INSTRUCTIONS: To elect continuation coverage, complete this Election Form and return it to us. Under federal law, you must have 60 days after the date of this notice to decide whether you want to elect continuation coverage under the Plan.

Send completed Election Form to: Eligibility Coordinator
I.U.O.E. Local 4 Health & Welfare Fund
PO Box 660
Medway, MA 02053
(508) 533-1400

If you do not submit a completed Election Form by the due date shown above, you will lose your right to elect continuation coverage. If you reject continuation coverage before the due date, you may change your mind as long as you furnish a completed Election Form before the due date. However, if you change your mind after first rejecting continuation coverage, our continuation coverage will begin on the date you furnish the completed Election Form.

Monthly rates effective March 1, 2010 (Rates are effective through 2/28/2011 and subject to change)

COBRA CONTINUATION COVERAGE ELECTION FORM

I/We elect continuation coverage in the IUOE Local 4 Health and Welfare Plan (the Plan) as indicated below:

ELECTION

Name Date of Birth Relationship to Covered Employee SSN

a. ____

Coverage option elected: ___________________________]

b. ____

Coverage option elected: ___________________________]

c. ____

Coverage option elected: ___________________________]

________________________________ ________________________

Signature Date

________________________________ ________________________

Print Name Relationship to individual(s) listed above

________________________________ ________________________Print

Address Telephone number

IMPORTANT INFORMATION

ABOUT YOUR COBRA CONTINUATION COVERAGE RIGHTS AND YOUR RIGHT TO BUY IN UNDER PLAN A

What is COBRA continuation coverage?

Federal law requires that most group health plans (including this Plan) give Covered Employees and their families the opportunity to continue their health care coverage when there is a "qualifying event" that would result in a loss of coverage under an employer's plan. Depending on the type of qualifying event, "qualified beneficiaries" can include the Covered Employee (or retired Covered Employee) covered under the group health plan, the Covered Employee's spouse, and the dependent children of the Covered Employee.

Continuation coverage is the same medical, dental, vision or drug coverage that the Plan gives to other participants or beneficiaries under the Plan who are not receiving continuation coverage. Each qualified beneficiary who elects continuation coverage will have the same rights under the Plan as other participants or beneficiaries covered under the Plan.

What happens if I enter military service?

If you enter active duty with the armed services, and the period of active duty is to exceed 30 days, you have two options. You may either, run out your earned coverage and elect COBRA coverage, or freeze your earned coverage, enroll in a government sponsored plan and then use the remaining portion of your unused earned coverage when you return from active duty.

How long will COBRA continuation coverage last?

In the case of a loss of COBRA coverage due to end of employment or reduction in hours of employment, you enter non-covered employment in a category of employment that otherwise would be considered covered employment; you enter military service, or you terminate from the Apprenticeship and Training Program for any reason other than gross misconduct, coverage generally may be continued only for up to a total of 18 months. In the case of loss of coverage due to a Covered Employee's death, divorce or legal separation, the Covered Employee's becoming entitled to Medicare benefits or a dependent child ceasing to be a dependent under the terms of the plan, coverage may be continued for up to a total of 36 months. When the qualifying event is the end of employment or reduction of the Covered Employee's hours of employment, and the Covered Employee became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA continuation coverage for qualified beneficiaries other than the Covered Employee lasts until 36 months after the date of Medicare entitlement. This notice shows the maximum period of continuation coverage available to the qualified beneficiaries.

COBRA continuation coverage will be terminated before the end of the maximum period if:

- any required premium is not paid in full on time,
- a qualified beneficiary becomes covered, after electing continuation coverage, under another group health plan that does not impose any pre-existing condition exclusion for a pre-existing condition of the qualified beneficiary,
- a qualified beneficiary becomes entitled to Medicare (except that if a Covered Employee becomes entitled to Medicare, his or her covered family members may continue coverage for up to 36 months from the date of the initial qualifying event, or

- the I.U.O.E Local 4 Health & Welfare Fund ceases to provide any group health plan for all Covered Employees.

COBRA continuation coverage may also be terminated for any reason the Plan would terminate coverage of participant or beneficiary not receiving continuation coverage (such as fraud).

If the maximum period shown on page 1 of this notice is less than 36 months, the following three paragraphs may apply to you:

How can you extend the length of COBRA continuation coverage?

If you elect continuation coverage, an extension of the maximum period of coverage may be available if as a qualified beneficiary you are disabled or a second qualifying event occurs. You must notify the Plan of a disability or a second qualifying event in order to extend the period of continuation coverage. Failure to provide notice of a disability or second qualifying event may affect the right to extend the period of continuation coverage.

Disability

An 11-month extension of coverage may be available if any of the qualified beneficiaries is determined by the Social Security Administration (SSA) to be disabled. The disability has to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of continuation coverage. You must notify the Fund Office in writing within the initial 18 month coverage period and provide a copy of the SSA determination. Each qualified beneficiary who has elected continuation coverage will be entitled to the 11-month disability extension if one of them qualifies. If the qualified beneficiary is determined by SSA to no longer be disabled, you must notify the Plan of that fact within 30 days after SSA's determination.

