

SUMMARY OF MATERIAL MODIFICATIONS

Date: December 2025

To: Participants in the Operating Engineers Local #49 Health and Welfare Fund

From: The Board of Trustees

The Trustees of the Operating Engineers Local #49 Health and Welfare Fund are pleased to announce the following update to the Plan of benefits. The update is effective January 1, 2026.

Beginning in 2026, the State of Minnesota will provide a paid leave program for employees who work at least 50% of the time in Minnesota (“Minnesota Paid Leave”). For more information on the Minnesota Paid Leave program, visit mn.gov/deed/paidleave/employees. In summary, eligible employees are able to take up to 12 weeks of paid time off for both medical reasons and to care for others. The wage replacement amount will be based upon the statutory formula. The benefit is administered by the State of Minnesota and all payments come from the State.

1. The Fund’s Accident and Sickness Weekly Benefit currently provides the following benefit to eligible participants:
 - \$300 per week (gross amount) if you are unable to work due to a non-work related disabling illness or injury.
 - Payments continue for up to a maximum of twenty-six weeks.
 - Benefit payments begin on the first day of disability due to injury. Benefits begin on the eighth day of disability due to illness.
 - During periods of eligibility under the Accident and Sickness Weekly Benefit, the Fund credits your dollar bank with one week’s worth of contributions toward your premium for coverage by the Fund for each week that you are eligible for Accident and Sickness Weekly Benefit.

This Summary of Material Modification provides only highlights of recent changes to the Plan Document and Summary Plan Description of the Operating Engineers Local #49 Health and Welfare Fund. Full details are contained in the documents that establish the Plan provisions. This SMM will be disregarded for purposes of administering the Plan. Contact the Fund Office at (800) 535-6373 or (952) 854-0795 for a copy of the Plan and all amendments. The Trustees reserve the right to amend, modify or terminate the Plan at any time.

Effective January 1, 2026, the Board of Trustees modified the Accident and Sickness Weekly Benefit and other provisions of the Benefits Booklet to coordinate with Minnesota Paid Leave. The modifications are as follows:

- If you are disabled and eligible for Minnesota Paid Leave, you must first apply for the Minnesota Paid Leave benefits. The Fund will not pay you Accident and Sickness Weekly Benefits until the 13th week of your disability.
- If you continue to be disabled, the Fund will pay you Accident and Sickness Weekly Benefits for 14 additional weeks, following the 12 weeks of benefits you receive from Minnesota. The end result is you will receive a total of 26 weeks of benefits.
- If you are not eligible for Minnesota Paid Leave, the Fund's Accident and Sickness Weekly Benefit will remain unchanged for you.
- If you are disabled and meet the requirements under the Plan, the Fund will credit your dollar bank with one week's worth of contributions toward your premium, while you are on Minnesota Paid Leave. The Fund will continue to credit your dollar bank with one week's credit of contributions if you continue to be disabled and are receiving benefits from the Fund under the Accident and Sickness Weekly Benefit.

Example A

You work 75% of the time in the State of Minnesota. You are injured in an auto accident. Your doctor certifies that you will be unable to work for 16 weeks. You must first apply for and receive benefits from the Minnesota Paid Leave program. When you apply for benefits from the State of Minnesota, you also notify the Fund Office of your injury and disability. For the first 12 weeks of your disability, you are paid benefits under Minnesota Paid Leave. You are not eligible for the Accident and Sickness Weekly Benefit from the Fund during those first 12 weeks.

However, if you have contacted the Fund Office and provided all required documentation, the Fund will credit your Dollar Bank with one week's credit for each week you are disabled and receiving benefits from the State of Minnesota. It is critical that you provide all required documentation to the Fund Office if you want to receive the credit towards your monthly premium.

During week 10 of your Minnesota Paid Leave, you update the Fund Office with documentation of your on-going disability and complete any required application. During weeks 13 through 16, the Fund will pay you under the Accident and Sickness Weekly Benefit. There is no waiting period between the end of your Minnesota Paid Leave and the start of your Accident and Sickness Weekly Benefit if you have provided all required documentation and information to the Fund.

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During weeks 13 through 16, the Fund will continue to provide you with one week's credit of the required premium.

NOTE – it is possible that you meet the definition of disabled under Minnesota Paid Leave, but after the expiration of the 12 weeks, you no longer meet the definition of disabled under the Fund's Accident and Weekly Sickness benefit. The Fund will continue to apply its definition of disabled to determine if you are eligible for the benefit from the Fund.

2. The Trustees further amended the Plan to provide a benefit to you when you are on Minnesota Paid Leave for a reason other than injury or illness. The Fund will credit your dollar bank during that period for half a week of contributions¹. This will not be enough, by itself, to maintain your coverage. You must use your dollar bank or self-pay the remaining premium to maintain coverage.

Example B

You work 100% of the time in the State of Minnesota. Your spouse is seriously injured and requires care for at least 12 weeks. You apply for and are eligible for Minnesota Paid Leave. At the same time, you also notify the Fund Office and apply for the available ½ credit for your premium costs. If you submit all required documentation, the Fund provides you ½ credit for every week you are on Minnesota Paid Leave. The remaining amounts owing for your continued coverage will be withdrawn from your Dollar Bank or paid by you through the self-contribution process.

3. You may not receive benefits under the Accident and Sickness Weekly Benefit and Minnesota Paid Leave for the same period of leave. If you receive benefits from both programs for the same period, you are liable to pay the Fund the amount you improperly received under the Accident and Sickness Weekly Benefit plus any costs the Fund incurs to collect. The Fund may take any lawful action to recover including, without limitation, offsetting benefits that are otherwise payable, debiting your dollar bank or HRA, or bringing a lawsuit. The Fund is entitled to recover regardless of whether you intentionally received duplicative benefits. If you receive benefits from both programs for the same period, you must contact the Fund Office immediately to stop your benefits under the Accident and Sickness Weekly Benefit.
4. You must contact the Fund Office promptly at (952) 854-0795 or (800) 535-6373 when you take leave that may qualify for eligibility under Minnesota Paid Leave or the Accident and Sickness Weekly Benefit. You must promptly provide information and documentation

¹ For purposes of this SMM, a "half a week of contributions" means an amount equal to six times the current monthly premium divided by fifty-two.

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requested by the Fund Office in connection with Minnesota Paid Leave and the Accident and Sickness Weekly Benefit. No credit toward eligibility will be given if you do not submit a complete and accurate claim to the Fund Office within one year of the date on which you first become eligible for Minnesota Paid Leave.

5. The Fund Office will request all materials and documents necessary for the administration of the benefits. You are required to comply with all requests.
6. Nothing in this Summary of Material Modification changes the provisions of the Benefits Booklet regarding the federal Family and Medical Leave Act ("FMLA"). A contributing employer may still make contributions to the Fund for an employee's FMLA leave when the employer determines such contributions are required by law. Contributing employers must determine their responsibilities with respect to periods of leave that may qualify under both Minnesota Paid Leave and FMLA.

Please keep this SMM with your SPD for easy reference. If you have any questions regarding this SMM or your Plan benefits, contact the Fund Office at (800) 535-6373 or (952) 854-0795.

REMINDER: If your address, telephone number, or email address has changed, or if you have married, divorced, had a child, or had a similar event, contact the Fund Office at (952) 854-0795 or (800) 535-6373 to update your contact, dependent, and beneficiary information.

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