

**SUMMARY OF MATERIAL MODIFICATION**

**TEAMSTERS JOINT COUNCIL NO. 53  
RETIREE HEALTH AND WELFARE FUND  
EIN: 23-2530237  
PLAN NO: 501**

**April 30, 2016**

In order to ensure that the Teamsters Joint Council 53 Retiree Health and Welfare Fund (“the Fund”) can continue to provide you and your family with competitive health benefits, the Retirement Plan Committee of the Fund (“the Committee”) has determined that an increase in retiree contributions to the Fund is necessary. This Statement of Material Modification explains that increase.

In April 2009, the contribution rate for non-Medicare eligible dependents electing coverage was increased to \$198.34. The monthly contribution for a Medicare eligible dependents increased to \$100.47. Non-Medicare eligible retired members saw their monthly contribution increase to \$119.00 while Medicare eligible retiree monthly contributions increased to \$60.28. The retiree contribution rates have remained unchanged for the last seven (7) years, but the cost of the benefits the Fund provides have increased significantly.

In light of the Fund’s increased benefits expenses, the Committee recently voted to increase retiree contributions to the Fund effective July 1, 2016 for benefits in August 2016. The new contributions required as of *July 2016* are as follows:

	<b><u>Non-Medicare Eligible</u></b>	<b><u>Medicare Eligible</u></b>
<b>Retirees</b>	\$129.71 per month	\$65.71 per month
<b>Dependents</b>	\$216.19 per month	\$109.51 per month

Although these increases are relatively modest on an individual level, they will help the Fund reduce its expenses and preserve your benefits in the future. Questions regarding the increase in your contribution(s) may be directed to:

Administrative Service Professionals, Inc.  
Attn: Member Services Department  
6981 N. Park Drive, Suite 400  
Pennsauken, NJ 08109  
(866) 614-2105

The Committee thanks you for your cooperation and understanding as it works to continue to deliver a healthy and prosperous retirement to its participants.