IBEW LOCAL NO. 461
FRINGE BENEFIT FUNDS

November 2018

To: All Participants of the IBEW Local No. 461 Defined Contribution Pension Plan

Dear Participant:

This notice provides **important information** about the IBEW Local No. 461 Defined Contribution Pension Plan (the "Plan"). The notice provides information about three provisions of the Plan, 1) the 401(k) automatic enrollment feature, 2) the qualified default investment alternative (QDIA), and 3) the employer contributions that result in the Plan's "safe harbor" designation. This notice will cover the following points:

- How the Plan's automatic enrollment feature works;
- Whether the Plan's automatic enrollment feature applies to you;
- What amount will be automatically deducted from your pay and contributed to the Plan;
- How your contributions will be invested;
- When your Plan account will be vested;
- How you can change your participation in the 401(k) feature; and
- What "safe harbor" Employer contributions will be made to your account.

You can find out more about the Plan by requesting the Summary Plan Description (SPD) from the Administrative Office.

1. **How does the Plan's automatic enrollment feature work?**
   New members in the Plan will be automatically enrolled in the 401(k) feature at a contribution rate of 5% for each hour worked unless the members has submitted a 401(k) Opt-Out Election Form to the Union Office. This means that 5% will be deducted from your pay, deposited into your individual Plan account, and invested in either the IBEW 461 Core Fund or the individual investment options that you have selected for your account.

   You can stop your 401(k) contributions at any time by submitting a 401(k) Opt-Out Election Form to the Union Office. But you can only begin making 401(k) contributions again if you change employers or at the beginning of each year, via the annual December enrollment process. If you re-enroll, your 401(k) deductions will begin for work on or after January 1, 2019. The 401(k) feature under the Plan only allows you to contribute 5% or 0% of pay; no other contribution rates are permitted. **If you opted out of the 401(k) feature, we strongly suggest that you re-enroll in December 2018; it is easy, just call the Union Office**.

2. **Does the Plan's automatic enrollment feature apply to me?**
   The Plan's automatic enrollment feature applies to all new participants who receive employer contributions to the Plan. Individuals who are not participants in the Plan or who are not working in the jurisdiction of IBEW Local 461, sometimes referred to as "Travelers," are not eligible to participate in the 401(k) feature. Furthermore, if you currently participate in the Plan, you are eligible to make 401(k) deferrals **only when you are working in the IBEW Local 461 jurisdiction**.

3. What amount will be automatically deducted from my pay and contributed to the Plan?
If you do not contact the Union Office to opt out of the 401(k) feature, each pay period 5% of your eligible pay will be contributed to your individual account in the Plan. You can either contribute at the rate of 5% or opt out of the 401(k) feature; no other contribution rates are available.

Your 401(k) contributions to the Plan are not subject to federal or Illinois state income tax at the time they are deducted. But the 401(k) contributions are subject to other payroll taxes like FICA, so contributing to the 401(k) feature will reduce your current income taxes, but it **will not change your social security benefits**. The earnings on your 401(k) account will also compound on a tax-deferred basis, and will be subject to federal and state ordinary income tax when it is withdrawn.

Will the 401(k) feature change the employer contributions to my Plan account?
The 401(k) feature will not change the amount of employer contributions that you have received in the past or will receive in the future as determined by the Collective Bargaining Agreement (CBA).

4. How will my 401(k) contributions be invested?
The Plan offers eleven (11) investment options that you can select for your current account balance and future contributions to the Plan. The choice is up to you. However, if you do not make a specific investment election, the Trustees will automatically invest your 401(k) contributions and the employer contributions made on your behalf in the IBEW 461 Core Fund (the "Core Fund"), which is the Qualified Default Investment Alternative (QDIA) in the Plan.

- The investment objective of the Core Fund combines opportunities for current income with long-term capital growth. The Core Fund seeks to achieve this objective by investing in a diversified portfolio of stocks, bonds, and equity interests in real estate and other assets, with a current target allocation of 50% in stocks, 10% in alternative assets, 5% in real return assets, 10% in real estate, and 25% in bonds.

