

## **SUMMARY OF MATERIAL MODIFICATIONS IMPORTANT INFORMATION ABOUT YOUR RETIREMENT SAVINGS FUND BENEFITS**

November 2023

The Trustees of the I.B.E.W. Local 701 Electrical Workers Retirement Savings Fund (the “Plan”), have added provisions to the Plan, for work periods effective January 1, 2024, to make several changes which are explained in this Summary of Material Modification.

### **ADDITION OF 401(k) EMPLOYEE CONTRIBUTION FEATURE**

Effective January 1, 2024, the Plan has added a 401(k) Employee Contribution feature which will permit collectively bargained employees, whose home local is Local 701, to defer a percentage of their income, prior to taxation, to their Retirement Savings Fund account. The following provisions are applicable:

- You will provide your current Employer with a form electing to have a percentage of your gross pay (not less than 1% in whole percentage increments) deducted from each paycheck. These amounts are called elective deferrals. Your election will take effect on the first business day of the next calendar quarter.
- You can provide your current Employer a form stopping your elective deferrals at least 20 days before you wish the elective deferrals to end.
- If you change employers you must provide your new employer with a form notifying the new employer of your current elective deferrals sufficiently prior to an established payroll deadline for the new employer to administratively process the elective deferrals for the applicable pay period.
- For the year 2024 elective deferrals are limited to \$23,000 and the limit in future years will be subject to indexing under federal law. In addition to this amount persons who are 50 years and older at the end of the calendar year may make additional elective deferrals (Catch Up Deferrals) which are limited in 2024 to \$7,500.
- If you defer amounts greater than these limits the “Excess Deferrals” will be returned to you and will be included in your taxable income for the calendar year in which the Excess Deferral was made. This same provision will also apply to the Excess Deferrals made by Fund Office Employees under the current Plan 401(k) provisions.
- You may not receive an In Service Distribution of your elective deferrals and they must remain in the Plan until termination of employment, death, disability or retirement.

### **ELIMINATION OF MANDATORY ROLLOVER FOR IN SERVICE DISTRIBUTIONS**

Effective October 1, 2023, the mandatory rollover requirement for In Service Distributions has been eliminated. You may now elect whether or not you wish to rollover an In Service Distribution.

**FORFEITURE ACCOUNT FOR EMPLOYER CONTRIBUTIONS WHICH CANNOT BE  
ALLOCATED TO AN INDIVIDUAL ACCOUNT**

Effective July 1, 2023, the Plan has established a forfeiture account for Employer Contributions received in a Plan Year that cannot be allocated to a Participant's Individual Account. Amounts placed in this account will be utilized to pay plan expenses in the current Plan Year or by the end of the following Plan Year.