

June 2018

Dear Participant:

Please be advised, effective for health & welfare contributions received by EIT for work months beginning July 2018 and after, EIT is changing the way hours will be credited for health & welfare contributions received from other jurisdictions for traveling participants who have not worked under the Principal or Residential Agreements within the last 36 months. Hours will be credited for these traveling participants under the Electrical Insurance Trustees Health & Welfare Plan for Construction Workers (“Plan”) based upon the contributions received from other IBEW jurisdictions and the contribution rate established by the Electrical Joint Arbitration Board for the Principal and Residential Agreements. **This new rule replaces the existing “hour-for-hour list” of Local Unions approved by the Board of Trustees and Locals 22, 153, 347, 401, 445, 481, and 601 will no longer be treated as hour-for-hour beginning in July 2018. The Trustees will no longer designate individual local unions outside the collar county area as hour-for-hour.**

Beginning with the July 2018 work month for participants who have not earned a minimum of 1,040 contributed hours under the Principal or Residential Agreements, or a similar agreement negotiated in the collar county area* during the 36 months immediately preceding the work month reciprocal contributions are made, contributed hours will be prorated to reflect the difference in contribution rates between the locals by dividing reciprocal contributions received at EIT by the contribution rate under the Principal or Residential Agreement.

For example, if \$1,920.00 was contributed for July 2018 work (160 hours x \$12.00) and you do not have 1,040 contributed hours for the 36 months immediately preceding the work month contributions are received (i.e. July 2015 – June 2018) as outlined above, you will be credited with 132.78 contributed hours toward continuing your health & welfare benefits under the Plan. These hours are calculated by dividing \$1,920.00 by Local 134’s hourly contribution rate of \$14.46 ($\$1920.00/\$14.46=132.78$ hours).

Consequently, if you have not earned a minimum of 1,040 contributed hours under the Principal or Residential Agreement (or a similar agreement **negotiated in the collar county area***) during the 36 months immediately preceding the work month reciprocal contributions are made; your contributed hours will be credited based upon the amount of contributions received on your behalf divided by the existing hourly contribution rate under the Principal or Residential Agreements beginning with contributed hours for July 2018 work months (generally received by EIT in September) and thereafter.

** Includes the following IBEW Locals: Local 9, 117, 127, 150, 176, 196, 364, 430, 461, 531, 697, and 701.*

Participants whose hours have been prorated in this manner and do not have sufficient contributed hours to maintain coverage under the Plan, may self-pay contributions necessary for the number of hours required to continue their coverage under the Plan. These self-pay contributions will be required at the current hourly contribution rate under the Principal or Residential Agreements. If a participant fails to make their self-payment by the required due date, their coverage under the Plan will terminate.

If you have earned a minimum of 1040 contributed hours as stated above, hours will continue to be credited on an hour-for-hour basis until the work month in which you fall short of 1040 hours in the last 36 months.

If you have any questions, please contact us at 312-782-5442, ext. 230.

Sincerely,

EIT Benefit Funds