension of Benefit Rules, no benefits are payable for any month in which you work 40 hours or more in the same industry, same trade or craft, and within the State of Michigan, or within the remainder of any Standard Metropolitan Statistical Area (SMSA), part of which is within the State of Michigan. This suspension is applicable until the April 1st following the calendar year in which you reach age 70 ½ if you were born before July 1, 1949, April 1st following the calendar year in which you reach age 72 if you were born after June 30, 1949 but before October 1, 1951, or April 1st following the calendar year in which you reach age 73 if you were born on or after October 1, 1951 or unless waived on a temporary basis by this Board of Trustees. Thereafter, you may both work and receive your monthly pension.

If you continue to work after reaching the normal retirement age, but work less than 40 hours per month or do not work at all, no pension benefits will be paid during such months. However, when you do retire, you may be entitled to additional benefits for those months between your normal retirement age and your actual date of retirement if you did not work at least 40 hours in the same industry, same trade or craft, and within the State of Michigan, or within the remainder of any Standard Metropolitan Statistical Area (SMSA), part of which is within the State of Michigan.

Be assured that application of the Suspension of Benefits Rules while you are working after reaching the normal retirement age will in no way affect your current vesting or benefit accrual status under the Plan. When a Participant who continues to work after his normal retirement age decides to actually retire, his normal retirement benefit will be determined in accordance with the regular Plan provisions. Such provisions give credit for work performed under the Plan prior to actual retirement.

If you disagree with how the Suspension of Benefit Rules is being applied to your particular case, you have the right to appeal to the Board of Trustees. The Appeal Procedure is set forth on Page S-38 of the Summary Plan Description.

## DELAYING THE DATE YOUR PENSION STARTS COULD AFFECT YOUR BENEFIT AMOUNT

**Normal Retirement Pension**: If you are an active Plan participant and you retire at or after age 65 with at least 5 Credit Years, you are eligible for a normal retirement pension. You will find information about how to estimate your monthly pension benefit in the Summary Plan Description and any subsequent announcement letters. You may also request that the Fund Office calculate your pension benefit.

If your retirement date is after your Normal Retirement Age, age 65, then your monthly pension benefit will be actuarially increased for each month after your Normal Retirement Age that you do not receive your pension benefits or earn additional benefits by continuing to work.

**Early Retirement Pension**: If you are an active participant and you retire at or after age 55 with at least 10 Credit Years, you may be eligible for an early retirement pension, as explained in the Summary Plan Description.

For the portion of your benefit accrued prior to May 1, 2010 the amount of the reduction is one quarter of one percent for each complete calendar month by which you are under age 65 (3% per year) if you have fewer than 25 Credit Years, **or** reduced by one quarter of one percent for each complete calendar month by which you are under age 60 (3% per year) if you have at least 25 but fewer than 30 Credit Years.

For the portion of your benefit accrued on or after May 1, 2010 the amount of the reduction is five-twelfths of one percent for each complete calendar month by which you are under age 65 (5% per year) if you have fewer than 25 Credit Years, **or** reduced by five-twelfths of one percent for each complete calendar month by which you are under age 60 (5% per year) if you have at least 25 but fewer than 30 Credit Years.

If you are age 55 or older and have 30 Credit Years, or if you are age 60 or older and have 25 Credit Years, there is no reduction for retiring early.

> **Example of an early retirement pension:**
>
> Paul is retiring at age 57 with 17 Credit Years. His normal retirement pension is calculated to be $1,178.70 per month. The portion of Paul's accrued benefit earned before May 1, 2010 is $960.00. The portion of Paul's benefit earned after May 1, 2010 is $218.70. Because Paul does not have at least 25 Credit Years and is retiring eight years before age 65, his pension benefit is reduced. If his current age is 95 complete calendar months under age 65, all benefits accrued before May 1, 2010 will be reduced by one quarter of 1% for each of 95 months; 23.75% or $228 and all benefits accrued on and after May 1, 2010 will be reduced by five twelfths of 1% for each of 95 months; 39.58% or $86.57. Therefore, his Accrued Benefit of $1,178.70 would be reduced to $864.13 ($732 + $132.13).

