PLAN HIGHLIGHTS

ON THE FOLLOWING PAGES, YOU WILL FIND IMPORTANT INFORMATION ABOUT THE DEFERRED SALARY PLAN OF THE ELECTRICAL INDUSTRY. THE INFORMATION IN THE GUIDE IS JUST AN OVERVIEW OF THE PLAN'S FEATURES.

THE BRIGHT CHOICE
DEFERRED SALARY PLAN

ELIGIBILITY

You are immediately eligible to participate in the Plan if you work for a participating employer.

YOUR CONTRIBUTIONS

- 1% to 100% of your annual pay before taxes are deducted.*
- Your deferral election may be made for the first payroll period during which you are employed by the employer. Changes in your initial election may be made January 1, April 1, July 1, or October 1, provided the participating employer receives the election form 30 days prior to the effective date. Individual employers may permit more frequent changes. A deferral election in excess of a required contribution may be revoked by delivering a written notice to the participating employer at least 30 days prior to the beginning of the payroll period, at which time such discontinuance is to become effective.
- If you will be at least 50 years old in 2022, you are also eligible to make an additional pre-tax catch-up contribution of $6,500 per year.
- You may roll over money to your account, in any amount, from another similar retirement plan.
- Deferred Salary Plan participants covered under the NYC Construction, Street Lighting, Elevator Division and Westchester/Fairfield agreements (or other employers based on the Collective Bargaining Agreement) are also able to make after-tax Roth 401(k) contributions. The combination of pre-tax and Roth 401(k) after-tax contributions cannot exceed 100% of your eligible compensation or the 2022 IRS limit of $20,500. While you will not reduce your current taxable income by making Roth contributions as you do with pre-tax contributions, withdrawals of earnings on those contributions are tax-free.**

In 2022, federal tax law allows employee and employer contributions up to a combined total of $61,000 or 100% of compensation, whichever is less.

IN-PLAN ROTH ROLLOVERS

If you are age 59½ or greater, retired, or otherwise eligible for a distribution from the Deferred Salary Plan, the Plan allows you to convert existing plan pre-tax savings (including employer contributions) to Roth contributions through an in-plan Roth rollover or "conversion." The converted amounts are generally taxable in the year of conversion—but may benefit you because your future distributions of the converted dollars, including any earnings, could be free from federal income tax.**

**In 2022, federal tax law allows you to make a combined contribution of pre-tax and Roth contributions to your Retirement Plan, up to $20,500.*

***Roth 401(k) earnings may be withdrawn tax-free provided that your Roth 401(k) account has been in existence for at least five taxable years and you are at least age 59½ at the time you withdraw the money (or the withdrawal is because of death or total disability).*

Performing an in-plan Roth rollover may be considered a good option for you if you:

- Want all, or a portion, of your retirement income to be federal-income-tax free
- Expect that your tax rates will increase in the coming years
- Want to pass on an account with favorable tax treatment to your heirs
- Don't need to access the amount rolled over for at least five years

We suggest you consult with your individual legal or tax advisor with any specific questions before making an in-plan Roth conversion

EMPLOYER CONTRIBUTIONS

If your collective bargaining agreement requires employer contributions, you will receive one or both of the following:

- Direct employer contributions. Your employer will send contributions directly to Prudential, which will invest the contributions into the JIB Capital Preservation Fund.
- Health Reimbursement Account (HRA). Your employer will send HRA contributions directly to JIB. If your balance exceeds the maximum Plan amount, Prudential will invest it in the JIB Capital Preservation Fund.

Participants may not exchange or redirect employer contributions—except for those who have had a portion of their employer contributions transferred into the *Transferrable Source* within the JIB Capital Preservation Fund.

WHAT IS VESTING?

You are always 100% vested in your own contributions and your employer contributions.

ACCESSING YOUR MONEY

You may be able to access money in your Retirement Plan account through a loan, an in-service withdrawal, or a hardship withdrawal.

LOANS

LOAN FEATURES	
At one time, your Plan allows you to take:	2 general purpose loans 1 primary residence loan
Application fee:	$20 for each loan
Processing fee:	No charge
Method of repayment:	Payroll deduction
Tax consequences:	If loan is not paid in full, tax consequences will apply
Prepayment available:	Yes

GENERAL PURPOSE	
Interest rate:	Prime*
Minimum loan:	$500
Maximum loan:	50% of your vested account balance, up to $50,000 in a 12-month period*
Repayment period:	0 to 5 years

PRIMARY RESIDENCE	
Interest rate:	Prime*
Minimum loan:	$500
Maximum loan:	50% of your vested account balance, up to $50,000 in a 12-month period*
Repayment period:	5 to 30 years

*Interest is paid back to the participant's account. Additional information about loan calculations and loan interest rate details can be found in your Plan's loan policy.

Married participants are required to submit a signed and notarized spousal consent form that will remain active for 180 days. Prudential must receive the form to process the loan. To request a loan or spousal consent form, you are welcome to contact Prudential online at **jib.retirepru.com**, or by calling **877-JIB-401k** (877-542-4015), between 8 a.m. and 9 p.m. ET on business days.

