

**BY E-MAIL**



**AL 12 - 07**

August 2, 2007

**TO: ALL FIR MEMBER COMPANIES**

Gentlemen and Mesdames:

**Re: BENEFIT CONTINUATION ISSUES**

In our AL 10 - 07, we laid out the policy for the financing of benefit contributions during the strike. This policy was reviewed recently by the FIR Board who agreed that FIR companies should comply with the existing arrangement. However, there are a small number of individual companies who are financially unable to comply with the existing arrangement and these companies have so informed the local unions involved. It appears that the USW will not agree to finance the striking employees' benefit contributions.

We have spoken to Pacific Blue Cross (PBC), the carrier for the FIR-USW benefit plans. They will be carrying on with their normal collection procedures during the strike, so, in the event that a company becomes delinquent, its employees may be at risk of having some or all of their benefits suspended. **FIR employers who are not able to finance benefit contributions during the strike should inform their employees in writing that some or all of their benefits may be suspended.**

Employers will be advised by Pacific Blue Cross when the benefits are suspended and they should then notify their employees of the suspension in writing. Employees will not be able to make individual contributions to the FIR-USW group plans nor are they allowed to "opt out" of coverage during the strike. They may want to purchase alternate individual coverage from PBC or other carriers for the duration of the strike. In the case of life insurance, if a suspension occurs, a thirty (30) day conversion option to individual life insurance will be offered by the carrier.

Please call or email the undersigned if you have further questions regarding this matter.

Yours very truly,

Thomas J. Getzie  
Vice President, Education and  
Benefits Administration