

AUTOMOTIVE INDUSTRIES WELFARE FUND



4160 DUBLIN BOULEVARD SUITE 400 | DUBLIN, CA 94568-7756
TELEPHONE (800) 635-3105 | FAX (925) 588-7121
www.aitrustfunds.org

Date: February, 2022

To: Participants and their Dependents in the Automotive Industries Welfare Fund (including COBRA Beneficiaries)

From: Board of Trustees, Automotive Industries Welfare Fund

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

Calculating Disability Pay Effective September 1, 2019

It has been brought to our attention that the recently published SPD/Plan Document did not include the clarification made by the Board of Trustees in December of 2018 regarding how disability pay should be calculated.

Prior to the December, 2018 meeting, benefits were computed at a rate of thirty-five percent (35%) of the actual rate of pay received immediately preceding the entitlement to benefits for each regularly scheduled work day, to a maximum of five work days per week. Any bonus pay received by a Totally Disabled Employee was not combined. Additionally, any bonus or vacation pay received by a Totally Disabled Employee was not to be combined with allowable benefits for this purpose.

There are many employers that have a “bonus pay” structure in the collective bargaining agreement (CBA) where the actual take home pay is higher due to bonuses paid on work performed. This is exclusive of any overtime pay. The Trustees decided to allow the pay calculation be based off the Gross Wages reported to the EDD, which includes bonus and vacation pay. In addition, gross wages are divided by 52 weeks and not the actual number of weeks an employee worked prior to disability.

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 Trust 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 Trust Fund Office.

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

5647167v3/01158.063