UAW RETIREE Medical Benefits Trust

2015 Annual Update

This is an annual update that provides financial information about the Trust as of December 2015. The Trust is required to provide you with updated financial information annually.

This document does not involve any changes to your health care benefits. You do not need to take any action in response to this letter.

Dear UAW Trust Member:

We are writing on behalf of the Committee which oversees the administration of the UAW Retiree Medical Benefits Trust (the "Trust"). The Trust provides health care benefits for UAW retirees of General Motors, Ford and Chrysler.

The mission of the Trust is to serve as a source of retiree health care coverage for its members. This involves purchasing and managing health care benefits today while investing assets to provide benefits in future years. In the following pages, we describe the updates to the Trust's financial position during the 2015 calendar year.

We are proud of the progress we have made since the Trust launched in 2010. This includes strong performance in diversified investments, finding ways to control costs while improving benefits, and focusing more closely on retiree health care needs. Our performance has allowed us to add important benefits, and keep retiree cost share to a minimum. For 2016, we recognized the importance of keeping retiree costs down, and we were able to avoid **any** increase in retiree costs.

Immunizations, vaccines, check-ups and routine physicals are all essential to good health. Many of you have taken advantage of these preventive benefits, which can help you live a healthier life. Preventive care is an important part of maintaining good health. For 2017, we expanded and improved vaccine coverage and added coverage for an additional Advance Care Planning office visit. Check your Health Care Benefit Highlights for more detail.

It's crucial that we all become informed and shape the future of health care for ourselves and our families. You can learn more about the Trust by visiting our website at www.uawtrust.org, by attending retiree meetings in your area, or by calling the UAW Trust Eligibility Center — Retiree Health Care Connect (RHCC) at 866-637-7555, if you have any questions about your health care benefits.

We wish you good health.

Robert H. Naftaly
Committee Chair

Dennis Williams
UAW President & Committee Member

About the Trust

Since January 1, 2010, the UAW Retiree Medical Benefits Trust has provided the medical coverage for UAW retirees of GM, Ford and Chrysler. The Trust is separate from the auto companies and the UAW. The Trust is governed by an 11-person Committee, with six independent members and five members appointed by the UAW. **The Trust provided benefits for more than 747,000 people during 2015. Of these, more than 165,000 are from Ford.**

During 2015, the Trust paid out more than $4.5 billion to provide medical and prescription drug benefits for its members. It filled nearly 16.7 million prescription drug claims. The Trust call center, Retiree Health Care Connect, handled more than 267,000 calls, helping retirees get answers to their questions about health care claims.

Annual Cost of Benefits

How much money did the Trust spend in 2015?
In total, the Trust spent $4.5 billion in 2015. Of that, $1.1 billion was for Ford retirees. This covers $964 million of direct payments to hospitals and doctors, as well as prescription drug and other direct patient care costs.

In addition to direct health care costs, the Trust must spend money to administer the medical plan itself, including the cost of reviewing and paying millions of individual medical and prescription drug claims, and the cost to maintain an eligibility system to keep track of our members. We regularly add new programs to help retirees. We continue to strengthen our case management and pharmacy programs to help our members who have complex chronic conditions. Additionally, we pay outside investment managers to make sure we invest the Trust's assets as well as possible. The total of these administrative, operational and program costs was $121 million for the Ford retirees in 2015.

Funds Available in the Trust

What assets are in the Trust?
The value of the Trust's net assets at the beginning of 2016 was approximately $56.4 billion. The Ford portion of those assets was $16.4 billion.

During 2015, the Trust's financial health remained strong. Investment markets in 2015 were relatively flat, as detailed later in this document. Still, the Trust's on-going efforts to control costs by delivering benefits more efficiently — along with our retirees continuing to engage in prudent purchasing of health benefits — kept our liabilities under control.

Trust Investments

The assets in the Ford portion of the Trust are invested in a diversified portfolio of stocks, bonds and other investments. The Trust and its Investment Sub-Committee, internal investment staff and outside investment professionals regularly review investment policies, results and practices to make sure that our investments are aligned with the Trust's long-term goals.

How did the Trust investments perform during 2015?
Investment markets were relatively flat in 2015. The investments in the Ford account returned roughly 0.1% for calendar year 2015.

Since 2010, the investments in the Ford account have earned an annual rate of return of 6.9%, not including the return on Ford-related holdings.

Current Retiree Needs and Long-Term Solvency

How does the Trust balance the needs of current retirees and the need to maintain long-term financial stability for future retirees?

The Trust is always working to balance two goals:

- Medical benefits are vital to the economic security of every family, particularly retirees who must live on a fixed income. The UAW fought for retiree medical benefits at the bargaining table for decades. The Trust is now the entity that provides these vital benefits. The Trust continues to design and develop benefits uniquely suited to the needs of our retired members. **We continue to work hard to provide the best possible benefits to current retirees who need those benefits today.**

- The money in the Trust must be used carefully. We need to protect the long-term financial health of the Trust. In addition to the 747,000 current retirees, there are 89,000 active workers who will be eligible for Trust benefits upon their retirement. Both these groups will have medical needs for many years. **A key part of our job is to make sure there is still money in the Trust to provide those benefits to our current and future members for many decades to come.**

We have **improved benefits and expanded coverage** in many ways. We have added coverage of primary care office visits, urgent care centers, immunizations, and a variety of educational and other programs to help our members with chronic conditions such as diabetes. We added Medicare Advantage options in 30 states to give our Medicare-eligible retirees an additional choice of programs. Our "Vital Decisions" program helps members facing end-of-life issues.

