STONE AND MARBLE MASONS OF METROPOLITAN WASHINGTON, D.C.
PENSION TRUST FUND
7130 Columbia Gateway Drive, Suite A
Columbia, Maryland 21046

July 2009

SUMMARY OF MATERIAL MODIFICATION #12

Dear Participant:

This is the twelfth Summary of Material Modification to the Summary Plan Description effective January 1999.

I. Change in Benefit Calculation

Before January 1, 2009, benefits for participants in the Pension Plan have been calculated by multiplying the number of years of benefit service earned by the participant under the Plan by a monthly dollar figure to determine the total amount of a participant's monthly pension. The monthly dollar figure applicable to individuals retiring prior to January 1, 2009 has changed over time and increased at certain dates set forth in the Plan. For Employees retiring after January 1, 2009, their benefits will be calculated in a slightly different manner. After January 1, 2009, the participant's monthly pension benefit will be the total of monthly benefits earned before January 1, 2009 and benefits earned after January 1, 2009. **The amount of benefit to which the Employee is entitled for service before January 1, 2009 will be calculated exactly as it was under the previous rules of the Plan.** This amount will be added to the benefit earned after January 1, 2009 to arrive at the participant's total monthly pension benefit. The benefits earned after January 1, 2009 will be calculated under the following rules. For service after January 1, 2009, the Employee's monthly pension amount will be determined by calculating the total amount of contributions made on behalf of the Employee for service after January 1, 2009, and multiplying it by 1.8%. The Board of Trustees may from time to time modify the 1.8% factor, but if that is done, you will not suffer a reduction of any benefits already earned.

Here is an example of how a benefit calculation would be made involving an Employee who has benefit units before January 1, 2009, as well as contributions on his behalf after January 1, 2009. Assume John has 15.5 benefit units earned before January 1, 2009, without suffering a break in service and that he retires on December 31, 2019. Under the terms of the Plan before January 1, 2009, service for an Employee retiring after July 1, 2007 is payable at a monthly rate of $126.07 per future benefit unit. From January 1, 2009 through December 31, 2019, assume that $75,000 of contributions have been made to the Plan on his behalf. Assume further that there has been no change made during this period as to how benefits are to be calculated. Upon John's retirement, his benefit would be calculated as follows:

Service before January 1, 2009	15.5 x $ 126.07 = $1,954.09
Service after January 1, 2009	1.8% x $75,000 = $1,350.00
Total Monthly Benefit	$3,305.00 (rounded up)

John's normal pension would therefore be $3,305.00 per month. If John was married and the pension was payable in the form of a Qualified Joint and Survivor Annuity, his monthly payment would be reduced by the Plan rules in effect relating to Qualified Joint and Survivor Annuities. If John and his wife elected instead a Qualified Optional Survivor Annuity (see below), the reductions would be made in accordance with the rules applicable to the Qualified Optional Survivor Annuity.

II. Qualified Optional Survivor Annuity

Effective January 1, 2009, if an Employee waives the Qualified Joint and Survivor Annuity or the Qualified Pre-Retirement Survivor Annuity, the Employee may elect during the election period to receive benefits in the form a Qualified Optional Survivor Annuity (QOSA). The QOSA shall be paid in a form having the effect of a 75% joint and survivor pension. This benefit is actuarially equivalent to a single life annuity for the life of the Pensioner. If the Pensioner's spouse dies prior to the Pension Annuity Starting Date, the 75% optional survivor form of payment shall be automatically annulled, and the Pensioner's benefits shall be payable in the form provided for under Plan Section 4.05.

The amount of the benefit under a QOSA is determined by multiplying the number of whole years by which an Employee's spouse's age differs from his age by six-tenths of one percent (0.6%). If the spouse is older than the Employee, add the result to 88 percent (the sum cannot exceed 100 percent); if the spouse is younger than the Employee, subtract the result from 88 percent. Multiple the resulting percentage by the monthly benefit amount that is payable as a benefit for the lifetime of the retired Employee only. The result of this multiplication gives the monthly benefit amount payable to the retired Employee under this QOSA optional form of benefit. Upon the Employee's death, the Employee's surviving spouse would receive a monthly payment equal to 75% of the Employee's monthly payment, payable for the lifetime of the Employee's spouse.

Let's use John's pension, calculated above, as an example. Assume John is 7 years older than his wife. If John and his wife elect a 75% QOSA instead of the Qualified Joint and Survivor Annuity option under the Plan, John's pension would be calculated as follows:

Difference in Age x .6%
7 x .6% = 4.2%
88% - 4.2% = 83.8%
83.8% x $3,305 = $2,770 (rounded up)

Upon John's death, his wife would receive:

75% x $2,770 = $2,078 monthly for the balance of her life

III. Suspension of Benefits

Effective January 1, 2009, a Pensioner may return to work in a management position, if the Trustees determine in their discretion that position to be management, and not bargaining unit work. Such work would not be considered work in the same industry, trade or craft for purposes of the Suspension of Benefits rules. Pensioner may work with his tools under the Collective Bargaining Unit up to 39 hours per month. However, if a Pension works with his tools under the Collective Bargaining Unit in excess of 39 hours per month, under the terms of the Plan that Pensioner's benefits will be suspended.

IV. Multi-Employer Plan Information

Effective January 1, 2009, Participants are entitled to a copy of the following documents, upon written request to the Plan Administrator, and entitled receive these documents within 30 days of the date of the request:

a. Any periodic actuarial reports for any plan year than has been in the Plan's possession for at least thirty days;
b. Any quarterly, semi-annual or financial report prepared for the Plan by any Plan investment manager, adviser, or other fiduciary which has been in the Plan's possession for at least thirty days;
c. Any application filed with the IRS requesting amortization extension and the result of such application.

V. Rollovers

Effective for distributions made after December 31, 2006, Participants and spousal Beneficiaries may rollover distributions made under the Plan to Roth IRA's. For tax years beginning before January 1, 2010, Participants and spousal Beneficiaries may not make a rollover from an eligible plan to a Roth IRA if the Beneficiary's modified gross income (MGAI) exceeds $100,000, or he is married and files a separate federal tax return. The Plan Administrator is not responsible for ensuring that the beneficiary is eligible to make a rollover to a Roth IRA. Beneficiaries seeking to make a direct rollover to a Roth IRA should consult a tax advisor before doing so.

VI. Limitations on Benefits

Effective January 1, 2009, an Employee's "Average Compensation for High 3 Years" shall be determined by identifying three consecutive calendar years during which the Employee had the greatest total Compensation from Employers and dividing the total Compensation by 3.

An Employee's High 3 Years of service is calculated by excluding all years for which the Employee had a break in service.

This is the twelfth Summary of Material Modifications issued to the Summary Plan Description effective July 1999 as recorded on the front cover. Please place this with your Summary Plan Description for handy reference and safekeeping. If you need a Summary Plan Description (Fund Booklet), please contact the Fund Office.

Very truly yours,

THE BOARD OF TRUSTEES

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