

**CONTINUATION COVERAGE RIGHTS UNDER COBRA
FOR EMPLOYEES AND DEPENDENTS ENTITLED TO
HEALTHCARE BENEFITS UNDER THE PETER KIEWIT SONS',
INC. NON-UNION CRAFT HEALTH AND WELFARE PLAN
(Including eligible employees of Peter Kiewit Sons', Inc. affiliated companies and
sponsored joint ventures)**

Introduction

You are receiving this notice because you have recently become covered under the Peter Kiewit Sons', Inc. Non-Union Craft Health and Welfare Plan (the Plan). This notice contains important information about your right to COBRA continuation coverage, which is a temporary extension of group health coverage under the Plan. **This notice generally explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect the right to receive it.** When you become eligible for COBRA, you may also become eligible for other coverage options that may cost less than COBRA continuation coverage.

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you and to other members of your family who are covered under the Plan when you would otherwise lose your group health coverage. This notice gives only a summary of your COBRA continuation coverage rights. For more information about your rights and obligations under the Plan and under federal law, you should either review the Plan's Summary Plan Description or get a copy of the Plan Document from the Plan Administrator.

You may have other options available to you when you lose group health coverage. For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

The Plan Administrator is Peter Kiewit Sons', Inc., 1550 Mike Fahey, Omaha, NE 68102, 1-402-342-2052. COBRA continuation coverage for the Plan is administered by UnitedHealthcare at UnitedHealthcare Attn: Benefit Services, PO Box 221709, Louisville, KY 40252, 1-866-747- 0048. www.uhcservices.com

What is COBRA continuation coverage?

COBRA continuation coverage is a continuation of group health coverage under the Plan when coverage would otherwise end because of a life event known as a "qualifying event." Specific qualifying events are listed later in this notice. COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." A qualified beneficiary is someone who will lose coverage under the Plan because of a qualifying event. Depending on the type of qualifying event, employees, spouses of employees, and dependent children of employees may be qualified beneficiaries. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

If you are a covered employee, you will become a qualified beneficiary if you lose coverage under the Plan because of either of the following qualifying events:

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

If you are the spouse of a covered employee, you will become a qualified beneficiary if you lose coverage under the Plan because of any of the following qualifying events:

- The covered employee dies;

- The covered employee's hours of employment are reduced;
- The covered employee's employment ends for any reason other than his or her gross misconduct;
- The covered employee becomes enrolled in Medicare (Part A, Part B, or both); or
- You become divorced or legally separated from the covered employee.

If you are the dependent child of a covered employee, you will become a qualified beneficiary if you lose coverage under the Plan because of any of the following qualifying events:

- The covered employee dies;
- The covered employee's hours of employment are reduced;
- The covered employee's employment ends for any reason other than his or her gross misconduct;
- The covered employee becomes enrolled in Medicare (Part A, Part B, or both);
- Your parents become divorced or legally separated; or
- You stop being eligible for coverage under the Plan as a "dependent child."

When is COBRA continuation coverage available?

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. When the qualifying event is

- The end of employment or reduction of hours of employment,
- death of the employee, or
- The employee's becoming entitled to Medicare benefits (under Part A, Part B, or both),

For the other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you must notify the Plan Administrator within 60 days after the qualifying event occurs. You must send a written notice to the Home Office Benefits Department indicating: (i) the name of the Plan; (ii) the name of the employee/qualified beneficiary; (iii) the nature of the qualifying event; (iv) the date of the qualifying event; and (v) the name and signature of the individual making the submission. The Home Office Benefits Department address is Peter Kiewit Sons', Inc., 1550 Mike Fahey St, Omaha, NE 68102, 855-329-7907.

How is COBRA continuation coverage provided?

Once the Plan Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children. For each qualified beneficiary who elects COBRA continuation coverage, COBRA continuation coverage will begin on the date that Plan coverage would otherwise have been lost.