We work hard to **hold down retiree costs** to make benefits as affordable as possible. **We were pleased that we were able to avoid any retiree cost increases for 2016.**

We understand that we must **save money wherever possible,** so that the long-term future of the Trust is solid. Every dollar we save is a dollar we can use to pay for medical benefits. We are proud of our cost-saving efforts. We believe our efforts have helped you and the Trust tremendously. However, especially when it comes to your health care, it's not just about saving money. It's also about spending wisely. Your engagement can help protect the Trust's financial health and ensure that you and your fellow UAW retirees receive good medical benefits for many years into the future.

Note: Most of the figures in this communication relate to calendar year 2015, the last year for which audited figures are available. The performance for 2016 will be communicated in a letter next fall. Even though 2016 has not ended, and audited figures are not available for any part of 2016, there have not been any events so far in 2016 that would have a significant negative impact on the financial health of the Trust.

SUMMARY ANNUAL REPORT
FOR UAW FORD RETIREES MEDICAL BENEFITS PLAN

This is a summary of the annual report of the UAW FORD RETIREES MEDICAL BENEFITS PLAN, EIN 90-0424876, Plan No. 502, for period January 1, 2015 through December 31, 2015. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Insurance Information

The plan has contracts with Aetna Life Insurance Co., Blue Care Network of Michigan, Blue Cross and Blue Shield of Kansas City, Blue Cross Blue Shield of Michigan, Coventry Health and Life, Coventry Health Care of Missouri, Health Alliance Plan, Healthpartners, Healthplus of Michigan, Humana Benefit Plan of Illinois, Inc., Humana Health Insurance Company of Florida, Inc., Humana Insurance Company, Kaiser Foundation Health Plan, Inc. - California, Kaiser Foundation Health Plan of Colorado, Kaiser Foundation Health Plan of Mid-Atlantic States, Inc., Kaiser Foundation Health Plan of Georgia, Kaiser Foundation Health Plan of the Northwest, Midwestern Dental Plans, Inc., Single Vision Solution Inc. and United Healthcare Insurance Company to pay health, dental, vision, prescription drug, HMO and PPO claims incurred under the terms of the plan. The total premiums paid for the plan year ending December 31, 2015 were $160,620,557.

Because they are so called "experience-rated" contracts, the premium costs are affected by, among other things, the number and size of claims. Of the total insurance premiums paid for the plan year ending December 31, 2015, the premiums paid under such "experience-rated" contracts were $49,493,460 and the total of all benefit claims paid under these contracts during the plan year was $65,124,209.

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was $16,431,053,083 as of December 31, 2015, compared to $17,315,587,329 as of January 1, 2015. During the plan year the plan experienced a decrease in its net assets of $884,534,246. This decrease includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the plan year, the plan had total income of $200,049,226, including employee contributions of $24,610,584, other contributions of $134,122,262, realized losses of ($93,691,691) from the sale of assets, earnings from investments of $133,013,271, and other income of $1,994,800.

Plan expenses were $1,084,583,472. These expenses included $120,802,297 in administrative expenses, and $963,781,175 in benefits paid to participants and beneficiaries.

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

- an accountant's report;
- financial information;
- information on payments to service providers;
- assets held for investment;
- transactions in excess of 5% of the plan assets;
- insurance information, including sales commissions paid by insurance carriers;
- information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates.

To obtain a copy of the full annual report, or any part thereof, write or call the office of The Committee of the UAW Retiree Medical Benefits Trust, in care of Mary Beth Kuderik, Plan Administrator, at 200 Walker Street, Detroit, MI 48207, or by telephone at 313-324-5900.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan (The Committee of the UAW Retiree Medical Benefits Trust, 200 Walker Street, Detroit, MI 48207) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Notice

The UAW Retiree Medical Benefits Trust (the “Trust”) complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. The Trust does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex.

The Trust:

- Provides free aids and services to people with disabilities to communicate effectively with us, such as:
  - Qualified sign language interpreters (through a video relay)
  - Written information in other formats (large print, other formats)
- Provides free language services to people whose primary language is not English, such as:
  - Qualified interpreters
  - Information written in other languages

If you need help, contact Retiree Health Care Connect at 866-637-7555 [TTY – 800-325-0778].