IN-SERVICE WITHDRAWALS

While employed, you may make in-service withdrawals within Plan restrictions.

WITHDRAWALS FROM EMPLOYER CONTRIBUTIONS

Under certain circumstances, you may take a withdrawal from your employer contribution sources. All withdrawals must be reviewed and approved by the Fund Office. To request the appropriate form or for more information, please contact the Fund Office or refer to the Plan's summary plan description.

QUALIFIED BIRTH OR ADOPTION DISTRIBUTION

Within one year of the birth or legal adoption of your child, you may obtain a distribution of up to $5,000 from your account. This distribution has the following tax considerations:

- The 10% early withdrawal penalty will not apply (this penalty typically applies to distributions obtained by participants prior to attaining age 59½)
- While this is a taxable distribution, the application of an automatic 20% withholding at time of distribution does not apply

HARDSHIP WITHDRAWALS*

While employed, you may make a withdrawal request due to a financial hardship—within Plan restrictions. A minimum withdrawal amount of $500 applies. One of the following requirements must apply to qualify for hardship withdrawal:

- Purchase or construction of a principal residence
- Payment for higher education expenses
- Major medical expenses
- Preventing eviction from—or foreclosure on—a principal residence
- Payment of funeral or burial expenses for your spouse or dependents
- Repair of damage to the participant's primary residence that qualifies for a casualty deduction.
- Expenses and losses (including the loss of income) incurred by the employee on account of a FEMA-declared disaster, provided the employee's principal residence or principal place of employment is in the disaster area

***Withdrawals:** The taxable portion of a withdrawal is taxed as ordinary income and may be subject to an additional early distribution penalty tax if you make the withdrawal before age 59½. The total amount of the withdrawal may not be more than the amount required to meet your immediate financial need; however, you may have the option to "gross up" the amount you receive to cover taxes. You may want to consult with a tax professional before taking a withdrawal from the Plan.

Important note: Amounts withdrawn before age 59½ may be subject to a 10% federal income tax penalty, applicable taxes and Plan restrictions. Withdrawals are generally taxed at ordinary income tax rates.

RETIRING OR LEAVING THE PLAN

It is important to learn about all options regarding your account balance before you retire or separate from service.

You will need to make a decision about what to do with your vested account balance when one of the following events occurs:

- You retire
- You become permanently disabled
- Your death. (Your beneficiary is entitled to your account balance when you die. He/she is responsible for all federal income tax imposed. Distribution upon death may also be subject to federal and state inheritance and estate taxes.)
- Your separation from work

DIRECTLY ROLLING IT OVER

You can choose to move or "roll" money over into another qualified retirement plan, a traditional individual retirement account (IRA) or a Roth IRA. This allows your money to continue growing tax-deferred. This is based on our understanding of the tax law. You may wish to discuss this matter with your tax advisor. Because each situation is unique, neither we nor our representatives can provide tax or legal advice.

HAVING YOUR ACCOUNT BALANCE PAID IN INSTALLMENTS

You can withdraw your account balance in a series of payments, in a specified amount over a period of time.

LUMP SUM

You may choose to take a full lump-sum distribution. A 20% federal-income-tax withholding may be applied.

INVESTMENT TYPES

This section is designed to provide general information about different types of investments. Not all plans offer investments in every category. Information about the specific investments offered through your Plan is available in the **Investment Options** section found on **jib.retirepru.com**. The main types of investments in which participants generally invest are:

STABLE VALUE INVESTMENTS

These investments combine safety of principal, liquidity, and a competitive rate of return with potentially improved earnings power versus alternative short-term investments.

FIXED INCOME INVESTMENTS

These invest in corporate and government bonds. They can go up or down in value each day, so they carry more risk than stable value investments, but they also offer more opportunity for a potentially larger return. Fixed income investment mutual funds are subject to interest rate risk—their value will decline as interest rates rise.

STOCKS/EQUITIES

Stock funds (also called equity investments) represent ownership in funds that own shares of corporations. Stock funds offer you a chance to share in the profits or losses of those corporations. Stock funds have the potential for higher returns, but they carry more risk than the other investment options.

BALANCED

Balanced investments combine fixed income and stock components to offer you a combination of interest income from fixed income investments and the growth potential of stock investments. As a result, balanced investments typically do not experience the full ups and downs of the stock market.

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Any outstanding loan balance not paid back at termination becomes taxable in the year of default. Under the Tax Cuts and Jobs Act of 2018, for defaults related to termination of employment after 2017, the individual has until the due date of that year's return (including extensions) to roll over this amount to an IRA or qualified employer plan.

Frequent exchanging between Plan investment options may harm long-term investors. Your Plan or the Plan's investment funds may have provisions to deter exchanges that may be abusive. These policies may require us to modify, restrict or suspend purchase or exchange privileges and/or impose redemption fees.

Depending on your Plan, withdrawals (other than qualified Roth distributions) may be subject to income taxes and potentially a 10% federal income tax penalty if taken before age 59½.

Prudential Financial and its representatives are not tax or legal advisors. Consult your own legal or tax advisor with specific questions.

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