

OUTSTATE MICHIGAN TROWEL TRADES FRINGE BENEFIT FUNDS

Michigan Trowel Trades Health and Welfare Fund
Outstate Michigan Trowel Trades Pension Fund
Outstate O.P.C.M.I.A. Apprenticeship Fund

Managed for the Trustees by:
TIC INTERNATIONAL CORPORATION

IMPORTANT NOTICE TO ALL PARTICIPANTS, RETIREES AND ALTERNATE PAYEES

Effective January 1, 2011, the Pension Plan of the Outstate Michigan Trowel Trades Pension Fund has, with the advice of the Fund's actuary and attorney, been amended to:

1. Increase the number of hours required to become a Participant in the Plan from three hundred (300) Hours of Work to five hundred (500) Hours of Work.
2. Increase the number of hours required to earn a Year of Service from three hundred (300) Hours of Work to five hundred (500) Hours of Work.
3. Reduce monthly Disability Benefits from one hundred percent (100%) to seventy five percent (75%) of the participant's Accrued Benefit. **This will not affect anyone with a Disability Benefit in pay status on January 1, 2011.**
4. Reduce Lump Sum Disability Benefits from one hundred percent (100%) of Employer contributions made on his behalf to the greater of; (a) the single sum actuarial equivalent of his basic vested amount; or (b) seventy five percent (75%) of the total Employer contributions made on his behalf. If the lump sum amount is over \$5,000.00, spousal consent will be required prior to receipt of the payment.
5. Discontinue providing additional monthly Disability Benefits back to the date of entitlement under Social Security or for twelve (12) months, whichever is the lesser number. Monthly Disability Benefits will instead commence the first day of the first month following receipt of an application, regardless of the date of entitlement to Social Security Disability Benefits. **This will not affect anyone with a Disability Benefit in pay status on January 1, 2011.**

The Board of Trustees made these changes after meeting with the Fund's professional advisors and reviewing many factors, particularly the earnings on Fund investments and the decline of work in Michigan. There is no quick fix to immediately improve funding, but the Trustees are committed to protecting core retirement benefits and making sure that the Fund remains financially stable and continues to grow into the future.

**The Board of Trustees
Outstate Michigan Trowel Trades Pension Fund**

(please see important examples on other side)

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EXAMPLES

Example 1: Assume that you first had contributions paid to the Fund on your behalf on March 1, 2010. Previously, to become a participant in the Plan you would have needed to work at least 300 covered hours by February 28, 2011. However, if you have not worked 300 covered hours by December 31, 2010, you will need to work 500 covered hours by February 28, 2011 or in a future consecutive 12-month period to become a participant in the Plan.

Example 2: Assume that as of December 31, 2010, you have earned 11 Years of Service under the Plan (one year for each Plan Year in which you worked 300 or more covered hours). Beginning with the 2011 Plan Year, you will have to work 500 covered hours to earn your next Year of Service.

Example 3: Assume you are an active participant on January 15, 2011 with 11 Years of Service when you become disabled. Your normal retirement benefit calculated in the Straight Life form as of February 1, 2011, the first of the month following the date your application for disability benefits is submitted to the Fund Office, was \$1,000.00. When your application for disability benefits is approved by the Fund, your monthly benefit would be \$750, seventy five percent of your Straight Life Benefit amount, not \$1,000. You would still be entitled to receive your earned monthly benefit of \$1,000 at your normal retirement age (or at early retirement with the appropriate reduction). The disability benefit stops upon your retirement.

Example 4: Assume you are an active participant on January 1, 2011 with 3 Years of Service when the Social Security Administration determines you are qualified for Social Security Disability Benefits. If you apply for benefits on January 15, 2011, you will receive 75% of the total Employer contributions made on your behalf instead of 100%.

Example 5: Assume you are an active participant with 11 Credit Years when you are awarded Social Security Disability Benefits with a date of entitlement of January 1, 2010 and apply for disability benefits from the Fund on January 15, 2011. You would begin receiving monthly disability benefits on February 1, 2011, but you would not receive twelve (12) months of additional disability benefits.