

IBEW LOCAL NO. 461

FRINGE BENEFIT FUNDS

IBEW Local No. 461 Defined Contribution Pension Plan

Managed for the Trustees by:
TIC INTERNATIONAL CORPORATION

November 2022

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 1) the 401(k) automatic enrollment feature of the Plan and 2) the qualified default investment alternative (QDIA). This notice will cover the following points:

- How the Plan’s automatic 401(k) enrollment feature works;
- Whether the Plan’s automatic 401(k) feature applies to you;
- When 401(k) contributions will be deducted from your pay;
- How your 401(k) and employer contributions will be invested; and
- When your account will be vested and when distributions can begin.

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

1. How does the Plan’s automatic enrollment feature work?

New members in the Plan and members changing employers will be automatically enrolled or re-enrolled in the 401(k) feature at a contribution rate of 5% of hourly pay for each hour worked unless you have submitted a 401(k) Opt-Out Election Form to the Union Office. This 5% will be 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 and your Employer. 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. 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, the Trustees suggest that you re-enroll in December; 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, and any current participant when changing employers. 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) contributions **only when you are working in the IBEW Local 461 jurisdiction.**

Administrative Office:
TIC International Corporation
6525 Centurion Drive, Lansing, MI 48917
(866) 461-IBEW (4239)
(517) 321-7502/(517) 321-7508 fax

www.IBEW461benefits.org

IBEW 461 Union Benefits Office
591 Sullivan Road, Suite 100
Aurora, IL 60506
(630) 897-2911
(630) 897-7605 fax

3. When will the 401(k) contribution be 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.

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.

Your 401(k) contributions to the Plan are not subject to federal or Illinois state income tax at the time they are deducted. 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 only when it is withdrawn. But 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**.

4. 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).

Eligible Participants can voluntarily make pre-tax 401(k) 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 contribute up to \$22,500 in 2023 or 5% of pay, whichever is less. If you attain age 50 (or above) during 2023, the limit increases to \$30,000.

5. How will my 401(k) and employer contributions be invested?

The Plan offers eleven (11) investment options (including a self-directed brokerage account) 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) and employer contributions 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 entities that invest in real estate and other assets, with a current target allocation of 50% in stocks, 15% in alternative investments, 5% in real return assets, 10% in real estate, and 20% in bonds.
- The Core Fund is a multi-asset class, multi-manager investment fund that is directed by the Trustees, with a current yearly gross expense ratio of approximately 1.12%.

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 cost or 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. The education requirement to self-direct the investments in your account can be met by attending the next participant communication meeting, which will be announced in a separate notice. If you do not make any changes to your investment elections, your current balance and future contributions will remain in the Core Fund.

Administrative Office:

TIC International Corporation
6525 Centurion Drive, Lansing, MI 48917
(866) 461-IBEW (4239)
(517) 321-7502/(517) 321-7508 fax

www.IBEW461benefits.org

IBEW 461 Union Benefits Office

591 Sullivan Road, Suite 100
Aurora, IL 60506
(630) 897-2911
(630) 897-7605 fax

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 by visiting myplan.johnhancock.com, or calling (833) 388-6466, Monday thru Friday 7:00 am to 9:00 pm CT. If you transfer out of the Core Fund, we encourage you to review your investment selection on a regular basis to make sure that it continues to be appropriate for your personal retirement objectives.

6. When will my Plan account be vested and when can distributions begin?

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 upon one of the following conditions: 1) attaining age 55 and completely retiring as an electrician in the electrical industry with no contributions to your account for at least three (3) consecutive months, 2) terminating employment in the electrical industry, as evidenced by a 12-month lapse in contributions to your Account, or 3) your death or disability. You may withdraw money at any time from your Rollover Account.

You may also withdraw money from your 401(k) balance if you have an immediate and heavy financial need. However, there are various rules and requirements that you must meet before a hardship withdrawal is permitted. Please refer to the SPD for a full description of the rules regarding when you are eligible to receive a distribution from the Plan.

More Information

If you have any questions about this notice, or would like additional information regarding your rights and benefits under the Plan, please contact the Fund Office listed below.

Administrative Office:
TIC International Corporation
6525 Centurion Drive, Lansing, MI 48917
(866) 461-IBEW (4239)
(517) 321-7502/(517) 321-7508 fax

www.IBEW461benefits.org

IBEW 461 Union Benefits Office
591 Sullivan Road, Suite 100
Aurora, IL 60506
(630) 897-2911
(630) 897-7605 fax

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 market 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 market investments.

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). 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.

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.

Please consider the objectives, risks, and expenses of this fund carefully before investing. Referenced in this Summary are prospectuses, collective fund booklets, factsheets, and other information about the underlying funds, where applicable. For copies of this information, please contact John Hancock at myplan.johnhancock.com, call (833) 388-6466. Please read these materials carefully before you invest. In some cases, the underlying fund does not have a prospectus or factsheet, and this Summary will provide only a portion of the information related to that underlying investment.

NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED

This is a participant-directed plan that is intended to comply with the requirements of Section 404(c) of the Employee Retirement Income Securities Act of 1974 (ERISA) and the Labor Department regulations governing Section 404(c) plans. If a participant-directed plan complies with Section 404(c), the fiduciaries of the Plan are generally relieved of liability for any losses that are the direct and necessary result of investment decisions made by you or your beneficiary for your own account.

This notice has been prepared by the Trustees of the IBEW 461 DC Pension Plan

Administrative Office:
TIC International Corporation
6525 Centurion Drive, Lansing, MI 48917
(866) 461-IBEW (4239)
(517) 321-7502/(517) 321-7508 fax

www.IBEW461benefits.org

IBEW 461 Union Benefits Office
591 Sullivan Road, Suite 100
Aurora, IL 60506
(630) 897-2911
(630) 897-7605 fax