



Welfare and Pension Funds

THE SHEET METAL WORKERS' LOCAL NO. 73 WELFARE FUND
PLAN A FOR ACTIVE MEMBERS

Notice of Important Temporary Changes to the Plan

December 2020

Dear Participant:

The Board of Trustees of the Sheet Metal Workers' Local No. 73 Welfare Fund Plan A for Active Members (the "Plan") is providing this Notice to make you aware of temporary changes to the Plan's eligibility rules due to COVID-19. Please read this Notice carefully.

TEMPORARY CHANGES TO HOURS REQUIRED FOR ELIGIBILITY

The Trustees are temporarily reducing the number of hours required in the previous four Contribution Quarters from 1,000 hours to 600 hours for the lookback period of November 1, 2019 through October 31, 2020 to determine eligibility for coverage for the first Eligibility Quarter of 2021, which runs from January 1, 2021 through March 31, 2021. This change will allow members to qualify (or re-qualify) for active welfare eligibility for the first three months of 2021 if they have 600 hours from November 2019 through October 2020.

The eligibility chart provided on page 7 of the SPD is temporarily updated as follows:

Table with 3 columns: To be eligible for benefits in this Eligibility Quarter, You must have 250 hours during this Contribution Quarter OR, You must have 600 hours during these months. Row 1: Jan/Feb/March 2021, Aug/Sept/Oct 2020, November 2019 through October 2020

Note that if you previously lost coverage due to not having the required number of hours during a Contribution Quarter or the previous four Contribution Quarters and elected COBRA continuation coverage following this loss of coverage, you will remain eligible for COBRA for the rest of your COBRA continuation period, unless you qualify (or re-qualify) for coverage on January 1, 2021 due to having the required number of hours under these temporary eligibility rules.

Please note that this is a temporary change. Unless this temporary change is extended by the Trustees, the Plan's normal eligibility provisions, which require 250 hours during the prior Contribution Quarter or 1,000 hours during the applicable 12-month lookback period, will again become effective for Eligibility Quarters starting on and after April 1, 2021.

Example 1:

Sam worked 200 hours during August, September and October, 2020 and 800 hours during the lookback period of November 1, 2019 through October 31, 2020. Under the Plan's normal eligibility provisions, he would not be eligible for active welfare coverage during the Eligibility Quarter of January 1, 2021 through March 31, 2021. However, because he worked at least 600 hours during the previous four Contribution Quarters of November 1, 2019 through October 31, 2020, he is still eligible for active coverage during the January, February and March Eligibility Quarter.

Note that if Sam does not work 1,000 hours during the months of February 2020 through January 2021, he will not be eligible for coverage during the Eligibility Quarter of April, May and June of 2021. If Sam loses eligibility for the Eligibility Quarter of April, May and June of 2021, he will have an opportunity to elect COBRA continuation coverage.

**Example 2:**

Same facts as Example 1, except Sam had initially lost coverage under the Plan for the Eligibility Quarter of April, May and June, 2020 and elected COBRA. Sam is eligible to remain on COBRA through December 31, 2020 and will become eligible again for active coverage for the Eligibility Quarter of January through March of 2021. If Sam did not elect COBRA coverage, he will still become eligible for active coverage for the Eligibility Quarter of January through March of 2021. Due to the extension of time for COBRA elections as a result of COVID-19, Sam can still elect COBRA for the period during which he did not have any coverage in 2020, after losing eligibility as of May 31, 2020. He will, however, have to pay the required COBRA premium for such coverage.

**QUESTIONS?**

If you have any questions about these changes or the information in this Notice, please call the Welfare Department at 708-449-7373, press #2.

Sincerely,

***The Board of Trustees***

*This announcement serves as a Summary of Material Modifications (SMM) for the Sheet Metal Workers' Local No. 73 Welfare Fund Plan A For Active Members. Full details are contained in the documents that establish the Plan provisions. If there is a discrepancy between the wording here and the documents that establish the Plan, the document language will govern. Please keep this SMM with your Summary Plan Description (SPD) for future reference.*