

SUMMARY OF MATERIAL MODIFICATIONS

Date: April 2022

To: Active Participants and Their Eligible Dependents Enrolled in the Operating Engineers Local 139 Health Benefit Fund

From: The Board of Trustees

As the Trustees of the Operating Engineers Local 139 Health Benefit Fund, we regularly review the Plan and make changes when necessary. This Summary of Material Modifications (SMM) alerts you to two updates recently made to the Plan's provisions. Please read this SMM in its entirety to ensure you understand your benefits.

BENEFICIARY DESIGNATION FOR DEATH BENEFITS AND ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS – EFFECTIVE NOVEMBER 11, 2021

Death benefits and Accidental Death and Dismemberment (AD&D) benefits are paid to your designated beneficiary. However, we recognize that it's important for the Plan's provisions to identify what will happen in circumstances where the designated beneficiary becomes ineligible to receive these benefits. Therefore, effective November 11, 2021, the Plan has been amended, as follows, to clarify what will happen if the spouse of a married employee is the designated beneficiary and the marriage legally terminates as the result of divorce:

In the event a married employee designates his or her spouse as beneficiary and that marriage is legally terminated by divorce, then any prior beneficiary designation naming the former spouse as the beneficiary will be null and void. If, after the marriage is terminated, the employee wishes to again designate the former spouse as his or her beneficiary, that employee will have to complete and submit a new beneficiary designation form to the Fund Office.

Remember, you can change your beneficiary at any time, and you can name as many beneficiaries as you like. If your designated beneficiary dies before you, that beneficiary's right to the Death and AD&D benefits terminates. If there is no beneficiary designation on file, benefits are paid to your surviving:

- Spouse; or, if none,
- Children in equal shares; or, if none,
- Parents in equal shares; or, if none,
- Brothers and sisters in equal shares; or, if none,
- Your estate.

It is your responsibility to keep your beneficiary designation current. If you need to change your beneficiary designation, contact the Fund Office and request the required form.

STATEMENT OF THE PLAN'S GRANDFATHERED STATUS

The Operating Engineers Local 139 Health Benefit Fund 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, such as 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, such as the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan, and what might cause a plan to change from grandfathered health plan status, can be directed to the Plan Administrator at (262) 549-9190 or (800) 242-7018. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at (866) 444-3272 or via <http://www.dol.gov/ebsa/healthreform/>. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

FINAL NOTE

Please share this SMM with your family members and store it with your Summary Plan Description (SPD)/Plan Document booklet for easy reference.

If you have any questions regarding this SMM or your Plan benefits, do not hesitate to contact the Fund Office at (262) 549-9190 or (800) 242-7018.

This Summary of Material Modifications provides only highlights of recent changes to the Operating Engineers Local 139 Health Benefit Fund. Full details are contained in the documents that establish the Plan provisions. If there is a discrepancy between the wording here and the documents that establish the Plan, the document language will govern. The Trustees reserve the right to amend, modify or terminate the Plan at any time.