

Plan Highlights

Pension Plan for the Local Union No. 131 International Brotherhood of Electrical Workers

January 2014

Eligibility

You are eligible to participate in the Plan if your employer is required to make contributions to the Plan on your behalf.

Contributions

Employer Contributions. Your employer will make a contribution to the Plan on your behalf for each month as required by the collective bargaining agreement.

Employee 401(k) Contributions. You may make voluntary employee “elective contributions” (also known as 401(k) contributions) to the Plan (up to \$17,500 in 2014).

- Elective 401(k) contributions are amounts you would otherwise receive as taxable wages but instead you contribute to the Plan on a pre-tax basis.
- Elective 401(k) contributions are contributed through payroll deductions and are subject to Social Security (FICA) withholding but not federal income taxes.

Catch-up Contributions. If you reach age 50 (or older) at any time in the calendar year, you are eligible to make additional elective contributions, known as “catch-up contributions” (up to \$5,500 in 2014). Catch-up contributions are made and treated for tax purposes the same as your other elective 401(k) contributions.

Rollover Contributions. You may make rollover contributions to the Plan. A rollover contribution is a contribution of all or a portion of a distribution from a prior qualified retirement plan in which you participated (or from which you are entitled to benefits pursuant to a qualified domestic relations order) or from an individual retirement arrangement (IRA).

Reciprocity. The Plan offers Participants who move to electrical industry employment outside the area of the Plan a chance to remain covered by the Plan. Please contact the Fund Office for more information.

Vesting

Vesting refers to the ownership of the value of your account in the Plan. Your account is always 100% vested.

Enrollment

You may enroll to make elective contributions effective as of any January 1, April 1, July 1 or October 1.

- To enroll, you must submit an election designating the amount you want deducted from your hourly wages and contributed to the Plan.
- Once filed, your contribution election remains in effect until amended or discontinued.

You may increase or decrease the amount of your elective contributions to the Plan as of any January 1, April 1, July 1 or October 1.

You may revoke your election to contribute to the Plan at any time. Your revocation will be effective as of the first day of the next pay period.

Investments

Participant-Directed Investment. You can choose to direct the investment of your account among investment funds selected by the Trustees.

- Your account will receive the investment gains and losses attributable to the funds in which you invest your account.
- The Trustees will provide you information on the available funds.
- Before you may direct the investment of your account, you must attend a Plan-sponsored investment education seminar and pass an investment test.

In addition, you can request that all or part of your account be placed in a self-directed brokerage subaccount, which allows you to invest in vehicles other than the menu of funds selected by the Trustees. You can direct the investment of this subaccount in mutual funds or ETFs.

Trustee-Directed Core Fund. If you do not choose to direct the investment of your account, your account will be invested in the IBEW 131 Core Fund, which is the Plan's qualified default investment alternative (QDIA). The Trustees direct the investment of the IBEW 131 Core Fund.

Distributions

Small Sum Option. If your account balance is \$5,000 or less after your termination of employment, and no participating employer makes a contribution to the Plan on your behalf for 12 months following your termination of employment, you may request a distribution of your account regardless of your age.

Disability. If you terminate employment with a participating employer as a result of a disability, you may receive a distribution of your account. A "disability" means a physical or mental condition which, in the judgment of the Trustees, will totally and presumably permanently prevent you from performing your usual and customary duties with your employer.

Attainment of Age 55. If you are not working for an employer that contributes to the Plan on your behalf and you have attained age 55, you may receive a distribution from your account.

Rollover Account. You may elect a distribution of your rollover account at any time, including while still employed, regardless of age. The rollover account holds amounts you may have rolled into the Plan from a prior employer's retirement plan.

Hardship Distributions

You can request to receive a distribution of all or a portion of your elective contribution account if due to a financial hardship. A hardship is a situation in which you incur an immediate and heavy financial need to help pay for certain types of expenses, such as expenses related to medical care, purchase of a primary residence, tuition, to prevent eviction and certain other limited circumstances. The hardship distribution cannot exceed the amount of your financial need, and the minimum amount of a hardship distribution is \$1,000. Spousal consent is required, and you must suspend elective contributions for six months following such a withdrawal.

