

NEW YORK DISTRICT COUNCIL OF CARPENTERS

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SUMMARY OF MATERIAL MODIFICATIONS NEW YORK CITY DISTRICT COUNCIL OF CARPENTERS WELFARE FUND

TO: Active Employees of the District Council

FROM: Board of Trustees

DATE: May 20, 2013

RE: Change in Eligibility

This notice is a Summary of Material Modifications ("SMM") and provides important information about a change to when your coverage under the New York City District Council of Carpenters Welfare Fund (the "Welfare Fund") ends if your employment ends on or after October 25, 2012 and you had already been eligible for Welfare Fund coverage when you began working for the District Council. The requirements of this change are described more fully below. All other provisions of the Welfare Fund remain in effect and are not changed by this SMM.

Extension of Coverage Following Termination of Employment

Generally, Welfare Fund coverage ends at the of the calendar quarter in which your employment with the District Council ends. For example, if your employment with the District Council terminates at any time in the first quarter of the calendar year (January to March), your Welfare coverage ends on March 31 and you are eligible to continue your coverage under COBRA.

Effective October 25, 2012, your coverage by the Welfare Fund will be extended for the same number of calendar quarters for which you qualified, determined by the bank hours that you had accumulated at the time when you began working for the District Council (the "Extension Period").

You will not be eligible for the Extension Period if, when your employment with the District Council ends, you:

- become eligible for Welfare Fund coverage as a retiree, or
- become eligible as an Active Participant because you
 - return to Covered Employment, or
 - become employed by the Benefit Funds or the Labor Technical College.

The following example illustrates how this change works:

Let's say you worked in Covered Employment until **November 30, 2007** and had 750 bank hours as of December 31, 2007, which qualifies you for coverage for 3 calendar quarters. You use 250 hours to maintain your coverage in the Welfare Fund for the first quarter of 2008. On **February 15, 2008**, you became employed by the District Council and become eligible for Welfare Fund coverage on the first day of the month following your completion of one month of employment at the District Council (April 1, 2008). You remain employed at the District Council until **November 30, 2013** and are not eligible for retiree coverage or active coverage. Based on your employment at the District Council, your Welfare coverage would ordinarily terminate on December 31, 2013. Your coverage under the Welfare Fund would end **June 30, 2014** as a result of the Transition Period change.

As stated above, the above-described Extension Period provisions apply to any District Council employee whose employment terminates on or after October 25, 2012, regardless of when your employment with the District Council commenced.

If you have any questions concerning this Notice or your Welfare Fund benefits, please contact the Fund Office at 212-366-7373.