A.F.L. HOTEL AND RESTAURANT WORKERS TRUST FUNDS

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401(K) • HEALTH & WELFARE • PENSION • TRAINING

Date: November 2026

To: All Hotel Active Trust Fund Participants employed by Sheraton Kauai Hotel

From: Board of Trustees
AFL Hotel and Restaurant Workers Health & Welfare Trust Fund

Subject: **Continuing Eligibility for Benefits for Sheraton Kauai Participants**

If you were eligible for benefits in October 2026 or November 2026 and ***you worked less than 80 hours per month in the reported work months of September, October or November 2026 your hour bank will be frozen, and you will be eligible for benefits on the first day of the third consecutive month following the reported work month***. ***This applies to eligibility for benefits for the months of December 2026, January 2027 and February 2027***.

Example #1: You were eligible for benefits effective October 1, 2026, and worked only 60 hours in the month of September 2026. Your hour bank will be frozen for that month, and you will be eligible for benefits in December 2026 as long as you continue to be employed by Sheraton Kauai.

Example #2: You were eligible for benefits effective November 1, 2026. You worked 100 hours in the month of September 2026 and are eligible for benefits in December 2026 under the Trust Fund's standard eligibility rules. However, you worked only 20 hours in October 2026 and 35 hours in November 2026. Your hour bank will be frozen for those months, and you will be eligible for benefits in January 2027 and February 2027 as long as you continue to be employed by Sheraton Kauai.

If you have any questions regarding your work hours or hour bank balance, please contact the Trust Fund office at 808 523-0199, neighbor islands call toll free at 1 (866) 772-8989. If you are unable to contact the Trust Fund Office during normal business hours, inquiries may be emailed to hiaflinfo@brmsonline.com

In accordance with ERISA reporting requirements, this document serves as your Summary of Material Modifications to the Plan. Please keep this important notice with your Plan Document/Summary Plan Description (SPD) for easy reference to all Plan provisions.

Should you have any questions on the above changes or need assistance with your coverage, please contact the Trust Office.

Disclosure of Grandfathered Status

The Trust Fund believes its group health plans are "grandfathered health plans" under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the plan administrator, Benefit & Risk Management Services, Inc., at 560 North Nimitz Highway, Suite 209, Honolulu, Hawaii 96817-5315 or 1-808-523-0199. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.