April 28, 2017

To: All Plan B Participants

RE: Benefit Changes to Your Health Care Plan

At their last meeting, the Board of Trustees reviewed Plan benefits and costs based on the overall claims paid by the Plan and projected cost trends. After careful consideration, it was determined additional revisions to Plan benefits were necessary to contain costs and provide for long term funding of future health care needs.

**Deductible, Out of Pocket Max and Copay Changes**

The following table shows the current benefit provisions and new provisions effective on July 1, 2017. The description of these benefit provisions can be found in your Plan B Summary Plan Description.

<table>
<thead>
<tr>
<th>BENEFIT FEATURE</th>
<th>CURRENT</th>
<th>EFFECTIVE JULY 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Deductible</td>
<td>For Medical Plan B: $550 per person/$1,650 family maximum</td>
<td>For Medical Plan B: $600 per person/$1,800 family maximum</td>
</tr>
<tr>
<td>Annual Out-of-Pocket Max</td>
<td>For Medical Plan B: $5,500 per person/$11,000 per family</td>
<td>For Medical Plan B: $6,000 per person/$12,000 per family</td>
</tr>
<tr>
<td>Office Visit Copay</td>
<td>For Medical Plan B: $25 per visit</td>
<td>For Medical Plan B: $35 per visit</td>
</tr>
</tbody>
</table>

**Select Formulary Changes**

EnvisionRx manages your prescription drug benefit on behalf of the Northwest Sheet Metal Workers Health Care Plan. Starting July 1, 2017, the Plan will be adopting EnvisionRx’s Select Formulary. A formulary is a list of drugs covered by the Plan based on cost and effectiveness. The formulary contains prescription drugs to treat all conditions. The formulary list is updated as new drugs are introduced and clinical effectiveness is documented. Under the Select Formulary, certain drugs may no longer be covered, or may only be covered after you have tried lower cost alternatives. Starting July 1, 2017, the changes being made will help ensure safe and effective prescription drug usage and help the Plan continue to provide an affordable prescription benefit.

**PLEASE NOTE:** If you are currently taking a drug that will be impacted by the Select Formulary change, you will receive a letter from EnvisionRx identifying the drug that will no longer be covered and alternative drug(s) that are available. Every excluded drug has at least one alternative covered by the Plan that has been proven safe and effective in treating the same condition(s). It is very important that you read the entire letter so you understand how the change affects you, and you are encouraged to work with your doctor to determine which covered alternative would be right for you. If your doctor believes that you must use a non-covered drug, you and your doctor can file a non-formulary exception request with EnvisionRx to get approval for the drug.
Dollar Bank Accrual Changes

Due to Plan costs and projections, effective March 1, 2017, the Trustees implemented a freeze on Dollar Bank accruals. As this change was intended to be temporary and upon review of additional projections and implementation of the benefit changes above, the Trustees decided to lift the freeze on Dollar Bank accruals effective July 1, 2017.

Effective for all contributions due and received on and after July 1, 2017, the Dollar Bank accruals will resume as outlined in the Summary Plan Description. That is, contributions received that exceed the monthly cost of coverage, will now be credited to your individual Dollar Bank up to the Dollar Bank maximum will again accrue up to the maximum amount.

The Trustees will continue to monitor the Plan’s unallocated reserves and have decided to implement additional protections for Plan funding. If at any point in the future the unallocated reserves drop below one quarter of a month of expenses, the Dollar Bank maximum will go from 5 months to 4 months. The Dollar Bank maximum will be restored back to 5 months once the reserves are over one quarter of a month of expenses for 3 consecutive months.

It is important to remember that the benefits provided to you by this Trust are self-funded. These benefits are not being provided by an insurance company. Benefits are paid directly from the contributions made by you and your employer. The Trustees continue to work hard to make sure this Plan provides the coverage you need in the most appropriate and cost effective manner. If you have any questions about this change, please contact the Trust Office at (509) 534-0600 or 800-872-8979. Also, you may review your individual benefits at the Trust website:

www.nwsmwbenefits.com

Sincerely,

Board of Trustees