

HEALTH REIMBURSEMENT ARRANGEMENT

INTRODUCTION

While the Health Reimbursement Arrangement (HRA) Plan is described in more detail below, and in substantially more detail in the Plan Document, the Plan allows the Fund to allocate a specified amount each month to an individual account designed to reimburse a participant's qualified, approved, out-of-pocket medical expenses.

Read this Summary Plan Description carefully so that you understand the provisions of our HRA Plan and the benefits you will receive. You should direct any questions you have to the HRA Plan Administrator. (See page 4.6) There is a Plan Document on file, which you may review if you desire. In the event there is a conflict between this Summary Plan Description and the Plan Document, the Plan Document will control.

HOW THE HRA WORKS

The purpose of the HRA Plan is to reimburse Eligible Participants of the 4th District IBEW Health Fund ("the Fund"), up to certain limits, for their own and their covered Spouses' and Dependents' Medical Care Expenses. You determine how you want to use the money in your HRA. You can use it as you incur eligible health care expenses or save up and use it for future eligible expenses. Reimbursements for Medical Care Expenses paid by the HRA Plan generally are excluded from taxable income.

The HRA Plan has an effective date of June 1, 2008. This HRA includes the assets of the previous HRA Plan established for the Flexible Choice participants on January 1, 2007.

You will be eligible to join the HRA Plan as of the date you become eligible for coverage under the Fund, but no earlier than the HRA Plan's effective date of June 1, 2008, except for Flexible Choice participants. If you are a Participant, you may also be reimbursed for eligible Medical Care Expenses incurred by your Spouse and Dependents. Dependents are limited to those as defined by the 4th District IBEW Health Fund.

Self-employed individuals such as sole proprietors, 2% shareholders of an S-Corp, partners in a limited or general partnership, or members of a limited liability company may not participate in the HRA Plan.

You will continue to remain eligible for participation in the HRA Plan until the first day of the month following the twelve consecutive month period during which your HRA account balance begins at \$0 and remains at \$0.

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If you cease to be an Eligible Participant in the 4th District IBEW Health Fund (for example, if you die, retire, or terminate employment), your active participation in the HRA Plan will terminate unless you elect

COBRA continuation coverage. You will be reimbursed for any Medical Care Expenses incurred prior to your termination date, up to your account balance in the HRA Account, provided that you comply with the reimbursement request procedures required under the HRA Plan (see below for more information on the reimbursement request process). Any unused portions will be available after termination of eligibility under the 4th District IBEW Health Fund; however, unused balances will revert to the HRA Fund after twenty-four (24) months from the date of termination of eligibility. In addition, if a Retiree returns to covered employment, his or her HRA account will be credited for post-retirement contributions.

BENEFITS

Once you become a Participant, the HRA Plan will maintain an "HRA Account" in your name to keep a record of the amounts available to you for the reimbursement of eligible Medical Care Expenses. Contributions are automatically allocated to your HRA Account. Your account will be credited with a portion of the contributions to the Plan paid on your behalf. Contributions made on your behalf will not be credited to your HRA until they are received by the Fund. Therefore, there may be a lag between the time contributions are required on your behalf and when they are available for your use. Your HRA Account will be reduced by any amount paid to you, or for your benefit, for eligible Medical Care Expenses. The amount available for reimbursement of Medical Care Expenses as of a given date will be the total amount credited to your HRA Account as of such date, reduced by any prior reimbursements made to you as of that date. To find out what your account balance is, call the HRA Plan Administrator or visit their website. After the end of the Calendar Year, the unused amount (if any) in your HRA Account will rollover and remain available to you. There is no cap on the amount of funds available for rollover in the HRA Account.

Your HRA Account is merely a recordkeeping account; it is funded through contributions from Employers and it does not bear interest. Qualifying expenses must first be reimbursed from any health insurance plan (as well as any available Health FSA accounts) before any Benefits are payable from this HRA Plan.

The HRA Plan allows you to be reimbursed for certain out-of-pocket medical, dental and vision expenses which are incurred by you and your dependents. The expenses which qualify are those permitted by Section 213(d) of the Internal Revenue Code. The HRA Plan also allows you to be reimbursed by the Fund for co-pays, deductibles and self-payments under the 4th District IBEW Health Fund which are incurred by you or your dependents. The maximum allowed reimbursement each year is the

amount available in your HRA Account. Your HRA account cannot go below a zero balance.

