ARTICLE VIII
SELF-PAY CONTINUATION COVERAGE (COBRA)

1. What Is COBRA And COBRA Coverage?

"COBRA" is a federal law that requires the Plan to offer you and other members of your family the option to continue your Dental and Vision Benefits coverage under the Health & Welfare Plan and your Medical flexible spending account coverage under the Cafeteria Plan for a limited period of time, when it would otherwise end due to certain life events known as "qualifying events". This temporary continuation of health coverage required under COBRA is referred to as COBRA coverage.

The qualifying events are described below. After a qualifying event, COBRA coverage must be offered to each person who is a "qualified beneficiary." A qualified beneficiary is any Employee or Dependent spouse or child who will lose Dental and Vision Benefits coverage under the Health & Welfare Plan and/or Medical Flexible spending account coverage under the Cafeteria Plan because of a qualifying event, as well as any Dependent child who is born to or placed for adoption with a covered Employee during the period he is self-paying for COBRA coverage. Under the Plan, qualified beneficiaries who elect COBRA coverage must pay for it.

If a qualified beneficiary who is self-paying for COBRA coverage acquires a dependent spouse or child who could be enrolled in the Plan if the qualified beneficiary was an active Employee, the qualified beneficiary may add the Dependent to his coverage for the remainder of the COBRA coverage period.

In addition, if a qualified beneficiary with COBRA coverage has a Dependent (a) who is eligible but did not enroll in the Plan at the time of the qualified beneficiary's initial enrollment because the Dependent had other coverage at that time, and (b) who lost the other coverage due to exhaustion of COBRA, loss of eligibility or termination of employer contributions (but not due to failure to pay timely a required premium or termination of coverage for cause), the qualified beneficiary may add that Dependent to his coverage, for the remainder of the COBRA period, within 30 days after termination of the Dependent's other coverage.

Please read this Article VIII carefully, as it explains COBRA coverage, when it may become available to you and your family, and what you need to do to protect the right to receive it. For additional information about your rights and obligations under the Plan and under federal law, you should contact the Administrative Manager for the Fund, who administers COBRA coverage under the Plan. The Administrative Manager can be reached at the following address and telephone number:

Administrative Manager
JFT Health & Welfare Fund
2540 Severn Avenue, Suite 302 OR **P.O. Box 6137**
Metairie, LA 70002 **Metairie, LA 70009-6137**

Phone (504) 455-7261
Fax (504) 455-7267

Whenever written notice is required to be given to the Administrative Manager under this Article VIII, it will be effective only when mailed or hand delivered to the address listed above.

2. What Are The Qualifying Events That Trigger The Right To Elect COBRA Coverage?

If you are an Employee, you will become a qualified beneficiary if you lose your Dental and Vision coverage under the Health & Welfare Plan and/or your Medical Flexible spending account coverage under the Cafeteria Plan because either one of the following qualifying events happens:

- Your hours of employment are reduced, or
- Your employment ends for any reason other than your gross misconduct.

If you are a covered Dependent spouse of an Employee, you will become a qualified beneficiary if you lose your Dental and Vision coverage under the Health & Welfare Plan and/or Medical Flexible spending account coverage under the Cafeteria Plan because any of the following qualifying events happens:

- The Employee dies;
- The Employee's hours of employment are reduced;
- The Employee's employment ends for any reason other than his gross misconduct;
- The divorce or legal separation (if applicable) of you and the Employee.

If you are a covered Dependent child of an Employee, you will become a qualified beneficiary if you lose Dental and Vision coverage under the Health & Welfare Plan and/or Medical Flexible spending account coverage under the Cafeteria Plan because any of the following qualifying events happens:

- The Employee dies;
- The Employee's hours of employment are reduced;

- The Employee's employment ends for any reason other than his gross misconduct;
- You cease being eligible for coverage under the Plan as a "Dependent child."

3. Notice Requirements

The Plan will offer COBRA coverage to qualified beneficiaries only after the Administrative Manager has been notified timely that a qualifying event has occurred. When the qualifying event is the end of employment, reduction of hours of employment or death of the Employee, the Administrative Manager will notify you and your Dependents of your COBRA rights.

