

**Laborers' and Retirement Board Employees'  
Annuity and Benefit Fund of Chicago  
Minutes of Regular Board Meeting No. 989**

**September 19, 2017**

***Suite 1300 • 321 N Clark Street • Chicago Illinois 60654-4739  
(312) 236-2065 • Fax (312) 236-0574***

**LABORERS' & RETIREMENT BOARD EMPLOYEES'  
ANNUITY & BENEFIT FUND OF CHICAGO**

**September 19, 2017**

Report of Meeting No. 989 held on September 19, 2017, starting at 1:18 p.m. at the office of the Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago ("Fund" or "LABF"). The following notes attendance:

Board Members:	Victor Roa	– President (Union Appointed Member)
	Erin Keane	– Vice President (City Comptroller, City of Chicago)
	Michael LoVerde	– Secretary (Active Employee Elected Member)
	James Capasso, Jr.	– Trustee (Annuitant Elected Member)
	James Joiner	– Trustee (Active Employee Elected Member)
Staff & Consultants:	Graham Grady	– Taft Stettinius & Hollister LLP, Fund's Counsel
	Cary Donham	– Taft Stettinius & Hollister LLP, Fund's Counsel
	Dr. Terence Sullivan	– Fund's Physician
	James Wesner	– Marquette Associates, Fund's Investment Consultant
	Neil Capps	– Marquette Associates, Fund's Investment Consultant
	Jeffrey Hoffmeyer	– Marquette Associates, Fund's Investment Consultant
	Michael Walsh	– Executive Director and Chief Investment Officer
	Peggy Grabowski	– Comptroller
	John Carroll	– Compliance Officer
	Sheila Jones	– Administrative Coordinator
	Nadia Oumata	– Manager of Accounting and Investments
	Tina Rhoten	– Benefits Manager
	Paul Rzeszutko	– Assistant Benefits Manager
	Nicole Evangelista	– Payment Services Coordinator
	Irene Velazquez	– Payment Services Assistant
Absents:	Kurt Summers, Jr.	– Trustee (City Treasurer, City of Chicago) .
	Carol Hamburger	– Trustee (Managing Deputy Comptroller, City of Chicago)
	Carole Brown	– Trustee (Chief Financial Officer, City of Chicago)
Observers:	None	

President Roa determined that a quorum was present after Trustee LoVerde took attendance.



***Laborers' and Retirement Board Employees'  
Annuity and Benefit Fund of Chicago***

Board Members:

I am transmitting herewith the minutes for the meeting of the Retirement Board which was held on **September 19, 2017**. The minutes are comprised of the following:

- Public Participation
- Approval of Minutes From Prior Meetings
- Schedule A: Applications for Refunds
  1. Refund of Contributions Due to Separation from Service
  2. Miscellaneous Refunds
- Schedule B: Applications for Annuities
  1. Employee Annuities
  2. Spouse and Child Annuities
- Schedule C: Adjustment Refunds to New Annuitants
- Schedule D: Applications for Duty Disability Benefits
- Schedule E: Applications for Ordinary Disability Benefits
- Schedule F: Applications for Extension of Duty Disability Benefits
- Schedule G: Applications for Extension of Ordinary Disability Benefits
- Schedule H: Payment of Uncashed Checks of Deceased Members
- Schedule I: Payment of Administrative Expenses
- Petition in Lieu of Guardianship
- Investments Report
- Executive Session No. 1
- Administrative Report
- Legal Report
- Executive Session No. 2
- Executive Session No. 3
- Executive Session No. 4
- Adjournment

All the foregoing matters were checked upon receipt into the office of the Retirement Board and were found to be hereinafter set forth.

Sincerely,

Michael R. LoVerde  
Retirement Board Secretary

**LABORERS' & RETIREMENT BOARD EMPLOYEES'  
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**PUBLIC PARTICIPATION**

None.

