



SOUTHERN CALIFORNIA IBEW - NECA TRUST FUNDS

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MEMORANDUM

TO: All Plan Participants
Beneficiaries Receiving Benefit Payments
QDRO Alternate Payees
Employers Obligated to Contribute
Local Unions Representing Plan Participants
Secretary of Labor
Pension Benefit Guaranty Corporation

FROM: Board of Trustees
Southern California IBEW – NECA Pension Plan

DATE: February 16, 2016

RE: Benefit Changes under the Seriously Endangered Status Funding Improvement Plan Update

IMPORTANT - IF YOU ARE A RETIRED PARTICIPANT (PENSIONER), BENEFICIARY OR QDRO ALTERNATE PAYEE RECEIVING PENSION PAYMENTS, THE FUND IS REQUIRED TO SEND YOU THIS NOTICE. HOWEVER, THE BENEFIT CHANGES DESCRIBED IN THIS NOTICE DO NOT APPLY TO YOU.

BACKGROUND

In recent years, the Plan's Board of Trustees has taken steps to bring the Plan's liabilities into balance with its assets. Despite these efforts, there remain shortfalls (resulting from underperformance in the capital markets) that the law requires us to address.

Beginning with the 2008 Plan Year, the Pension Protection Act of 2006 requires the actuary for each multiemployer defined benefit pension plan to certify that plan's funded status each year. The certification would classify a plan as being in:

- "Endangered status," which is often called the Yellow Zone.
- "Seriously Endangered status," which is often called the Orange Zone.
- "Critical status," which is often called the Red Zone.
- "Critical and Declining status," which is another more severe category that was added by the Multiemployer Pension Reform Act of 2014 (MPRA).
- "Neither endangered nor critical status," which is often called the Green Zone.

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- Plans that are in a Zone besides the Green Zone (that is in the Yellow, Orange, Red Zone etc.) are subject to special operational requirements and must adopt formal programs to bring their liabilities and assets into better balance. Following is a brief history of the Plan's annual funding status certifications:

<p>JULY 1, 2008 THROUGH JUNE 30, 2009 ZONE CERTIFICATION – Green Zone</p> <p>JULY 1, 2009 THROUGH JUNE 30, 2010 ZONE CERTIFICATION – Red Zone and Adoption of a Rehabilitation Plan</p> <p>JULY 1, 2010 THROUGH JUNE 30, 2012 ZONE CERTIFICATIONS – Green Zone</p> <p>JULY 1, 2012 THROUGH JUNE 30, 2015 ZONE CERTIFICATION – Yellow Zone and Adoption of a Funding Improvement Plan</p> <p>JULY 1, 2015 THROUGH JUNE 30, 2016 ZONE CERTIFICATION – Orange Zone and Adoption of a Funding Improvement Plan Update</p>

For the 2008 Plan Year (July 1, 2008 through June 30, 2009), its first under PPA, the Plan's actuary certified the Southern California IBEW-NECA Pension Plan's funding status to be in neither critical nor endangered status. In other words, it was in the "Green Zone." As you know, in the years following the first certification, the stock markets plunged. Like other investors, the plan had significant losses on its assets, with the value of the portfolio dropping roughly 22%. As a result, the Plan was certified in the Red Zone. On September 28, 2009, the Plan's actuary certified that the Plan is in critical status for the 2009 Plan Year (July 1, 2009 through June 30, 2010). As required by law, the Plan adopted a Rehabilitation Plan which included both benefit and contribution changes. Primarily as a result of the changes in the Rehabilitation Plan, the Plan was certified in the "Green Zone" for the next two following years, through June 30, 2012. On September 28, 2012, the Plan's actuary certified the Plan funding status to be in endangered status for the 2012 Plan Year (July 1, 2012 through June 30, 2013). The Plan adopted a Funding Improvement Plan which included additional benefit and contribution changes. The Plan continued to be certified in endangered status the two following years, through June 30, 2015. The actuaries certified the Plan as being in seriously endangered status ("Orange") with the Plan year commencing July 1, 2015.

As you have been advised previously a Funding Improvement Plan must be updated from time to time. The Orange status is a result of the recent adverse investment experience, and requires an updating of the Funding Improvement Plan.

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On January 27, 2016 the Board of Trustees adopted the Funding Improvement Plan Update and Schedules which are described below. Each of the updated Alternative Schedules provide different options for updated additional off-benefit contributions based upon the Alternative Schedules previously adopted by each Local Union. Each Collective Bargaining Agreement must, upon expiration or earlier, be modified to adopt one of the Schedules. Under all of the Schedules benefits accrued prior to the adoption or implementation of that Schedule cannot be and are not reduced. Until the collective bargaining parties agree to an updated Schedule, benefits under a particular collective bargaining agreement are governed by a previously adopted Alternative Schedule. The Updated Funding Improvement Plan provides the collective bargaining parties with the option of opening their collective bargaining agreement to adopt the updated Alternative Schedules being made available to them. The earlier an updated Alternative Schedule is adopted the less additional contributions are required. If within 180 days from the expiration of a collective bargaining agreement, the collective bargaining parties have not adopted a schedule, then in that event the Board of Trustees must unilaterally implement the updated version of the Schedule currently in place under a collective bargaining agreement. If the collective bargaining parties were to adopt the Default Schedule for a particular collective bargaining agreement, then in that event, benefit accruals on and after the date of adoption of the Default Schedule would apply to benefits accrued on and after that date. All off-benefit contributions implemented prior to this update of the Funding Improvement Plan remain off-benefit following a shift from an Alternative Schedule to the Default Schedule. However, if an updated Alternative Schedule is adopted and additional off-benefit contributions commenced and there is subsequently a shift to the Default Schedule, these new additional off-benefit contributions, and only these new additional off-benefit contributions, will accrue a benefit under the Default Schedule on and after the date of implementation of the Default Schedule. Examples of how a shift to the Default Schedule would impact future benefit accruals is provided in this Notice.

FUNDING IMPROVEMENT PLAN UPDATE SCHEDULES

The Funding Improvement Plan Update contains three categories of Schedules:

1. Official Updates to each of the four Local Union's past Alternative Schedules with a single off-benefit Employer Contribution increase specific to each respective Local's Collective Bargaining Agreement expiration without any benefit reductions.
2. Advice to the collective bargaining parties as to alternative increases (a) through (m) they might adopt during the term of the current collective bargaining agreement if there is agreement among the collective bargaining parties to open the agreement and adopt one of these alternatives.
3. The Plan's Default Schedule which reduces the accrual rate for future accruals and eliminates (1) all disability benefits, (2) the 60-month guarantee period, (3) the Pre-Retirement 120-month guarantee period for the Death Benefit, and (4) the 66 $\frac{2}{3}$ % and 100% Joint-and-Survivor Pension.

If the Collective Bargaining Parties have already adopted a Schedule under a previous update to the Funding Improvement Plan, that Collective Bargaining Agreement expires and the Collective Bargaining Parties fail to elect an updated Schedule (one of Alternative Schedules (a) through (m) or the Default Schedule) within 180 days following the expiration of the Collective Bargaining Agreement, the Board of Trustees are required by law to unilaterally implement the updated version of the Schedule previously elected by the Collective Bargaining Parties. Nothing prevents the Contributing Employer and

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Local Union from agreeing to a Schedule earlier than the current Collective Bargaining Agreement's expiration.

SUMMARY OF SCHEDULES

The additional increased Employer Contribution rates and benefit changes tied to each Schedule are shown below.

