



**Alumni Owners May Participate in Pension Plan**

This Summary of Material Modifications (SMM) is being sent to all active and retired members who participate in the Bricklayers and Masons' Local Union No. 5 Ohio Pension Plan (Plan). It is intended to advise you of changes to your Plan. Please take the time to read this carefully and keep it with your Summary Plan Description (SPD). If you have any questions regarding the Plan, please do not hesitate to contact the Fund Office.

In past years, any former member of the Union who became an owner of a participating contractor (or whose spouse became an owner) was prohibited from continuing to participate in the Pension Plan. Beginning May 1, 2018, this rule is changing and a limited class of owners will be permitted to resume participation. This is optional and certain criteria must be met before the Plan can accept contributions:

- A written participation agreement will need to be signed
- The individual must be a bona-fide employee who receives a regular W-2 income
- The individual must be a “bargaining unit alumni”—meaning he must have previously participated in the Pension Plan while working under the Bricklayers and Masons' Local Union No. 5 collective bargaining agreement
- The employer must agree to contribute for all bargaining unit alumni, but are not required or permitted to contribute for other non-bargained employees
- The employer must agree to contribute the greater of: 1) 160 hours per month; or 2) the actual hours worked by each bargaining unit alum

If you or your company may be interested in learning more about participation options, please feel free to reach out to the Fund's administrative office.

Sincerely,  
The Board of Trustees  
Bricklayers Masons' Local Union No. 5 Ohio  
Pension Plan



## **WORKING OWNER PARTICIPATION RULES**

### **FREQUENTLY ASKED QUESTIONS**

In past years, any former member of the Union who became an owner of a participating contractor (or whose spouse became an owner) was prohibited from continuing to participate in the Pension Plan. Beginning May 1, 2018, this rule is changing and a limited class of owners will be permitted to resume participation. This information sheet is designed to help you understand the rules that govern the program.

**Can partners or sole proprietors participate?** No, the contractor must be a corporation or limited liability company. Any person who is a partner or sole proprietor is not permitted to participate in the Plan.

**Is participation limited to employees?** Yes, the individual must be an employee. If the person does not draw a regular paycheck and W-2 income from the business, he will likely not be eligible to participate.

**Can all non-bargained employees participate in the Plan?** No, participation is limited to those employees who are bargaining unit alumni. For example, administrative staff with no prior connection to Bricklayers and Masons' Local Union No. 5 are not eligible.

**Who qualifies as bargaining unit alumni?** Those individuals who have previously participated in the Pension Plan while working under the Bricklayers and Masons' Local Union No. 5 collective bargaining agreement. Many individuals have worked in the trade, under the CBA for years prior to starting their own company or accepting a management job with a contributing employer in estimating, sales, etc.

**Are contractors required to contribute for bargaining unit alumni?** No, this is just an option available to help ensure these employees continue to earn a meaningful retirement benefit. Some employers may want alumni to participate in the company's 401(k) or similar retirement option.

**Can contractors elect to contribute for some bargaining unit alumni but not others?** No, all bargaining unit alumni must be treated identically. If the employer decides to contribute for one bargaining unit alum, it must contribute for all.

**Are there minimum contributions that must be made?** Yes, the contractor must agree to pay the greater of: 1) 160 hours per month; or 2) the actual hours worked by each bargaining unit alum.

**How will the Plan confirm that contribution requirements have been met?** During the course of the Plan's regular employer audit cycle, the auditor will review the employer's records to confirm compliance. If the employer has not contributed for all alumni, or has not met the 160 hour requirement, the Plan will need to pursue the remaining contributions due.

**Can a contractor contribute for retired alumni who return to work?** This depends on the type of work begin performed. If the retiree is working under the collective bargaining agreement, then contributions would be made pursuant to the CBA rules. If the retiree returns to work in a non-bargained position, it would be possible to make contributions under the alumni participation rules.

**How does a contractor begin making contributions?** The contractor must contact the Fund's Administration Office and request a written participation agreement.

**What is a participation agreement?** This document will outline the terms and conditions of participation. Once signed by the Fund and the contractor, the alumni would be reported on the standard remittance forms.

**Does this rule also apply to the International Pension Fund?** This has nothing to do with the International Pension Fund. If an employer is interested in the non-bargained rules for the IPF, they should contact that Plan directly.

Additional questions, comments or concerns should be addressed to the Fund's Administrative Office. The Board of Trustees will promptly review and respond to all inquiries. Your continued interested in the Plan is appreciated.

Sincerely,

The Board of Trustees  
Bricklayers Masons' Local Union No. 5 Ohio  
Pension Plan