



WISCONSIN ELECTRICAL EMPLOYEES BENEFIT FUNDS



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NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION-WISCONSIN CHAPTER

MAY 2022

TO: All Eligible Plan Participants and Dependents:

RE: Notice of Summary of Material Modifications to the Summary Plan Description Booklet (SPD) dated January 1, 2017, concerning material benefit changes for participants in the Wisconsin Electrical Employees Health and Welfare Fund (the "Fund" and/or "Plan"). Please keep this SMM with your copy of the SPD for future reference.

The Plan's Restated Rules and Regulations shall be amended as of the effective dates set forth below to:

- a. Automatically convert a Participant's remaining Dollar Bank credits to Flexible Benefit Account benefits upon retirement
- b. Clarify the definition of "retired" for various benefits under the Plan
- c. Add a new Vacation Benefit.

To reflect these changes, the Rules and Regulations are amended as follows:

Effective April 26, 2022, Article XIII, Supplemental Unemployment Benefits, Section 13.4, Retirement, is amended to read as follows:

13.4 Retirement. Upon retirement, the assets in an Employee's SUB Account shall be transferred to the Active Hourly Employee's Flexible Benefit Account. If the Employee's Flexible Benefit Account is inactive due to \$0 balance, the Fund shall reinstate the Employee's Account. An Active Hourly Employee shall be considered retired if he or she is at least 55 years of age, has ceased working in the industry and has advised the Fund Office, in writing in a form acceptable to the Trustees, that he or she is retired.

Effective April 26, 2022, Article XIII, Supplemental Unemployment Benefits, is amended to add a new Section 13.10 to provide as follows:

13.10 Vacation Benefit Transfer. In the event a Collective Bargaining Agreement with a Local Union that had required SUB contributions is modified to terminate the SUB contribution obligation, the assets in the SUB accounts maintained for an Active Hourly Employee represented by the Local Union terminating the SUB contribution obligation shall be transferred to an account on behalf of the Hourly Employee under the Vacation Benefit program.

Effective April 26, 2022, Article XVII, Temporary COVID-19 Relief shall be renumbered as Article XVIII.

Effective April 26, 2022, a new Article XVII, Vacation Benefits is added to the Plan to read as set forth in attached Exhibit A.

Effective April 26, 2022, Article XIV, **Flexible Benefit Account Program**, Section 14.2, **Flexible Benefit Accounts**, subsection (f) is amended to read as follows:

(f) The forfeiture rules under section 14.2(e)(i)-(iv) shall not apply to a retired Participant, but the forfeiture rule in subsection 14.2(e)(v) shall apply. For purposes of Article XIV, a Participant shall be considered "retired" if he or she is at least 55 years of age, has ceased working in the industry and has advised the Fund Office, in writing in a form acceptable to the Trustees, that he or she is retired.

Effective June 1, 2022, Article II, **Participation and Eligibility Requirements**, Section 2.2, **Eligibility for Active Hourly Employees**, subsection (b) is amended to read as follows:

(b) **Dollar Bank Eligibility.** Eligibility for benefits provided by the Plan will be established under the Dollar Bank system. Under this system, an employee can accumulate additional dollars for eligibility to be used during periods of unemployment prior to retirement.

Effective June 1, 2022, Article II, **Participation and Eligibility Requirements**, Section 2.8, **Self-Payment for Retirees**, subsections (a) and (b) are amended as follows:

- (a) **Early Retiree Eligibility and Benefits.** In order to be eligible for Plan coverage as an Early Retiree, an Active Employee, Self-Pay Active Hourly Employee or Self-Pay Disabled Employee must be at least 55 years of age, must cease from working in the industry and advise the Fund Office, in writing in a form acceptable to the Trustees, that he or she is an Early Retiree. Such Early Retiree may continue coverage for medical and death benefits by making consecutive monthly self-payment contributions.
- (b) **Retiree Eligibility and Benefits.** In order to be eligible for Plan coverage as a Retiree, an Active Employee or Self-Pay Active Hourly Employee must be at least 65 years of age, must cease from working in the industry and advise the Fund Office, in writing in a form acceptable to the Trustees, that he or she is a Retiree. A Self-Pay Disabled Employee shall be eligible upon such Employee's entitlement to Medicare Parts A and B. An Early Retiree shall be eligible upon attaining age 65. Retirees must enroll in Medicare Part A and B to qualify for the Plan's Retiree benefit.