All the additional off-benefit contributions pursuant to the Schedules below shall be disregarded for purposes of determining a Participants' accrued benefits. The additional Contributions are utilized solely to improve the Plan's funding.

Scenario		Additional Off-benefit Contributions	Accrual Rate	
			Base	Early Ret Eligible
Default	Accrual Rate decrease for benefits accrued on or after implementation of this schedule and eliminates (1) disability benefit, (2) 60-month guarantee period, (3) Pre-Retirement 120-month guarantee period for the Death Benefit, and (4) the 662/3% and 100% Joint-and-Survivor Pension.	\$0.00	1.00%	1.00%
Alternative (a)	Contribution increase on February 1, 2016	\$0.76	1.45%	1.90%
Alternative (b)	Two years of increases on February 1, 2016 and February 1, 2017	\$0.41 per hour per year	1.45%	1.90%
Alternative (c)	Three years of increases on February 1, 2016, February 1, 2017 and February 1, 2018	\$0.29 per hour per year	1.45%	1.90%
Alternative (d)	Contribution increase on July 1, 2016	\$0.80	1.45%	1.90%
Alternative (e)	Two years of increases on July 1, 2016 and July 1, 2017	\$0.43 per hour per year	1.45%	1.90%
Alternative (f)	Three years of increases on July 1, 2016, July 1, 2017 and July 1, 2018	\$0.31 per hour per year	1.45%	1.90%
Alternative (g)	Contribution increase on February 1, 2017	\$0.88	1.45%	1.90%
Alternative (h)	Two years of increases on February 1, 2017 and February 1, 2018	\$0.47 per hour per year	1.45%	1.90%
Alternative (i)	Three years of increases on February 1, 2017, February 1, 2018 and February 1, 2019	\$0.34 per hour per year	1.45%	1.90%
Alternative (j)	Contribution increase on July 1, 2017	\$0.93	1.45%	1.90%
Alternative (k)	Two years of increases on July 1, 2017 and July 1, 2018	\$0.51 per hour per year	1.45%	1.90%
Alternative (l)	Three years of increases on July 1, 2017, July 1, 2018 and July 1, 2019	\$0.37 per hour per year	1.45%	1.90%
Alternative (m)	Contribution increase on January 1, 2017	\$0.86	1.45%	1.90%
Local 11 Update	Contribution increase on December 27, 2019 Based on CBA June 30, 2019 Expiration	\$1.49	1.45%	1.90%
Local 440 Update	Contribution increase on May 28, 2020 Based on CBA November 30, 2019 Expiration	\$1.66	1.45%	1.90%
Local 441 Update	Contribution increase on February 27, 2020 Based on CBA August 31, 2019 Expiration	\$1.55	1.45%	1.90%
Local 477 Update	Contribution increase on November 27, 2020 Based on CBA May 31, 2020 Expiration	\$1.93	1.45%	1.90%

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WHEN FUNDING IMPROVEMENT PLAN CHANGES APPLY

The future current monthly benefit accruals of active participants are not subject to reduction under this Funding Improvement Plan Update except for the Default Plan. Funding Improvement Plan Update changes apply once a Collective Bargaining Agreement is amended or adopted electing one of the schedules or if a respective Local's Updated Schedule is automatically implemented. Following is a description of when changes apply for special cases:

- For non-bargaining unit Employees employed by an Employer who also contributes on behalf of bargaining unit employees, the Schedule and Implementation date is the same as the Schedule and implementation dates for the Employer's bargaining unit employees. For non-bargaining unit Employees not employed by an Employer that contributes pursuant to a Collective Bargaining Agreement, their implementation date is the earlier of the employer's adoption of a schedule or 180 days from July 1, 2016.
- Participants who work outside the jurisdiction of this Fund and have monies sent to this Fund on their behalf under a "money follows the man" reciprocity agreement shall, for such time period, be treated as not covered by a collective bargaining agreement connected with this Fund and therefore subject to the benefit provisions of the Default Schedule. Participants who work within the jurisdiction of this Fund and have Employer Contributions sent to an outside fund under a "money follows the man" reciprocity agreement, shall have all increased off-benefit Contributions under any Schedule remain in the Southern California IBEW-NECA Pension Plan for funding purposes only. These Contributions result in no benefit accruals for any participant.

Special Rules for Application of Benefit Reductions

Active Participants shall have their benefits accrued under a particular Schedule calculated under the applicable Schedule set forth in the Funding Improvement Plan Update upon implementation.

If a Participant changes Employers and, as a result, becomes covered under a different Schedule, benefits shall be determined as follows: If a Participant who was covered by a particular Schedule subsequently becomes covered by another Schedule, benefits accrued up to the date of the change will be determined under the first Schedule and benefits accrued after that date will be determined under the second Schedule. To the extent required by law, this may result in separate and distinct annuities being provided to an individual Plan Participant to assure compliance with all applicable law.

In the event that a particular Schedule is implemented for an Employer, and then another Schedule is bargained as part of a subsequent negotiation, the Trustees may develop a revised Contribution schedule for that particular situation.

Benefits of a Beneficiary or alternate payee with respect to a Participant or Pensioner shall be determined based upon the Schedule applicable to the benefits of the Participant or Pensioner to whom they relate.

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Automatic Implementation of Update to Prior Schedule

If the Collective Bargaining Parties have already adopted a Schedule under a previous update to the Funding Improvement Plan, that Collective Bargaining Agreement expires and the Collective Bargaining Parties fail to elect an updated Schedule within 180 days following the expiration of the Collective Bargaining Agreement, the Board of Trustees are required by law to unilaterally implement the updated version of the Schedule previously elected by the Collective Bargaining Parties.

BENEFIT ACCRUAL FORMULA & BENEFIT CHANGES

IMPORTANT NOTE – Changes in the Plan’s benefit accrual formula do not apply to benefits earned for work in Covered Employment prior to the date of the formula change. In other words, the accrual rate of your benefit earned prior to that date is not reduced.

Benefit Accrual Examples before and after this Update

The following chart summarizes the aggregate off-benefit contributions agreed to, scheduled and implemented by each Local prior to accounting for the changes from this update.

Summary of Scheduled Off-benefit Contributions prior to Update				
Local	11	440	441	477
Total as of 9/1/2016	\$1.95	\$2.14	\$2.14	\$2.14

Off-benefit contributions payable under the Schedules result in no benefit accruals and are devoted solely to improving the funding status of the Plan. A Participant’s benefit accrual for a Plan Credit Year is however instead determined by multiplying the amount of *accruing Employer Contributions* by a percentage factor. The current percentage factor is 1.45% and 1.90% after completion of 42,500 hours and 23 Plan Years for work under a collective bargaining agreement requiring contributions to the Plan. Any examples that follow assume a Participant’s benefit accrual is at the 1.45% level.

Here is an example of how the 1.45% level formula would be applied before implementing the schedules in this update for the case of a Participant who works 1,700 hours in Covered Employment under Local 441 in a Plan Credit Year for an Employer that contributes \$6.14 per hour on his behalf; of which \$4.00 per hour consists of accruing Employer Contributions and therefore accrues a benefit and \$2.14 per hour is Off-benefit and is excluded:

The Participant has a total of \$10,438 contributed on his behalf (1,700 hours x \$6.14 per hour) of which only \$6,800 (1,700 hours x \$4.00 per hour) will accrue a benefit. For this Plan Credit Year, the Participant accrues a monthly benefit of \$98.60 (1.45% of \$6,800).

