

[Fund Letterhead]

SUMMARY OF MATERIAL MODIFICATION TO PRODUCERS' HEALTH BENEFIT PLAN

Important Information Regarding Your Health Fund Benefits

This notice contains important information concerning benefits provided by the Producers' Health Benefit Plan. Please attach this letter to your Summary Plan Description (SPD). It should be read and retained with you SPD for future reference.

Date: **October 1, 2018**

Deleted: August 31, 2018

To: **All Active Employees**

Deleted: Freelance

From: **The Board of Trustees**

INTRODUCTION

The Board of Trustees is proud of the valuable benefits provided to you and your families through the Producers' Health Benefit Plan (the Plan). As Trustees to the Plan, we continually monitor the financial stability of the Plan to ensure that the Plan will continue to provide these important benefits well into the future. In order to maintain the high level of benefits provided by the Plan, revisions to our plan of benefits are necessary from time to time.

This notice describes important changes to the Producers' Health Benefit Plan.

EFFECTIVE JANUARY 1, 2018

ELIGIBILITY REQUIREMENTS FOR FREELANCE EMPLOYEES ON OR AFTER JANUARY 1, 2018

- Annual Earnings Eligibility Threshold: Freelance Employees become eligible employees by meeting one of these requirements during a Qualification Period. Contributions for work performed during a Qualification Period must be received by the Fund before work requirements can be considered to be satisfied.
 - Earn a minimum of \$35,000 during the Qualification Period in gross earnings from work in PHBP covered freelance categories, or
 - Work 100 Days or more in a Qualification Period.
- A Qualification Period is the 12-month period during which the individual must meet the earnings threshold or days-worked threshold in order to become an eligible employee.
- For purposes of calculating eligibility, a Day is defined as at least eight (8) hours worked in a continuous 24-hour period during which work in a PHBP covered category is performed throughout except for meal breaks and rest periods. Work periods of less than eight (8) hours will not be credited in whole or part. Work periods in excess of eight (8)

hours in a continuous 24-hour period will receive one Day of credited service for eligibility purposes.

- Freelance Employees must pay an annual registration/enrollment fee of \$300 each year payable in advance of annual enrollment. An invoice will be sent 60 days prior to the beginning of a new coverage period for freelance employees who are currently enrolled. For new participants, an invoice will be sent with the eligibility letter requiring payment of the \$300 fee within 30 days.

EFFECTIVE OCTOBER 1, 2018

TERMINATION OF DOMESTIC PARTNER ELIGIBILITY

- Eligible Family Members are the Spouse and Eligible Children of an Eligible Employee. Spouses include opposite-sex and same-sex spouses who are legally married and who otherwise meet the plan's requirements.
- Effective October 1, 2018, the PHBP will **no longer accept enrollment of same-sex or opposite-sex domestic partners as Eligible Family Members. The Plan will "Grandfather" those domestic partners or children of domestic partners currently enrolled, and continue coverage through December 31, 2019. Domestic Partners and children of domestic partners will no longer be eligible for coverage effective Jan. 1, 2020.**

Questions?

For more information, please contact PHBP staff@PHBPBenefits.org or by telephone at 855-696-2909.

Plan Sponsor: Producers' Health Benefit Plan
Sponsor's EIN: 31-6654730
Plan Number: 501
Plan Year: January 1st to December 31st

You should keep this Notice together with your Summary Plan Description at all times. The two documents should be read together for an accurate depiction of your current health plan benefits. If you have any questions, contact the Fund Office.

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").

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

- Deleted: SEPTEMBER 1,
- Deleted: 2018JANUARY
- Deleted: 1, 2019
- Deleted: ELIGIBILITY REQUIREMENTS FOR ELIGIBLE FAMILY MEMBERS ON OR AFTER JANUARY 1, 2019
- Deleted: COVERAGE
- Deleted: January 1, 2019
- Deleted: not
- Deleted: recognize
- Deleted: For
- Deleted: Coverage for any
- Deleted: provided by the PHBP prior to September 1, 2018
- Deleted: will terminate on
- Deleted: <#>The PHBP will not accept new enrollments for domestic partners or children of domestic partners after September 1, 2018.
- Deleted: at [Address]
- Deleted: xxx.xxx.xxxx

arising under the Plan.