

IRON WORKERS DISTRICT COUNCIL OF WESTERN NEW YORK AND VICINITY WELFARE FUND

**SUMMARY OF MATERIAL MODIFICATIONS
AND
NOTICE TO PARTICIPANTS**

(Plan No: 501; I.D. 16-0776208)

July 2012

Dear Participant,

The following is a summary of important changes made to your Plan/Summary Plan Description. Please keep this with your Welfare Fund booklet. Please take a moment to carefully read the information below.

Effective July 1, 2012, the following section will be added to the Summary Plan Description:

WAGE REPLACEMENT ACCOUNT

ELIGIBILITY

You may be eligible for this benefit if you have had contributions made to the Wage Replacement Account ("WRA") by your employer. For initial WRA eligibility, your WRA balance must be at least \$400.00. Thereafter, you must maintain an account balance of at least \$150.00 in order to receive WRA benefits. No benefits will be paid unless there is a sufficient balance in your account.

BENEFITS

Any available benefits are subject to your account balance. You may begin receiving benefits from the WRA on September 1, 2012, for claims arising on and after July 1, 2012. However, Life Insurance and AD&D claims will be covered as of the effective date of your coverage, in accordance with the provisions below and the underlying insurance policy.

The amounts in your Account may be utilized for the following benefits:

1. **Supplemental Disability (Non-Occupational) Benefit** – You will be entitled to a disability benefit of \$400 per week (net) for each week you are so disabled that you cannot work at your usual employment and earn no money. You must present satisfactory proof that you are entitled and continue to be entitled to State Disability Benefits for each week you seek the disability benefit. You must apply for supplemental benefits within twelve (12) months of the period of disability for which you are seeking benefits. The protocol regarding payment of your benefit will be determined by the Fund Administrator.
2. **Supplemental Workers' Compensation Benefit** – You will be entitled to a workers' compensation benefit of \$300 per week (net) for each week you cannot work due to an illness or injury entitling you to State Workers' Compensation Benefits. You must present satisfactory proof that you are entitled and continue to be entitled to State Workers' Compensation Benefits. You must apply for supplemental benefits within twelve (12) months of the illness or injury entitling you to benefits. The protocol regarding payment of your benefit will be determined by the Fund Administrator.
3. **Supplemental Unemployment Benefit** – You will be entitled to a supplemental unemployment benefit if you satisfy the following conditions: (1) You must be involuntarily laid off by a signatory employer having a collective bargaining agreement requiring contributions to this Plan; (2) You must provide satisfactory proof that you are eligible and continue to be eligible for State unemployment benefits (or would be eligible to receive such benefits had you not already received such benefits for the maximum duration under State Law); and (3) Your Business Manager must certify that you are on the out of work list, are available for work, and have not refused employment when it has been offered.

For the first week of unemployment (waiting week) you will receive a benefit of \$700 (net). Thereafter, the maximum benefit is equal to \$300 per week (net) for each week that you are on unemployment. You must apply for supplemental benefits within twelve (12) months of the period of unemployment for which you are seeking benefits. The protocol regarding payment of your benefit will be determined by the Fund Administrator.

4. **Vacation Benefit** – If you want to take a vacation, you will be eligible to draw \$1000 per week (net) from your account for each week of vacation that you take. You may withdraw up to two (2) weeks of vacation in any calendar year.

If you work in any week for which you make a vacation withdrawal, you must return the withdrawn amount for that week to the Fund Office to be returned to your account. You will also be denied a Vacation Benefit for six (6) months from the date the money is returned.

You must apply for vacation benefits within twelve (12) months of the week for which the vacation benefits are paid. The protocol regarding payment of your benefit will be determined by the Fund Administrator.

5. Life Insurance Benefit – The Fund will purchase life insurance for you through your WRA by automatically withdrawing the premium from your WRA on an annual basis. The life insurance benefit is in the amount of \$25,000. This coverage also includes \$25,000 in accidental death and dismemberment (AD&D) benefits. The terms of this benefit are set forth in the Certificate issued by the insurance carrier, which certificate is incorporated herein by reference. To be eligible for the Life Insurance Benefit:

- 1) You must be a participating member of the Ironworkers District Council of Western New York Locals (Locals 9, 33 and 440);
- 2) You must have worked at least 200 work hours in last Welfare Fund plan year (July 1 – June 30);
- 3) You must be actively at work or available for work;
- 4) Your account balance must be sufficient to cover the life insurance premium, which will be paid annually; and
- 5) You must maintain a \$150 balance in your WRA.

Waiting Period: The period prior to the Plan Anniversary date or Bi-Annual Enrollment dates (September 1 and March 1) after which you become an Active member.

Termination: Coverage ends on the earliest of the following:

- 1) The date the Policy terminates
- 2) The Policy Anniversary date or Bi-Annual Open Enrollment date following the date you cease to be an eligible participant in the Plan.
- 3) Your account balance is insufficient to cover the life insurance premium. (If you lose coverage because of an insufficient account balance, coverage may be reinstated during subsequent enrollment periods if the balance rises to the required level.)

Definitions:

Active Member: Active member means a member in good standing with the Ironworkers District Council of Western New York Locals.

Actively at Work: Actively at work means at work or available for work with the Ironworkers District Council of Western New York Locals on a day that is one of your scheduled workdays, scheduled vacation days, paid time off, personal days or holidays.

Ironworkers District Council of Western New York Locals means Active members in Ironworkers Local 9, Local 33 and Local 440, including members assigned to all reciprocal and non-reciprocal locations.

Life Insurance Plan Anniversary Date: September 1, 2012 and each year thereafter

Bi-Annual Enrollment: September 1 and March 1

TAXES

With the exception of the Life Insurance Benefit, when you receive a benefit from your WRA, federal and state income taxes and FICA, FUTA, and SUTA taxes will be deducted from your account based on the amount of the benefit paid to you. You must complete a W-4 form on an annual basis so that the Fund Office can withhold the appropriate amount of taxes. At the end of the calendar year, you will receive a W-2 form showing then total amount of benefits you received from the WRA during the year and the federal and state income taxes withheld by the Fund.

ADMINISTRATIVE FEES

An administrative fee of \$3.00 will be deducted from your account for each check issued by the Fund in payment of WRA benefits to you.

FORFEITURE

Monies held in your account will be forfeited upon your death or retirement.

As always, if you have any questions regarding these benefit modifications, please contact the Fund Office at (585) 424-3510 or toll free at (800) 288-0782.

Sincerely,

The Board of Trustees