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Funding Improvement Plan Update: Schedule Changes

1. Following are a few examples assuming one of the updated schedules has been adopted. Although this is an example, it does not imply that any schedules have been adopted. The examples show how the Alternative Schedules under the Funding Improvement Plan Update work. The same assumptions that appeared in the example above are used in these examples.

Example of Alternative Schedule (a)

Once all scheduled off-benefit increases are implemented, the Plan's accrued formula remains the same and excludes both the scheduled off-benefit amount of \$2.14 and an additional off-benefit amount of \$0.76 per hour as required under Schedule (a) as of February 1, 2016. Using the same example assumptions that appeared previously (the \$4.00 accruing contribution, the 1,700 hours worked and the 1.45% accrual rate) following is an example of how the Schedule (a) formula would work:

The Participant has a total of \$11,730 contributed on his behalf (1,700 hours x \$6.90 per hour of which only \$4.00 per hour accrues any benefit). The Participant accrues a monthly benefit of \$98.60 (1.45% of 1,700 hours multiplied by \$4.00 per hour) which is the same accrual as earned under the benefit formula prior to the update.

Alternative Schedules (d), (g), (j) and (m) along with each of the Updates to Alternative Schedules elected in the past are similar to Schedule (a) since under each Schedule there is one additional contribution increase and the additional contribution is excluded from the Plan's accrued formula. Each of the Alternative Schedules (a), (d), (g), (j) and (m) along with each of the Updates to the Alternative Schedules elected in the past have a different contribution increase amount and effective date for the contribution increase.

Example of Alternative Schedule (b)

Once all scheduled off-benefit increases are implemented, the Plan's accrued formula remains the same and excludes both the scheduled off-benefit amount of \$2.14 with an additional off-benefit amount of \$0.41 per hour increase in each of two years (starting February 1, 2016 for a total of \$0.82 by the second increase on February 1, 2017) as required under Schedule (b). Using the same example assumptions that appeared previously (the \$4.00 accruing contribution, the 1,700 hours worked and the 1.45% accrual rate) following is an example of how the Schedule (b) formula would work:

After the second year's increase, the Participant has a total of \$11,832 contributed on his behalf (1,700 hours x \$6.96 per hour of which only \$4.00 per hour accrues any benefit). The Participant accrues a monthly benefit of \$98.60 (1.45% of 1,700 hours multiplied by \$4.00 per hour) which is the same as earned under the current formula.

Alternative Schedules (e), (h) and (k) are similar to Schedule (b) since under each Schedule there are two additional contribution increases and the additional contributions are excluded from the Plan's accrued formula. Each of the Alternative Schedules (b), (e), (h) and (k) has a different contribution increase and series of effective dates for the contribution increases.

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Example of Alternative Schedule (c)

Once all scheduled off-benefit increases are implemented, the Plan's accrued formula remains the same but excludes both the current \$2.14 with an additional \$0.29 per hour increase in each of three years (starting at February 1, 2016 for a total of \$0.87 by the third increase on February 1, 2018) as required under Schedule (c). Using the same example assumptions that appeared previously (the \$4.00 accruing contribution, the 1,700 hours worked and the 1.45% accrual rate) following is an example of how the Schedule (c) formula would work:

After the third year's increase, the Participant has a total of \$11,917 contributed on his behalf (1,700 hours x \$7.01 per hour of which only \$4.00 per hour accrues any benefit). The Participant accrues a monthly benefit of \$98.60 (1.45% of 1,700 hours multiplied by \$4.00 per hour) which is the same as earned under the current formula.

Alternative Schedules (f), (i) and (l) are similar to Schedule (c) since under each Schedule there are three additional contribution increases and the additional contributions are excluded from the Plan's accrued formula. Each of the Alternative Schedules (c), (f), (i) and (l) has a different contribution increase and series of effective dates for the contribution increases.

Prospective Benefit Reductions to switch from an Alternative Schedule to the Default Schedule

2. For any Collective Bargaining Agreement that switches from an Alternative Schedule under the original Funding Improvement Plan to the Default Schedule under the Funding Improvement Plan Update, benefits for hours worked after the date of implementation of this Schedule are determined as follows:
 - The current Plan's benefit accrual formula (1.45%/1.90%) is replaced with 1.00% of accruing Employer contributions made on the participant's behalf
 - Any current off-benefit contributions made after the date of implementation of this Default Schedule (e.g. the \$1.30 under the Alternative Rehabilitation Plan Schedule and the hourly contribution increase under the original Funding Improvement Plan) are excluded in calculating benefits at the 1.00% rate
 - Any new off-benefit contributions that are new with this Funding Improvement Plan Update are no longer off-benefit under the Default Schedule only and instead are included in calculating benefits at the 1.00% rate.
 - The other provisions of the existing Default Schedule established under the original Funding Improvement Plan apply

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Example for a collective bargaining agreement that switches directly from their Alternative Schedule in place prior to this FIP Update to the Default Schedule

Using the same example assumptions that appeared previously (the \$4.00 accruing contribution, the 1,700 hours worked and the 1.45% accrual rate) following is an example of how the Default Schedule formula would work for an agreement switching from an Alternative Schedule under the original Funding Improvement Plan to the Default Schedule under the Funding Improvement Plan Update.

After implementation of the Default Schedule, the Participant has a total of \$10,438 contributed on his behalf (1,700 hours x \$6.14 per hour of which only \$4.00 per hour accrues any benefit). For this Plan Credit Year, the Participant accrues a monthly benefit of \$68.00 (1.0% of \$6,800).

Example for Employer that first elects Alternative Schedule (d) under this FIP Update and then at a later date switches to the Default Schedule.

In this case, the Employer first elects schedule (d) from this FIP Update that requires an additional \$0.80 as of July 1, 2016. Once all scheduled off-benefit increases are implemented and prior to implementing the Default Schedule the Plan's accrued formula remains the same and excludes both the scheduled off-benefit amount of \$2.14 and an additional off-benefit amount of \$0.80 as required under Schedule (d) as of July 1, 2016.

However once the Default Schedule is implemented the benefit formula switches to the 1.00% of accruing Employer Contributions and the 1.00% of the new amount required under schedule (d) of \$0.80. The \$2.14 in place prior to this FIP Update would remain off-benefit and receive no accrual.

Using the same example assumptions that appeared previously (the \$4.00 accruing contribution, the 1,700 hours worked and the 1.45% accrual rate) following is an example of how the benefit formula would work for an employer that first elects schedule (d) and then at a later date switches to the Default Schedule under the Funding Improvement Plan Update.

After all contribution increases have been implemented including those required prior to this FIP Update and those required under schedule (d) and prior to switching to the Default Schedule the Participant has a total of \$11,798 contributed on his behalf (1,700 hours x \$6.94 per hour of which only \$4.00 per hour accrues any benefit). For this Plan Credit Year, the Participant accrues a monthly benefit of \$98.60 (1.45% of \$6,800).

If for example, effective with the start of the following Plan Credit Year, the collective bargaining agreement switches to the Default Schedule, all other assumptions the same, the Participant has a total of \$11,798 contributed on his behalf (1,700 hours x \$6.94 per hour of which only \$4.80 per hour accrues any benefit). For this Plan Credit Year, the Participant accrues a monthly benefit of \$81.60 (1.0% of \$8,160).