**APPROVAL OF MINUTES FROM PREVIOUS MEETINGS**

It was moved by Trustee LoVerde, seconded by Trustee Keane, that the regular minutes of Meeting No. 988 held on August 22, 2017 be approved as submitted.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

It was moved by Trustee LoVerde, seconded by Trustee Joiner, that the minutes of Executive Sessions 1, 2, 3, 4, 5, and 6 of Meeting No. 988 held on August 22, 2017 be approved as submitted.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

**SCHEDULE A – APPLICATIONS FOR REFUNDS**

1. Refund of Contributions Due to Separation from Service

It was moved by Trustee LoVerde, seconded by Trustee Capasso, that applications presented for Refunds of Contributions Due to Separation from Service be approved and ordered paid.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

2. Miscellaneous Refunds

It was moved by Trustee LoVerde, seconded by Trustee Keane, that applications presented for Miscellaneous Refunds be approved and ordered paid.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

**SCHEDULE B – APPLICATIONS FOR ANNUITIES**

1. Employee Annuities

Mr. Donham reviewed a memo prepared by Taft Stettinius & Hollister regarding the annuity application of Mr. David Kugler, a “starred case”, who was the legal counsel for the Policemen’s Annuity and Benefit Fund of Chicago (“PABF”). Mr. Donham reviewed a number of documents with the Board which showed that Mr. Kugler has been an employee of PABF since 1978. Mr. Donham recommended that that Mr. Kugler’s application for an annuity benefit be approved by the Board.

It was moved by Trustee LoVerde, seconded by Trustee Joiner, that the applications for Employee Annuities, including that of Mr. Kugler, be approved and ordered paid.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

2. Spouse and Child Annuities

It was moved by Trustee LoVerde, seconded by Trustee Keane, that the applications for Spouse and Child Annuities be approved and ordered paid.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

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**SCHEDULE C – ADJUSTMENT REFUNDS TO NEW ANNUITANTS**

It was moved by Trustee LoVerde, seconded by Trustee Joiner, that Adjustment Refunds to New Annuitants be approved and ordered paid.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

**SCHEDULE D – APPLICATIONS FOR DUTY DISABILITY BENEFITS**

Mr. Walsh reviewed the Duty Disability Application of Mr. Robert Laws and noted that based on the current pension statute Mr. Laws does not meet the requirements to receive Duty Disability Benefits from the LABF.

It was moved by Trustee LoVerde, seconded by Trustee Capasso that, with the exception of Robert Laws, the applications for Duty Disability Benefits be approved and ordered paid.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

It was moved by Trustee LoVerde, seconded by Trustee Keane, that the application of Robert Laws for Duty Disability Benefits be approved and ordered paid.

Roll-call: For--None.  
Against -- Trustees Roa, Keane, LoVerde, Capasso and Joiner.

The motion failed and Mr. Laws application for Duty Disability Benefits was denied.

**SCHEDULE E – APPLICATIONS FOR ORDINARY DISABILITY BENEFITS**

It was moved by Trustee LoVerde, seconded by Trustee Joiner, that the applications for Ordinary Disability Benefits be approved and ordered paid.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

**SCHEDULE F – EXTENSION OF DUTY DISABILITY BENEFITS**

It was moved by Trustee LoVerde, seconded by Trustee Keane, that the applications for Extension of Duty Disability Benefits, be approved and ordered paid.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

**SCHEDULE G – EXTENSION OF ORDINARY DISABILITY BENEFITS**

It was moved by Trustee Capasso, seconded by Trustee LoVerde, that the applications for Extension of Ordinary Disability Benefits be approved and ordered paid.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

**SCHEDULE H – PAYMENT OF UNCASHED CHECKS OF DECEASED MEMBERS**

It was moved by Trustee LoVerde, seconded by Trustee Joiner, that the applications for Payment of Uncashed Checks of Deceased Members be approved and ordered paid.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

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**SCHEDULE I – PAYMENT OF EXPENSES**

It was moved by Trustee Joiner, seconded by Trustee LoVerde, that Administrative and Investment Invoices be approved and ordered paid.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

**PETITION IN LIEU OF GUARDIANSHIP**

Petition in Lieu of Guardianship – Rose Cupal

Mr. Carroll and Mr. Donham reviewed the details of the Petition for the Waiver of Guardianship for Rose Cupal, who is receiving a Widow's Annuity from the Fund. The Petition was initiated by Ms. Celestia Zerfahs, Ms. Cupal's step-daughter. Mr. Donham reviewed the reasoning, pursuant to 40 ILCS 5/1-120, for recommending that payments be made to the Rose Cupal Revocable Living Trust of October 30, 2012.