Payment Options

Normal Form. You will receive your benefit in the form of an annuity, unless you elect to receive an optional form of payment (described below).

- *Married.* Your account will be paid in the form of a qualified joint and survivor annuity unless your spouse consents to your election of an optional form of benefit. A qualified joint and survivor annuity provides a monthly benefit to you for your lifetime and, after your death, a monthly benefit to your surviving spouse for his or her life equal to 50% of the monthly payment made to you during your life.
- *Unmarried.* You will receive a life annuity unless you elect an optional form of benefit. A life annuity provides a monthly benefit payable for your lifetime.

Optional Benefit Forms. You may elect (with the consent of your spouse if you are married) one of the following optional forms of benefits:

- *Lump Sum.* You will receive a one-time payment in cash. You will receive only 80% of the payment because the Trustees are required to withhold 20% of the payment and send it to the IRS as income tax withholding.
- *Direct Rollover.* You will receive a payment of a single lump sum benefit to your individual retirement arrangement ("IRA") (including a Roth IRA if your income is below certain limitations) or to another employer retirement plan. No income tax will be withheld and the amount rolled over will not be taxed until you later receive payment from your IRA or other employer plan.
- *75% Spouse Joint and Survivor Annuity.* You will receive a monthly benefit for your life. After your death, a monthly benefit equal to 75% of the monthly benefit you received during your lifetime will be paid to your spouse for his or her life.
- *100% Spouse Joint and Survivor Annuity.* You will receive a monthly benefit for your life. After your death, a monthly benefit equal to the monthly amount you received during your lifetime will be paid to your spouse for his or her life.

- *Other Annuity Form.* You will receive an annuity contract purchased from a life insurance company that provides for payments to you or to you and a designated beneficiary.
- *Combination of Installments followed by Lump Sum (if you are between the ages of 55 and 59-1/2).* You will receive equal annual installments payable until age 59-1/2, at which time your remaining account balance will be paid to you in a single lump sum (or a direct rollover).
- *Periodic Installments.* You will receive equal monthly, quarterly, semi-annual or annual installments, but only if your account exceeds \$1,000 at the beginning of the periodic installments. You may elect to accelerate payments to a single lump sum at any time.
- *Intermittent Installments.* You will receive distributions as requested from time to time (in whatever amount you elect). There is no limit on how many distributions you can request each year, and there is no minimum or maximum on the dollar amount requested.

Death Benefits

If you die prior to receiving payment of all of your benefits, any amounts remaining in your account will be paid to your designated beneficiary as follows:

- *Nonspouse Beneficiary.* If your beneficiary is not your spouse, then your beneficiary will receive a single lump sum payment or a direct rollover.
- *Spouse Beneficiary and Account Does Not Exceed \$1,000.* If your spouse is your beneficiary and your account does not exceed \$1,000, then your spouse will receive payment in a single lump sum or a direct rollover.
- *Spouse Beneficiary and Account Exceeds \$1,000.* If your spouse is your beneficiary and your account exceeds \$1,000, then your spouse will receive a monthly annuity for his or her life unless your spouse elects payment in one of the optional benefit forms described above.

Your designated beneficiary is the person you name on the form supplied by and approved by the Trustees.

- If you are married, your spouse will be your designated beneficiary unless he or she consents to your designation of an alternate beneficiary.
- If you divorce, your former spouse will no longer be considered your beneficiary unless you complete a new beneficiary card after the date of divorce which names your former spouse as your beneficiary.

Applying for Benefits

When you (or your beneficiary) become entitled to a distribution from the Plan, you (or your beneficiary) should submit an application for benefits (a claim) to the Trustees. Your application should be in writing, on a form provided by the Trustees.

Contact Information for Trustees and Fund Office

Board of Trustees of the Pension Plan for
the Local Union No. 131 International Brotherhood of Electrical Workers
c/o TIC International Corporation
6525 Centurion Drive
Lansing, MI 48917
517-321-7502