



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

320 West 46<sup>th</sup> Street, 6<sup>th</sup> Floor • New York, NY 10036 • Tel (212)247-5225 • Fax (212)977-9319 • www.fundoneiatse.com

### SUMMARY OF MATERIAL MODIFICATION

To: All Participants in the Welfare Fund of Local No. One, IATSE  
From: Scott Cool, Director of Fund Administration  
Date: December 7, 2016  
Re: **Tier III Eligibility Change**

---

*This document is a Summary of Material Modifications ("SMM") intended to notify you of an important change 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 this change 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.*

The Board of Trustees has determined to make the following changes:

1. The increase in the Tier III earnings requirement in 2016 from \$80,000 to \$90,000 for coverage beginning July 1, 2017 has been postponed for 2 years. As a result, the earnings requirement in 2016 will remain \$80,000 for Tier III coverage beginning July 1, 2017, and the earnings requirement in 2017 will remain \$80,000 for Tier III coverage beginning July 1, 2018. In calendar year 2018, you will need at least \$90,000 in covered earnings to qualify for Tier III coverage beginning July 1, 2019.

The Trustees made this decision after a careful review of the Welfare Fund's finances. While the Welfare Fund has suffered large losses over the last few years, in the year ending June 30, 2016 we have begun to see that situation improve. This very good news is the direct result of the Plan changes that the Trustees have put into place over the last few years, including and largely due to the move to Aetna's medical network. While the relentless pressure of medical inflation will continue to challenge our Welfare Fund, the Trustees felt that with the additional expected savings from moving to Express Scripts last month, the Fund is at this time able to postpone the Tier III eligibility change while the Trustees continue to carefully monitor the Fund over the coming year.

2. Effective October 31, 2016, a participant who has failed to pay his self-pay premium within the established grace period (i.e. by the end of the first month of the quarter) will be allowed, once in his/her lifetime, to remit that payment by the end of the second month of the quarter and medical and pharmacy coverage will be provided retroactive to the beginning of the quarter.

For more information, please contact the Director of Fund Administration at 212-247-5225.

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.