



MASSACHUSETTS
**LABORERS' PENSION &
ANNUITY FUNDS**

Important Notice of Change to Massachusetts Laborers' Pension and Annuity Plans

To: Employers Contributing to the Massachusetts Laborers' Pension and Annuity Plans

Re: Change to Eligibility Rules to Allow Participation of Certain Owners, Officers or Directors of Contributing Employers

The Boards of Trustees of the Massachusetts Laborers' Pension and Annuity Plans (the Plans) are pleased to announce that they have expanded the Plans' eligibility rules to cover certain owners, officers or directors of Contributing Employers. An owner, officer, or director may participate in the Plans, and their Employer may contribute on their behalf, **if the following conditions are met:**

1. The Employee wishing to participate:
 - a. **was previously covered by a collective bargaining agreement** with the Laborers' International Union of North America, AFL-CIO, or any of its affiliated local unions or district councils (the Union) providing for contributions to the Plans;
 - b. is performing services for the Employer and has an **ownership** interest in, or is an **officer** or **director** of, the Employer; and
 - c. **earned at least five Years of Vesting Service under the Pension Plan** before becoming an owner, officer, or director of the Employer.
2. The Employer executes Participation Agreements with the Plans;
3. The Employer identifies each Employee eligible under these rules; and
4. The Employer certifies that every participating Employee qualifies under Section (1) above.

Employees eligible for Plan participation under these rules are known as "Bargaining Unit Alumni."

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Upon execution of Participation Agreements with the Plans, the **Employer will make contributions on 1,820 hours per year, or on all hours worked, if greater**, for each Bargaining Unit Alumnus, on the same basis as contributions are made for similarly-situated employees covered by a collective bargaining agreement. Contributions to each Plan for an Alumnus must be based on the same number of hours.

Enrollment in this program requires execution of both pension and annuity participation agreements for the purposes of alumni participation and they may not be treated as stand-alone agreements.

The Plans will treat hours worked and contributions received under a Participation Agreement in the same manner as hours worked and contributions received on behalf of similarly-situated collectively-bargained members.

Please note that employers are subject to audit by the Plans to ensure contributions are correct under collective bargaining agreements and Participation Agreements, including those covering bargaining unit alumni under this new rule.

In the unlikely event that the number of non-collectively bargained participants exceeds certain thresholds set by the Internal Revenue Code, the Board of Trustees may modify or eliminate this eligibility rule in their sole discretion. Affected Employers and Bargaining Unit Alumni would be notified in that event.

If you intend to participate, please complete the attached questionnaire within 60 days of the date of this mailing. Upon receipt we will forward participation agreements for enrollment.

We are pleased to offer this program and hope it will be able to assist eligible employers in providing retirement benefits.

For Questions:

Please contact the Retirement Benefits Department at the Massachusetts Laborers' Benefit Funds Office, **(781) 272-1000 x150** or by emailing **pension@mlbf.org**