- The Core Fund may experience short-term volatility similar to a stock fund but the long-term objective is to provide balanced returns with reasonable risks. The Trustees reserve the right to change the asset allocation of the Core Fund as they determine necessary or advisable. They also reserve the right to add, remove, and/or substitute one investment vehicle or investment manager for another, without prior notice.

- The Core Fund has a current yearly gross expense ratio of approximately 1.1%.

If you are currently invested in the Core Fund, you may change your investment election and transfer your existing account balance to any of the Plan's other investment options at any time without penalty, as long as you are eligible for self-direction. If you are not currently eligible for self-direction, you will first need to meet the investment education requirement established by the Trustees. If you do not make any changes to your investment elections, your current balance and future contributions will remain in the Core Fund.

Please read the IBEW 461 Core Fund Investment Summary for more detailed information before you invest. Additional information about the investment options in the Plan is available from John Hancock Retirement Plan Services ("John Hancock") by visiting www.mylife.jhrps.com or by calling (800) 294-3575, Monday thru Friday 7:00 am to 9:00 pm CT.

5. **When will my Plan account be vested and available to me?**
You are always fully (100%) vested in your Money Purchase, Profit Sharing, 401(k), and Rollover Accounts; to be fully vested means that the contributions (together with any investment gain or loss) will always belong to you, and you will not lose them when you leave the Plan.

The Plan and federal regulations impose restrictions on when you may receive a distribution from the Plan. You or your beneficiary (in the case of your death) generally will become eligible to receive a distribution of benefits upon one of the following conditions: 1) reaching age 55, the Plan's normal retirement age, provided that you have completely retired as an electrician in the electrical industry and no contributions have been made to your account for at least three (3) consecutive months, 2) death or disability, or 3) termination of employment within the trade if there is a 12 month lapse in contributions to the Plan. You may withdraw money at any time from your Rollover Account.

Your 401(k) contributions are also eligible for withdrawal if you encounter a financial hardship; the amount is limited to your immediate need and the total amount of your contributions (earnings on 401(k) contributions are not eligible for distribution). Hardship distributions must be for a specified reason, including: 1) qualifying medical expenses, 2) the costs of purchasing your principal residence, 3) preventing eviction from or foreclosure on your principal residence, 4) repairing qualifying damages to your principal residence, 5) qualifying post-secondary education expenses, or 6) qualifying burial or funeral expenses. If you take a hardship distribution, you must stop making 401(k) contributions for at least 6 months. Please note that there is generally a 10% additional income tax on distributions before age 59½. You can learn more about the 10% excise tax in IRS Publication 575, Pension and Annuity Income.

Please refer to the SPD for a full description of the rules regarding when you are eligible to receive a distribution from the Plan.

6. **Can I change the amount of my 401(k) contribution?**
You can always stop your 401(k) contributions to the Plan, but if you participate in the 401(k) feature you may contribute only at the rate of 5%. If you know now that you do not want to contribute to the 401(k) feature of the Plan, you should submit the 401(k) Opt-Out Election Form to the Union Office as soon as possible. That way, you can avoid any automatic contributions. If you opt out of the 401(k) feature, you will be given the opportunity to restart your contributions when you change employers and at the beginning of each year via the annual December enrollment process.

7. **What "safe harbor" Employer contributions will be made to my account**
The Plan incorporates a **401(k) safe harbor employer contribution formula** under Internal Revenue Code section 401(k)(12), which requires Employers to make a separate employer contribution to the Plan on your behalf in the upcoming plan year. The remainder of this notice will explain the Plan's safe harbor formula and provide a summary of your rights under the safe harbor provisions.

Plan Participation
You will generally be eligible to participate in the Plan on the first day of employment for which an Employer is obligated to make contributions to the Plan on your behalf.

Safe Harbor Employer Contributions
Participants in the Plan will receive employer contributions specified in the applicable CBA for their category of employment. This Employer Contribution is considered a safe harbor contribution because it equals or exceeds 3% of W-2 Compensation. The total amount of the Employer Contribution to be made on your behalf is set forth in the CBA.

