

★★ IMPORTANT NOTICE TO PARTICIPANTS ★★

March 2016

To All Covered Persons:

This Notice is to inform you of the following two important Plan changes.

Expanded Definition of Dependent

The definition of dependent, appearing on pages 168 and 169 of your Summary Plan Description ("SPD"), has been expanded to include a covered employee's niece/nephew or grand-niece/grand-nephew who is placed for permanent guardianship with the covered employee effective March 1, 2016. This individual must receive more than half of his or her annual financial support from the covered employee, have the same principal residence as the covered employee for more than half the calendar year (except for temporary absences), earn less than the gross income maximum permitted by the IRS, and not be claimed as a tax dependent by any other individual. This individual also must be a citizen or national of the United States or a resident of the United States, Canada, or Mexico.

Coverage for eligible nieces/nephews (or grand-nieces/grand-nephews) will commence on the first day of the month following the submission of enrollment materials to the Fund. See page 19 of your SPD for more information regarding special enrollment of dependents.

New Retiree Option

Current retiree provisions, appearing on page 22 of your SPD, state the following:

Upon retirement, an employee has a one-time option of continuing medical, life, accidental death and dismemberment and the optional dental and vision care benefits. If an employee elects not to continue benefits at the time of his/her retirement, he/she may not enroll at a later date unless he/she attains eligibility as an active bargaining unit employee and re-satisfies the retiree eligibility provisions as a bargaining unit employee.

Effective June 1, 2016, pre-Medicare retirees also will have a one-time option of continuing coverage under the Reduced Cost Option which provides reduced benefits at a lower cost as described in the Schedule of Benefits on page 8 of the SPD. A pre-Medicare retiree electing the Reduced Cost Option may not subsequently elect a different form of coverage under the Plan.

Please keep this Notice with your Summary Plan Description (SPD) booklet for future reference. If you have any questions, please call the Fund Office at (952) 854-0795 or toll-free at 1-800-535-6373.

Yours very truly,

THE BOARD OF TRUSTEES

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This Notice, which serves as a Summary of Material Modifications (SMM), contains only highlights of certain features of the Local 434 Health and Welfare Fund. 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. The Trustees reserve the right to amend, modify, or discontinue all or part of the Plan at any time.