It was moved by Trustee LoVerde, seconded by Trustee Joiner, to waive guardianship proceedings pursuant to 40 ILCS 5/11-223(c) for Ms. Cupal and make monthly payments, as well as any applicable back payments, to the Rose Cupal Revocable Living Trust of October 30, 2012, as payee for the benefit of Rose Cupal, subject to the petitioner signing an Agreement prepared by LABF. See attached decision of the Board with Agreement.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

**INVESTMENTS REPORT**

August 31, 2017 Preliminary Performance Report

Mr. Wesner reviewed the August 31, 2017 Performance Report.

Cash Needs

Mr. Walsh reported the cash needs for the month of October and the portfolios from which liquidations would be made.

Asset Allocation Discussion

This topic was deferred to the October 5, 2017 Special Investment Meeting.

Index Manager RFP

This topic was discussed in Executive Session.

**EXECUTIVE SESSION NO. 1**

At 2:11 p.m., Trustee LoVerde requested an executive session under 5 ILCS 120/2(c)(7) to discuss the sale or purchase of securities, investments or investment contracts. Trustee Capasso seconded the motion.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

At 2:20 p.m., Trustee Capasso made a motion, seconded by Trustee LoVerde, that the executive session be adjourned and that the Board return to open session.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

It was moved by Trustee LoVerde, seconded by Trustee Joiner, to engage RhumbLine Advisers for Equity and Fixed Income Index Strategy Advisory Services, subject to final contract negotiations.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

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**ADMINISTRATIVE REPORT**

Legislative Matters/Discussion of Potential Administrative Rules

Mr. Walsh reviewed an administrative rule that was adopted at the August 22, 2017 meeting and proposed an amendment be considered. Mr. Walsh also reviewed some additional administrative rules that he asked the Board to consider adopting to address administrative challenges that the Fund faces as a result of Public Act 100-0023 (PA 100-0023) becoming law.

It was moved by Trustee LoVerde, seconded by Trustee Keane, to adopt the amended rule number 2 in the section titled "Rules Approved at the August 22, 2017 Board meeting" which incorporates the changes to the rules as discussed by the Trustees in the September 19, 2017 meeting. See attached document.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

It was moved by Trustee LoVerde, seconded by Trustee Joiner, to adopt rule number 2 in the section titled "Rules to be discussed and considered at the September 19, 2017 Board meeting" as presented to the Trustees in the meeting. See attached document.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

It was moved by Trustee LoVerde, seconded by Trustee Keane, to adopt adjusted rule number 3 in the section titled "Rules to be discussed and considered at the September 19, 2017 Board meeting" subject to deleting everything after the semicolon in the last sentence. See attached document.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

Mr. Walsh updated the Trustees on his discussions with the Speaker's Office regarding some of the items that LABF would like the General Assembly to consider for inclusion in a trailer bill to PA 100-0023. He also discussed the Assignment of Receipts [65 ILCS 5/8-13] language with the Trustees, noting the need to get clarification as to how this provision would work in conjunction with the Interceptor Provision [40 ILCS 5/11-169(a-10)] and was hopeful to have this clarification be included in a trailer bill as well.

Mr. Walsh noted that employer contributions for members working at a local labor organization will be discussed at a future meeting with the Trustees.

LABF Staff/Annuitant Health Insurance

Mr. Walsh presented the proposed 2018 health care plan options under consideration for Fund staff and noted that the staff retiree health insurance rates will not be available until the next meeting. Mr. LoVerde noted that health care rates and provisions were being discussed for active City of Chicago employees and it was noted that those discussions could affect future plans and rates offered to Fund staff.

It was moved by Trustee LoVerde, seconded by Trustee Capasso, to approve the renewal of the Fund staff's health and dental insurance plans as reviewed in the meeting.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

Annuitant Member Trustee Election

Mr. Walsh announced that the Annuitant Member Trustee Election is scheduled for Thursday, October 12, 2017 from 6 a.m. to 6 p.m. at the LABF office. The candidates are James Capasso, Jr. and Daniel Sheehan.

Miscellaneous

-Payment Advices - The Trustees discussed changing the frequency at which payment advices are sent to annuitants from the current 12 times per year to 3 times per year. The Trustees decided to continue the current practice of sending advices 12 times per year.

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-City Resolution - Mr. Walsh informed the Board that he received a proposed City Council resolution regarding changing the composition of the Boards of all of the City pension funds. The City Council has not acted on this proposed resolution.

-Special Investment Meeting - Mr. Walsh reminded the Board and reviewed some tentative agenda items for the upcoming Special Investment Board Meeting scheduled for Thursday, October 5, 2017 at 9:00 a.m. in the LABF office.

