

ANNOUNCEMENT TO ALL PLAN PARTICIPANTS

**The 2006 Open Enrollment Material is Enclosed;
The Open Enrollment Period Ends July 26, 2006
With Plan Changes Taking Effect August 1, 2006**

To: All Active Plan Participants

The Trustees of the Plan are pleased to advise that, during the fiscal year ended January 31, 2006 and as a result of an increase in hours, an increase in the hourly contribution rate, and plan benefit changes that were adopted to help defray escalating health care costs, the Fund was able to recover a portion of the losses it experienced over the past several years. The Summary Annual Report reflecting the Funds' financial activity over the last fiscal period will be mailed to all Plan participants later in the year.

Recognizing that the challenges confronting the Plan will continue going forward, members of the IBEW Local 6 Inside Wire Unit should be commended for voting to allocate an additional \$0.45 per hour from their June 1, 2006 increase to help preserve the overall financial stability of the Plan.

The following represents a summary of the decisions that were made by the Trustees of the Plan following review of the carrier renewal and the Plan's financial status.

1. **Self-funded Indemnity Plan**- no changes
2. **Kaiser** - contract renewal with no benefit changes
3. **PacifiCare** - contract renewal with no benefit changes
4. **PacifiCare Behavioral (PBH)**- contract renewal with no benefit changes
5. **Delta Dental** - contract renewal with an increase in the annual maximum from \$3,000 to \$4,000.
6. **Vision Service Plan** - contract renewal with no benefit changes

In accordance with the Plan which establishes the monthly direct self payment as a function of the hourly contribution, times the number of hours that are needed to obtain a month of coverage under the Plan, **the monthly direct payment has increased from \$1,156.25 (125 hrs X \$9.25) to \$1,212.50 (125 hrs X \$9.70) per month effective August 1, 2006.**

June 24, 2006

For comparison purposes, the following represents changes to the COBRA rates that will remain in effect from August 1, 2006 through July 31, 2007. COBRA rates are based on direct costs plus a 2% administration fee.

Plan	2005/2006 COBRA Rate	2006/2007 COBRA Rate	Percentage Increase/(Decrease)
Indemnity Plan-Medical Only	\$1,232.17	\$1,093.72	(9.80%)
Indemnity Plan-Medical/Dental Vision	\$1,380.23	\$1,245.03	(11.27%)
Kaiser Plan- Medical Only	\$631.77	\$ 747.04	18.25%
Kaiser plus Dental & Vision	\$779.83	\$ 898.84	15.26%
PacifiCare- Medical Only	\$974.85	\$1,001.22	2.71%
PacifiCare plus Dental & Vision	\$1,122.92	\$1,153.03	2.68%

Note: Regular Direct Payments are available only in the event the Participant is available for immediate employment under the jurisdiction of the Plan (registered on IBEW Local 6's out of work list). Participants who have Kaiser or PacifiCare may alternatively choose to make the lower COBRA payments. However, they should keep in mind that COBRA eligibility is not counted when determining eligibility for Retiree or Early Retiree membership status. Notices regarding Direct Payments and COBRA Extension are sent to Plan Participants when there are insufficient hours to qualify for coverage under the Plan. Any Participant who is concerned about the number of months of hour-bank eligibility they have available may contact the Plan Office for information.