

The Fund Office Report

JULY 2008

STEAMFITTERS & METAL TRADES

IMPROVED ACCIDENTAL DEATH & DISMEMBERMENT BENEFITS UNDER AETNA LIFE INSURANCE

Aetna has been the Life and Accidental Death and Dismemberment (ADD) group insurance company for both Welfare Funds since January 1, 2008. Included among the ADD benefits are five (5) benefits not previously available under our prior ADD coverage when the Funds were insured by MetLife.

The following Aetna benefits will be payable if, while injured, a participant suffers a bodily injury by accident and if, within 365 days after the accident, he or she suffers a loss of life solely as a direct result of the accident.

A. Passenger Restraint and Airbag Benefit:

If a covered loss of life of the participant occurs as a direct result of a motor vehicle accident and the insured is properly using a passenger restraint and (if the driver) is properly licensed, a benefit will be payable. If an airbag is activated as a result of the same accident, an additional benefit will be payable. Passenger restraint and airbag usage will require verification. The benefit provides for \$10,000 for use of a passenger restraint and an additional \$5,000 if an airbag is activated.

B. Education Benefit for Dependent Child and/or Spouse:

If a loss of life of the participant occurs as a direct result of an accident, an education benefit will be payable on behalf of each dependent child and/or a surviving spouse for a maximum of 4 years from the date of death. The benefit provides for 5% of participant's principal sum of \$20,000.

C. Child Care Benefit:

If a loss of life of the participant occurs as a direct result of an accident, an education benefit will be payable on behalf of each dependent child for a maximum of 4 years from the date of death. The benefit provides for 3% of the participant's principal sum of \$20,000 per child per year.

D. Repatriation of Remains Benefit:

A benefit of up to \$5,000 is available to pay for the actual expenses incurred to prepare and transport a participant's body to a mortuary if the loss of life occurs outside a 200 mile radius from his/her principal place of residence.

E. Coma Benefit:

If a covered participant suffers a bodily injury caused by an accident and as a direct result becomes comatose, a monthly benefit of 5% of the Principal Sum of \$20,000 less any benefit amount paid or payable because of the same accident will be payable for 11 months after the person has been continually comatose for at least 30 consecutive days. After 12 months of continuous coma, the full Principal Sum less any benefit amount paid or payable because of the same accident is payable.

If you have any questions regarding your life insurance or ADD benefits contact the Help Desk at Ext. 244.

METAL TRADES

PENSION PLAN AMENDMENT

At the Metal Trades quarterly union meeting on April 30, 2008 the members heard from Executive Administrator Kevin Driscoll regarding the funding needed by the Pension Fund to keep it financially strong. The members, who had a \$1.00 increase effective July 1, 2008, voted to allocate 40¢ into the Pension Fund with the understanding that this allocation would not be used in the benefit accrual calculations. The balance of the increase, 60¢, was designated to the hourly wage rate.

Thus, the Trustees, acting pursuant to Section 8.1 of the Plan, had to formally amend the language in the Plan relative to the amount of Employer Contributions that will be taken into account in determining the monthly pension amount with respect to accruals earned on and after June 30, 2008.

Therefore, the Plan is amended by deleting Subsection 3.3(b) and replacing it with the following:

(b) The monthly accrued pension for any Participant whose last Hour of Covered Employment is on or after July 1, 1999 and who worked at least 450 Hours in Covered Employment in the Plan Year ending June 30, 1999 shall be:

- (i) \$3.50 multiplied by the total years of credited Past Service; plus
- (ii) 3% of Creditable Employer Contributions, as defined in subparagraph (vi) below, made on behalf of the Participant on or after July 1, 2008; plus
- (iii) 3% of Total Accumulated Employer Contributions made on behalf of the Participant prior to July 1, 2008; plus
- (iv) 3% of accumulated Employer contributions during the period July 1, 1965 to June 30, 1992; plus
- (v) \$33.00 per month for each year of credited Future Service.
- (vi) For purposes of (ii) above, "Creditable Employer Contributions" is an amount equal to the Employer Contributions that would have been required to be contributed to the Plan based on the contribution rate in effect for the Participant's Contributing Employer on June 30, 2008, or if less, the current contribution rate in effect for the Contributing Employer. Should a Participant change employment to another Contributing Employer after June 30, 2008, then "Creditable Employer Contributions" for the period that he works for that Contributing Employer shall be based on the contribution rate in effect for that Contributing Employer on June 30, 2008, or if less, the Contributing Employer's current contribution rate.

If you have any questions about this subject please contact the Help Desk at Ext.244.

STEAMFITTERS

SECURITY BENEFIT FUND ADDS CATASTROPHIC EVENT BENEFIT

Effective September 1, 2008, the Security Benefit Fund will include a Hardship Assistance After Catastrophic Event Benefit. This benefit will be paid to a participant after a catastrophe destroys or significantly damages his/her primary residence. A catastrophe for purposes of this benefit will include, but are not limited to, flood, hurricane, tornado, ice storm, fire, or explosion.

Significant damage means a damage claim of \$5,000 or more (amounts under \$5,000 are not permitted under law) that is not insured or otherwise paid by another source. As with all benefits in the Security Benefit Fund claims are limited to your account balance at the time of application.

This benefit is specifically permitted under federal tax code in order to enable a participant to continue working despite a catastrophe that destroys his/her primary residence. Thus, this benefit is not available for retired participants.

In order to document your loss you will be required to submit bills, cancelled checks, photographs, insurance, fire marshal or licensed appraiser reports, affidavits and any and all other proofs which the Trustees may require. A claim application will be available from the Fund Office on or after September 1, 2008.

METAL TRADES & STEAMFITTERS

ACCELERATED DEATH BENEFIT ADDED TO LIFE INSURANCE COVERAGE

Our current life insurance coverage with Aetna now includes a provision for the early payment of up to 75% of the \$50,000 benefit to the participant in the event of a diagnosed terminal illness.

The benefit will also allow the participant to apply for this benefit if diagnosed with amyotrophic lateral sclerosis (a/k/a Lou Gehrig's Disease); end stage heart, kidney, liver and/or pancreatic organ failure wherein the participant is not a transplant candidate; a medical condition requiring artificial life support, without which the participant would die; or a permanent neurological deficit resulting from a cerebral vascular accident (e.g., stroke) or a traumatic brain injury which are both expected to result in life-long confinement in a hospital or skilled nursing facility.

The maximum benefit payable is \$37,500; the minimum is \$5,000. A terminal illness diagnosis requires the life expectancy must be no longer than 24 months. For the aforementioned named medical diagnoses, the life expectancy requirement does not apply.

Contact the Help Desk at Ext. 244 with any questions you may have on this program.