-Watch List - Trustee LoVerde inquired about the Watch List for investment managers. Mr. Walsh reported that there have been no removals from the Watch List for many months. The Trustees requested that the Watch List be included in a future meeting.

-Marquette Symposium - Mr. Walsh reminded the Board of the upcoming investment symposium sponsored by Marquette Associates which is scheduled for Friday, September 29, 2017.

-Senate Hearings – Mr. Walsh invited the Board to attend the Senate Hearings on Investments scheduled for October 16-17, 2017.

**LEGAL REPORT**

**Underwood Litigation**

This topic was discussed in executive session.

**EXECUTIVE SESSION NO. 2**

At 3:16 p.m., Trustee LoVerde requested an executive session under 5 ILCS 120/2(c)(11) to discuss current or potential litigation of the Fund. Trustee Joiner seconded the motion.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

At 3:30 p.m., Trustee LoVerde made a motion, seconded by Trustee Joiner, that the executive session be adjourned and that the Board return to open session.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

The Trustees took no action.

**LEGAL REPORT CONTINUED**

**Carmichael Litigation**

Mr. Donham reported on the status of the Carmichael litigation. Mr. Walsh suggested that this topic be further discussed in executive session.

**EXECUTIVE SESSION NO. 3**

At 3:32 p.m., Trustee LoVerde requested an executive session under 5 ILCS 120/2(c)(11) to discuss current or potential litigation of the Fund. Trustee Joiner seconded the motion.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

At 3:34 p.m., Trustee LoVerde made a motion, seconded by Trustee Capasso, that the executive session be adjourned and that the Board return to open session.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

The Trustees took no action.



**LABORERS' & RETIREMENT BOARD EMPLOYEES'  
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Coveliers Litigation

Mr. Donham reported to the Board that the Appellate Court of Illinois' September 19, 2017 Order issued by Justice Neville in the *Richard Coveliers v. Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago and Trustees* case reversed the circuit court's judgment and reinstated the Board's decision denying Mr. Coveliers' application for a pension. As a result of this decision, the Board asked that the annuity payments that are being paid to Mr. Coveliers be stopped effective with the October 1, 2017 payment. Mr. Donham noted that Mr. Coveliers' may appeal the decision of the Appellate Court.

Collections Matter

This topic was discussed in executive session.

**EXECUTIVE SESSION NO. 4**

At 3:35 p.m., Trustee LoVerde requested an executive session under 5 ILCS 120/2(c)(11) to discuss current or potential litigation of the Fund. Trustee Joiner seconded the motion.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

At 3:45 p.m., Trustee LoVerde made a motion, seconded by Trustee Capasso, that the executive session be adjourned and that the Board return to open session.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

The Board directed staff to send a letter to the State's Attorney's Office advising them of the suspicion that fraudulent actions were committed against the Fund.

**ADJOURNMENT**

With no further business, at 3:45 p.m., Trustee LoVerde made a motion to adjourn the meeting. Trustee Capasso seconded the motion.

Roll-call: For-- Trustees Roa, Keane, LoVerde, Capasso and Joiner.  
Against -- None.

## **Administrative Rules Related to Public Act 100-0023 (the "Act")**

September 19, 2017 Board Meeting *(incorporates Board amendments made 9/19/2017)*

Certain components of the Act amending the Illinois Pension Code (the "Code"), if taken literally, are ambiguous, inconsistent with existing law and potentially unconstitutional. The LABF is in the process of pursuing a legislative amendment to the Act to address these issues. In the meantime, LABF's staff recommends that the Board consider adopting certain administrative rules to address some of the more time-sensitive issues with respect to the administration of the Act. Passage of these rules will allow LABF to administer the Act in a manner it believes is consistent with the spirit of the new law and lessen the likelihood that the law be legally challenged. If these issues cannot ultimately be addressed via a legislative amendment, or done so in a timely fashion, the Board may be required to adopt additional administrative rules in the coming months.

