

IMPORTANT NOTICE TO PARTICIPANTS

SUMMARY OF MATERIAL MODIFICATION

TO: All Plan Participants

FROM: Board of Trustees
Southern California IBEW-NECA Health Trust Fund

DATE: December 22, 2016

RE: Benefit Changes Commencing on or after April 1, 2017

IMPORTANT – If you are a retired participant (pensioner) and already enrolled in the Southern California IBEW-NECA Health Trust Fund *Retiree Health Plan*, the Fund is required to send you this notice. HOWEVER, the benefit changes described in this notice do not apply to you.

Effective with Retiree Health Plan initial enrollments for pension commencing on or after April 1, 2017, the requirements are as follows:

1. Age/Pension and Service Requirements:

Early Retirees who have attained age 56 and are awarded an unreduced early retirement benefit from the Southern California IBEW-NECA Defined Benefit Plan, have had at least 44,500 hours worked under a collective bargaining agreement requiring retiree health Plan contributions to this Plan (includes Health hours credited through reciprocity), and of those hours 10,500 hours must have been worked in 7 of the 10 years prior to retirement.

Normal Retirees retiring on and after age 62 under the Southern California IBEW-NECA Pension Trust Fund, retiree health plan eligibility is limited to such individuals who have at least 10 years of credited service under the Pension Plan and have had 10,500 health hours under a Collective Bargaining Agreement requiring Retiree Health Plan contributions (includes Health hours credited through reciprocity) in 7 of the 10 years immediately preceding the date of retirement.

2. Timely Application and Payments

In addition to each of the requirements stated above, you must request and complete an application, enroll by no later than the later of the date your first pension check was issued or your loss of eligibility under the Active Health Plan, and pay the monthly medical premium. The monthly medical premium may be deducted from your monthly Southern California IBEW-NECA Pension Plan benefit **OR** monthly self-payments may be made to the Southern California IBEW-NECA Health Trust Fund.

3. Delayed Enrollment

An individual who has retired under the Southern California IBEW-NECA Pension Plan and meets all of the eligibility requirements under this Retiree Health Plan may delay enrollment in this Retiree Health Plan until the later of the exhaustion of the Hours Bank Reserve and/or COBRA coverage under the Active Plan. If during this permitted delay in enrollment such an individual shall die, his or her spouse may enroll in this Retiree Health Plan no later than the exhaustion of the Hours Bank Reserve and/or COBRA coverage under the Active Plan.

4. Total Disability and/or Partial Disability Benefits and Crediting of Disability Hours for Retiree Health Plan eligibility are not available to individuals retiring on or after April 1, 2017. Initial eligibility for Retiree Health Plan benefits through the Maintenance Agreement after retirement will no longer be available effective April 1, 2017.

NOTE: Nothing in the eligibility requirements set forth above impacts those individuals who meet the Retiree Health Plan's eligibility rules and commence to receive a benefit from the Southern California IBEW-NECA Pension Plan on or before March 31, 2017.

This Notice is a Summary of Material Modifications ("SMM") within the meaning of Section 104 of the Employee Retirement Income Security Act of 1974, as amended. An SMM describes changes to the information provided in the most recent SPD. The SMM describes important changes to the Plan effective as of the date listed above. Please keep this SMM with your SPD for future reference. Please contact the Plan Office if you would like to request a copy of the Plan document, SPD or any SMM relating to the Plan.

**AMENDMENT NO. 12 TO THE
SUMMARY PLAN DESCRIPTION OF THE
SOUTHERN CALIFORNIA IBEW-NECA HEALTH TRUST FUND
RETIREE HEALTH PLAN**

This Amendment to the Southern California IBEW-NECA Health trust Fund Retiree Health Plan *Summary Plan Description* ("SPD") is made by the Board of Trustees of the Southern California IBEW-NECA Health Trust Fund ("Board of Trustees") with reference to the following facts and circumstances:

- A. The Board of Trustees wishes to amend the SPD to reflect a change in the eligibility rules.
- B. The Board of Trustees has reserved to themselves the ability to amend the SPD from time to time.

NOW THEREFORE, effective April 1, 2017, the SPD beginning at page 13, is amended as follows:

- C. Effective with Retiree Health Plan initial enrollments for pensions commencing on or after April 1, 2017, the requirements are as follows:

1. Age/Pension and Service Requirements:

Early Retirees who have attained age 56 and are awarded an unreduced early retirement benefit from the Southern California IBEW-NECA Defined Benefit Plan, have had at least 44,500 hours worked under a collective bargaining agreement requiring retiree health Plan contributions to this Plan (includes Health hours credited through reciprocity), and of those hours 10,500 hours must have been worked in 7 of the 10 years prior to retirement.

Normal Retirees retiring on and after age 62 under the Southern California IBEW-NECA Pension Trust Fund, retiree health plan eligibility is limited to such individuals who have at least 10 years of credited service under the Pension Plan and have had 10,500 health hours under a Collective Bargaining Agreement requiring Retiree Health Plan contributions (includes Health hours credited through reciprocity) in 7 of the 10 years immediately preceding the date of retirement.

2. Timely Application and Payments

In addition to each of the requirements stated above, you must request and complete an application, enroll by no later than the later of the date your first pension check was issued or your loss of eligibility under the Active Health Plan, and pay the monthly medical premium. The monthly medical premium may be deducted from your monthly Southern California IBEW-NECA Pension Plan benefit **OR** monthly self-payments may be made to the Southern California IBEW-NECA Health Trust Fund.

3. Delayed Enrollments

An individual who has retired under the Southern California IBEW-NECA Pension Plan and meets all of the eligibility requirements under this Retiree Health Plan may delay enrollment in this Retiree Health Plan until the later of the exhaustion of the Hours Bank Reserve and/or COBRA coverage under the Active Plan. If during this permitted delay in enrollment such an individual shall die, his or her spouse may enroll in this Retiree Health Plan no later than the exhaustion of the Hours Bank Reserve and/or COBRA coverage under the Active Plan.

4. Total Disability and/or Partial Disability Benefits and Crediting of Disability Hours for Retiree Health Plan eligibility are not available to individuals retiring on or after April 1, 2017. Initial eligibility for Retiree Health Plan benefits through the Maintenance Agreement after retirement will no longer be available effective April 1, 2017.

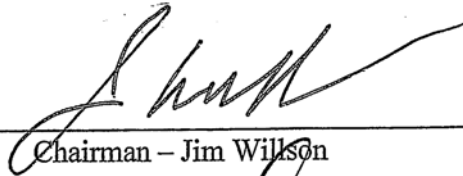
NOTE: Nothing in the eligibility requirements set forth above impacts those individuals who meet the Retiree Health Plan's eligibility rules and commence to receive a benefit from the Southern California IBEW-NECA Pension Plan on or before March 31, 2017.

D. All other terms and conditions of the Plan, including the HIPAA Special Enrollment rights, shall remain in full force and effect.

Executed this 21st day of December 2016 at Commerce, California.

**BOARD OF TRUSTEES
SOUTHERN CALIFORNIA IBEW-NECA
HEALTH TRUST FUND**

By: _____


Chairman – Jim Willson

By: _____


Secretary – Marvin Kropke