MAY 2016

TO:      ACTIVE AND RETIRED PARTICIPANTS AND DEPENDENTS

RE:      SUMMARY OF MATERIAL MODIFICATIONS TO THE
Northern California Pipe Trades Health and Welfare Trust Fund (“PLAN”)

The Board of Trustees of the Northern California Pipe Trades Health and Welfare Trust Fund (“Plan”) is pleased to provide you with the following summary of changes in the Plan, called a Summary of Material Modification (“SMM”). In accordance with the requirements of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), this document serves as an SMM. Please review the important changes described below.

THIS SMM SUPPLEMENTS THE RESTATED SUMMARY PLAN DESCRIPTION/PLAN DOCUMENT THAT HAS BEEN SEPARATELY PROVIDED TO YOU. YOU SHOULD RETAIN THIS DOCUMENT WITH THE RESTATED SUMMARY PLAN DESCRIPTION/PLAN DOCUMENT.

A. GENERAL – Plan Amendment
   ACTIVE and RETIRED Participants
   Article I Section A.5 – Additional Benefits
   Effective July 1, 2015

   Effective July 1, 2015, the Northern California Pipe Trades Health and Welfare Plan provides the following types of additional benefits, subject to certain eligibility provisions and exclusions. The Plan has been amended to clarify the types of additional benefits that an ACTIVE Participant or a RETIRED Participant may be eligible for.

   All eligible ACTIVE Participants and their Dependent(s) are eligible for these additional benefits, unless otherwise listed as an exclusion under a specific Classification and/or Contract:
   (1) Death, Accidental Death, and Dismemberment Benefits (insured by Principal Life Insurance Company);
   (2) Dental Benefits (insured by Delta Dental);
   (3) Orthodontic Benefits (insured by Delta Dental);
   (4) Vision Care Benefits (insured by VSP); and
   (5) Hearing Aid Benefits (self-insured).

   All eligible RETIRED Participants and their Dependent(s) are eligible for these additional benefits:
   (1) Dental Benefits (insured by Delta Dental);
   (2) Vision Care Benefits (insured by VSP); and
   (3) Hearing Aid Benefits (self-insured).

   HMO and Carrier Rules Apply. All rules and/or regulations set forth herein regarding claims review and/or appeals, shall be governed by the rules and regulations of the HMO and Carrier without regard to similar rules and regulations that may be otherwise set forth in this Plan.

B. SUMMARY OF AGREEMENT AND BENEFITS – Plan Amendment
   ACTIVE Participants
   Article II – Effective July 1, 2015

   Effective December 1, 2015, the Summary of Agreements and Benefits has been modified to eliminate the Disability Extension Benefit and incorporate language on Classifications that are only permitted enrollment in the Kaiser Permanente HMO Health Plan option (“Kaiser”).

   Please review the table according to your classification. If a “YES” appears in the Benefit column, you may be eligible to receive this benefit should you meet the Plan requirements as defined in the Summary Plan Description (“SPD”) booklet. If a “NO” appears in the Benefit column, you are not eligible for these benefits. Please refer to the SPD booklet for additional details and eligibility requirements.
All incoming reciprocity hours are prorated at the standard Master Labor Agreement Contribution rate for Active coverage. Please refer to Article IV of the SPD for additional information.

