

****GENERAL NOTICE OF COBRA
CONTINUATION COVERAGE RIGHTS UNDER COBRA****

Introduction: THIS NOTICE IS ADDRESSED TO YOU AND EVERYONE IN YOUR FAMILY WHO RECENTLY BECAME COVERED UNDER THE NECA-IBEW WELFARE TRUST FUND. THIS NOTICE GIVES YOU A SUMMARY OF YOUR LEGAL RIGHTS AND OBLIGATIONS REGARDING CONTINUATION OF YOUR HEALTH COVERAGE. EVERY ADULT FAMILY MEMBER SHOULD TAKE THE TIME TO READ THIS NOTICE CAREFULLY.

The Consolidated Omnibus Budget Reconciliation Act of 1985 (commonly known as COBRA), provides you with the right to temporarily continue coverage under the NECA-IBEW Welfare Trust Fund (the “Plan”) when you would otherwise lose your group health coverage.

This notice generally explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect the right to receive it. This notice gives only a summary of your COBRA continuation coverage rights. For more information about your rights and obligations under the Plan and under federal law, you should contact the Fund Administrator to review the Plan Document.

If you choose COBRA, you will be entitled to the same type of coverage (Medical including Prescription Drugs, Dental, Vision, Death and Accidental Death and Dismemberment) that you had before the event that triggered COBRA, but you must pay for it. COBRA continuation coverage does not include the Weekly Income Benefit currently provided to members by the Fund. If there is a change in the health coverage provided under the Plan to similarly situated active members and their families, that same change will be made in your COBRA continuation coverage.

COBRA Continuation Coverage: COBRA continuation coverage is a continuation of Plan coverage when coverage would otherwise end because of a life event known as a “qualifying event.” Specific qualifying events are listed later in this notice. COBRA continuation coverage must be offered to each person who is a “qualified beneficiary.” A qualified beneficiary is someone who will lose coverage under the Plan because of a qualifying event. Depending on the type of qualifying event, members, spouses of members, and dependent children of members may be qualified beneficiaries.

Qualifying Events: As a member, you will become a qualified beneficiary if you lose your coverage under the Plan because you are no longer eligible.

If you are the spouse of a member, you will become a qualified beneficiary if you lose coverage under the Plan because of any one of the following qualifying events:

1. The member dies;
2. The member's eligibility ends;
3. You become divorced or legally separated from the member.

Your dependent children will become qualified beneficiaries if they will lose coverage under the Plan because any of the following qualifying events:

1. The parent-member dies;
2. The parent-member loses eligibility;
3. The parents become divorced or legally separated; or
4. The child stops being eligible for coverage under the Plan as a "dependent child".

You or your dependent must notify the Fund Office, in writing, if your dependent's coverage will end because you and your spouse divorce or legally separate, or because your dependent ceases to be a "dependent child" as that term is defined by the Plan. You must provide written notification within 60 days of the qualifying event to the above address. You may use the enclosed "Notification of Qualifying Event" form or provide the required information in a letter.

Under the law, your employer is, technically, required to notify the Fund Office of your death, termination of employment, reduction in hours or enrollment in Medicare. However, because employers contributing to multiemployer funds may not be aware of these events, the Fund will generally, and secondarily, rely upon the employers' remittance reports for determining when eligibility is lost under these circumstances.

To help ensure that you do not suffer a gap in coverage, we urge you, the member or a member of your family, to notify the Fund Office of all qualifying events other than the member's reduction in hours or termination of employment. Enclosed is a "Notification of Qualifying Event" form which may be used to notify the Fund Office of a qualifying event.

How Long Your COBRA Continuation Coverage Lasts: The maximum COBRA period is 36 months from the date of loss of coverage.

When COBRA Continuation Coverage May be Cut Short: The law also provides that COBRA continuation coverage may be cut short for any of the following reasons:

1. The Fund no longer provides group health coverage to any of its members;
2. You do not pay the amount due for your COBRA coverage on time;
3. The qualified beneficiary becomes enrolled in Medicare; or
4. You or one of your covered family members become covered under another group health plan that does not contain any exclusion or limitation with respect to a preexisting condition that you (or they) may have or that, by law, may no longer exclude or limit coverage for any of your or their preexisting conditions.

Paying for Your COBRA Continuation Coverage: By law, any person who elects COBRA continuation coverage will have to pay the full cost of the coverage. The Fund is permitted to charge the full cost of coverage for similarly situated members and families (including both the Fund's share and member's share, if any) plus an additional 2%. The cost is generally fixed for a twelve-month period.

COBRA Premium Payment Schedule: You will have 45 days to pay your COBRA premium after COBRA coverage is actually elected. If this payment is not made when due, COBRA coverage will not take effect. After that, payments are due on the first day of each month, but there will be a 30-day grace period to make those payments. Payment is considered made when it is postmarked and if payments are not made within the time indicated, COBRA coverage will be cancelled as of the first day of the month in which your payment was due.

If You Have Questions: If you have any questions about your COBRA rights, please contact the Fund Office at:

NECA-IBEW Welfare Trust Fund
2120 Hubbard Avenue
Decatur, Illinois 62526-2871
(800) 765-4239
Fax: (217) 875-6687

In addition, you may contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA). Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website at www.dol.gov/ebsa.

Keep Your Plan Informed of Address Changes: In order to protect your family's rights, you should keep the Fund Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Fund Administrator.

Retain This Notice: You should keep this notice for future reference. The Trustees reserve the right to amend, modify or discontinue all or part of this Plan whenever, in their judgment, conditions so warrant.