All plan participants, who are eligible to make 401(k) contributions, will receive a safe harbor contribution in the amount set forth in the CBA for each hour worked, irrespective of their 401(k) contributions to the Plan. The minimum safe harbor contribution is 3%; therefore, if you receive wages of $30,000 for the plan year, your Employer will contribute at least $900 (3% x $30,000), whether or not you elect to make any 401(k) contributions to the Plan. The safe harbor contribution formula will continue for each plan year unless the formula is modified by the bargaining parties. You will receive a safe harbor notice before the beginning of each plan year for which the safe harbor contribution formula is in effect.

401(k) Contributions

Eligible Participants are allowed to make pre-tax contributions to the Plan by deferring a portion of their hourly wages. These amounts are referred to as elective deferrals or 401(k) contributions and are deposited to your individual account in the Plan. When you are permitted to take a distribution from the Plan, you will be entitled to all your 401(k) contributions, adjusted for any gains, losses, and expenses of the Plan. In general, you may defer a maximum of $19,000 in 2019 or 5% of pay, whichever is less. If you attain age 50 (or above) during the calendar year, the maximum increases to $25,000 (as a "catch-up" provision).

You can submit a 401(k) Opt-Out Election Form at any time, but it will take at least one payroll cycle to become effective. Once you opt out of the 401(k) feature, you may re-enroll only once each year effective as of the following January or when you change employers, and only at the rate of five percent (5%) of pay. The re-enrollment will become effective as soon as administratively feasible and will remain in effect until you modify or terminate the election. As stated above, 401(k) contributions are subject to FICA taxes at the time of deferral.

Rollover Contributions

If you have accumulated benefits under another qualified retirement plan or IRA, you may be able to "rollover" the benefits into this Plan. Rollover contributions are allocated to your Rollover Account in the Plan.

Compensation

Compensation has a special meaning for purposes of the Plan. The Plan defines Compensation as straight time and overtime wages, excluding exempt bonus payments. Compensation will be calculated before the deduction of 401(k) contributions to this Plan and any cafeteria plan contributions that may be allowed by your Employer.

Plan Amendment and Termination

The Trustees retain the right to amend the Plan, including the right to terminate the Plan and discontinue all contributions (including the safe harbor contribution) under the Plan. Termination of the Plan will not affect your right to receive any contributions you have accrued as of the effective date of the termination.

More Information

For more information regarding your rights and benefits under the Plan, please refer to the Summary Plan Description (SPD). You may request a SPD or additional information about the Plan by contacting:

TIC INTERNATIONAL CORPORATION
6525 Centurion Drive, Lansing, MI 48917-9275
(866) 461-IBEW (4239) toll free (517) 321-7508 fax

Participation in the Core Fund does not guarantee investment success. All investing involves risk including possible loss of principal. John Hancock Retirement Plan Services, LLC offers plan administrative services and service programs through which a sponsor or administrator of a plan selects various investment options to offer in its retirement plan for investment. John Hancock Retirement Plan Services, LLC does not provide fiduciary investment advice. John Hancock Trust Company LLC provides trust and custodial services to such plans.

NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED

The Core Fund has risks associated with investing in high yield, small cap, foreign, and illiquid securities; small cap and foreign stocks are generally more volatile than stocks of large US companies. The Core Fund may also hold private investments with limited liquidity. The Trustees reserve the right to limit withdrawals from the Core Fund to manage the allocation to illiquid securities when determined prudent by the Trustees. There is no assurance that the Core Fund will continue to invest or maintain any particular allocation to private funds.

It is intended that the Core Fund constitute a QDIA under Section 404(c)(5) of the Employee Retirement Income Security Act of 1974 (ERISA). An investor should consider the funds' investment objectives, risks, charges and expenses carefully before investing. For further information, please read the Core Fund Investment Summary and the prospectus or fund booklets of the funds held by the Core Fund. Fund information is obtained from reliable sources, but is not guaranteed as to completeness or accuracy. The information contained herein does not constitute investment, financial, tax or legal advice. Please contact your personal investment, financial, tax or legal advisor regarding your specific needs and requirements.