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In addition to the 1.00% accrual rate, following is a summary of the additional reductions that would take place for an agreement switching from an Alternative Schedule under the original Funding Improvement Plan to the Default Schedule under the Funding Improvement Plan Update:

- The disability benefit is eliminated for any accruals earned under the Default Schedule. A Participant who becomes disabled could elect to retire if eligible for Normal or Early Pension Benefit. This Plan offers both partial and total disability benefits (the elimination of the disability benefit applies to both).
- The 60-month guarantee period is eliminated for any accruals earned under the Default Schedule. For example, if a Participant commences benefits under a single life annuity and then dies before 60-months of payments have been made, the benefit from any accruals earned under the Default Schedule would stop.
- The Pre-Retirement 120-month guarantee period for the Death Benefit is eliminated for any accruals earned under the Default Schedule.
- The only forms of benefit payment available to a retiring participant commencing receipt of benefits earned/accrued under the Default Schedule shall be a single life annuity with no guarantee period, the 50% Joint-and-Survivor Pension, and the 75% Joint-and-Survivor Pension. The reduction factors for the Joint-and-Survivor payment forms are adjusted so as to be actuarially equivalent to a single life annuity with no guarantee period (previously actuarially equivalent to a single life annuity with 60-month guarantee). Following is an example of the differences in Joint-and-Survivor Pension amounts based on the current Plan's factors (with 60-month guarantee) factors under the Default Schedule (without 60-month guarantee):

For a participant and beneficiary both age 63, where the participant's benefit is a \$1,000 single life annuity benefit with 60-month guarantee (accrued prior to the removal of the 60-month guarantee), the benefit is converted to a 50% Joint-and-Survivor Pension using an actuarial equivalent factor of 0.906 giving a 50% Joint-and-Survivor Pension amount of \$906. For a \$1,000 single life annuity benefit accrued after the removal of the 60-month guarantee the actuarial equivalent factor to convert to the same form is 0.887 giving a 50% Joint-and-Survivor Pension of \$887.

With both ages the same as above (age 63) for a \$1,000 single life annuity benefit with 60-month guarantee (accrued prior to the removal of the 60-month guarantee), the benefit is converted to a 75% Joint-and-Survivor Pension using an actuarial equivalent factor of 0.857 giving a 75% Joint-and-Survivor Pension amount of \$857. For a \$1,000 single life annuity benefit accrued after the removal of the 60-month guarantee the actuarial equivalent factor to convert to the same form is 0.840 giving a 75% Joint-and-Survivor Pension of \$840.

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3. For a Collective Bargaining Agreement, if any, that is under the Default Schedule under the original Funding Improvement Plan that remains under the Default Schedule under the Funding Improvement Plan Update, any future accruals would follow the Default Schedule.

ADDITIONAL INFORMATION AND RIGHTS UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (ERISA)

If you have any questions concerning these Plan changes and how they will affect your benefits, or about your benefits in general, please contact the Fund Office at the following address and telephone number:

Ms. Joanne Keller, Administrator
Southern California IBEW-NECA Trust Funds
P.O. Box 910918
Los Angeles, CA 90091
(323) 221-5861 or (800) 824-6935
Fax: (323) 726-3520

Participants and beneficiaries have rights under the Plan and ERISA as described below and in your summary plan description (SPD) booklet.

RIGHT OF APPEAL UNDER THE PLAN

If your application for benefits is denied, you will be notified of the denial, in writing, within a reasonable period of time, but not later than 90 days after the Fund Office receives your application. However, if the Fund Office determines that special circumstances require an extension of time for processing the application, the Fund Office will send you a written notice of the extension before the end of the 90-day period. Any such extension will not exceed a period of 90 days from the end of such initial 90-day period. The extension notice will indicate the special circumstances requiring the extension of time, and the date by which the Plan expects to render a decision.

The period of time within which the Fund Office must make a decision on your application will begin at the time you file your application for benefits with the Fund Office, without regard to whether all the information necessary to make a decision has been sent to the Fund Office. If the decision period is extended, as permitted above, due to your failure to submit information necessary to make a determination, the period for making the benefit determination will be tolled from the date on which the Fund Office notifies you of the extension until the date you respond to the request for additional information.

The written notice of benefit denial will set forth the following information:

1. The specific reason(s) for the adverse determination;
2. Reference to the specific Plan provision(s) on which the denial is based;
3. A description of any additional material or information you must submit to perfect your claim, and an explanation of why such material or information is necessary;

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4. A description of the plan's review procedures and the time limits applicable to such procedures, including a statement of your right to bring a civil action under §502(a) of ERISA following an adverse benefit determination on review.
5. In addition to the above, the written notification of the benefit denial will include the specific rule, guideline, protocol or other similar criterion relied upon in making the adverse determination.

If your application for benefits under this Plan has been denied, you may appeal the decision. Your appeal:

1. Must be in writing; and
2. Must state in clear and concise terms the reason(s) you disagree with the decision of the Board of Trustees; and
3. May include documents, records, and other information related to the claim for benefits; and
4. Must be filed by you or your duly authorized representative with, or be received by, the Fund Office within (60) days after the date you received the notice of denial.

For good cause, the Board of Trustees may permit you to amend or supplement your appeal. If you fail to file your appeal within the sixty (60) day period, you waive your right to reconsideration of the decision. Such failure to appeal will not, however, prevent you from establishing your entitlement to a pension at a later date, based on additional information and evidence that was not available to you at the time of the decision of the Board of Trustees.

Upon request, you or your duly authorized representative will be provided, free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your claim if it was: relied upon in making the benefit determination; was submitted, considered or generated in the course of making the benefit determination, without regard to whether it was relied upon in making the benefit determination; or demonstrates that the benefit determination was made in accordance with the Plan provisions and that such provisions have been applied consistently with respect to similarly situated claims.

On appeal, the Trustees will take into account all comments, documents, records, and other information you submit that relate to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

The decision on appeal will be made by the Trustees or by a committee designated by them no later than the date of the quarterly meeting of the Officers of the Board of Trustees that immediately follows the Plan's receipt of your request for review, unless the request for review is filed within thirty (30) days preceding the date of such meeting. In such case, a benefit determination will be made no later than the date of the second quarterly meeting following the Fund Office's receipt of your request for review. If special circumstances require a further extension of time for processing, a benefit determination will be rendered no later than the third quarterly meeting following the Fund Office's receipt of your request for review and the Board of Trustees will provide you with a written notice of the extension, describing the special circumstances and the date as of which the benefit determination will be made, before the beginning of the extension. The Board of Trustees will notify you of their decision as soon as possible, but not later than 5 days after the decision is made.

All Plan Participants
Beneficiaries Receiving Benefit Payments
QDRO Alternate Payees
Employers Obligated to Contribute
Local Unions Representing Plan Participants
Secretary of Labor
Pension Benefit Guaranty Corporation
February 16, 2016

The notification of the appeal decision will be in writing and will include the reason(s) for the determination, including references to the specific Plan provisions on which the determination is based. It will also include a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of all documents, records and other information relevant to the claim for benefits.

The denial of a claim to which you waived the right to appeal, or the decision of the Board of Trustees or its designated committee with respect to your appeal, is final and binding upon all parties, subject only to any civil action you may bring under §502(a) of ERISA. Following issuance of a written decision of the Board of Trustees on an appeal, there is no further right of appeal to the Board of Trustees or right to arbitration.

STATEMENT OF ERISA RIGHTS

As a participant in the Southern California IBEW-NECA Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration (EBSA).
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age and, if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire

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you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the status of a qualified domestic relations order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, if, for example, it finds your claim is frivolous.