### **Rules Approved at the August 22, 2017 Board meeting:**

1. **Definition of Tier 3 Members.** Each person who first becomes a member or participant of the LABF or of any reciprocal retirement system or pension fund established under the Illinois Pension Code (the Code") other than a retirement system or pension fund established under Article 2, 3, 4, 5, 6, or 18 of the Code, on or after July 6, 2017 will, for the purposes of Article 11, be considered a member subject to the new tier of benefits created by the Act. *(The purpose of this rule is to ensure that individuals who became "Tier 2" members of a reciprocal fund prior to July 6, 2017, but who become members of the LABF on or after July 6, 2017, are not inadvertently treated as "Tier 3" members.)*
2. **Irrevocable Election by Tier 2 Members.** The irrevocable election that is to be made by certain current (active and inactive) and former (refunded) LABF members under 40 ILCS 5/1-160(d-10) of the Code will be administered only to each such person who first became a member or participant of the LABF or of any reciprocal retirement system or pension fund established under the Code other than a retirement system or pension fund established under Article 2, 3, 4, 5, 6, or 18 of the Code, on or after January 1, 2011 and prior to July 6, 2017. Furthermore, LABF will honor elections made by members of both LABF and the Municipal Employees' Annuity and Benefit Fund of Chicago ("MEABF"). *(The purpose of this rule is to ensure that "Tier 1" members of the LABF or a reciprocal Fund, who become members of the LABF on or after January 1, 2011, will continue to be treated as "Tier 1" members and are not inadvertently required to make the irrevocable "Tier 2" or "Tier 3" election.)*

### **Rules to be discussed and considered at the September 19, 2017 Board meeting:**

1. See recommended amendment to Rule #2 adopted on August 22, 2017 above
2. **Employer Contribution Credit toward Age and Service Annuities.** The LABF will continue to administer 40 ILCS 5/11-170(b) as it existed prior to the passage of the Act for the purposes of calculating "Tier 1" member annuities (i.e. LABF will continue to credit each employee's account for employer contributions at the rate of 6% of salary). *(The purpose of this rule is to ensure that member benefits are not diminished being as the Act removed the language contained in 40 ILCS 5/11-170(b), which specified the employer contribution levels for age and service annuities.)*

*Note: Applicability of this rule to "Tier 2" and "Tier 3" members shall be determined at a future date*

3. **Treatment of Employee Contribution Receivables.** Any receivable that accrues in a member's account as a direct result of insufficient pension deductions being withheld from the member's salary during the initial implementation of PA 100-0023 shall be payable to LABF by June 30, 2018. No interest will be charged so long as the payment is made by the deadline.

**Matter deferred to a future Board meeting:**

1. **Employer Contributions Associated with Members Working for Local Labor Organizations.**  
Manner in which to determine employer contributions related to employees subject to 40 ILCS 5/11-215(c)(3) of the Code, which specifies the pension contributions made with respect to any member on a leave of absence during which the member is employed full-time by a local labor organization that represents municipal employees.

BEFORE THE LABORERS' AND RETIREMENT BOARD EMPLOYEES'  
ANNUITY AND BENEFIT FUND OF CHICAGO

IN THE MATTER OF )  
 )  
Rose Cupal )

DECISION OF THE BOARD OF TRUSTEES

This matter came to be heard before the Board of Trustees of the Laborers' and Retirement Board Employees' Annuity and Benefits Fund of Chicago (Board) on a Petition for the Waiver of Guardianship (Petition) pursuant 40 ILCS 5/11-223(c). A hearing on the Verified Petition of Rose Cupal before the Board was held on 9/18/2017. The Board after reviewing the Petition and the Doctor's Report and a hearing on the evidence, does hereby make the following:

FINDINGS OF FACT

1. That Rose Cupal is the widow of Frank Cupal and is receiving a Widow's Annuity benefit from the Fund.
2. That the Petitioner is the step-daughter of Rose Cupal.
3. That the Petitioner has been responsible for "providing or caring for" certain administrative aspects of the care of her step-mother, Rose Cupal, but is not "providing or caring" for her step-mothers' day-to-day needs such as housing, medical care and meals ("Day-to-Day Needs") as those have been provided by Las Vegas Residential Care Facility 2 since approximately 7/15/2016.
4. The Petitioner is the Successor Trustee of [REDACTED]  
[REDACTED] and as Successor Trustee has been making payments to pay for the care of Rose Cupal at the Las Vegas Residential Care Facility 2.

5. [REDACTED] guardianship order from the Circuit Court of Cook County, Illinois nor through the courts of Clark County, Nevada.