If you believe that the Trust has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance with: Compliance Department, UAW Retiree Medical Benefits Trust, P.O. Box 14309, Detroit, MI 48214. You can file a grievance by mail or by fax at 313-324-5850. If you need help filing a grievance, the Compliance Department of the Trust will do its best to assist you. You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights electronically through the Office for Civil Rights Complaint Portal, available at *https://ocrportal.hhs.gov/ocr/portal/lobby.jsf,* or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 509F, HHH Building, Washington, D.C. 20201, 800-868-1019, 800-537-7697 (TDD). Complaint forms are available at *http://www.hhs.gov/ocr/office/file/index.html.*

[Name of language in that language]
Tagline: If you need help or answers in this language or another, please call Retiree Health Care Connect at 866-637-7555. You can receive assistance there and ask questions, without cost, in this language and many others.

[Español]
Si necesita ayuda o respuestas en este u otro idioma, llame a Retiree Health Care Connect al 866-637-7555. Allí le brindarán asistencia y podrá hacer preguntas, sin costo, en este idioma y en muchos más.

[中文]
如果您需要我們以本語言或其他語言提供協助或答案，請致電 866-637-7555 與 Retiree Health Care Connect 聯絡。您可透過撥打此電話號碼免費以本語言及其他許多語言取得協助和提問。

[Tiếng Việt]
Nếu quý vị cần hỗ trợ hoặc cần được giải đáp thắc mắc bằng ngôn ngữ này hoặc ngôn ngữ khác, vui lòng gọi Retiree Health Care Connect theo số 866-637-7555. Quý vị có thể nhận được trợ giúp qua đường dây đó và đưa ra các thắc mắc mà không mất phí, bằng ngôn ngữ này và nhiều ngôn ngữ khác.

[한국어]
이 언어 또는 다른 언어로 도움 혹은 답변이 필요한 경우, Retiree Health Care Connect에 866-637-7555 번으로 전화해 주십시오. 이곳에서 무료로 이 언어를 포함한 다른 여러 언어로 도움을 받고 질문을 물어볼 수 있습니다.

[Tagalog]
Kung kailangan ninyo ng tulong o mga sagot sa wikang ito o sa isa pang wika, mangyaring tawagan ang Retiree Health Care Connect sa 866-637-7555. Makakatanggap kayo doon ng tulong at makakapagtanong nang walang babayaran, sa wikang ito at marami pang iba.

[Русский]
Если вы хотите, чтобы вам помогли или ответили на вопросы по-русски или на каком-то другом языке, позвоните в центр «Медицинское обслуживание пенсионеров» (Retiree Health Care Connect), телефон 866-637-7555. Вам бесплатно помогут и ответят на вопросы по-русски или на одном из многих других языков.

[Kreyòl Ayisyen]
Si ou bezwen asistans oswa repons nan lang sa a oswa yon lòt lang, tanpri rele Retiree Health Care Connect nan 866-637-7555. Ou kapab jwenn asistans la ak poze kesyon, gratis, nan lang sa a ak plizyè lòt lang.

[Português]
Se você precisar de ajuda ou respostas nesta língua ou em outra, ligue para Retiree Health Care Connect no número 866-637-7555. Lá é possível receber assistência e fazer perguntas, sem custos, nesta língua e em muitas outras.

[Français]
Si vous avez besoin d'aide ou de réponses dans cette langue ou dans une autre, veuillez communiquer avec Retiree Health Care Connect au (866) 637-7555. Vous pourrez recevoir de l'aide et poser des questions, sans frais, dans cette langue et dans plusieurs autres.

[Polski]
Jeśli potrzebujesz pomocy lub odpowiedzi na pytania w tym albo w innym języku, prosimy o kontakt telefoniczny z Retiree Health Care Connect pod numerem 866-637-7555. Pod tym numerem możesz otrzymać bezplatną pomoc i zadać pytania w tym i w wielu innych jezykach.

[日本語]
この言語か別の言語でご支援が必要な場合、またはご質問がある場合はRetiree Health Care Connect（電話番号：866-637-7555）までお問い合わせください。ここから、無料のご支援やお問い合わせにこの言語や他の言語で対応しています。

[Italiano]
Se ha bisogno di aiuto o di risposte in questa lingua o in un’ altra, la preghiamo di chiamare Retiree Salute Care Connect al numero 866-637-7555. Lì può ricevere assistenza e fare domande, senza alcun costo, in questa lingua e in molte altre.

[Deutsch]
Falls Sie Hilfe oder Antworten in dieser oder einer anderen Sprache benötigen, rufen Sie bitte Retiree Health Care Connect unter 866-637-7555 an. Sie können dort in dieser und vielen anderen Sprachen kostenlose Unterstützung erhalten und Fragen stellen.

[اللغة العربية]

إذا أردت المساعدة أو الحصول على إجابات بهذه اللغة أو أية لغة أخرى، الرجاء الاتصال بمركز Retiree Health Care Connect على الرقم 866-637-7555. بإمكانك الحصول على المساعدة هناك وطرح اية أسئلة بدون أية رسوم، بهذه اللغة والعديد من اللغات الأخرى.

فارسی

اگر به کمک یا پاسخ هایی به این زبان یا زبان دیگری نیاز دارید، لطفاً با Retiree Health Care Connect به شماره 866-637-7555 تماس بگیرید. شما می توانید در آنجا به این زبان و بسیاری زبان های دیگر به طور رایگان کمک و راهنمایی دریافت کنید و سؤالاتی را بپرسید.