



SOUTHERN CALIFORNIA PIPE TRADES HEALTH & WELFARE FUND

(Vacation & Holiday Benefit Plan)

SUPPLEMENT No. 11

To: All Participants
From: Board of Trustees
Date: October 2020
Re: Vacation & Holiday Benefit Plan Improvements

**KEEP THIS NOTICE WITH THE
SUMMARY PLAN DESCRIPTION**

As was previously announced, the Southern California Pipe Trades Vacation & Holiday Fund was merged into the Southern California Pipe Trades Health & Welfare Fund, effective September 1, 2020. Because of the merger and subsequent action of the Board of Trustees, a number of changes are being made to the former Vacation & Holiday Fund Summary Plan Description (SPD) and the Health & Welfare Fund SPD, effective January 1, 2021. Either these changes have no effect on, or they improve, benefits:

Vacation & Holiday Fund Summary Plan Description

- The title of the Vacation & Holiday Fund SPD is changed to:

Health & Welfare Fund Vacation & Holiday Benefit Plan

- The first paragraph of Section 1, Introduction, is revised to add:

As of September 1, 2020, the Vacation & Holiday Fund was merged into the Southern California Pipe Trades Health & Welfare Fund.

- Thereafter, any references to the Vacation & Holiday Fund or Plan are replaced with:

Health & Welfare Fund Vacation & Holiday Benefit Plan

- Any references to Plan expenses being deducted from your Individual Account are deleted. In particular:

- The last paragraph of Section 4, Plan Basics, is revised as follows:

In addition to the contributions from your Employer, your Individual Account will share in any Surplus Income based upon the balance in your account as of November 30. Participants who choose the Monthly Benefit option do not receive any Surplus Income.

- Section 9, Plan Expenses and Investment Income, is revised as follows:

The income from Plan investments, if any, less a small amount held in reserve, is called Surplus Income, which is paid to you if you accept the Normal Benefit option. The Trustees reserve the right to offset this Surplus Income by some or all of the expenses incurred in administering this benefit.

The amount of Surplus Income is calculated based upon the Plan's operations for the 12 months ending November 30.

If you accept the Normal Benefit option, Surplus Income, if any, is credited to your Individual Account just prior to the December Payment. It is distributed on a pro-rata basis based on the account balances as of November 30. An Interim Withdrawal or Monthly Benefit payment prior to November 30 will affect the amount of Surplus Income received.

- Section 10, Forfeiture of Unclaimed Benefits, is revised to eliminate the reference to forfeitures being added to Surplus Income.

- References in Section 6, Benefit Payments, to a \$0.13 per hour fee for the Monthly Benefit option are deleted.

- Section 14, Information Required by ERISA, is revised as follows:

- Sub-sections A and B are replaced with:

A) Name and Type of Plan

The name of the Plan is the Southern California Pipe Trades Health & Welfare Fund Vacation & Holiday Benefit Plan. It is a multiemployer welfare benefit plan.

B) Identification Numbers

The Fund's Internal Revenue Service tax identification number is 95-1867598. The Plan number is 502.

- Sub-section M is replaced with

M) ERISA Rights

As a participant in the Southern California Pipe Trades Health & Welfare Fund Vacation & Holiday Benefit Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

- In Section 15, the following definitions are revised as follows:

Fund

The Southern California Pipe Trades Health & Welfare Fund created by the Trust Agreement establishing that Fund.

Individual Account

The account established in the Plan for each Participant. The balance of your Individual Account equals all contributions made by your Employer, plus any Surplus Income allocated to you.

SPD

Summary Plan Description. This document. A summary of the provisions of, and benefits available under, the Southern California Pipe Trades Health & Welfare Fund Vacation & Holiday Benefit Plan.

Surplus Income

Investment earnings, less a small amount held in reserve.

Trust Agreement

The written document titled “Restated Agreement and Declaration of Trust Continuing the Southern California Pipe Trades Health & Welfare Fund” pursuant to which the Fund has been established and maintained and to which this Plan has been adopted and any amendments thereto.

Health & Welfare Fund Summary Plan Description

- The first paragraph of Section 1, Introduction, is revised to add:

As of September 1, 2020, the Southern California Pipe Trades Vacation & Holiday Fund was merged into the Health & Welfare Fund.

- Section 1(B), Purpose of the Plan, is revised to add:

The Plan also provides paid time off benefits described in a separate SPD titled “Southern California Pipe Trades Health & Welfare Fund Vacation & Holiday Benefit Plan”.

This Southern California Pipe Trades Health & Welfare 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, 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.

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 Trust Fund Office administrator at (800) 595-7473. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or <https://www.healthcare.gov/health-care-law-protections/grandfathered-plans/>. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