6. [REDACTED]

7. That based on the Report, [REDACTED] that it is in her best interest for the Board to waive guardianship proceedings.

**IT IS HEREBY ORDERED AS FOLLOWS:**

1. The Fund has jurisdiction over the parties and the subject matter.
2. The Board exercises its sound discretion to waive guardianship proceedings pursuant to 40 ILCS 5/11-233(c).
3. The Board authorizes the Petitioner, Celestia Zerfahs, to continue to provide for the administrative care for her step-mother by authorizing her to direct Fund staff in the administration of the annuity benefits for her step-mother, Rose Cupal.

4. [REDACTED]

annuity payments be made to [REDACTED] and such Trust is the primary source of the Funds that pay for the Day-To-Day Needs and care of Ms. Cupal, the Board orders that any back payments becoming payable to Rose Cupal (estimated to be approximately \$800) be paid for the benefit and care of Rose Cupal to [REDACTED], and from this day

forward, any future monthly annuity payments due Rose Cupal also be paid to [REDACTED]  
 [REDACTED], subject to the execution of the attached  
 Agreement by the Petitioner or until further order by the Board or Staff.

5. Pursuant to 40 ILCS 5/11-223 (c), if there is any change in who is providing administrative care for Ms. Cupal, or in the facility that is providing and caring for Ms. Cupal's Day-to-Day Needs, or in the event of the death of Rose Cupal or any other relevant change, the Laborers' Fund will be notified immediately of such change in status.

Entered by the Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago on 9/19/2017.

[REDACTED]  
 \_\_\_\_\_  
 President of the Board of Trustees

STATE OF ILLINOIS            )  
   ) SS.  
 COUNTY OF COOK            )

The undersigned certifies that a copy of the Decision of the Board of Trustees was mailed by regular mail on the 25 day of Oct, 2017, at 321 North Clark Street, Chicago IL 60654 to the annuitant, Petitioner and interested parties.

[REDACTED]  
 \_\_\_\_\_

## AGREEMENT

This Agreement ("Agreement") is entered into as of September 19, 2017, between Celestia Zerfahs ("Celestia"), individually and as the Trustee of the [REDACTED] (the "Trust") and the Laborers' & Retirement Board Employees' Annuity & Benefit Fund of Chicago, (the "LABF") (collectively, Celestia, the Trust and the LABF may be referred to in this Agreement as the "Parties").

**WHEREAS**, Rose Cupal is currently receiving widow's survivor benefits from the LABF;

**WHEREAS**, those benefits are currently being paid to Rose Cupal in care of her brother, George Watkins, who has stated that he no longer wishes to serve as Rose Cupal's agent under a durable power of attorney;

**WHEREAS**, Celestia Zerfahs is Rose Cupal's step-daughter and is serving as Trustee of the Trust;

**WHEREAS**, Celestia has asked the LABF to pay Rose Cupal's benefits to the Trust;

**WHEREAS**, the LABF is willing to pay Rose Cupal's benefits to the Trust subject to the terms of this Agreement;

**NOW THEREFORE**, in consideration of the mutual promises made in this Agreement, the Parties agree as follows:

1. Beginning with the benefit payment to be made on or about 11-1-17, 2017, the LABF shall pay to the Trust all LABF benefit payments due Rose Cupal.
2. Celestia, both individually and in her capacity as Trustee of the Trust, shall use all assets of the Trust, including LABF benefit payments, solely for the benefit of Rose Cupal, while Rose Cupal is living.
3. Celestia shall promptly notify the LABF upon Rose Cupal's death, and either the Trust or Celestia shall promptly reimburse the LABF in full for any payments the LABF may have inadvertently made to the Trust after Rose Cupal's death.
4. This Agreement is binding on Celestia, both in her individual capacity and in her capacity as Trustee of the Trust, and on any and all successor Trustees to Celestia of the Trust.

5. This Agreement may only be amended by a writing signed by all Parties, after approval of such an amendment by the vote of a majority of the trustees of the LABF Board.

6. This Agreement shall be governed by Illinois law.

The parties execute this Agreement as of the date set forth below,

Effective Date: 10-24-17, 2017

Laborers' & Retirement Board Employees'  
Annuity and Benefit Fund of Chicago

By: \_\_\_\_\_

Name: Celestia Zerfahs

By: \_\_\_\_\_

Its: Board President

By: \_\_\_\_\_

Name: Celestia Zerfahs, as Trustee of \_\_\_\_\_

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