

**Bricklayers & Allied Craftsmen Local No. 7 Pension Plan  
Checklist Item #23**

Does the application include a copy of the proposed ballot, excluding the information regarding the statement in opposition, the individualized estimate, and the voting procedures? See section 6.01.

Document 23.1 provides a copy of the proposed ballot.

**6.01 Proposed Ballot**

**Document 23.1**

**Proposed Ballot for the Pension Plan**

**BALLOT ON THE PROPOSED SUSPENSION OF BENEFITS FOR THE  
BRICKLAYERS & ALLIED CRAFTSMEN LOCAL NO. 7 PENSION PLAN**

The Board of Trustees of the Bricklayers & Allied Craftsmen Local No. 7 Pension Plan sent a notice to all active participants, retirees, and beneficiaries on [INSERT DATE], setting forth a proposal to suspend benefits for certain recipients. It is time to vote on the proposed suspension. But before you vote for or against the suspension, you should keep the following points in mind.

**IMPORTANT POINTS TO REMEMBER**

The term “suspend” means that the benefits, if the proposal is approved, will be reduced for an indefinite period of time. The notice you received described the proposed reduction in benefits, the effects of the reduction on each group affected by the proposal, and the factors considered by the Board of Trustees in designing the proposal. The Board of Trustees has taken this action because it has determined that a reduction in benefits is necessary to avoid insolvency.

Along with the notice, the Board of Trustees sent each recipient a copy of his or her individualized estimate of how the proposed reduction would affect the recipient’s benefit. A copy of the individualized estimate is enclosed with this ballot. If you need a copy of the previously sent notice, please contact the Fund Office and another copy will be provided.

This ballot has been provided to you because you are eligible to vote to approve or reject the proposed suspension of benefits. The voting instructions are provided below.

Before you vote, you should consider the following:

1. The proposed reduction in benefits affects all active participants, retirees, and beneficiaries, except for those persons who are age 80 or older, as well as those who are receiving disability benefits from the Pension Plan.
2. For each retiree who is between the ages of 75 and 80, the amount of the reduction will be limited to a percentage of the reduction applied to younger retirees, with the percentage becoming smaller with each age closer to age 80.
3. As required by federal law, no one’s benefit will be reduced below 110% of the amount guaranteed by the Pension Benefit Guaranty Corporation (“PBGC”).
4. As approved by the Board of Trustees, no monthly benefit will be reduced below 1.3% of the total contributions made by employers on the recipient’s behalf.

5. The proposed suspension of benefits, if approved, would apply to benefit payments starting on May 1, 2017.
6. The Pension Plan's actuary has determined that if the benefits are not reduced as proposed by the Board of Trustees, the Pension Plan will become insolvent by the 2024-2025 plan year. Conversely, the Pension Plan's actuary has certified that if these reductions are approved and implemented, the Pension Plan is projected to avoid insolvency. Needless to say, these projections are, in part, based on educated guesses and assumptions about future contribution levels, investment rates of return, and future work hours, so the projections are subject to some degree of uncertainty.
7. The Board of Trustees supports the proposed suspension of benefits. The Board of Trustees has done everything in its power to avoid these benefit reductions, including reducing active participants' benefits and future accruals, as well as getting active participants to agree to increase contributions to the Pension Plan instead of receiving wage increases. However, reductions in investment returns, work hours, and employer contributions have forced the Board of Trustees to take this action so that the Pension Plan does not become insolvent.
8. Insolvency of the Pension Plan could result in benefits lower than benefits paid under the proposed suspension. A description of the projected benefit payments in the event of Pension Plan's insolvency is provided in the accompanying individualized estimate.
9. If the Pension Plan were to become insolvent, it would not be able to pay all of the benefits promised to all eligible recipients, and benefits paid would be less than the benefit reductions under the proposed suspension of benefits.

#### **STATEMENTS REQUIRED BY FEDERAL LAW**

1. This ballot was written in a manner so that it could be readily understood by the average Pension Plan participant. To the best of the Board of Trustees' knowledge and belief, the ballot does not contain any false or misleading information.
2. The Board of Trustees has provided a description of the proposed suspension and its effects, including the effect of the suspension on each category or group of individuals affected by the suspension and the extent to which they would be affected.
3. The Board of Trustees has considered the following five (5) factors in designing the proposed benefit suspension:
  - The amount of benefits;
  - The type of benefit: survivor, normal retirement, or early retirement;

- The history of benefit increases and reductions for participants and beneficiaries;
  - Any discrepancies between active and retiree benefits; and
  - The extent to which active participants are reasonably likely to withdraw support for the Pension Plan, accelerating employer withdrawals from the Pension Plan, and increasing the risk of additional benefit reductions for participants in and out of pay status.
4. If approved, the suspension would remain in effect indefinitely.
  5. The proposed suspension has been approved by the U.S. Department of the Treasury, in consultation with the PBGC and the U.S. Department of Labor.
  6. The PBGC acts as the guarantor of benefits provided by defined benefit pension plans like this one, but only to a certain level. Generally, the benefits that would be paid under this proposal would be greater than the benefits guaranteed by the PBGC. If the PBGC were to become insolvent, it would not be able to pay the guaranteed benefits, and whatever it could pay would be less than what the Pension Plan would pay if it were to become insolvent.
  7. The suspension will go into effect unless a majority of eligible voters vote to reject the suspension and that, therefore, a failure to vote has the same effect on the outcome of the vote as a vote in favor of the suspension.
  8. The following statements in opposition to the proposed suspension have been compiled from comments received pursuant to the solicitation of comments in the Federal Register notice with respect to the application.
    - a. [Opposing comment]
    - b. [Opposing comment]
    - c. [Opposing comment]
    - d. [Opposing comment]
    - e. [Opposing comment]

## **HOW TO CAST YOUR VOTE**

Two methods for casting your vote are available, both of which have been approved by the IRS in consultation with the PBGC and DOL: (1) you may vote by telephone; or (2) you may vote using a secure website and an individualized voter identification number. You may not vote using a paper ballot, and the Pension Plan and its representatives cannot accept paper ballots.

**Choose one (1) of the following two (2) voting methods:**

- 1. Call the following dedicate, toll-free number set up solely for the purpose of voting:**

**Toll-free telephone number:**            (xxx) xxx-xxxx

**OR**

- 2. Log on to the following website and follow the voting instructions. You will need the following unique identifier number to register your vote:**

**The website:**                            www.\_\_\_\_\_

**Your voter ID number:**            \_\_\_\_\_

You may vote any time after you receive this ballot. But the period for voting on the proposed suspension of benefits will end on **[INSERT DATE]**. This means that all votes must be cast by 11:59 p.m. ET on that date or they will not be counted.

**AS REQUIRED BY FEDERAL LAW, THE PROPOSED SUSPENSION WILL GO INTO EFFECT UNLESS A MAJORITY OF ALL ELIGIBLE VOTERS VOTE TO REJECT THE SUSPENSION. IN OTHER WORDS, A FAILURE TO VOTE HAS THE SAME EFFECT ON THE OUTCOME OF THE VOTE AS A VOTE IN FAVOR OF THE SUSPENSION.**