

Roofers Local 149 Joint Funds

Security Benefit Trust Fund - Pension Fund - Vacation-Holiday Fund

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May 17, 2005

NOTICE TO ROOFERS LOCAL 149 PENSION PLAN MID-MICHIGAN PARTICIPANTS REGARDING PLAN CHANGES EFFECTIVE JUNE 1, 2005

The Trustees of the Roofers Local 149 Pension Fund (the "Fund") are pleased to announce an increase in the pension benefit accrual rate. This rate increase, explained below, was effective retroactive to June 1, 2004.

Further, in light of the Trustees commitment to assuring the security of your pension benefits, it has become necessary to make other plan changes, outlined below. These changes are effective June 1, 2005.

Increase in Benefit Accrual Rate

The benefit accrual rate was increased from \$3.50 to \$4.60 per 100 hours worked as of June 1, 2004.

Increase in Number of Hours of Service Needed to Become a Participant

Currently, an individual officially becomes a participant in the Fund when, within a period of 12 consecutive months, he is with 300 Hours of Work. Effective June 1, 2005, an individual will officially become a participant when, within a period of 12 consecutive months, he is credited with 870 Hours of Work (which is consistent with the hours needed to earn one year of service).

Of course, all hours earned to become a participant are counted towards an individual's benefit accrual (i.e. amount of benefit).

Unreduced Early Retirement Benefit

Currently, the plan provides that an unreduced early pension benefit is available for those who are age 62 with 10 years of Service. To receive an unreduced early pension benefit based upon benefits which accrue on or after June 1, 2005, a participant must have at least at least 20 Years of Service.

A participant can still choose an early retirement at age 62 if he has 10 Years of Service on or after June 1, 2005, but at that time he will only be entitled to receive on an unreduced basis that portion of his benefit which accrued as of May 31, 2005. The portion of his benefit which accrued on or after June 1, 2005, will be reduced for each month he is under age 65. For example:

Participant A retires on June 1, 2006, at age 62 and 2 months, with 10 Years of Service. His accrued benefit is \$1000 per month, \$800 of which was earned as of May 31, 2005, and \$200 of which was earned after May 31, 2005. His benefit payable on June 1, 2006, is computed as follows:

\$800 (unreduced) plus \$166 (which is \$200 reduced by $\frac{1}{2}$ of 1% for each month he is under age 65), for a total of \$966 per month. (Prior to the amendment, his benefit would have been \$1000 per month).

If you have any questions regarding these changes, please call the Fund Office (248) 645-6411.

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