

Editor's Note: Since this update from Carmen Division President Johnson was mailed, a change was made in the company identifier which members must use when filing a claim using the website. This letter has been edited to reflect that change. The correct identifier is now "RR" for use at www.wkabsystem.com.



August 2, 2006

All Carmen Division Officers, International Representatives,
General Chairmen, Assistant International Representatives,
General Vice Chairmen and Local Chairmen

Dear Sirs and Brothers:

I am writing to provide you a further update regarding the *Supplemental Sickness Benefit Plan Covering Railroad Shop Craft Employees* (the APlan@).

As you know, administration of the Plan was changed from UnumProvident to Broadspire on January 1, 2006. Aetna subsequently purchased Broadspire.

Since January, Broadspire has been strictly applying the 20-day time limit for a Plan participant to file his Notice of Disability. This has resulted in hundreds of claims being denied. After many meetings and discussions with the Carriers, they have agreed that Aetna/Broadspire would honor all claims which had been denied due to late filing and that were appealed prior to July 1, 2006. Along with the other unions participating in the Plan, I have signed a letter agreement putting this one-time "grace period" arrangement into effect, resulting in more than 200 claims being honored which had previously been denied.

Throughout our handling of this matter, TCU has insisted that: 1) the Plan administrator should be compassionate and reasonable and allow claims filed after the 20th day if the member provides a good reason why the claim was filed late; 2) the 20-day time limit is an unreasonably short time and the Carriers should agree to modify the Plan to provide for a longer period; and 3) if a

member does file late, the Plan could provide for a penalty but it should not deny the entire claim which might involve a continuing, serious illness or injury.

However, the Carriers have remained unwilling to amend the Plan to provide for a longer and more reasonable time limit. Therefore, TCU has drafted an amendment to our Section Six Notices for the current round of bargaining which extends the time limit and provides for a penalty for late filing rather than an outright denial of a claim. International President Scardelletti and I have made it clear to the Carriers that such a change must be included in any negotiated settlement.

Until this issue is further resolved in negotiations, it is important to advise our members that they must file their claims for the supplemental sickness benefit within 20 days of the onset of their disability. The best way to file notice of claim is to phone Aetna 1-800-205-7651 or to file a claim using the website www.wkabsystem.com. Website users must use the company identifier "RR." When members file by telephone or the website, they immediately get a confirmation number to prove that they filed their notice of claim in a timely manner.

On a related matter, TCU also recently became aware that Aetna was terminating benefits under the Plan for any employee who is reported in a dismissed status after benefits have commenced. We vehemently protested and, after further review, the Carriers now agree with us that after the supplemental sickness benefits commence, an employee's dismissal in itself does not cause benefits to terminate.

Although I believe that the issue has now been resolved, if you encounter any instances in which a disabled employee is subsequently dismissed and has supplemental sickness payments terminated as a direct result, please immediately contact the TCU Social Services Department for further assistance.

I will continue to keep you informed of further developments on this important benefit.

With best wishes, I remain

Fraternally yours,

/s/ R. A. Johnson

General President