

TO: ALL PARTICIPANTS OF THE MICHIGAN LABORERS' ANNUITY FUND

RE: CHANGE IN THE DISTRIBUTION PROCEDURE POLICY

Dear Participants:

The Board of Trustees adopted a change in the Fund's distribution rules effective for distributions that occur after April 1, 2009. To help control costs for its Participants and Beneficiaries, the Michigan Laborers' Annuity Fund generally prices its assets once per year, on August 31, the date on which the Fund's fiscal year ends. Investment gains or losses on the Annuity Fund are audited after August 31, and typically are approved and allocated by the Fund's Trustees by the next December, approximately three to four months after the fiscal year end of the Fund.

Effective April 1, 2009, any Participant or Beneficiary who receives a distribution from the Annuity Fund will have 20% of this distribution held back until the audit is completed and the investment allocation is approved. This will help make sure that all Fund Participants and Beneficiaries receive a fair share of Fund gains, losses and charges that arose during the year. The Fund will distribute the held back amount, adjusted for any gains, losses and charges allocable to the Fund account of the Participant or Beneficiary, as soon as practicable after the audit is completed and the investment allocation is approved by the Fund's Trustees.

As you know, the Trustees of the Annuity Fund cannot predict in advance whether the Fund will experience a gain or a loss in any given year. However, the Fund is designed to produce positive returns over long periods of time. For example, over the past five fiscal years, the Annuity Fund has provided an average annual return of 6.4% for its Participants.

This modified distribution procedure will permit the Trustees to allocate Fund gains and losses most fairly among all Participants and Beneficiaries in each fiscal year.

Sincerely,

Board of Trustees
Michigan Laborers' Annuity Fund