

SHEET METAL | AIR | RAIL | TRANSPORTATION



SMART[®]

VOLUNTARY SHORT TERM DISABILITY PLAN

October 26, 2022

Re: Notice of Monthly Premium Change **(Rail)**

Dear Participant:

This Notice is in follow up to the October 21, 2020 Notice (attached for your reference). As noted therein, under the settlement with the Department of Labor in the litigation styled *Scalia v. United Transportation Union, et al.*, Case No. 17-Cv-923 (N.D. OH), your premium amount was temporarily reduced from \$34.50 to \$25.53 as the result of a settlement payment made by the insurer. The Notice stated that the premiums would return to \$34.50 after approximately 18 months. We were able to extend the reduction period to 24 months to provide additional relief to participants. However, that period has now ended. Accordingly, effective January 1, 2023, premium payments will return to the \$34.50 level.

Also, please note that there will also be some changes to benefits. Those are explained in the attached Summary of Material Modifications. The Trustees did not take these actions lightly and considered various avenues to maintain the same level of coverage that you currently enjoy as a participant of the Plan. Unfortunately, the Covid-19 Pandemic has had an unprecedented effect on our lives and has led to a significant increase in utilization of benefits and a decrease in premium payments because of reduced membership levels. We are proud that we were able to provide these necessary benefits to so many affected individuals, but we now must make these changes to ensure that the Plan is able to continue to provide excellent coverage to all its participants. Even with these reductions, we continue to provide superior levels of coverage. Additionally, the Trustees are committed to continuing to review and assess benefit levels to provide the highest level of benefits possible for an affordable cost.

Should you have any questions or need more information, please contact Southern Benefit Administrators at (844) 880-1071.

Thank you for your continued participation in the Plan.

Sincerely,



Joseph Sellers, Jr.
Chairman, VSTD Plan Board of Trustees



VOLUNTARY SHORT TERM DISABILITY PLAN

OCTOBER 26, 2022

SUMMARY OF MATERIAL MODIFICATIONS TO THE VOLUNTARY SHORT TERM DISABILITY PLAN FOR RAIL MEMBERS

BENEFIT CHANGES

Dear Member:

This is to advise you of two important changes related to your Voluntary Short Term Disability (VSTD) benefits. This Summary of Material Modification ("SMM") modifies some of the information contained in the Summary Plan Description ("SPD") for the Plan dated April 1, 2021.

First, **effective January 1, 2023, monthly premium payments will return to \$34.50.** As you may recall, premium payments were temporarily reduced as a result of a settlement payment made by the insurer in the *Scalia v. United Transportation Union, et al.*, Case No. 17-Cv-923 (N.D. OH) litigation. The Plan was able to extend the reduction period from the anticipated 18 months to 24 months to provide additional relief to participants. However, the proceeds from the settlement will be fully used-up by the end of the year. As a result, premiums will return to pre-settlement levels.

Second, **effective January 1, 2023, the maximum weekly benefit will be reduced from \$450 to \$402.**

This will take effect with disabilities first beginning on or after January 1, 2023. The Covid-19 Pandemic has led to both a significant increase in utilization of plan benefits and an overall decrease in total premiums because of reduced staffing levels. Accordingly, these changes are necessary to ensure the Plan is able to continue to provide coverage to all its members. The change to the maximum weekly benefit represents a change to the schedule of benefits found on page 1 of your current SPD.

By way of reminder, benefits under the Plan will begin upon satisfaction of the Plan's elimination (waiting) period. This means members must be disabled for 21 days before benefits will begin on the 22nd day.

All other provisions of the SPD remain in effect. Please retain this announcement with your SPD for future reference. If you do not have a booklet, contact the office of the Plan at the address or telephone number listed in this announcement and one will be provided to you free of charge.

If you should have absolutely any questions regarding this announcement, or any other matters pertaining to your VSTD benefits, please feel free to contact the administrative office of the Plan at (844) 880-1071 (toll-free).

Best regards,

BOARD OF TRUSTEES

Mr. Joseph Sellers, Jr.
Mr. Joseph Powell
Mr. Jeremy Ferguson

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SMART VOLUNTARY SHORT TERM DISABILITY PLAN



Administered by:

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P.O. Box 1449
Goodlettsville, Tennessee 37070-1449
Toll-Free: (844) 880-1071, Fax: (615) 859-0201

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VOLUNTARY SHORT TERM DISABILITY PLAN

October 21, 2020

Re: Notice of Temporary Reduction in Monthly Premium for Participation in
the SMART Group Voluntary Short-Term Disability Plan

Dear Member:

This letter is to provide you with the enclosed notice of a temporary reduction in the monthly premium that you pay to participate in the SMART Group Voluntary Short-Term Disability Plan (“VSTD Plan”). You are receiving this notice because the reduction applies to all Rail and Bus members who were participants in the VSTD Plan as of October 2, 2020 or became participants after that date. **The temporary reduction will go into effect as of January 1, 2021.**

Please refer to the enclosed notice for more information, and do not hesitate to contact Dora Wolf at (216) 227-5437 if you have any questions.

Sincerely,



Joseph Sellers, Jr.
Chairman, VSTD Plan Board of Trustees

TO ALL VSTD PARTICIPANTS:

As a result of a settlement with the Department of Labor, the monthly premium rate for your VSTD short-term disability coverage will be temporarily reduced by 26 percent. This reduction is anticipated to last approximately 18 months. Accordingly, for a Rail Member, the monthly premium will decrease from \$34.50 to \$25.53. At the end of this period, your premiums will return to their prior level.

If you have any questions, please contact Dora Wolf at (216) 227-5437.

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