

ASBESTOS WORKERS' LOCAL 47 FRINGE BENEFIT FUNDS

Asbestos Workers' Local 47 Welfare Fund
Asbestos Workers' Local 47 Retirement Trust Fund

December 2003

IMPORTANT NOTICE REGARDING BENEFIT MODIFICATIONS

To: All Participants

RE: Asbestos Workers' Local 47 Welfare Fund

Dear Participant:

For over a year, we've carefully monitored the spiraling and disturbing increases in health care costs and its impact on this Fund. As we discussed with you before, health care costs have increased in excess of 20% *per year* in the last several years alone.

These costs continue to escalate and unfortunately, these dramatic increases have placed a significant strain on the Funds' finances. The Trustees have no alternative but to take additional action to protect your benefits and the Fund. So, we must implement several benefit/eligibility modifications. These changes, which are discussed below, are simply unavoidable. They are a result of the astonishing cost increases in health care. The changes which are effective January 1, 2004 are as follows:

Office Visit Co-Payment

The office visit co-payment will be increased to twenty dollars (\$20) per visit

Emergency Room Co-Payment

The emergency room co-payment will be increased to one hundred dollars (\$100). If the patient is admitted to the hospital or if the services are for an accidental injury, this co-payment will be waived.

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Co-Payment

A ten percent (10%) co-payment will be applied to all covered services. The maximum co-payment for an individual will be five hundred dollars (\$500) per calendar year and one thousand dollars (\$1,000) per family, per calendar year.

Please keep this document with your Summary Plan Description (SPD). If you have any questions regarding the above, please call the Fund Office.

Sincerely,

Asbestos Workers' Local 47 Welfare Fund
Board of Trustees