

IMPORTANT NOTICE ABOUT IMPROVEMENTS TO YOUR BENEFIT PLAN

May 2014

To Participants in Plans 1, 2, 3, 4, 10, S(11), T(12) and U(13):

This notice describes some significant improvements to your NECA/IBEW Family Medical Care Plan benefit plan. Please keep this notice with your Summary Plan Description booklet for future reference.

ELIGIBILITY FOR HOURLY BARGAINING UNIT EMPLOYEES – SELF-PAYMENT RULES FOR SHORT HOURS

Please Note: This provision does not apply to employees who work for a single employer where monthly tiered contribution rates are paid.

All Plans are amended to extend the short hours self-payment period from six (6) months to twelve (12) months effective July 1, 2014 through December 31, 2015, with an option for the Plan's Board of Trustees to renew such extension of the short hours self-payment period on an annual basis.

The Self-Payment Rules for Short Hours outlined in your Summary Plan Description are amended to read as follows:

For Eligibility Months prior to July 1, 2014, if you do not have 140 credited hours in an eligibility (work) month even with your banked hours, you may make self-payments for short hours for up to six (6) consecutive months to cover the difference between your credited hours and the number of hours needed to satisfy the 140-hour rule.

For Eligibility Months beginning July 1, 2014 through December 31, 2015, if you do not have 140 credited hours in an eligibility (work) month even with your banked hours, you may make self-payments for short hours for up to twelve (12) consecutive months to cover the difference between your credited hours and the number of hours needed to satisfy the 140-hour rule.

For Eligibility Months beginning January 1, 2016, you may make self-payments for short hours for up to six (6) consecutive months unless the Board of Trustees extends

the twelve-month short hours self-payment period. Any extension by the Board of Trustees of the short hours-self payment period from six (6) to twelve (12) months will be on an annual basis and will terminate on December 31 of the calendar year for which the extension is effective, unless the Board of Trustees renews the extension for the next calendar year.

If the Board of Trustees does not renew the twelve-month short hours self-payment period for the next calendar year, and you began self-paying under the twelve-month short hours self-payment period effective the previous calendar year, you may continue to self-pay until you have exhausted your twelve-month self-payment period.

An additional 6-month self-pay period will be allowed if you return to covered employment and have at least 100 credited hours during an eligibility (work) month that corresponds with, or immediately follows, a benefit month during which you were eligible because of a self-payment for short hours. Additional 6-month self-pay periods will be allowed without limit as long as you continue to meet the 100-hour requirement.

You are only entitled to a self-pay period if you are an active employee who is already covered under the Plan when your hours shortage occurs.

Self-payment amounts will be determined by multiplying the hours you are short of 140 times the current hourly contribution rate. The due date for short hours self-payments is the last day of the benefit month for which the payment is being made.

NOTICE REGARDING GRANDFATHERED STATUS

The Trustees of the NECA/IBEW Family Medical Care Plan have determined that benefit plans 1, 2, 3, 4, 10, S(11), T(12) and U(13) provided by the Plan are “grandfathered health plans” under the Patient Protection and Affordable Care Act (the “Affordable Care Act”). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your Plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement to cover preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to lose its grandfathered status can be directed to the Benefit Office at 5837 Highway 41 North, Ringgold, GA 30736, or by telephone at 1-877-937-9602. You may also contact the Employee Benefits Security Administration, United States Department of Labor, at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

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