

**BRICKLAYERS AND ALLIED CRAFTSMEN LOCAL 7 PENSION FUND
APPLICATION TO THE PENSION BENEFIT GUARANTY CORPORATION
FOR A PARTITION ORDER**

EXHIBIT 5D

**BRICKLAYERS AND ALLIED CRAFTSMEN
LOCAL NO. 7 PENSION PLAN
REHABILITATION PLAN UPDATE**

Rehabilitation Period: May 1, 2009 – April 30, 2019

Background

The plan was first certified in critical status for the Plan year beginning May 1, 2008. The original rehabilitation plan was adopted on August 11, 2008. In 2009 the WRERA freeze of status was elected and an update to the rehabilitation plan was not required. This is the update for the year beginning May 1, 2017.

Default Schedule

<p>Benefit changes, effective May 1, 2009, except as otherwise noted.</p>	<ul style="list-style-type: none"> • Remove the 60 month guarantee for participants who are not yet retired. • Change the early retirement reduction from 4% per year to 7% per year for active members who are not early retirement eligible (age 55 with 10 years of service) on or before May 1, 2009. • Eliminate disability payments payable prior to an early retirement age for active participants. • Begin charging for preretirement death benefit coverage for participants not yet in payment. • Effective May 1, 2016, there will no longer be any non-credited contributions. Instead, the benefit accrual rate will be 0.30% of the first \$6.66 contributed plus 1.0% of the contribute rate in excess of \$6.66. Such a change is projected to be a net gain for the Fund since it may attract additional participants, may entice current participants to stay in the Plan, and will not increase the Plan's (net) liabilities as new contributions will exceed the value of any new benefits earned.
<p>Funding changes</p>	<p>An additional non-credited:</p> <ul style="list-style-type: none"> • \$0.40 per hour on September 1, 2008. • \$0.40 per hour on June 1, 2009 • \$0.40 per hour on June 1, 2010 • \$0.40 per hour on June 1, 2011 • \$0.40 per hour on June 1, 2012 • \$0.40 per hour on June 1, 2013 • \$0.05 per hour on June 1, 2014 • \$0.20 per hour on June 1, 2015

	An additional credited: <ul style="list-style-type: none"> • \$0.14 per hour on June 1, 2016
Model Last updated	May 1, 2017 Actuarial Valuation
Assumed return on assets	6.00% through April 30, 2027, 7.50% thereafter
Assumed future hours	90,000 per year
Projected status at close of rehabilitation period	Critical and Declining. Plan must make use of the "exhaustion of all reasonable measures" clause at IRC 432(e)(3)(A)(ii). Plan must also make use of benefit suspensions described in IRC 432(e)(9).

Exhaustion of all Reasonable Measures Under IRC 432(e)(3)(A)(ii):

The benefit changes in the above default schedule include all adjustable benefits other than to the benefit credit rate. The trustees believe any further reduction to the benefit credit rate would damage the ability of the Plan to retain members and would be expected to result in a net decrease in future funding.

The original rehabilitation plan specified that all non-credited contributions ("funding contributions") on and after June 1, 2009 would be retained by Local 7 even for those working in the jurisdiction but who are members of another Local. This provision was later rejected by the international union and never took effect. This provision has remained in effect, though, for members of Local 7.

However, effective May 1, 2016, there will no longer be a non-credited contribution. Instead, the accrual rate will change to 0.30% of the first \$6.66 contributed plus 1.0% of any contribution rate in excess of \$6.66. By its nature, this accrual rate change is paid for solely from additional contributions (as the contribution rate on May 1, 2016 was \$6.66). And, the accrual rate change does not increase the Fund's net liabilities.

A contribution increase of \$0.14 was implemented for 2016. No contribution increases for future years are planned because the trustees believe any further increases could have a net negative impact on the Fund. The trustees continue to monitor this situation annually.

The above projections meet the criteria for forestalling insolvency.

IN WITNESS WHEREOF, we have approved and adopted this Rehabilitation Plan this 8th day of December, 2017.

APPROVED:

MANAGEMENT TRUSTEES:

UNION TRUSTEES:







