



LABORERS'
PENSION
FUND

LABORERS' PENSION FUND
(CHICAGO and VICINITY)

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**SUMMARY ABOUT KINDS OF WORK NOT ALLOWED
AFTER RETIREMENT (DISQUALIFYING EMPLOYMENT)**

Retirement

When an employee receives his first pension check from the pension plan, he is retired. While in retirement he will receive monthly pension checks for the rest of his life as long as he does not do certain kinds of work. The type of work that a pensioner is not allowed to perform is called Disqualifying Employment and is described below.

Disqualifying Employment

Disqualifying Employment is different before age 65 than it is after age 65 and a pensioner can work unlimited hours after age 70.

Before age 65, Disqualifying Employment is any work or self-employment in jobs usually done by laborers or any other construction tradesman. It does not matter where the work is done or how many hours are worked.

After age 65, Disqualifying Employment is any work or self-employment of 40 or more hours per month in jobs usually done by construction industry laborers in the area covered by the Plan. Work after age 65 of less than 40 hours per month will not stop the pension. The area covered by the Plan includes Illinois and any area covered by the collective bargaining agreements with the local unions.

After age 70, There is no Disqualifying Employment. A participant can work unlimited hours and receive full pension.

Retirement for Disability Pensioners

Disability Pensioners may not engage in any further employment or gainful pursuit and continue to receive their pension.

Withholding of Pension Checks

If a retiree takes the work described above after he has received his first check, his monthly payments will be stopped or withheld for each month he works.

Return to Work

A retiree must notify the Board of Trustees of a return to work within 15 days after the date he goes back, no matter how many hours he is going to work in a month.

If the pensioner does not tell the Fund Office he is working, they will try to find out when the work started and the checks should have stopped. It may be assumed that he was working enough hours so that he was not allowed to receive the pension. The retiree can then show proof of the exact date he started working and tell what job it was. The Fund Office will tell a retiree whose checks are stopped exactly why and will give other information he will need to know. The retiree can ask for a review of a decision to withhold benefits by writing to the Fund Office within 180 days after the date he was told checks would be stopped. The request for review will be processed in the same way as an appeal of a pension denial.

EMPLOYER PARTICIPANTS .

Builders Association, Employing Plasterers Association, Underground Contractors Association, Mason Contractors Association, Concrete Contractors Association, Wrecking Contractors, Concrete Products Employers, Lake County Illinois Employers, Illinois Road Builders Association, Bridge and Highway Structural Builders; i.e. all those who employ Laborers Engaged in the Building and Construction Industry.

A Pensioner who plans to go back to work should first ask the Fund Office whether that work will cause pension checks to be stopped. If he does not agree with the answer, he has the right to request a written determination from the Board of Trustees.

Medical Coverage During a Return to Work

The Board of Trustees changed the rules regarding the eligibility requirements for medical coverage under the Active Plan for all pensioners who return to work after August 1, 2002. Pensioners whose benefits are suspended after August 1, 2002 will be required to complete 500 hours in a six-month period or 800 hours in a twelve-month period to regain eligibility for medical coverage under the Active Plan. These requirements will apply regardless of your age when you return to work after retiring.

Pension Checks After a Return to Work

When a pensioner has had his pension suspended and then wants to receive his checks again, he should notify the Fund Office immediately in writing with his name, Social Security number and the date he quit work again.

Payments will begin the first of the month following the date he notified the Fund Office in writing that he had stopped working.

If you earn additional credit by returning to work, your monthly benefit amount may be increased for this additional pension credit at the time of reinstatement. Only additional credit can be calculated with a different accrual rate or Joint and Survivor Annuity reduction factor (if you qualify). Your previous benefit is "frozen" at the original accrual rate and Joint and Survivor Annuity reduction factor.

As amended effective June 1, 2001, your pension recalculation will take into account the pension payments you received after June 1, 2001. In other words, the additional pension you earn will be reduced by the actuarial value of the pension you received after June 1, 2001.

Please note that if you were previously receiving an Early Pension, your recalculated benefit will reflect your age on the date your pension payments start again. **However this recalculated benefit will be reduced by the actuarial equivalent of all previous pension payments made to you.** This means that if you were previously receiving an Early Pension and you return to work earning additional credit, your pension amount will not automatically increase.

Medical Coverage After a Return to Work

It is important to know that if a pensioner works in Disqualifying Employment and his pension benefits are suspended three times after August 1, 2002, he will no longer be eligible for coverage under the Retiree Medical Plan or the Retiree Basic Medical Coverage Plan.

Paying Benefits Back

It is important to know that if a pensioner works in Disqualifying Employment and also gets checks, he must pay back the pension amounts he got when he was not allowed to receive them. The Pension Fund will take back pension payments which were improperly received. If the pensioner is age 65 or older, the Trustees may withhold 100% of the first monthly check due when the retiree stops working again plus 25% of the future monthly benefit amount if that is necessary to recover benefits paid to him while he was working. The 25% reduction will also be made to any spouse's benefit if the retiree dies before the total amount is paid back. In any event, the Fund has the right to recover any overpayments from the pensioner's estate. If the pensioner is younger than age 65, the Trustees may withhold checks until all the improper benefits are repaid.

Rules on Withholding of Benefits

The Plan rules may be found in your Summary Plan Description and are in accordance with Department of Labor regulations which may be found in Section 2530-203-3 of Volume 29 of the Code of Federal Regulations. If you wish to obtain a Summary Plan Description or a copy of the Rules and Regulations for the Laborers' Pension Fund, please contact the Fund Office.