<table>
<thead>
<tr>
<th>Classification</th>
<th>Initial Eligibility Requirement</th>
<th>Hours Required for Monthly Eligibility</th>
<th>Reserve Hour Bank</th>
<th>Jury Duty</th>
<th>Active Subsidized Self-Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACTIVE (MLA + Others)</td>
<td>300 hours in consecutive 6-mos.</td>
<td>125</td>
<td>6-mos. Max (750 hours)</td>
<td>YES</td>
<td>12-mos. Max &amp; overall 18-mos. Max in rolling 36 month period</td>
</tr>
<tr>
<td>HELPER (MLA+ Others)</td>
<td>125 hours in consecutive 6-mos.</td>
<td>125</td>
<td>2-mos. Max (250 hours)</td>
<td>NO</td>
<td>4-mos. Max &amp; overall 6-mos. Max in rolling 36 month period</td>
</tr>
<tr>
<td>(Effective 9-1-15 KAISER ONLY)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SHORTLINE</td>
<td>300 hours in consecutive 6-mos.</td>
<td>125</td>
<td>6-mos. Max (750 hours)</td>
<td>YES</td>
<td>12-mos. Max &amp; overall 18-mos. Max in rolling 36 month period</td>
</tr>
<tr>
<td>(Effective 9-1-2015 Helpers were allowed KAISER ONLY)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PG&amp;E</td>
<td>300 hours in consecutive 6-mos.</td>
<td>125</td>
<td>6-mos. Max (750 hours)</td>
<td>NO</td>
<td>12-mos. Max &amp; overall 18-mos. Max in rolling 36 month period</td>
</tr>
<tr>
<td>(Effective 9-1-2015 Helpers were allowed KAISER ONLY)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RESIDENTIAL (KAISER ONLY)</td>
<td>120 hours in consecutive 6-mos.</td>
<td>120</td>
<td>1 mo max -OR- 3-mos. Max (360 hours) if worked 1200 hours in each of the preceding 2 calendar years</td>
<td>NO</td>
<td>4-mos. Max &amp; overall 6-mos. Max in rolling 36 month period</td>
</tr>
<tr>
<td>TRADESMAN (KAISER ONLY)</td>
<td>300 hours in consecutive 6-mos.</td>
<td>125</td>
<td>NONE -OR- 2-mos. Max (if worked 800 hours granted 1 mo.; plus 1 additional mo. after working 1600 hours)</td>
<td>NO</td>
<td>4-mos. Max &amp; overall 6-mos. Max in rolling 36 month period</td>
</tr>
<tr>
<td>SERVICEMAN (Other Applicable Agreements) (KAISER ONLY)</td>
<td>300 hours in consecutive 6-mos.</td>
<td>125</td>
<td>6-mos. Max (750 hours)</td>
<td>NO</td>
<td>4-mos. Max &amp; overall 6-mos. Max in rolling 36 month period</td>
</tr>
<tr>
<td>NON-BARGAINING</td>
<td>1 HW Flat Rate Contribution</td>
<td>1 HW Flat Rate</td>
<td>NONE</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>UA NATIONAL DISTRIBUTION AGREEMENT (Effective 9-1-15 KAISER ONLY)</td>
<td>300 hours in consecutive 6-mos.</td>
<td>125</td>
<td>6-mos. Max (750 hours)</td>
<td>NO</td>
<td>12-mos. Max &amp; overall 18-mos. Max in rolling 36 month period</td>
</tr>
</tbody>
</table>
C. RECIPROCITY – AGREEMENTS AND AUTHORIZATIONS – Plan Amendment
ACTIVE Participants
Article IV, Section 2 – Effective January 1, 2016

Effective with January 2016 hours, Incoming Reciprocal Health and Welfare contributions received from UA Locals 38, 159, 343, 355, 393, 447, 467, and DC 36 will no longer be credited based on actual hours worked. Effective with January 2016 hours, Incoming Reciprocity from all UA Locals (including UA Locals 38, 159, 343, 355, 393, 447, 467, and DC 36) will be pro-rated at the standard rate (currently $17.55 per hour). As a reminder, ALL INCOMING RECIPROCAL CONTRIBUTIONS ARE APPLIED TO ACTIVE ELIGIBILITY AND DO NOT APPLY TOWARD RETIREE HEALTH AND WELFARE BENEFITS OR ELIGIBILITY.

UA Local 342 Member working under another UA Local’s Jurisdiction: If you are working under another UA Local Union’s jurisdiction (Incoming Reciprocity) and wish to have Employer Contributions reciprocated to the Trust Fund Office for UA Local 342, you may be required to sign a Reciprocal Authorization Form with the other UA Local Union before beginning work on that job. A delay in signing the Reciprocal Authorization Form will delay and/or prohibit the transfer of Employer Contributions. (If you transfer to another UA Local Union, please review Article V). If you have signed a Reciprocal Authorization Form, you should monitor your Health and Welfare eligibility. You can access information on your eligibility, work history, and contributions by logging into your ISITE account at www.ncpttf.com (See Article VI, Section A for information on obtaining your ISITE username and password). Due to the delay in receiving Reciprocal Employer Contributions, your Health and Welfare coverage may terminate if you do not have sufficient hours in your Reserve Hour Bank.

