

Industrial Carpenters Trust Funds

SUMMARY OF MATERIAL MODIFICATION

To: **All Participants**

From: **Board of Trustees**

RE: **New Extended Eligibility Benefit**

Date: **November 2022**

The Board of Trustees is pleased to announce an upcoming improvement to your benefits.

Effective January 1, 2023, an extended eligibility benefit will be implemented, such that you will earn one month of extended eligibility coverage for each consecutive 12-month period of earned coverage (excluding COBRA coverage) under the health & welfare plan, up to a maximum of three months.

How to Use Your Extended Eligibility Months

Your extended eligibility coverage will be used automatically if you do not meet eligibility requirements for continued coverage. All three months can be used consecutively and must be used if you do not meet continued eligibility requirements, and you may not elect to use COBRA coverage in lieu of using the extended eligibility benefit. After your extended eligibility months are exhausted, you will become eligible for COBRA. Similarly, if you do not meet eligibility requirement and use some but not all of your extended eligibility and then subsequently regain coverage, you still have the remainder of your accrued extended eligibility in place.

A maximum of one month of extended eligibility can be used in place of a month of earned coverage for each 12-month period for the purposes of accruing future extended eligibility. For example, if you earn health and welfare coverage through hours worked and employer contributions for 11 months and use one month of extended eligibility, you would be considered to have 12 months of consecutive coverage under the health and welfare plan.

Initial Number of Extended Eligibility Months

Your initial number of extended eligibility months will be based on the number of consecutive months of coverage under the health and welfare plan as of January 1, 2023. At that time, if you have 12 consecutive months of coverage (January 1, 2022 – December 31, 2022), you will be credited one month of extended eligibility, if you have 24 consecutive months of coverage

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(January 1, 2021 – December 31, 2022), you will be credited two months of extended eligibility, and if you have 36 consecutive months of coverage (January 1, 2020 – December 31, 2022), you will be credited three months of extended eligibility.

Accrual Period for Future Extended Eligibility Months

If you are eligible for coverage as of January 1, 2023, your accrual period will start on January 1, 2023. If you maintain coverage under the health and welfare plan as defined above for the full 12-month period between January 1, 2023, and December 31, 2023, you will be credited one month of extended eligibility up to the maximum on January 1, 2024, and so on.

If at any point after January 1, 2023, you lose coverage under the health and welfare plan and subsequently regain it, your accrual period will re-set to the first month of regained coverage under the health and welfare plan, and any additional extended eligibility months will be applied based on the 12-month cycle of your regained coverage.

If your initial eligibility is established after January 1, 2023, the first extended eligibility month will be awarded based on your first 12 months of consecutive coverage.

All other benefits under this plan will remain the same. Please make sure you keep this notice with your most recent Summary Plan Description. For more information regarding your Plan benefits, or regarding your eligibility for these benefits, please contact the Trust Fund Office at **(925) 208-9997**.