For the other qualifying events (divorce or legal separation, if applicable, of the Employee and Dependent spouse or a Dependent child ceasing to be eligible for coverage as a Dependent child), you must notify the Administrative Manager in writing, and for a divorce or legal separation provide a copy of the divorce or legal separation, within sixty (60) days after the qualifying event occurs. This notice must be mailed or hand delivered to the Administrative Manager at the address set forth in Section 1. If the Administrative Manager does not receive written notice of the qualifying event within this time period, the qualified beneficiary(ies) with respect to such event will not be eligible for COBRA coverage.

4. How Is COBRA Coverage Elected?

Once the Administrative Manager has been notified timely that a qualifying event has occurred, it will furnish the qualified beneficiary(ies) specific information on when and how to elect COBRA coverage, including the cost. Notice given to an Employee or Dependent spouse will be treated as notice to all affected Dependent children living with the Employee or Dependent spouse.

Each qualified beneficiary has 60 days after the later of (a) the date coverage would otherwise terminate by reason of the qualifying event, or (b) the date of notification of COBRA rights by the Administrative Manager, in which to notify the Administrative Manager in writing of the COBRA election and names of the qualified beneficiary(ies) for which it is elected. Under a special rule, a Dependent spouse, age 50 or older, who loses coverage because of the Employee's death has 90 days from the date coverage would otherwise be lost in which to send a written election and the first self- payment to the Administrative Manager. If COBRA coverage is waived during the election period, the qualified beneficiary may revoke the waiver and elect COBRA coverage at any time before the end of the 60-day election period; however, COBRA coverage may only be provided from the date of election and not retroactive to the loss of coverage.

5. How Long Is COBRA Coverage Available?

COBRA coverage is a temporary continuation of coverage. If elected and paid for in a timely manner, it will begin on the date coverage would otherwise have been lost. For the Medical flexible spending account, COBRA coverage will be available only through the end of the Plan Year in which the qualifying event occurs and cannot be extended for any reason, regardless of the nature of the qualifying event. The "Plan Year" for the Cafeteria Plan is the 12-month period beginning September 1 and ending August 31.

For Dental and Vision Benefits coverage under the Health & Welfare Plan, COBRA coverage will be available (a) for up to a total of 36 months when the qualifying event is an Employee's death, divorce or legal separation, or a child's loss of eligibility status, or (b) for up to a total of 18 months when the qualifying event is an Employee's end of employment or reduction in hours.

The following is a description of two ways in which an 18-month period of COBRA coverage for the Dental and Vision Benefits coverage under the Health & Welfare Plan can be extended. COBRA coverage for the Medical flexible spending account under the Cafeteria Plan cannot be extended beyond the end of the Plan Year in which the qualifying event occurs.

Disability Extension of 18-month Period of COBRA Coverage

If anyone in your family is determined by the Social Security Administration ("SSA") to be totally disabled and you notify the Administrative Manager in writing in a timely fashion, you and all other family members with COBRA coverage by reason of the same qualifying event may receive up to an additional 11 months of COBRA coverage, for a total maximum of 29 months. In order to receive this disability extension, the disability must have started at some time before the 60th day of COBRA coverage and must last at least until the end of the 18-month period of COBRA coverage. Written notice of the request for a disability extension, a copy of the disability determination issued by SSA and the names of the qualified beneficiaries for whom an extension is requested, must all be given to the Administrative Manager within 60 days after issuance of the disability determination and before the end of the 18-month period of COBRA coverage.

If, prior to the end of the 29 month period of COBRA coverage, SSA determines that the individual is no longer totally disabled, the qualified beneficiary(ies) must send a copy of the determination to the Administrative Manager within 30 days after its issuance. The extended COBRA coverage for the disabled individual and all related qualified beneficiary(ies) will end on the last day of the month which includes the 30th day after a final determination by SSA that the individual is no longer disabled.

Second Qualifying Event Extension

If your Dependent spouse or child experiences another qualifying event while receiving 18 or 29 months of COBRA coverage, the affected Dependents can get additional months of COBRA coverage, up to a maximum of 36 months from the date COBRA coverage originally began due to the first qualifying event. For example, a second qualifying event would occur if the former Employee dies, or gets divorced or legally separated, or if a Dependent child ceases to be eligible as a Dependent child, as long as the event would have caused the Dependent spouse or child(ren) to lose Dental and Vision Benefits coverage under the Health & Welfare Plan had the first qualifying event not occurred. In all of these cases, the qualified beneficiary must notify the Administrative Manager in writing of the second qualifying event within 60 days after it occurs, in the same manner required had it been the first qualifying event, in order to qualify for the extension.