Second Qualifying Event

An 18-month extension of coverage will be available to spouses and dependent children who elect continuation coverage if a second qualifying event occurs during the first 18 months of continuation coverage. The maximum amount of continuation coverage available when a second qualifying event occurs is 36 months. Such second qualifying events may include the death of a Covered Employee, divorce or separation from the Covered Employee, the Covered Employee's becoming entitled to Medicare benefits (under Part A, Part B, or both), or a dependent child's ceasing to be eligible for coverage as a dependent under the Plan. These events can be a second qualifying event only if they would have caused the qualified beneficiary to lose coverage under the Plan if the first qualifying event had not occurred. You must notify the Plan within 60 days after a second qualifying event occurs if you want to extend your continuation coverage.

How can you elect COBRA continuation coverage?

To elect COBRA continuation coverage, you must complete the Election Form and furnish it according to the directions on the form. Each qualified beneficiary has a separate right to elect COBRA continuation coverage. For example, the Covered Employee's spouse may elect COBRA continuation coverage even if the Covered Employee does not. COBRA Continuation coverage may be elected for only one, several, or for all dependent children who are qualified beneficiaries. A parent may elect to continue coverage on behalf of any dependent children. The Covered Employee or the Covered Employee's spouse can elect COBRA continuation coverage on behalf of all of the qualified beneficiaries.

In considering whether to elect COBRA continuation coverage, you should take into account that a failure to continue your group health coverage will affect your future rights under federal law. First, you can lose the right to avoid having pre-existing condition exclusions applied to you by other group health plans if you have more than a 63-day gap in health coverage, and election of COBRA continuation coverage may help you not have such a gap. Second, you will lose the guaranteed right to purchase individual health insurance policies that do not impose such pre-existing condition exclusions if you do not get COBRA continuation coverage for the maximum time available to you. Finally, you should take into account that you have special enrollment rights under federal law. You have the right to request special enrollment in another group health plan for which you are otherwise eligible (such as a plan sponsored by your spouse's employer) within 30 days after your group health coverage ends because of the qualifying event listed above. You will also have the same special enrollment right at the end of COBRA continuation coverage if you get COBRA continuation coverage for the maximum time available to you.

How much does COBRA continuation coverage cost?

Generally, each qualified beneficiary may be required to pay the entire cost of continuation coverage. The amount a qualified beneficiary may be required to pay for COBRA continuation coverage may not exceed 102 percent (or, in the case of an extension of continuation coverage due to a disability, 150 percent) of the cost to the group health plan (including both employer and Covered Employee contributions) for coverage of a similarly situated plan participant or beneficiary who is not receiving continuation coverage. The required payment for each COBRA continuation coverage option is described on the election form.

When and how must payment for COBRA continuation coverage be made?

First payment for continuation coverage

If you elect continuation coverage, you do not have to send any payment with the Election Form. However, you must make your first payment for continuation coverage not later than 45 days after the date of your election. (This is the date the Election Notice is post-marked, if mailed.) If you do not make your first payment for coverage in full not later than 45 days after the date of your election, you will lose all continuation coverage rights under the Plan. You are responsible for making sure that the amount of your first payment is correct. You may contact the Plan Administrator to confirm the correct amount of your first payment.

Periodic payments for continuation coverage

After you make your first payment for continuation coverage, you will be required to make periodic payments for each subsequent coverage period. The amount due for each coverage period for each qualified beneficiary is shown in this notice. The periodic payments can be made on a monthly basis. Under the Plan, each of these periodic payments for continuation coverage is due on the first of each month for that coverage period. If you make a periodic payment on or before the first day of the coverage period to which it applies, your coverage under the Plan will continue for that coverage period without any break. The Plan will provide coupon books for COBRA premium payments.

Grace periods for periodic payments

Although periodic payments are due on the dates shown above, you will be given a grace period of 30 days after the first day of the coverage period to make each periodic payment. Your continuation coverage will be provided for each coverage period as long as payment for that coverage period is made before the end of the grace period for that payment.

If you fail to make a periodic payment before the end of the grace period for that coverage period, you will lose all rights to continuation coverage under the Plan.

Your first payment and all periodic payments for continuation coverage should be sent to:

COBRA Coordinator
I.U.O.E. Local 4 Health & Welfare Fund
P.O. Box 660
Medway, 02053
(508) 533-1400

For more information

This notice does not fully describe continuation coverage or other rights under the Plan. More information about continuation coverage and your rights under the Plan is available in your summary plan description or from the Plan Administrator.

If you have any questions concerning the information in this notice, your rights to coverage, or if you want a copy of your summary plan description, you should contact:

COBRA Coordinator
I.U.O.E. Local 4 Health & Welfare Fund
P.O. Box 660
Medway, 02053
(508) 533-1400

For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit the EBSA website at www.dol.gov/ebsa. (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.)

Keep Your Plan Informed of Address Changes

In order to protect your and your family's rights, you should keep the Plan Administrator informed of any changes in your address and the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.