CLAIM FOR REIMBURSEMENT

You may submit expenses that you incur each "Coverage Period." A new "Coverage Period" begins each calendar year. Expenses are considered "incurred" when the service is performed, not when it is paid for. Any amounts reimbursed to you under the HRA Plan may not be claimed as a deduction on your personal income tax return nor reimbursed by other health plan coverage including any health flexible spending account.

The HRA Plan will reimburse you for eligible Medical Care Expenses to the extent that you have a positive balance in your HRA Account. Under the following claim reimbursement procedure, claims must be submitted in writing. The HRA Plan Administrator may require that Participants submit claims on a form provided by the Administrator. The claim must set forth:

- The individual(s) on whose behalf the Medical Care Expenses were incurred;
- The nature and date of the Medical Care Expenses so incurred;
- The amount of the requested reimbursement; and
- A statement that such Medical Care Expenses have not otherwise been reimbursed and are not reimbursable through any other source and that Health FSA coverage, if any, for such Medical Care Expenses has been exhausted.

Each claim must be accompanied by bills, invoices, or other statements from an independent third party (e.g., a hospital, physician, or pharmacy) showing that the Medical Care Expenses have been incurred by you, your Spouse, or your Dependent during the time that you were a Participant under this HRA Plan and showing the amounts of such Medical Care Expenses, along with any additional documentation that the HRA Plan Administrator may request. Generally, a written claim for reimbursement will not be made unless and until the aggregate claims for reimbursement total at least \$25.00, although there is an exception made for the final reimbursement claim for a Plan Year. Checks from the HRA Plan not presented for payment will be forfeited and revert to the HRA Plan after 12 months. In no event will forfeited amounts be paid in cash to any person.

DEBIT CARD

In addition to the reimbursement procedure described above, Participants and Eligible Retirees may opt to use their HRA Plan debit card to pay for qualified medical expenses. Each Participant and Eligible Retiree and, upon request, their eligible dependents, will be issued a debit card with which certain qualified medical expenses may be paid. The debit card may not be used for any other reason. Your debit card will be deactivated when there have been no contributions to the account for 12 months and the account balance is \$0. Please refer to the materials issued with your card for instructions on its use and other limitations.

Note that, pursuant to the Patient Protection and Affordable Care Act, HRA debit cards may not be used to purchase over-the-counter medicines or drugs. HRA debit cards may still be used for medical expenses other than over-the-counter medicines or drugs.

ELIGIBLE EXPENSES

Only qualified Medical Care Expenses under Internal Revenue Code Section 213(d) are covered by the HRA Plan. A Medical Care Expense is an expense that is related to the diagnosis, care, mitigation, treatment, or prevention of disease. Some examples of eligible Medical Care Expenses are: (a) prescription medicines; b) over-the-counter drugs only if the medicine is prescribed (note: a "prescription" means a written or electronic order for a medicine or drug that meets the legal requirements of a prescription in the state in which the medical expense is incurred and that is issued by an individual who is legally authorized to issue a prescription in that state); c) insulin; d) over-the-counter items that are not considered a medicine or drug (such as bandages, splints, contact lens solutions, etc.); e) dental expenses; f) dermatology; g) physical therapy; and h) contact lenses or glasses used to correct vision impairment. The Fund or HRA Plan Administrator can provide you with more information about which expenses are eligible for reimbursement.

The following list sets forth expenses that are not reimbursable under the HRA Plan. The list is not exhaustive. If you have questions about whether a particular expense is allowable, please contact the HRA Plan Administrator.

The following expenses are not reimbursable:

- Dancing/swimming lessons (even if recommended for the general improvement of the individual's health)
- Diaper service
- Expenses for trip or vacation taken for a non-medical reasons (even if on a physician's advice)
- Funeral service
- Group medical insurance premiums from a spouse's employer
- Health club dues or membership fees
- Hot tub or Jacuzzi
- Meals and lodging away from home for medical treatment not received at a medical facility
- Nursing services for a healthy baby
- Psychoanalysis received as a part of training to be a psychoanalyst
- School expenses for problem children
- Custodial care
- Bottled water
- Cosmetics, toiletries, toothpaste, etc.

