



LABORERS' INTERNATIONAL UNION OF NORTH AMERICA  
NATIONAL (INDUSTRIAL) PENSION FUND

BOARD OF  
TRUSTEES

**TO: ALL PARTICIPATING LOCAL UNIONS & DISTRICT  
COUNCILS ALL CONTRIBUTING EMPLOYERS**

UNION TRUSTEES

TERENCE M.  
O'SULLIVAN  
*Co-Chairman*

**FROM: MARK W. SPEAKES, Fund Administrator**

ARMAND E.  
SABITONI

**DATE: NOVEMBER 2008**

**RE: PLAN AMENDMENT REGARDING REDUCTIONS IN  
CONTRIBUTION RATES**

J. ROCCO DAVIS

EMPLOYER  
TRUSTEES

ROBERT P.  
McCORMICK  
*Co-Chairman*

For your information, this letter contains an amendment to the Pension Fund's Rules & Regulations by adding an Article III, Section 3.03(c). This amendment was adopted by the Board of Trustees at its recent meeting. The purpose of the amendment is to implement two federal laws.

ROBERT B.  
DI SCULLO, JR.

F GILBERT  
CROSTHWAITE

First, the new subsection (c)(1) implements the requirement of Section 204(h) of the Employee Retirement Income Security Act (ERISA) that affected participants be given at least 15-days advance notice of a reduction in their employer's rate of contributions to the Pension Fund. This notice requirement applies to collectively bargained reductions in contribution rates, even if the covered employees ratified the change or were otherwise aware of it.

MARK W. SPEAKES  
*Fund Administrator*

In order to give the 15-day notice to the affected participants, the Pension Fund needs at least 30 days advance notice of the reduction. This notice may come from the Union or the Employer. The Fund will not recognize a contribution reduction until 30 days after it receives such a notice of the reduction, and the Employer will remain obligated to continue contributing at the unreduced contribution rate until the date on which the contribution reduction is permitted under ERISA.

Second, the new subsection (c)(1) implements the provision of the Pension Protection Act of 2006 (PPA) that bars the Pension Fund from accepting a contribution rate reduction while a "funding improvement plan" is in effect. The Pension Fund does have a PPA-mandated funding improvement plan in effect, as explained in a notice that was sent to you in April 2008.

Please feel free to contact me if you have any questions about this memorandum. Your continuing support for the Pension Fund is appreciated.

LIUNA  
INNOVATION  
AT WORK

**Amendment To The Rules & Regulations  
Regarding Reductions In Contribution Rates**

Pursuant to its authority under the Agreement and Declaration of Trust and the Rules & Regulations of the Pension Fund, the Board of Trustees hereby amends Article III, Section 3.03 of the Rules & Regulations by adding a subsection (c) providing as follows:

**(c) Reductions In Contributions.**

- (1) No reduction in the rate of contributions for any group shall be recognized and given effect by the Pension Fund until the later of (i) thirty (30) days after the date on which the Pension Fund receives written notice of the reduction from the Union or Contributing Employer involved, and (ii) the effective date of the reduction set by agreement between the Union and Contributing Employer. The Employer shall remain obligated to continue contributing at the unreduced rate until the date on which the rate reduction is permitted by this subsection, notwithstanding any agreement between the Union and the Employer to the contrary. This provision is intended to enable the Pension Fund to comply with the participant notice requirement of ERISA Section 204(h).
  
- (2) No reduction in the rate of contributions for any group shall be recognized and given effect by the Pension Fund during any period when ERISA, as amended by the Pension Protection Act of 2006, prohibits the Fund from doing so. The Employer shall remain obligated to continue contributing at the unreduced rate during such a period, notwithstanding any agreement between the Union and the Employer to the contrary.

Adopted by the Board of Trustees  
at its meeting on November 10, 2008.