

AUTOMOTIVE INDUSTRIES WELFARE FUND

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DATE: JULY, 2016

TO: ALL PARTICIPANTS IN THE AUTOMOTIVE INDUSTRIES WELFARE PLAN
(INCLUDING COBRA PARTICIPANTS)

FROM: BOARD OF TRUSTEES

This Participant Notice provides **information that is VERY IMPORTANT to you and your dependents**. Please take the time to read it carefully.

VSP BENEFIT CHANGES EFFECTIVE SEPTEMBER 1, 2016

At this time, your vision benefits with VSP are administered on a calendar year basis (with your eligibility for benefits refreshing every other January 1st). Effective September 1, 2016, your benefits will refresh every other year during the month of the last date of service. For example, if you go to a VSP provider for services July 11, 2016, you will again be eligible for additional vision benefits in July of 2018.

In addition, the Board approved adding Costco to the Automotive Industry's network. Outlined below are some key differences between going to a traditional in-network VSP provider and Costco:

- If you use a VSP provider, you are still eligible for the additional discounts during the 2-year period outlined above. These discounts include 20% off additional glasses or sunglasses at the VSP provider's office, the LaserVision Care program which provides members with an average of 15% off of laser vision correction at participating provider's offices (or an additional 5% off of any promotional specials that the VSP provider's office may be having), the TruHearing hearing aid discount, and VSP's Marchon20 program where you get an additional \$20 towards featured frame brands at the time of service.
- Frames at Costco are covered at a lower retail amount than a frame from a VSP provider (the \$130 VSP retail frame allowance will be \$70 at Costco).
- VSP's discounts for lens enhancements such as progressives, scratch coating, polycarbonate lenses and anti-reflective coating are billed at Costco's regular charge for these cosmetic options. The cost at Costco tends to be less than what you see at a private practice office due to warehouse pricing.
- The additional discount of 20% off overage from frames (the amount over the retail frame allowance) is not available at Costco.
- The extra \$20 VSP allowance to spend on featured frame brands does not apply at Costco.
- The additional 20% off additional pairs of glasses purchased within 12-months of exam does not apply at Costco.
- The capped retinal screen exam (at \$39) is not available at Costco.

Please note that you must have a Costco membership in order to access the optical dispensary at Costco. A Costco membership is not required to receive an exam with the providers located at Costco. Please note that not all Costco providers are a part of VSP's retail network. If you are interested in using a Costco provider, please contact VSP at (800) 877-7195.

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Please keep this important notice with your Plan Document/Summary Plan Description (SPD) for easy reference to all Plan provisions. If you have any questions, you may call the Fund Office at (800) 635-3105.

Receipt of this notice does not constitute a determination of your eligibility. If you wish to verify eligibility, or if you have any questions regarding this Plan change, please contact the Fund Office.

In accordance with ERISA reporting requirements, this document serves as your Summary of Material Modifications to the Plan.

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