COBRA continuation coverage is a temporary continuation of coverage that generally lasts for 18 months due to employment termination or reduction of hours of work. Certain qualifying events, or a second qualifying event during the initial period of coverage, may permit a beneficiary to receive a maximum of 36 months of coverage.

There are also ways in which this 18-month period of COBRA continuation coverage can be extended:

Disability Extension of 18-month Period of Continuation Coverage

If you or anyone in your family covered under the Plan is determined by the Social Security Administration to be disabled at any time during the first 60 days of COBRA continuation coverage and you notify the Plan Administrator in a timely fashion, you and your entire family can receive up to an additional 11 months of COBRA continuation coverage, for a total maximum of 29 months from the date coverage would otherwise end. You must make sure that the Plan Administrator is notified of the Social Security Administration's determination within 60 days of the date of the determination and before the end of the 18-month period of COBRA continuation coverage. This notice from the Social Security Administration should be sent to: *Peter Kiewit Sons', Inc., Benefits Department, 1550 Mike Fahey St, Omaha, NE 68102.*

Second Qualifying Event Extension of 18-month Period of Continuation Coverage

If your family experiences another qualifying event while receiving COBRA continuation coverage, the spouse and dependent children in your family can get additional months of COBRA continuation coverage, up to a maximum of 36 months from the date coverage would otherwise end. This extension is available to the spouse and dependent children if the covered employee dies, enrolls in Medicare (Part A, Part B, or both), or gets divorced or legally separated. The extension is also available to a dependent child when that child stops being eligible under the Plan as a dependent. **In all of these cases, you must make sure that the Plan Administrator is notified of the second qualifying event within 60 days of the date coverage would otherwise end as a result of the second qualifying event. This notice of the second qualifying event must be sent to: UnitedHealthcare at UnitedHealthcare Attn: Benefit Services, PO Box 221709, Louisville, KY 40252, 1-866-747-0048. www.uhcservices.com.**

Are there other coverage options besides COBRA Continuation Coverage?

Yes. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for you and your family through the Health Insurance Marketplace, [Medicare](#), Medicaid, Children's Health Insurance Program (CHIP) or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at www.healthcare.gov.

Can I enroll in Medicare instead of COBRA continuation coverage after my group health plan coverage ends?

In general, if you don't enroll in Medicare Part A or B when you are first eligible because you are still employed, after the Medicare initial enrollment period, you have an 8-month special enrollment period to sign up for Medicare Part A or B, beginning on the earlier of

- The month after your employment ends; or
- The month after group health plan coverage based on current employment ends.

If you don't enroll in Medicare and elect COBRA continuation coverage instead, you may have to pay a Part B late enrollment penalty and you may have a gap in coverage if you decide you want Part B later. If you elect COBRA continuation coverage and later enroll in Medicare Part A or B before the COBRA continuation coverage ends, the Plan may terminate your continuation coverage. However, if Medicare Part A or B is effective on or before the date of the COBRA election, COBRA coverage may not be discontinued on account of Medicare entitlement, even if you enroll in the other part of Medicare after the date of the election of COBRA coverage.

If you are enrolled in both COBRA continuation coverage and Medicare, Medicare will generally pay first (primary payer) and COBRA continuation coverage will pay second. Certain plans may pay as if secondary to Medicare, even if you are not enrolled in Medicare.

For more information visit <https://www.medicare.gov/medicare-and-you>.

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If You Have Questions

Questions concerning your Plan or your COBRA continuation coverage rights should be addressed to the

contact or contacts identified below. For more information about your rights under the Employee Retirement Income Security Act (ERISA), including COBRA, the Patient Protection and Affordable Care Act, and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit www.dol.gov/ebsa. (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.) For more information about the Marketplace, visit www.HealthCare.gov.

Keep Your Plan Informed of Address Changes

In order to protect your family's rights, you should keep the Plan Administrator 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 Plan Administrator.

Plan contact information

PETER KIEWIT SONS', INC., Attn: Lori Sweeney, 1550 Mike Fahey St, Omaha, NE 68102. 402-271-2838.
Lori.Sweeney@kiewit.com