Locals 302 and 612 of the International Union of Operating Engineers Trust Funds

2815 2nd Avenue, Suite 300 • P.O. Box 34203 • Seattle, Washington 98124 • Phone (206) 441-7314 or (877) 441-1212 • Fax (206) 505-9727

Administered by Welfare & Pension Administration Service, Inc.

June 19, 2012

To: All Eligible Plan Participants

Locals 302 and 612 I.U.O.E. Construction Industry Health and Security Fund

Subject: Summary of Material Modification – Important Information

Regarding Your Health Plan

Please be sure that you and your family read this notice and keep it with your benefit booklet or insurance information for future reference.

• Initial Eligibility

Effective with July 2012 hours for September 2012 coverage, the minimum contribution required to establish initial eligibility in Washington will increase from \$1,390.50 to \$1,460.00; the minimum contribution required to establish initial eligibility in Alaska will increase from \$1,624.50 to \$1,705.00.

• Continuing Coverage

Effective with July 2012 hours for September 2012 coverage, the dollar bank deduction will increase from \$927.00 to \$973.00 per month in Washington; and from \$1,083.00 to \$1,137.00 per month in Alaska. At the same time, the maximum you may accumulate in your dollar bank at any one time will increase from \$6,489.00 to \$6,813.00 in Washington, and from \$7,581.00 to \$7,960.00 in Alaska.

Annual Benefit Maximum

Effective April 1, 2012, in accordance with the Patient Protection and Affordable Care Act, the annual benefit maximum for essential benefits increased from \$1,000,000 to \$1,250,000.

If you have any questions, please contact the Administration Office at (206) 441-7314 or (877) 441-1212, and select option 4 per the recorded message.

Sincerely,

Board of Trustees Locals 302 and 612 of the International Union of Operating Engineers Construction Industry Health and Security Fund