6. Additional Plan Provisions For Extending COBRA Coverage

There are two additional non-COBRA rules set forth in the Plan which provide for a further continuation of COBRA coverage in the following limited circumstances:

(1) If your Dependent spouse loses coverage due to your death when the spouse is age 50 or older, your surviving spouse may continue coverage until the spouse becomes eligible for Medicare or other group health plan coverage or remarries, if longer than the period required under COBRA, provided s/he sends a written notice of his or her election to extend coverage and the required self-payment to the Administrative Manager no later than 90 days after the date coverage will otherwise end; and

(2) Under the Collective Bargaining Agreement, if you or your Dependents are receiving COBRA coverage under the Health & Welfare Plan because you have been laid off from Covered Employment and are placed on a recall list, or you have been granted an extended alternative maternity/adoption/child rearing leave of absence without pay, you may be able to extend your COBRA coverage for an additional period of time under the terms of the Collective Bargaining Agreement.

7. How Is The Cost Of COBRA Coverage Determined And When Is Payment Due?

COBRA coverage is available on a self-payment basis only. The amount of the required self-payment or "premium" is determined by the Trustees from time to time. The amount covers the cost of the coverage elected and may also include any additional

amounts permitted by law. The initial premium is due within 45 days from the date of the initial election and must cover the cost of coverage from the date it would otherwise terminate through the date of the election. Each subsequent premium is due on the first business day of each month, subject to a 30-day grace period. The COBRA premium rates will remain constant for a 12-month period to the extent required by law, but otherwise will change as the cost of coverage changes.

If a premium is not paid timely, COBRA coverage will terminate and cannot be reinstated. Under a special rule for the Health & Welfare Plan only, one untimely payment of a monthly COBRA premium for the Health & Welfare Plan will be excused and treated as timely, as long as it is received by the Administrative Manager within 60 days from the first business day of the month on which it is due (without regard to any grace period that normally applies.) Only one untimely payment will be excused under this special rule. COBRA coverage will not be provided until the required premium for that period of coverage is received by the Administrative Manager.

8. Are There Any Events Which Result In An Earlier Termination Of COBRA Coverage?

Generally, COBRA coverage will be available for the maximum periods described above in Sections 5 and 6; however, it will end earlier on the first, if any, of the following dates to occur:

(1) The date, after COBRA coverage is elected, on which the qualified beneficiary first becomes covered under another group health plan. If the other plan has a pre-existing condition limitation or exclusion that affects the qualified beneficiary, COBRA coverage will end when the pre-existing condition limitation or exclusion under the other plan no longer applies;

(2) The first day of the month for which the COBRA premium is not paid timely (taking into account any grace periods and the one untimely payment rule); or

(3) The date the Health and Welfare or Cafeteria Plan terminates.

Any qualified beneficiary with COBRA coverage who obtains other group health coverage that contains a pre-existing condition limitation that affects the qualified beneficiary must furnish to the Administrative Manager adequate documentation of the pre-existing condition limitation.

9. Is COBRA Coverage Optional?

Yes, COBRA coverage is optional for you and each qualified beneficiary.

Furthermore, each qualified beneficiary has an independent right to elect COBRA coverage. Even if you, as an Employee, do not elect COBRA coverage, each of your eligible Dependents may elect it.

10. What Type Of Benefits Are Available Under COBRA Coverage?

The type of coverage offered under COBRA for the Health & Welfare Plan is the Dental and Vision Benefits coverage being provided to similarly situated participants with respect to whom a qualifying event has not occurred. The type of coverage offered under COBRA for the Cafeteria Plan is the elected level of coverage that the qualified beneficiary is receiving under the Medical flexible spending account at the time of the qualifying event, taking into account reimbursements that have already been made from the Medical flexible spending account for the Plan Year. If the Dental and Vision Benefits coverage for active Employees under the Health & Welfare Plan changes, the changes in coverage will also apply to qualified beneficiaries with COBRA coverage. COBRA coverage does not include non-health benefits such as the Death Benefit under the Health & Welfare Plan or the Dependent Care flexible spending account under the Cafeteria Plan.

11. If You Have Questions

If you have questions concerning your COBRA coverage rights, you should contact the Administrative Manager.

12. Keep Your Plan Informed Of Address Changes

In order to protect your family's rights, you should keep the Administrative Manager informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Administrative Manager