EXAMPLE as of January 1, 2016 hours - You are a member of UA Local 342 and worked 125 hours in January 2016 (March 2016 eligibility) for XYZ Plumbing in UA Local 111’s jurisdiction. UA Local 111’s Health and Welfare contribution rate is $8.00 per hour and UA Local 342’s is $17.55 per hour. As a result, the following would apply:

- XYZ Plumbing contributes $1,000.00 (125 hours x $8.00 per hour) to UA Local 111.
- These contributions are due at UA Local 111’s Trust Fund by approximately February 20th.
- UA Local 111 Trust Fund closes the month and prepares reports of those Participants who are not UA Local 111 Participants.
- UA Local 111’s Trust Fund sends $1,000.00 to the Northern California Pipe Trades ("NCPT") Health and Welfare Plan as outgoing reciprocity during March.
- Then in late March, the NCPT Health and Welfare Plan receives the $1,000.00 and divides it by the current standard hourly rate, $17.55 per hour, which equals 56.98 hours.
- 56.98 hours would be applied towards your Health and Welfare eligibility as hours worked in January which provides eligibility for March (please note that this is just one example and you can see that most of March has passed by the time this information is available to the Trust Fund Office).
- Hours are always applied to the month in which they were worked and cannot be posted based on the time the hours are reported and received at the Trust Fund Office. This often creates eligibility posted several months after the month has passed and there are retroactive carrier limitations that cannot be overruled by the Plan.

As a reminder, for most contracts you must have at least 125 hours in your Reserve Hour Bank in order to maintain eligibility each month. Although a Participant has worked 125 hours out of UA Local 111, he/she is only credited with 56.98 hours towards NCPT Health and Welfare eligibility because of UA Local 111’s lower Employer Contribution rate.

D. HEALTH REIMBURSEMENT ACCOUNT SUPPLEMENTAL ACCOUNTS - Plan Amendment
USE OF SUPPLEMENTAL ACCOUNTS – CHANGE TO FORFEITURE RULES
ACTIVE and RETIRED Participants
Article 2, Section 6.b. of Health Reimbursement Account (“HRA”) Supplemental Accounts
Effective January 1, 2016

Effective January 1, 2016, the time limit permitted by the Plan for eligible Surviving Dependents to submit a claim for reimbursement to the Health Reimbursement Account (“HRA”) has been changed from “12 months” to “36 months” from the date of the Participant’s death.
6. **Death of Participant/Forfeiture.**

   a. **Upon the Participant’s death, if the Participant has no eligible Surviving Dependent(s),** any unused balance in the Participant’s Supplemental Account will be immediately and permanently forfeited and will revert to the Plan to be used for administrative expenses. However, the deceased Participant’s Estate or Personal Representative may submit claims for reimbursement of Qualified Expenses that were incurred by the Participant prior to his/her date of death. Claims for reimbursement by the deceased Participant’s Estate or Personal Representative must be made within six (6) months from the Participant’s date of death.

   b. **Upon the Participant’s death, if the Participant has eligible Surviving Dependent(s) (defined as an eligible enrolled Dependent Spouse and/or Child(ren) who meet the meaning of Dependent under Internal Revenue Code § 152),** the Participant’s eligible Surviving Dependent(s) will continue to have access to the Supplemental Account and receive reimbursements for related Qualified Expenses incurred under this Plan or another Group Health plan by the Surviving Dependent(s) until the Account reaches a zero balance. Claims for reimbursement by any Surviving Dependent(s) of allowable Qualified Expenses must be submitted to the Plan Administrator **within thirty-six (36) months from the date of the Participant’s death. If the Surviving Dependent(s) does not exhaust the balance of the Supplemental Account within thirty-six (36) months from the date of the Participant’s death, the remaining balance will be forfeited and revert to the Plan.**

   c. Except as permitted by the Internal Revenue Code, in no event will remaining assets be paid in cash to any person without regard to Qualified Expenses.

If you have any questions, please contact the Trust Fund Office at 800/780-8984 ext. 246.

Respectfully submitted,

Fund Manager

On Behalf of the Board of Trustees