

**AMENDMENT NO. 1 TO THE SHEET METAL WORKERS  
LOCAL UNION 268 WELFARE PLAN**

**As Amendment and Restated as of July 1, 2012**

The Trustees of the Sheet Metal Workers Local Union 268 Welfare Plan (“Plan”) hereby amend the Plan Document and Summary Plan Description by establishing a Health Reimbursement Arrangement as a part of the Plan in the manner set forth below, effective August 1, 2012:

**HEALTH REIMBURSEMENT ARRANGEMENT**

**GENERAL**

Effective August 1, 2012, the Plan has established a Health Reimbursement Arrangement (HRA) for active Bargained Employees and their eligible Dependents who are Plan Participants. Under the HRA an account funded by Employer contributions is maintained for each eligible Bargained Employee. You and your eligible Dependents can use this account to reimburse certain health care expenses up to the balance remaining in your account.

**ELIGIBILITY**

You are eligible to participate in the HRA if you are a Plan Participant and an active Bargained Employee covered by a collective bargaining agreement that provides for contributions to the HRA by your Employer. After an HRA account is established for you, you will continue to be eligible to receive Employer contributions to your account while you remain an active Bargained Employee. If you retire, terminate employment or no longer meet the hours of service or other eligibility requirements under the Plan, you may continue to request reimbursement of health care expenses that are covered by the HRA to the extent of any balance remaining in your HRA account, as discussed below.

**HOW THE HRA WORKS**

Beginning January 1, 2013, you may request reimbursement of certain health care expenses not covered by the Plan that you have paid out-of-pocket for yourself or any of your eligible Dependents who are Plan Participants, which are not covered by the Plan and are not eligible to be reimbursed from any other source (like another group health plan or an insurance policy). Among the health care expenses eligible for reimbursement under the HRA are the following:

- Copayments, deductibles, and the portion of the coinsurance not paid by the Plan, as provided in the Schedule of Medical Benefits section of the Plan;
- Self-payments by eligible Retirees, COBRA participants and surviving Dependents of deceased eligible Bargained Employees and Retirees, as discussed in the Eligibility and Commencement of Coverage and COBRA Continuation of Coverage sections of the Plan; and

- Dental, vision and other health care expenses that meet the definition of medical care expenses under Section 213(d) of the Internal Revenue Code. Generally these are medical expenses that you are able to deduct on your income tax return. A complete list of medical expenses that are eligible for reimbursement can be found in the Internal Revenue Service's "Publication 502, Medical and Dental Expenses", which is provided at the IRS website, [www.irs.gov](http://www.irs.gov), or for more information contact the IRS at 1-800-829-1040.

## **APPLYING FOR HRA REIMBURSEMENT**

Beginning January 1, 2013, you may file a request for reimbursement from your HRA account up to two times per calendar year. You must have a minimum of \$50 in covered health care expenses in order to file a reimbursement request. Otherwise, you should keep a record of your covered health care expenses that you and your Dependents incur until they reach \$50 before submitting a request.

To apply for reimbursement, you must complete an HRA Reimbursement Form, which is available from the Plan Administrator's office:

Board of Trustees of the Sheet Metal Workers Local Union 268 Welfare Plan  
2701 North 89th Street  
Caseyville, Illinois 62232  
(618) 397-1443

In preparing the HRA Reimbursement Form, for each expense that you are requesting reimbursement you will need to provide the following information, as applicable:

- The name of the person who received the health care;
- A description of the health care treatment, service or supply and the date(s) on which the treatment, service or supply was received;
- The amount of the requested reimbursement; and
- A statement that the expense has not otherwise been reimbursed and is not reimbursable through any other source.

You also must attach to the HRA Reimbursement Form a copy of one or more of the following, as applicable:

- An itemized bill from the service provider that includes the name of the person incurring the charges, date of service, description of services, name of the provider, and the amount of the charge;
- An Explanation of Benefits (EOB) from the Plan when requesting reimbursement of the balance of charges that were not paid by the Plan, plus copies of receipts verifying that you paid the balance of charges;
- Proof of the amount and date paid when requesting reimbursement for self-payments for continued coverage under the Plan;

- A receipt and proof of purchase or rental of covered items (such as prescription drugs and medical supplies or equipment, like crutches or a wheel chair); and
- Any additional documentation requested by the Plan Administrator.

It is recommended that you keep a copy of all paperwork that you submit for your records.

Claims for reimbursement must be submitted within 365 days of the expense in order to be eligible for reimbursement. Any claim submitted more than 365 days after the expense was incurred will be denied.

