CONSTRUCTION INDUSTRY LABORERS

WELFARE - PENSION VACATION FUNDS

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Managed for the Trustees by

TIC International Corporation

TO: ALL ELIGIBLE PARTICIPANTS OF THE CONSTRUCTION INDUSTRY LABORERS WELFARE FUND

RE: PLAN CHANGES EFFECTIVE JULY 1, 2014

IMPORTANT NOTICE – PLEASE READ CAREFULLY

Dear Participant:

The Trustees of the Construction Industry Laborers Welfare Fund wish to announce the following changes:

- Currently, if you do not work enough hours under the Plan to maintain eligibility, leaving you "short" on hourly contributions, you may elect COBRA coverage but are allowed to pay a reduced monthly COBRA premium for one benefit quarter. Currently, the full COBRA rate is then applied for the remaining months you are eligible for COBRA continuing coverage.

- Effective July 1, 2014, the reduced pay option has been extended so that you can pay a reduced premium for the following quarter if you have at least 75% of the required work hours reported. The monthly rate for the second quarter will be equal to 50% of the current quarterly COBRA payment rate. The full COBRA rate will be required after that if you choose to continue COBRA coverage.

Statement Regarding Status as a Grandfathered Health Plan
This group health plan believes this Plan is a "grandfathered health plan" under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your Plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

If you have any questions about these changes, please feel free to contact the Fund Office at (913) 236-5490.

Sincerely,

BOARD OF TRUSTEES

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