***Delaying Retirement Will Increase Your Pension:***

If you continue to work at the trade and delay your retirement, the monthly pension amount you will receive when you retire will increase because you are earning additional benefits.

If you are eligible for a vested retirement pension that is subject to reduction for early payment, the closer you are to age 65 when you start receiving your pension benefit the higher your monthly pension amount will be when you retire because the reduction will be smaller.

**Vested Retirement Pension**: If you terminate covered employment before age 65 with at least 5 Credit Years, you may be eligible for a vested retirement pension, as explained in the Summary Plan Description. Vested retirement pension is payable at age 65 or later unless you have at least 10 Credit Years. If your retirement date is after your Normal Retirement Age, age 65, then your monthly pension benefit will be actuarially increased for each month after your Normal Retirement Age that you do not receive your pension benefits.

**Example of a vested retirement pension:**

Eric worked in covered employment from age 21 to age 30 and earned 7 Credit Years. He pursued a career as a painter and did not return to covered employment. His normal retirement pension is calculated to be $1,300 per month. When Eric reaches age 65, he will be entitled to a vested retirement pension based on the benefit rate in effect when he became an inactive participant (at the end of the second consecutive Plan Year during which he did not earn an hour of service) and the amount of his vesting. If Eric waits until after age 65 to receive his pension, his benefit will be actuarially increased to account for the delay.

If you have any questions about this information, please review your Summary Plan Description booklet or contact the Fund Office at 248-645-6550.

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## SOCIAL SECURITY NUMBER PRIVACY POLICY
**(Effective January 1, 2006)**

The Cement Masons Pension Trust Fund – Detroit and Vicinity and Cement Masons Vacation and Holiday Fund – Detroit and Vicinity are required by Michigan law to make sure that your Social Security number and the Social Security numbers of your family members are kept private as set forth in that law.

The law permits the Funds to use Social Security numbers to verify your identity and the identities of your family members and to perform other functions related to providing benefits under the Funds' Plans. Therefore, the Funds will continue to require Social Security numbers on application and other forms. When your employer pays contributions on your behalf, the law permits your employer to provide the Funds with your Social Security number so that the Funds may determine your eligibility status. The law also permits the Funds to use Social Security numbers when authorized or required to do so by state or federal statute, by court order, or pursuant to legal discovery or process. The Funds will ensure to the extent practicable the confidentiality of those Social Security numbers.

In order to protect your privacy and in compliance with the law, the Funds' third-party administrator, TIC International Corporation ("TIC"), will use alternate identification numbers wherever feasible, including on monthly notices of contributions. TIC does not print Social Security numbers on the exterior of any envelope or package sent through the mail or in a manner that can be seen from the exterior of such envelope or package.

Only TIC's employees and agents and employees and agents of other service providers may access the Social Security numbers of the Funds' participants and family members and only as necessary to provide services to the Funds. TIC uses practical means to limit access to written and electronic records in its possession that contain Social Security numbers to those employees and agents whose job duties require such access, such as securing areas where Social Security number information is located when not in use and requiring the use of passwords for access to electronic files containing Social Security numbers. TIC disposes of documents that contain Social Security numbers that the Funds are not actively using or are not otherwise obligated to retain by shredding and other processes that protect the confidentiality of the Social Security numbers. TIC's employees and agents must not disclose Social Security numbers by publicly displaying more than four sequential digits of a Social Security number or in any other manner prohibited by law.

The Funds notify all service providers that they must ensure, to the extent practicable, the confidentiality of all Social Security numbers related to the Funds' participants and their families as required by law. The Funds may take action regarding service providers who fail to protect adequately the confidentiality of those Social Security numbers, including the termination of contracts.