Requests for reimbursement will be processed within 30 days of the end of the month in which they are received. Upon approval of your application, you will be reimbursed up to the balance in your HRA account.

If your claim for reimbursement is denied, you may appeal that decision in accordance with the Claims Review and Appeal Procedures section of the Plan.

If you do not use the entire balance of your HRA account during the calendar year, the unused portion will be carried over for you to use in the following years for as long as you remain eligible to make withdrawals from your HRA account.

#### **DISPOSITION OF HRA ACCOUNT IF PLAN COVERAGE TERMINATES AS AN ACTIVE EMPLOYEE**

If you are no longer eligible for coverage under the Plan because you have not worked enough hours to maintain your eligibility, you will have the option to continue your medical coverage by electing COBRA continuation coverage and making self-payments under the Plan, as more fully discussed in the COBRA Continuation Coverage section of the Plan. If you elect COBRA, you can use the money in your HRA account to pay the required contributions or other eligible health care expenses until your HRA account is exhausted.

Additionally, if you retire with an HRA account balance and you meet the eligibility requirements for Retiree coverage under the Plan, as discussed in the Eligibility and Commencement of Coverage section of the Plan, you can use your HRA account balance to pay the required contributions for your Retiree coverage and other eligible health care expenses until your HRA account is exhausted.

In the event that an eligible Employee or Retiree dies with a balance in the individual's HRA account, that balance will be made available to the Employee's or Retiree's surviving eligible Dependents who are Plan Participants at the time of the Employee's or Retiree's death. The surviving eligible Dependents can then request reimbursement for payments made to continue their Plan coverage (as discussed in the Eligibility and Commencement of Coverage section of the Plan) and for other eligible health care expenses, in the same manner as for the Employee or Retiree.

In addition to the eligible health care expenses listed under the "How the HRA Works" section above, surviving eligible Dependents can also submit premiums, copayments, deductibles and the coinsurance balances that the eligible Dependent incurs under another plan or insurance policy through which the eligible Dependent has health care coverage. If

the surviving eligible Dependents do not exhaust the balance of the HRA account within 60 months after the death of the Employee or Retiree, the remaining balance will be forfeited and transferred to the Plan Trust.

In the event the deceased eligible Employee or Retiree does not have any surviving eligible Dependents who are Plan Participants at the time of the Employee's or Retiree's death, the Employee's or Retiree's HRA account balance will be forfeited and transferred to the Plan Trust.

If you are no longer covered under the Plan but have a balance remaining in your HRA account, you can use the money to pay for eligible health care expenses that you or your eligible Dependents incur after the date your Plan coverage terminates. In addition to the eligible health care expenses listed under the "How the HRA Works" section above, you can also submit premiums, copayments, deductibles and the coinsurance balances that you or your eligible Dependents incur under another plan or insurance policy through which you or your eligible Dependents have health care coverage. If you do not exhaust the balance of the HRA within 60 months after the date your Plan coverage terminates, the remaining balance will be forfeited and transferred to the Plan Trust.

Please note, however, if you withdraw from the Sheet Metal Workers International Association Local 268 and terminate your coverage under the Plan, you will immediately forfeit the right to spend down your HRA account. If you withdraw from the Sheet Metal Workers International Association Local 268 and continue to participate in the Plan, you may continue to spend down your HRA account for up to 6 months following the date of your withdrawal. You cannot withdraw your HRA account balance as a lump sum cash out at the time you terminate coverage under the Plan.

In addition to the above, Plan Participants who are participating in the HRA and incur a COBRA qualifying event can elect COBRA for their HRA coverage in accordance with the procedures described in the COBRA Continuation Coverage section of the Plan. In order to continue HRA coverage under COBRA, a Plan Participant is required to make monthly contributions to the HRA account to cover the cost of the continued HRA coverage.

## **HRA ADMINISTRATION**

The HRA is administered by the Plan Administrator. Call the Plan Administrator's office at (618) 397-1443 if you have any questions or need more information about your HRA benefit.

Adopted this 18th day of September 2012.

**UNION TRUSTEES**

\_\_\_\_\_  
JONATHAN MENTZ                      Date

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MICHAEL L. DAVIS                      Date

\_\_\_\_\_  
VINCE GUDINES                      Date

**EMPLOYER TRUSTEES**

\_\_\_\_\_  
DAVID HILL                      Date

\_\_\_\_\_  
BRIAN LANGHAUSER                      Date

\_\_\_\_\_  
BARBARA WEIR                      Date