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration (EBSA), U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210, or visit the EBSA website at www.dol.gov/ebsa/. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the EBSA.

Important – This notice only describes the changes being made to your benefits as part of the Plan's endangered status Funding Improvement Plan. It is not a comprehensive description of all of the other Plan benefits and eligibility provisions. Therefore, it cannot address all of the Plan provisions that may be relevant to your personal situation. The actual operation of the Plan is based on its rules and regulations or plan document. In the event of any conflict between this notice, the Plan summary contained in your Plan booklet or the rules and regulations, your benefits, rights and obligations will be determined under the provisions of the rules and regulations once they have been updated to reflect the changes described in this notice.

AS REQUIRED BY LAW, THIS NOTICE IS ALSO BEING PROVIDED TO THE PENSION BENEFIT GUARANTY CORPORATION (PBGC) AND THE SECRETARY OF LABOR (DOL).

SOUTHERN CALIFORNIA IBEW-NECA PENSION PLAN

FUNDING IMPROVEMENT PLAN UPDATE

Adopted January 27, 2016

Effective for Plan Years beginning on and after July 1, 2015

Introduction

The Pension Protection Act of 2006 (“PPA”), requires the Trustees of a multiemployer pension plan that has been certified by the plan’s actuary as being in Seriously Endangered status (also known as “Orange Zone” status) to develop a Funding Improvement Plan (“FIP”). A FIP must prescribe actions, including recommended actions to be taken by the bargaining parties that are expected to enable a plan to meet stated financial benchmarks by the end of the FIP Period, based on reasonably anticipated experience and on reasonable actuarial assumptions. Originally, the Southern California IBEW-NECA Pension Plan (“Plan”) was certified by its Actuary to be in Endangered status for the Plan Year beginning July 1, 2012 and continued to be in Endangered status for both the Plan Year beginning July 1, 2013 and the Plan Year beginning July 1, 2014, pursuant to IRC Section 432(b). On September 28, 2015, Plan was certified to be in Seriously Endangered status for the Plan Year beginning July 1, 2015, pursuant to IRC Section 432(b).

On May 21, 2013 the Board of Trustees adopted a Funding Improvement Plan that:

1. Specified the Funding Improvement period and the expected emergence date;
2. Included five schedules (Default Schedule and four Alternative Schedules) of benefit changes and off-benefit contribution changes that were provided to the bargaining parties, one of which each bargaining unit implemented as part of their collective bargaining agreements between Local Unions and contributing employers entered into or renewed after May 24, 2013;
3. Provided requirements for meeting the requirements of the FIP and described how the FIP will be updated from time to time; and
4. Described how the Default Schedule would be automatically implemented if there was no agreement between the bargaining parties in a timely manner.

In the previous Funding Improvement Plan update, there were schedules 1(a) through 1(g) along with the Default Schedule. In light of recent financial information, the Trustees determined that the original FIP must be updated. In brief summary, this document updates any previously adopted Schedules and removes any unused Schedules that were not adopted. In addition to the adopted Schedule updates, other alternatives may be implemented. Please note that updates to the schedules elected by Locals 11, 440, 441 and 477 can be found on the last 4 pages of this FIP Update.

Any past schedules that the parties implemented from the original Rehabilitation Plan¹ and FIP remain in place² and any off-benefit contribution amounts under the new updated schedules are in addition to the amounts required under the original Rehabilitation Plan and FIP.

¹ Additional contributions being made pursuant to a Schedule adopted under the Rehabilitation Plan, the \$1.30 decoupled with no benefit accrual effective July 1, 2010, remain in place.

² Additional contributions being made or that are scheduled to be made pursuant to one of the Schedules 1(a)-1(g) adopted under the Funding Improvement Plan dated May 21, 2013 remain in place.

SOUTHERN CALIFORNIA IBEW-NECA PENSION PLAN
FUNDING IMPROVEMENT PLAN UPDATE

(Continued)

Funding Improvement Period

The Funding Improvement Period for the Plan remains the period of 10 Plan Years beginning July 1, 2015. The Plan is expected to emerge from Seriously Endangered status by June 30, 2025, based on reasonable assumptions and implementation of this FIP update.

If the Fund Actuary certifies before the end of this period that the Fund is no longer in Seriously Endangered or Endangered status for a Plan year, the Funding Improvement Period will end as of the close of the preceding Plan Year.

Schedules

Based on the Plan Actuary's September 28, 2015 certification that the Plan is in Seriously Endangered status, the FIP update must contain schedules of plan changes and/or contribution rate changes that are projected to:

1. Attain a funded percentage at the close of the FIP period that equals or exceeds the percentage at the beginning of the July 1, 2015 period plus 33% of the difference between 100% and the funded percentage at the beginning of the period (based on the September 28, 2015 certification projection, the July 1, 2015 funding percentage is projected at 75.4%; adding on 33 $\frac{1}{3}$ % of the difference with 100% gives a 83.6% target for the June 30, 2025 FIP period end) and
2. Enable the Funding Standard Account to attain a positive credit balance at the end of the FIP Period.

Implementation of Remedies and Schedules

The current monthly benefit of pensioners and beneficiaries whose pension benefits commence prior to implementation of any of the Schedules in this FIP update are not affected by this FIP update.

As with any Schedule, the Default Schedule is implemented upon adoption by the Collective Bargaining Parties as the applicable Schedule for a particular bargaining unit.

If after receiving the Schedules contained in this Funding Improvement Plan Update, should the bargaining parties fail to elect any Schedule within 180 days following the expiration date of a collective bargaining agreement, as described in Internal Revenue Code § 432(c)(7)(B)(ii) the Board of Trustees are required by law to unilaterally implement the contribution schedule applicable under the expired collective bargaining agreement, as updated and in effect on the date the collective bargaining agreement expires.

SOUTHERN CALIFORNIA IBEW-NECA PENSION PLAN

FUNDING IMPROVEMENT PLAN UPDATE

(Continued)

For non-bargaining unit employee Participants employed by employers who also contribute on behalf of bargaining unit Participants the Schedule and implementation date is the same as the Schedule and implementation date for that employer's bargaining unit employees.

For non-bargaining unit employee participants not employed by an employer that contributes pursuant to a collective bargaining agreement, their implementation date is the earlier of the employer's adoption of a Schedule or December 27, 2016 (180 days from July 1, 2016). Generally, non-bargaining units work under Participation Agreements that are linked to the controlling CBA by geographic area. However if no schedule is adopted within 180 days for such an employer, an additional hourly contribution rate level increase of \$0.86 for hours on or after December 27, 2016 would be automatically implemented (in line with Internal Revenue Code §432(i)(2)) until a schedule is otherwise adopted by the controlling CBA of the geographic area.

In summary, if the Collective Bargaining Parties have already adopted a Schedule under a previous update to the Funding Improvement Plan, that Collective Bargaining Agreement expires and the Collective Bargaining Parties fail to elect an updated Schedule within 180 days following the expiration of the Collective Bargaining Agreement, the Board of Trustees are required by law to unilaterally implement the updated version of the Schedule previously elected by the Collective Bargaining Parties.

Reciprocity and Other Issues Under the FIP Update and Endangered Status Determination

Off-benefit contributions payable under the Schedules result in no benefit accruals and are devoted solely to improving the funding status of the Plan. Accordingly, individuals who work inside the jurisdiction of this Plan and have employer contributions transferred to another Plan pursuant to the money-follows-the-person Reciprocity Agreement shall see all increased off-benefit contributions under any Schedule remain in this Plan for funding purposes only. Only on-benefit contributions received will be transferred.