Such Retiree may continue medical and reduced death benefits by making consecutive monthly self-payment contributions.

Effective June 1, 2022, Article II, **Participation and Eligibility Requirements**, Section 2.8, **Self-Payment for Retirees**, is amended to add a new subsection (h) to read as follows:

(h) **Dollar Bank Conversion.** When an Active Employee, Self-Pay Active Hourly Employee or Self-Pay Disabled Employee notifies the Fund Office in writing that he or she is either an Early Retiree under section 2.8(a) or a Retiree under section 2.8(b), the Early Retiree's or Retiree's existing Dollar Bank Account balance will automatically be transferred to his Flexible Benefits Account. If the Employee's Flexible Benefit Account is inactive due to \$0 balance, the Fund shall reinstate the Employee's Account. If the Early Retiree or Retiree returns to contributory employment with an Employer and requalifies for Active Plan coverage in accordance with section 2.2, contributions will again be credited to his Dollar Bank. Any Early Retiree or Retiree with an existing Dollar Bank Account balance as of June 1, 2022, will have their Dollar Bank Account balance transferred to his Flexible Benefits Account.

Effective June 1, 2022, Article II, **Participation and Eligibility Requirements**, the introductory paragraph of Section 2.9, **Self-Payment for Dependents of a Deceased Participant**, is amended to read as follows:

2.9 **Self-Payment for Dependents of a Deceased Participant.** The eligible Dependents of a deceased Participant may continue coverage by making monthly self-payment contributions after the exhaustion of any credits in the Active Employee's Dollar Bank Account or, for eligible Dependents of deceased Early Retirees or Retirees, exhaustion of the Flexible Benefits Account.

EXHIBIT A: ARTICLE XVII

VACATION BENEFITS

17.1 Accumulation of Benefits. The Vacation Benefit will be established for Active Hourly Employees covered by a Collective Bargaining Agreement that requires Vacation Benefit contributions or on whose behalf SUB Account assets are transferred pursuant to Section 13.10. The Vacation Benefit will be funded either at the level established in the Collective Bargaining Agreement or by the assets transferred from the SUB Account pursuant to Section 13.10. Vacation Benefit assets received on behalf of an Active Hourly Employee shall be allocated to a Vacation Benefit Account for the Active Hourly Employee. No earnings shall be credited to the Vacation Benefit Accounts.

17.2 Payment of Benefits: (a) Active Hourly Employees for whom a Vacation Benefit Account has been established shall annually receive a Vacation Benefit from his or her Vacation Benefit Account equal to the lesser of \$2,500 or the balance of assets credited to their Vacation Benefit Account as of December 31 of the Plan Year.

(b) Benefits are paid after December 31 of each Plan Year based on assets credited to the Active Hourly Employee's Vacation Benefit Account as of December 31, and after the deduction of administrative expenses.

(c) Active Hourly Employees who are entitled to Vacation Benefits will receive their distributions by check sent by mail, and distributions shall be made as soon as administratively feasible after December 31 of each Plan Year.

(d) Upon the Active Hourly Employee's death, any balance in the Employee's Vacation Benefit Account will be distributed to the Employee's designated Beneficiary or pursuant to Section 3.1 if there is no designated Beneficiary.

(e) Vacation Benefit Accounts shall be maintained, and Vacation Benefits will be paid, in the manner noted above if there is a balance in the Active Hourly Employee's Vacation Benefit Account on and after retirement.