



GREATER KANSAS CITY LABORERS FRINGE BENEFIT FUNDS

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TO: ALL PENSION PLAN PARTICIPANTS

The Board of Trustees is pleased to announce two new supplemental benefits for eligible participants who retire on or after April 1, 1997. To be eligible you must: (1) retire on or after age 55; and (2) have earned at least one Pension Credit in the plan credit year in which you retire or in the immediately preceding two plan credit years; and (3) have at least 10 Pension Credits. These benefits will also be available for a limited duration to participants under age 55 who begin receiving a Disability Pension on or after April 1, 1997.

Reciprocal Credits earned under any Reciprocity Agreement will not be considered in determining the amount of your benefit. However, Reciprocal Credits earned under the Kansas Construction Trades Open End Pension Trust Fund or the Construction Industry Laborers' Pension Fund will be counted for purposes of determining whether you have earned a Pension Credit within the last three plan credit years and have attained at least 10 Pension Credits and whether your benefit must be reduced for early payment because you have less than 30 Pension Credits.

The new benefits are Supplemental Pension and a Social Security Supplemental Benefit.

SUPPLEMENTAL PENSION

If you retire on or after April 1, 1997 and have met the eligibility requirements listed in the first paragraph of this letter, you will receive a Supplemental Pension when you retire.

Effective April 1, 2002, the monthly amount of the Supplemental Pension will be \$9.50 times your Pension Credits up to a maximum of 30 Pension Credits. If you have at least 30 Pension Credits, then your Supplemental Pension will not be reduced if you start receiving payments prior to age 62. If you retire with less than 30 credits, then your Supplemental Pension will be reduced for each month that you receive payment prior to age 62. The monthly reduction will be 5/18ths of one percent.

Your Supplemental Pension will be paid as a single-life annuity if you are not married. If you are married, then your Supplemental Pension will be paid as an unreduced Husband and Wife Pension.

If you become permanently and totally disabled under the Pension Plan on or after April 1, 1997 and prior age 55, you will receive a Supplemental Pension for a maximum of 26 months. The Supplemental Pension will stop after 26 months and start again when you reach age 55. Prior to reaching age 55, no payment will be made after the 29th month of permanent and total disability. The amount paid prior to age 55 will not be reduced.

SOCIAL SECURITY SUPPLEMENTAL BENEFIT

If you retire on or after April 1, 1997 prior to reaching age 65, and have met the eligibility requirements listed in the first paragraph of this letter, you will also be entitled to a Social Security Supplemental Benefit.

Effective April 1, 2002, the monthly amount of your Social Security Supplemental Benefit will be \$9.50 times your Pension Credits up to a maximum of 30 Pension Credits. If you retire with at least 30 Pension Credits, there will be no reduction for early payment. If you retire with less than 30 Pension Credits, your benefit will be reduced 5/18ths of one percent for each month of payment prior to age 62.

The last payment of your Social Security Supplemental Benefit will be made in the month of your 65th birthday.

If you are permanently and totally disabled under this Pension Plan on or after April 1, 1997 and prior to age 55, you will receive a Social Security Supplemental Benefit for a maximum of 26 months. The benefit will stop after 26 months and start again when you reach age 55. Prior to reaching age 55, no payment will be made after the 29th month of permanent and total disability. The benefits paid prior to age 55 will not be reduced.

The Social Security Supplemental Benefit is not a vested benefit and can be changed or terminated at any time by the Trustees.

If you have any questions concerning these changes, please contact the Fund Office.

Sincerely,

BOARD OF TRUSTEES