The benefits of an Alternative Schedule are available only for work performed under a Collective Bargaining Agreement or Subscription Agreement which specifically adopts the Alternative Schedule. When a Participant works outside the jurisdiction of this Plan, the individual, absent an extraordinary agreement, is not working under an agreement which adopts an Alternative Schedule. When such a Participant reciprocates contributions to this Plan pursuant to the money-follows-the-person Reciprocity Agreement for work performed outside of the Plan's jurisdiction, it must be credited to the Default Schedule absent an extraordinary agreement by the employer to adopt an Alternative Schedule for such work.

Some individuals who never become vested in benefits under this Plan may be entitled to a pro-rata Pension from this Plan due to pro-rata Reciprocity Agreements. The pro-rata Pension of such a non-vested individual shall be calculated and paid pursuant to the Default Schedule except to the extent of Covered Hours contributed to the Plan under an Alternative Schedule which shall accrue benefits in accordance with the Alternative Schedule under which the Covered Hours were worked.

If a Participant works under a particular Schedule and subsequently works under another Schedule, benefits accrued during the first period of employment and for prior periods under the same collective bargaining agreement, will be determined under the first applicable Schedule and benefits accrued during employment under a second Schedule shall be determined under the second Schedule. To the extent

SOUTHERN CALIFORNIA IBEW-NECA PENSION PLAN

FUNDING IMPROVEMENT PLAN UPDATE

(Continued)

required by law, this may result in separate and distinct annuities being provided to an individual Plan Participant to assure compliance with all applicable law.

In the event that a particular Schedule is implemented for an employer, and then that employer, in a subsequent negotiation, bargains a different Schedule, the Trustees may develop a revised contribution Schedule for the particular situation.

Rules During the FIP Period and Adoption of the FIP Update

On and after September 28, 2012, the Board of Trustees may not accept a collective bargaining agreement or participation agreement that provides for: (a) lower contributions for any participants; (b) a suspension of contributions with respect to any period of service; or (c) any new direct or indirect exclusion of younger or newly hired employees from plan participation. During the plan adoption period, the trustees may not amend the plan in any way that increases plan liabilities by reason of an increase in benefits, change in accruals, or change in the vesting rate, unless the amendment is necessary to maintain the plan's qualified status.

Once the FIP update has been adopted, the Plan may not be amended in a manner that is inconsistent with the FIP update. In addition, the Plan may not be amended to increase benefits, including future benefit accruals unless the Fund Actuary certifies that the benefit increase is consistent with the FIP update and is paid for out of contributions not required by the FIP update to meet the applicable benchmark.

Based on reasonable assumptions, the fund is expected to emerge from Seriously Endangered Status by the Plan Year beginning July 1, 2025. The Trustees recognize the possibility that actual experience could be less favorable than the reasonable assumptions. Therefore, the Trustees are establishing the following annual standards to reflect possible actuarial losses and still keep the Fund on target to emerge from Seriously Endangered Status by the end of the FIP Period.

SOUTHERN CALIFORNIA IBEW-NECA PENSION PLAN
FUNDING IMPROVEMENT PLAN UPDATE

(Continued)

Annual Updating of FIP

Each year the Fund's Actuary will review and certify the status of the Fund under the PPA funding rules and whether the Fund is or is not making the scheduled progress toward the requirements of the FIP update. To that end, the chart below provides the projected funded percentage and projected credit balances for each year of the FIP update. If the Board of Trustees determines that it is necessary, in light of updated information, they will revise the FIP update and the schedules recommended under it. Notwithstanding subsequent changes in contribution schedules, a schedule of contribution rates provided by the Board of Trustees and relied upon by the bargaining parties in negotiating a collective bargaining agreement shall remain in effect for the duration of that collective bargaining agreement. However, a collective bargaining agreement that is renewed or extended will need to include terms consistent with one of the Schedules in effect at the time of the renewal or extension. A failure to adopt such an updated Schedule would require the Board of Trustees to ultimately implement the updated schedule 180 days subsequent to the expiration of a collective bargaining agreement containing a Schedule.

Specifically, if the Collective Bargaining Parties have already adopted a Schedule under a previous update to the Funding Improvement Plan, that Collective Bargaining Agreement expires and the Collective Bargaining Parties fail to elect an updated Schedule within 180 days following the expiration of the Collective Bargaining Agreement, the Board of Trustees are required by law to unilaterally implement the updated version of the Schedule previously elected by the Collective Bargaining Parties.

The Trustees recognize that actual experience could be less favorable than the Actuary's reasonable assumptions and projection set forth below:

Plan Year Ending June 30	Funding Percentage	Funding Standard Account Balance (in millions)
2015	70.0%	0
2016	71.0%	0
2017	72.0%	0
2018	73.0%	0
2019	74.0%	0
2020	75.0%	0
2021	76.0%	0
2022	77.0%	0
2023	78.0%	0
2024	79.0%	0
2025	83.6%	0

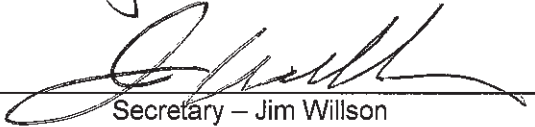
SOUTHERN CALIFORNIA IBEW-NECA PENSION PLAN
FUNDING IMPROVEMENT PLAN UPDATE

(Continued)

The Board of Trustees of the Southern California IBEW-NECA Pension Plan on the 27th day of January, 2016 hereby adopts this FIP Update effective for Plan Years beginning on and after July 1, 2015.

Board of Trustees
Southern California IBEW-NECA Pension Trust Fund

By: 
Chairman – Marvin Kropke

By: 
Secretary – Jim Willson

DEFAULT SCHEDULE UPDATE FOR BENEFITS ACCRUING ON AND AFTER IMPLEMENTATION

Contributions

If an Agreement has adopted any Alternative Schedule to the 2013 Funding Improvement Plan and/or Alternative Schedule to the 2010 Rehabilitation Plan, all of the additional contribution increases as contained within those Schedules remain payable indefinitely despite the prospective adoption of the Default Schedule under that Agreement. If an Agreement that has adopted such increases adopts any Alternatives (a) through (m) of the 2015 updated Schedules 1(b), 1(e) or 1(f) as attached and then prospectively adopts the Default Schedule then in that event the increases under Alternatives (a) – (m), and only those increases, are not required for hours worked after implementation of the Default Schedule. The implementation of the Default Schedule is always delayed to provide proper notice of benefit reductions as required by law.

Contribution increases new to this update are subject to increase in future FIP Updates up until their respective effective dates. If an existing Agreement calls for different rates for apprentices or other classifications than the journeyman rate that practice may continue under this Default Schedule.

Benefit Reductions

With respect to hours worked after the date of implementation of this Schedule, the benefit accrual rate becomes 1.00% of contributions made on the participant's behalf based on the contribution rate levels in effect under the Plan prior to July 1, 2010. Any contribution increases on or after July 1, 2010 shall be utilized solely to improve the funding condition of the Plan and shall result in no benefit accruals whatsoever.

Where a collective bargaining agreement is switching to the Default Schedule under the Funding Improvement Plan Update, additional contributions being made pursuant to an adopted Schedule under the Rehabilitation Plan (as described under Article 17 of the Plan) and/or another Schedule under the Funding Improvement Plan that are being disregarded for purposes of determining a participant's accrued benefits will continue to be required as described above in the section on contributions and will continue to be disregarded (for purposes of determining a participant's accrued benefits) continuing with the implementation of this Default Schedule under the Funding Improvement Plan Update.