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- School expenses for problem children
- Custodial care
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- Uniforms or special clothing, such as maternity clothing
- Transportation expenses of any sort, including transportation expenses to receive medical care
- Marijuana and other controlled substances that are in violation of federal laws, even if prescribed by a physician
- Household and domestic help (even though recommended by a qualified physician due to an Employee's, Spouse's, or Dependent's inability to perform physical housework)
- Long-term care services
- Cosmetic surgery or other similar procedures, unless the surgery or procedure is necessary to ameliorate a deformity arising from or directly related to; a congenital abnormality, a personal injury arising from an accident or trauma, or any procedure that is directed at improving the person's appearance and does not meaningfully promote the proper function of the body or prevent or treat illness or disease.

CLAIMS AND APPEALS

A claim is defined as any request for a HRA Plan benefit, made by a claimant or by a representative of a claimant that complies with the HRA Plan's reasonable procedure for making benefit claims. If your claim is denied, you have certain appeal rights and are entitled to a full and fair review of the denial by the Board of Trustees. The review will take into account all comments, documents, records, and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial claim determination. Upon concluding the review, the Board of Trustees or appointed designee will issue a written decision reaffirming, modifying or setting aside the Plan's former action. The Trustees' written decision will conclude the appeal process under this Plan.

Please refer to the HRA Plan Document for a more detailed explanation of the Claims and Appeals procedure.

GENERAL INFORMATION ABOUT THE HRA PLAN

The HRA Plan Administrator keeps the records for the HRA Plan and is responsible for the administration of the HRA Plan, including the actual processing of claims. The Administrator will also answer any questions you may have about our HRA Plan. The HRA Plan Administrator has the exclusive right to interpret any appropriate HRA Plan provisions. Decisions of the Administrator are conclusive and binding. You may contact the Administrator for any further information about the HRA Plan.

The name, address, business telephone number and website of the HRA Plan Administrator are:

Wages Works, Inc.
1100 Park Place
4th Floor
San Mateo, CA 94403
877-WageWorks (877.924.3967)
www.wageworks.com

You may contact a Customer Service representative at this number with any questions.

The HRA Plan is not insured. Benefits are paid from the general assets of the Fund.

While there are no up-front or set-up fees for participants in the HRA Plan, the Board of Trustees may, in their sole discretion, opt to institute an administrative fee to cover the costs of administration of the Plan. Such fees, if instituted, will be deducted from each participant's HRA account, regardless of whether the participant has been drawing reimbursements from the account. In addition, forfeited Plan account balances will be used to pay for the Plan's administrative expenses. At such time as the interest generated by the Participants' HRA accounts exceeds the administrative costs of the program, the Board of Trustees reserves the right, in its sole discretion, to declare an annual interest or dividend payment to all Participant accounts. Such payments may only be used for qualifying medical expenses.

MISCELLANEOUS PROVISIONS

Although the Trustees expect to maintain the HRA Plan indefinitely, it has the right to terminate the HRA Plan at any time. The Trustees also reserve the right to amend the HRA Plan at any time and in any manner that it deems reasonable, in its sole discretion. The money in the HRA Accounts is not vested and may be forfeited at any time by a vote of the Board of Trustees.

The HRA Plan is intended to meet certain requirements of existing federal tax laws, under which the Benefits that you receive under the HRA Plan generally are not taxable to you. However, the Fund cannot guarantee the tax treatment to any given Participant, as individual circumstances

may produce differing results. If there is any doubt, you should consult your own tax advisor.

This HRA Plan will comply with all applicable federal laws, including but not limited to the FMLA, ERISA, HIPAA, USERRA, and COBRA.

If it is determined that you and/or your spouse or Dependent(s) received an overpayment or a payment was made in error, you will be required to refund the overpayment or erroneous reimbursement to the HRA Plan. If you do not refund the overpayment or erroneous payment, the HRA Plan and the Employer reserve the right to offset future reimbursement equal to the overpayment or erroneous payment.

No benefit payable at any time under the HRA Plan shall be subject in any manner to alienation, sale, transfer, assignment, pledge, attachment, or encumbrance of any kind, except as may be required by law.

The HRA Plan is not to be construed as giving you any rights against the HRA Plan except those expressly described in this document. The HRA Plan is not a contract of employment between you and the Employer.

You may not suspend your HRA Account. However, you are not required to use the account and may choose to allow the account balance to grow in order to have the maximum assets available for use in later years or after retirement, subject to the provisions of the Plan.