

Annuity Fund of Local No. One, I.A.T.S.E.

Pension Fund of Local No. One, I.A.T.S.E.

Welfare Fund of Local No. One, I.A.T.S.E.



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**SUMMARY OF MATERIAL MODIFICATIONS TO THE
WELFARE FUND OF LOCAL NO. ONE, I.A.T.S.E.**

To: All Participants in the Welfare Fund of Local No. One, I.A.T.S.E.
From: Gloria Shea, Welfare Fund Supervisor
Date: November 27, 2007
Re: Clarification to the Summary Plan Description of
Welfare Fund of Local No. One, I.A.T.S.E.

This document is a Summary of Material Modifications ("SMM") intended to notify you of an important clarification to the Welfare Fund of Local No. One, I.A.T.S.E. ("the Plan"). You should take the time to read this SMM carefully and keep it with the copy of the Summary Plan Description ("SPD") that was previously provided to you. If you need another copy of the SPD or if you have any questions regarding this change to the Plan, please contact the Fund Office during normal business hours at 320 West 46th Street, 6th Floor, New York, New York, 10036 telephone number (212) 247-5225.

Effective December 1, 2007, the Board of Trustees of the Plan has adopted the following clarification of the SPD issued May 2006 regarding Medicare enrollment for participants, spouses and dependents:

You will remain covered under the Fund's Active Plan (Tier I, II or III, as applicable) until the earliest date you are eligible to enroll in Medicare (Part A or Part B) as a retiree. On that date, you, your spouse and dependents will become covered under the Fund's Medicare Retiree Plan (Tier I, II or III, as applicable).

Even if you are not Medicare eligible, your spouse or dependent will become covered under the Fund's Medicare Retiree Plan (Tier I, II or III, as applicable) on the earliest date he or she is eligible to enroll in Medicare. This is true even if you and your non-Medicare-eligible spouse and dependents remain covered under the Fund's Active Plan.

For more information, see page 25 of the Summary Plan Description for the Fund's Medicare Retiree Plan, attached hereto.

This SMM is intended to provide you with an easy-to-understand description of certain changes or clarifications to the Plan. While every effort has been made to make this description as complete and as accurate as possible, this SMM, of course, cannot contain a full restatement of the terms and provisions of the Plan. If any conflict should arise between this SMM and the Plan, or if any point is not discussed in this SMM or is only partially discussed, the terms of the Plan will govern in all cases.

The Board of Trustees or its duly authorized designee, reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Plan, or any benefits provided under the Plan, in whole or in part, at any time and for any reason, in accordance with the applicable amendment procedures established under the Plan and the Agreement and Declaration of Trust establishing the Plan (the "Trust Agreement"). The Trust Agreement is available at the Fund Office and may be inspected by you free of charge during normal business hours.

No individual other than the Board of Trustees (or its duly authorized designee) has any authority to interpret the plan documents, make any promises to you about benefits under the Plan, or to change any provision of the Plan. Only the Board of Trustees (or its duly authorized designee) has the exclusive right and power, in its sole and absolute discretion, to interpret the terms of the Plan and decide all matters arising under the Plan.



Medicare Eligibles

Under the Medicare Eligible Retiree program of the Plan, CG will pay as the Secondary Plan as permitted by the Social Security Act of 1965 as amended for the following:

- (a) any Participant in the Plan who is eligible for Medicare and who does not have "current employment status" under the Medicare Secondary Payor Statute;
- (b) a Participant's Dependent, or a Dependent Spouse who is covered under this Plan, eligible for Medicare and who does not have "current employment status" under the Medicare Secondary Payor Statute;
- (c) a Participant, Dependent or Spouse who is covered under this Plan and eligible for Medicare due to disability;
- (d) a Participant, Dependent or Spouse who is eligible for Medicare due to End State Renal Disease after that person has been eligible for Medicare for 30 months;

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Whether you have or you have not enrolled in Medicare, if you are eligible for Medicare coverage, and are a retiree, CG will pay benefits on the basis of the assumption that you have done so on the earliest date that you could. CG will pre-suppose the amount payable under:

- Part A of Medicare for a person who is eligible for that Part without premium payment, but has not applied, to be the amount he would receive if he had applied.
- Part B of Medicare for a person who is entitled to be enrolled in that Part, but is not, to be the amount he would receive if he were enrolled.

- Part B of Medicare for a person who has entered into a private contract with a provider, to be the amount he would receive in the absence of such private contract.

A person is considered eligible for Medicare on the earliest date any coverage under Medicare could become effective for him.

This reduction will not apply to any Participant and his Spouse or Dependent unless he is listed under (a) through (d) above.

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