All other provisions of the existing Default Schedule under the Rehabilitation Plan in Article 17 of the Plan remain in effect under the Default Schedule under the Funding Improvement Plan Update.

- The disability benefit is eliminated for any accruals earned under the Default Schedule.
- The 60-month guarantee period is eliminated for any accruals earned under the Default Schedule.
- The Pre-Retirement 120-month guarantee period for the Death Benefit is eliminated for any accruals earned under the Default Schedule.
- The only forms of benefit payment available to a retiring participant commencing receipt of benefits earned/accrued under the Default Schedule shall be a single life annuity with no guarantee period, the 50% Joint-and-Survivor Pension, and the 75% Joint-and-Survivor Pension. The reduction factors for the Joint-and-Survivor payment forms are adjusted so as to be actuarially equivalent to a single life annuity with no guarantee period.

HISTORICAL ADOPTIONS OF PAST

SCHEDULES 1(a) THROUGH 1(g)

Schedules 1(a) through 1(g) were previously available to be adopted and implemented. Only schedules 1(b), 1(e) and 1(f) were adopted and implemented. The remainder of the schedules are no longer available and have been removed from this Funding Improvement Plan update. Where a Schedule has already been implemented by a party, the Schedule remains in effect. This Funding Improvement Plan update provides updates to the schedules that were adopted and implemented by bargaining parties.

If the Collective Bargaining Parties have already adopted a Schedule under a previous update to the Funding Improvement Plan, that Collective Bargaining Agreement expires and the Collective Bargaining Parties fail to elect an updated Schedule within 180 days following the expiration of the Collective Bargaining Agreement, the Board of Trustees are required by law to unilaterally implement the updated version of the Schedule previously elected by the Collective Bargaining Parties.

Following is a brief summary of past Schedules Elected by each bargaining unit.

Summary of Past Schedules Elected				
Local	11	440	441	477
Original 7/1/2010 Schedule Election	Past Rehabilitation Plan Schedule 2			
7/1/2010 Schedule Decoupled Increase	\$1.30	\$1.30	\$1.30	\$1.30
2013 FIP Update: Alternative Schedule Election/Increase Date	Schedule 1(e)	Schedule 1(b)	Schedule 1(f)	Schedule 1(b)
8/1/2013	\$0.65			
7/1/2014		\$0.28		\$0.28
9/1/2014			\$0.28	
7/1/2015		\$0.28		\$0.28
9/1/2015			\$0.28	
7/1/2016		\$0.28		\$0.28
9/1/2016			\$0.28	

SCHEDULE 1(b) UPDATE: Local 440

Schedule 1(b) was adopted by the Local 440 bargaining unit. This bargaining unit's updated Schedule will be referred to as Schedule 440 as it is distinct and separate from other bargaining units' schedules.

Contributions

Additional contributions being made pursuant to a Schedule adopted under the Rehabilitation Plan, the \$1.30 decoupled with no benefit accrual effective July 1, 2010, remain in place. Employer contribution rate levels shall increase by \$0.28 per hour under this Schedule 440 for July 1, 2014 hours worked and hours worked thereafter, an additional \$0.28 per hour under this Schedule 440 for July 1, 2015 hours worked and hours worked thereafter and an additional \$0.28 per hour under this Schedule 440 for July 1, 2016 hours worked and hours worked thereafter.

The update to this Schedule 440 is an additional contribution rate level increase of \$1.66 for hours worked on and after May 28, 2020 (180 days after Local 440's CBA expiration on November 30, 2019). (This amount may be subject to increase in any FIP update prior to May 28, 2020.)

Alternatively, if Local 440 opens its collective bargaining agreement before its expiration date, the following additional contribution rate level hourly increase options are available instead of the \$1.66:

Alternative	Contribution Increase per hour worked	Increase(s) effective on and after the following date(s)
(a)	single increase of \$0.76	February 1, 2016
(b)	two cumulative increases of \$0.41	February 1, 2016 and February 1, 2017 respectively
(c)	three cumulative increases of \$0.29	February 1, 2016, February 1, 2017 and February 1, 2018 respectively
(d)	single increase of \$0.80	July 1, 2016
(e)	two cumulative increases of \$0.43	July 1, 2016 and July 1, 2017 respectively
(f)	three cumulative increases of \$0.31	July 1, 2016, July 1, 2017 and July 1, 2018 respectively
(g)	single increase of \$0.88	February 1, 2017
(h)	two cumulative increases of \$0.47	February 1, 2017 and February 1, 2018 respectively
(i)	three cumulative increases of \$0.34	February 1, 2017, February 1, 2018 and February 1, 2019 respectively
(j)	single increase of \$0.93	July 1, 2017
(k)	two cumulative increases of \$0.51	July 1, 2017 and July 1, 2018 respectively
(l)	three cumulative increases of \$0.37	July 1, 2017, July 1, 2018 and July 1, 2019 respectively
(m)	single increase of \$0.86	January 1, 2017

All additional contributions pursuant to this Schedule shall be disregarded for purposes of determining participants' accrued benefits. Accrued benefits are in no fashion based upon the amount of increased employer contributions under the foregoing Schedule. These contributions shall be utilized solely to improve the funding condition of the Plan and shall result in no benefit accruals whatsoever.

If an existing agreement calls for different rates for apprentices or other classifications than the journeyman rates specified above, proportional off-benefit contribution increases will be required.

Benefit Reductions

Benefit accruals under a Collective Bargaining Agreement after this Schedule is implemented shall be determined disregarding any contribution increases specifically required under this Schedule and/or Article 17 of the Plan. Except for the foregoing, no other benefit accrual changes or reductions are provided for under this Schedule.

SCHEDULE 1(b) UPDATE: Local 477

Schedule 1(b) was adopted by the Local 477 bargaining unit. This bargaining unit's updated Schedule will be referred to as Schedule 477 as it is distinct and separate from other bargaining units' schedules.

Contributions

Additional contributions being made pursuant to a Schedule adopted under the Rehabilitation Plan, the \$1.30 decoupled with no benefit accrual effective July 1, 2010, remain in place. Employer contribution rate levels shall increase by \$0.28 per hour under this Schedule 477 for July 1, 2014 hours worked and hours worked thereafter, an additional \$0.28 per hour under this Schedule 477 for July 1, 2015 hours worked and hours worked thereafter and an additional \$0.28 per hour under this Schedule 477 for July 1, 2016 hours worked and hours worked thereafter.

The update to this Schedule 477 is an additional contribution rate level increase of \$1.93 for hours worked on and after November 27, 2020 (180 days after Local 477's CBA expiration on May 31, 2020). (This amount may be subject to increase in any FIP update prior to November 27, 2020.)

