

WASHINGTON IDAHO OPERATING ENGINEERS HEALTH & SECURITY TRUST

ZENITH AMERICAN SOLUTIONS
111 W. Cataldo, Suite 220
Spokane, WA 99201
(509) 534-5625 FAX (509) 534-5910
1-800-351-6480

February 2018

TO: All Participants of the Washington-Idaho Operating Engineers and Employers
Health & Security Trust

FROM: Board of Trustees

RE: **Hour Bank Freeze/Forfeiture – Effective March 1, 2018**

This is a summary of material modification describing recent changes adopted by the Board of Trustees. Please be sure that you and your family read it carefully and keep this document with your Plan Booklet.

The Trustees continuously review Plan benefit design and procedures. In the course of their review of the Plan the Trustees have updated eligibility provisions as follows:

ELIGIBILITY PLAN CHANGES

The following provision is added to page 14 of the Summary Plan Description which implements an hour bank freeze and forfeiture.

Hour Bank Freeze and Forfeiture

Work for a Non-Contributing Employer – Eligibility Freeze and Forfeiture

Notwithstanding any other provision or rule of this Plan, if you are eligible for benefits, your benefits will be frozen and forfeited if you work:

- In the industry, which means work for a non-contributing employer that engages in any business activity of the type engaged in by contributing employers; and
- In a position or job classification which would otherwise be covered by an IUOE Labor Agreement, whether as a self-employed person or as an employee.

First Offense

Upon a participant's first offense, his/her benefits will be frozen. While your coverage is frozen, no benefits or claims are payable with respect to any expenses incurred by you or your dependents during the "freeze" period. For each month in which you continue to work for a non-contributing employer, you will permanently forfeit one month of coverage from your hour bank.

To reinstate frozen eligibility, you must return to work for a contributing employer and work at least the number of hours required by the Plan to maintain continuing eligibility. If you do not reinstate hour bank eligibility before your dollar bank is exhausted, you will be required to satisfy the initial eligibility rules to again be covered.

Second Offense

Upon a participant's a second offense, eligibility for benefits for a participant and his/her eligible dependents will terminate, and all hours accumulated in his/her hour bank will be forfeited, at the end of the month in which the participant becomes employed in the industry for a non-signatory employer, in a position which would otherwise be covered by an IUOE Labor Agreement.

These freeze and forfeiture rules do not apply if you are temporarily employed under a written agreement with any of the Operating Engineers local unions participating in the Plan. These freeze and forfeiture provisions do not affect COBRA rights for you and your dependents.

NOTE: Receipt of this notice does not constitute a determination of benefits or your eligibility. If you wish to verify benefits or eligibility, or if you have any questions regarding these changes, please contact the Administration Office at (800) 351-6480 or (509) 624-3257.

Please keep this important notice with your Plan Document/Summary Plan Description (SPD) for easy reference to all Plan provisions. If you have any questions or need any additional information, please contact the Administration Office.

Sincerely,

Board of Trustees