



Welfare Fund of Local No. One, I.A.T.S.E.

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SUMMARY OF MATERIAL MODIFICATION

To: All Participants in the Welfare Fund of Local No. One, IATSE
From: Scott Cool, Director of Fund Administration
Date: June 4, 2021
Re: **Important Changes to Your Welfare Fund Provided Benefits**

This document is a Summary of Material Modifications ("SMM") intended to notify you of important changes made to the Welfare Fund of Local No. One, IATSE ("the Plan"). Please read this SMM carefully and keep it with the copy of the 2016 Summary Plan Description ("SPD") that was previously provided to you. If you need another copy of the SPD or if you have any questions regarding these changes to the Plan, please contact the Fund Office during normal business hours at 320 West 46th Street, 6th Floor, New York, New York, 10036, (212) 247-5225.

Due to continuing concerns regarding the financial health of the Welfare Plan resulting from the COVID-19 pandemic, the Board of Trustees has determined that it is necessary to make additional changes to the Welfare Fund plan of benefits and eligibility:

1. Changes in Eligibility for the six-month coverage period July 1 through December 31, 2021:

- As you were previously informed, the current eligibility rule requires that you earned at least \$37,500 in Covered Earnings (i.e., earnings on which contributions are payable to the Fund) during calendar year 2020.
- Effective for coverage beginning July 1, 2021, the new eligibility rule requires that you earned at least \$37,500 in Covered Earnings during calendar year 2020 **and** also earned at least \$9,375 in Covered Earnings during the first calendar quarter of 2021.

Participants who satisfy the new eligibility rule will receive coverage under the Recovery Tier of benefits for the six-month coverage period July 1, 2021 through December 31, 2021, subject to timely payment of applicable self-pay premiums. The Trustees will continue to monitor the industry's plans for reopening and the financial health of the Welfare Fund and will make a decision later in the year regarding the eligibility requirement for coverage beginning January 1, 2022.

Participants who will lose coverage effective July 1, 2021 (whether under the current or new eligibility rule) will have the option to continue to receive Fund benefits through COBRA continuation coverage and may be eligible for the Federal COBRA subsidy from July 1, 2021 through September 30, 2021 upon the submission of all required forms. However, those individuals who are eligible for Medicare or other group health coverage will not be eligible for the Federal COBRA subsidy.

Please refer to the Fund's letter dated May 28, 2021 for further information, including information regarding coverage after the Federal COBRA subsidy expires on September 30, 2021.

The Fund Office will be working with The Actors Fund to provide you with information regarding your coverage options and assistance in avoiding any gaps in coverage.

2. **Changes to Recovery Tier Self-Pay Premiums:** Effective for the six-month coverage period July 1 through December 31, 2021, self-pay premium rates for Recovery Tier coverage will be as follows:

Self-Pay Premium Rates for Active Participants

Benefit Category	Coverage Type	Quarterly Rates 7/01/2021 to 12/31/2021
Recovery Tier	Participant Only	\$480
	Participant + 1	\$592
	Family	\$704
Recovery Tier Basic Coverage	Participant Only	\$480
	Participant + 1	\$1,813
	Family	\$3,319

Self-Pay Premium Rates for Early Retirees (non-Medicare)

Benefit Category	Coverage Type	Monthly Rates 7/01/21 to 12/31/21
Age 60 through Age 64	Retiree Only	\$91
	Retiree + 1	\$177
	Family	\$247
Age Under 60	Retiree Only	\$161
	Retiree + 1	\$293
	Family	\$424

3. **Retiree Type of Coverage:** Section III, C. 2. and 3. of the SPD describes the type of benefit a retiree who is eligible for retiree coverage and any covered family members will receive if the retiree is not eligible for Medicare. The Plan provides that the tier of coverage offered will be based on the highest tier in which the participant was covered in three of the five years immediately preceding retirement. Since the Plan currently only offers one tier of coverage (the "Recovery Tier"), retirees not eligible for Medicare will receive Recovery Tier benefits.

This SMM is intended to provide you with an easy-to-understand description of certain changes and/or clarifications to the Plan. While every effort has been made to make this description as complete and as accurate as possible, this SMM, of course, cannot contain a full restatement of the terms and provisions of the Plan. If any conflict should arise between this SMM and the Plan, or if any point is not discussed in this SMM or is only partially discussed, the terms of the Plan will govern in all cases.

The Board of Trustees or its duly authorized designee, reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Plan, or any benefits provided under the Plan, in whole or in part, at any time and for any reason, in accordance with the applicable amendment procedures established under the Plan and the Agreement and Declaration of Trust establishing the Plan (the "Trust Agreement"). The Trust Agreement is available at the Fund Office and may be inspected by you free of charge during normal business hours.

No individual other than the Board of Trustees (or its duly authorized designee) has any authority to interpret the Plan documents, make any promises to you about benefits under the Plan, or to change any provision of the Plan. Only the Board of Trustees (or its duly authorized designee) has the exclusive right and power, in its sole and absolute discretion, to interpret the terms of the Plan and decide all matters arising under the Plan.