Alternatively, if Local 477 opens its collective bargaining agreement before its expiration date, the following additional contribution rate level hourly increase options are available instead of the \$1.93:

Alternative	Contribution Increase per hour worked	Increase(s) effective on and after the following date(s)
(a)	single increase of \$0.76	February 1, 2016
(b)	two cumulative increases of \$0.41	February 1, 2016 and February 1, 2017 respectively
(c)	three cumulative increases of \$0.29	February 1, 2016, February 1, 2017 and February 1, 2018 respectively
(d)	single increase of \$0.80	July 1, 2016
(e)	two cumulative increases of \$0.43	July 1, 2016 and July 1, 2017 respectively
(f)	three cumulative increases of \$0.31	July 1, 2016, July 1, 2017 and July 1, 2018 respectively
(g)	single increase of \$0.88	February 1, 2017
(h)	two cumulative increases of \$0.47	February 1, 2017 and February 1, 2018 respectively
(i)	three cumulative increases of \$0.34	February 1, 2017, February 1, 2018 and February 1, 2019 respectively
(j)	single increase of \$0.93	July 1, 2017
(k)	two cumulative increases of \$0.51	July 1, 2017 and July 1, 2018 respectively
(l)	three cumulative increases of \$0.37	July 1, 2017, July 1, 2018 and July 1, 2019 respectively
(m)	single increase of \$0.86	January 1, 2017

All additional contributions pursuant to this Schedule shall be disregarded for purposes of determining participants' accrued benefits. Accrued benefits are in no fashion based upon the amount of increased employer contributions under the foregoing Schedule. These contributions shall be utilized solely to improve the funding condition of the Plan and shall result in no benefit accruals whatsoever.

If an existing agreement calls for different rates for apprentices or other classifications than the journeyman rates specified above, proportional off-benefit contribution increases will be required.

Benefit Reductions

Benefit accruals under a Collective Bargaining Agreement after this Schedule is implemented shall be determined disregarding any contribution increases specifically required under this Schedule and/or Article 17 of the Plan. Except for the foregoing, no other benefit accrual changes or reductions are provided for under this Schedule.

SCHEDULE 1(e) UPDATE: Local 11

Schedule 1(e) was adopted by the Local 11 bargaining unit. This bargaining unit's updated Schedule will be referred to as Schedule 11 as it is distinct and separate from other bargaining units' schedules.

Contributions

Additional contributions being made pursuant to a Schedule adopted under the Rehabilitation Plan, the \$1.30 decoupled with no benefit accrual effective July 1, 2010, remain in place. Employer contribution rate levels shall increase by \$0.65 per hour under this Schedule 11 for August 1, 2013 hours worked and hours worked thereafter.

The update to this Schedule 11 is an additional contribution rate level increase of \$1.49 for hours worked on and after December 27, 2019 (180 days after Local 11's CBA expiration on June 30, 2019). (This amount may be subject to increase in any FIP update prior to December 27, 2019.)

Alternatively, if Local 11 opens its collective bargaining agreement before its expiration date, the following additional contribution rate level hourly increase options are available instead of the \$1.49:

Alternative	Contribution Increase per hour worked	Increase(s) effective on and after the following date(s)
(a)	single increase of \$0.76	February 1, 2016
(b)	two cumulative increases of \$0.41	February 1, 2016 and February 1, 2017 respectively
(c)	three cumulative increases of \$0.29	February 1, 2016, February 1, 2017 and February 1, 2018 respectively
(d)	single increase of \$0.80	July 1, 2016
(e)	two cumulative increases of \$0.43	July 1, 2016 and July 1, 2017 respectively
(f)	three cumulative increases of \$0.31	July 1, 2016, July 1, 2017 and July 1, 2018 respectively
(g)	single increase of \$0.88	February 1, 2017
(h)	two cumulative increases of \$0.47	February 1, 2017 and February 1, 2018 respectively
(i)	three cumulative increases of \$0.34	February 1, 2017, February 1, 2018 and February 1, 2019 respectively
(j)	single increase of \$0.93	July 1, 2017
(k)	two cumulative increases of \$0.51	July 1, 2017 and July 1, 2018 respectively
(l)	three cumulative increases of \$0.37	July 1, 2017, July 1, 2018 and July 1, 2019 respectively
(m)	single increase of \$0.86	January 1, 2017

All additional contributions pursuant to this Schedule shall be disregarded for purposes of determining participants' accrued benefits. Accrued benefits are in no fashion based upon the amount of increased employer contributions under the foregoing Schedule. These contributions shall be utilized solely to improve the funding condition of the Plan and shall result in no benefit accruals whatsoever.

If an existing agreement calls for different rates for apprentices or other classifications than the journeyman rates specified above, proportional off-benefit contribution increases will be required.

Benefit Reductions

Benefit accruals under a Collective Bargaining Agreement after this Schedule is implemented shall be determined disregarding any contribution increases specifically required under this Schedule and/or Article 17 of the Plan. Except for the foregoing, no other benefit accrual changes or reductions are provided for under this Schedule.

SCHEDULE 1(f) UPDATE: Local 441

Schedule 1(f) was adopted by the Local 441 bargaining unit. This bargaining unit's updated Schedule will be referred to as Schedule 441 as it is distinct and separate from other bargaining units' schedules.

Contributions

Additional contributions being made pursuant to a Schedule adopted under the Rehabilitation Plan, the \$1.30 decoupled with no benefit accrual effective July 1, 2010, remain in place. Employer contribution rate levels shall increase by \$0.28 per hour under this Schedule 441 for September 1, 2014 hours worked and hours worked thereafter, an additional \$0.28 per hour under this Schedule 441 for September 1, 2015 hours worked and hours worked thereafter and an additional \$0.28 per hour under this Schedule 441 for September 1, 2016 hours worked and hours worked thereafter.

The update to this Schedule 441 is an additional contribution rate level increase of \$1.55 for hours worked on and after February 27, 2020 (180 days after Local 441's CBA expiration on August 31, 2019). (This amount may be subject to increase in any FIP update prior to February 27, 2020.)

Alternatively, if Local 441 opens its collective bargaining agreement before its expiration date, the following additional contribution rate level hourly increase options are available instead of the \$1.55:

Alternative	Contribution Increase per hour worked	Increase(s) effective on and after the following date(s)
(a)	single increase of \$0.76	February 1, 2016
(b)	two cumulative increases of \$0.41	February 1, 2016 and February 1, 2017 respectively
(c)	three cumulative increases of \$0.29	February 1, 2016, February 1, 2017 and February 1, 2018 respectively
(d)	single increase of \$0.80	July 1, 2016
(e)	two cumulative increases of \$0.43	July 1, 2016 and July 1, 2017 respectively
(f)	three cumulative increases of \$0.31	July 1, 2016, July 1, 2017 and July 1, 2018 respectively
(g)	single increase of \$0.88	February 1, 2017
(h)	two cumulative increases of \$0.47	February 1, 2017 and February 1, 2018 respectively
(i)	three cumulative increases of \$0.34	February 1, 2017, February 1, 2018 and February 1, 2019 respectively
(j)	single increase of \$0.93	July 1, 2017
(k)	two cumulative increases of \$0.51	July 1, 2017 and July 1, 2018 respectively
(l)	three cumulative increases of \$0.37	July 1, 2017, July 1, 2018 and July 1, 2019 respectively
(m)	single increase of \$0.86	January 1, 2017

All additional contributions pursuant to this Schedule shall be disregarded for purposes of determining participants' accrued benefits. Accrued benefits are in no fashion based upon the amount of increase employer contributions under the forgoing Schedule. These contributions shall be utilized solely to improve the funding condition of the Plan and shall result in no benefit accruals whatsoever.

If an existing agreement calls for different rates for apprentices or other classifications than the journeyman rates specified above, proportional off-benefit contribution increases will be required.

Benefit Reductions

Benefit accruals under a Collective Bargaining Agreement after this Schedule is implemented shall be determined disregarding any contribution increases specifically required under this Schedule and/or Article 17 of the Plan. Except for the foregoing, no other benefit accrual changes or reductions are provided for under this Schedule.

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