



Electrical Construction Industry  
ANNUITY PLAN  
11001 W. Plank Court, Suite 120  
Wauwatosa, WI 53226  
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## Important Notice to All Participants

### SUMMARY OF MATERIAL MODIFICATIONS

July 2015

This Summary of Material Modifications ("SMM") is to notify you of an important change to the Electrical Construction Industry Annuity Plan (the "Plan"). Because this SMM reflects changes in your Summary Plan Description ("SPD"), you should keep this SMM with your copy of the SPD.

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#### Important Notice About a Plan Change

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##### Addition of Roth Feature to the Plan

Effective September 1, 2015, Roth accounts are available through the Plan. Employees who take advantage of the Roth feature can make elective contributions to the Plan on an after-tax basis. Roth amounts and earnings on such amounts are not subject to taxation when distributed at termination of employment if you meet the rules outlined below.

You can make an election to participate in the Roth feature and have Roth contributions made under the Plan. If you wish to enroll to make Roth contributions or make other changes to your Plan contributions effective September 1, 2015, you should request a 401(k) Enrollment Form from your employer and provide a completed copy to your employer before September 1, 2015.

**Note:** *If you do not elect to make Roth contributions effective September 1, 2015, you may enroll or change your Plan contributions effective as of any June 1 or December 1.*

***ALSO, YOU ARE NOT REQUIRED TO TAKE ANY ACTION AT THIS TIME. IF YOU DO NOT SUBMIT A NEW ELECTION FORM, YOUR CURRENT ELECTION WILL REMAIN IN PLACE. FOR EXAMPLE, IF YOU HAD PREVIOUSLY ELECTED TO MAKE 401(k) CONTRIBUTIONS AT THE RATE OF 4% OF PAY, AND YOU DO NOT SUBMIT A NEW ELECTION FORM, THEN YOUR EMPLOYER WILL CONTINUE WITHHOLDING 4% OF PAY AS PRETAX 401(k) CONTRIBUTIONS ON YOUR BEHALF. YOU ONLY NEED TO SUBMIT A NEW ELECTION FORM IF YOU WANT TO BEGIN MAKING ROTH AFTER-TAX 401(k) CONTRIBUTIONS.***

You may make elective contributions to the Plan on a pre-tax basis (under current Plan rules), on a Roth after-tax basis, or using both contribution types. Your elective pre-tax contributions and your elective Roth contributions are 100% vested at all times. Roth contributions are held in a separate account from pre-tax contributions that you make to the Plan.

Since Roth contributions are made on an after-tax basis, distributions of such contributions (and earning thereon) at retirement may be tax-free as described in this SMM under the heading "Tax Rules Affecting Plan Distributions."

The IRS applies the annual contribution limit to the total of your annual pre-tax contributions and Roth after-tax contributions. The limit for your total 2015 contributions is \$18,000 plus a \$6,000 "catch-up" if you are age 50 or older. Contact your tax advisor for information on how these accounts may impact your tax situation.

### **Roth Rollover Contributions**

If you have a Roth contribution account in another employer's plan, you may transfer that Roth account to the Plan, subject to the Plan procedures. (You may not transfer a Roth IRA to the Plan.)

### **Tax Rules Affecting Plan Distributions**

The following special tax rules apply to distributions of your elective Roth contributions and Roth rollover contributions as well as earnings on those contributions (together, your "Roth Accounts"). You will also receive a Special Tax Notice at the time of a Plan distribution.

- (a) Distributions from Roth Accounts.
  - (1) "Qualified" Roth Distribution.

If you receive a "qualified distribution" from your Roth Account, the entire distribution, including investment earnings, is not taxable to you. This means that you avoid income tax on the investment earnings relating to your Roth contributions. (You already paid income tax on your elective Roth contributions because they were contributed on an after-tax basis.)

A "qualified distribution" from your Roth Accounts is generally a distribution that is made after a five-year participation period and that either is:

- made on or after the date you attain age 59-1/2;
- made after your death; or
- attributable to your being permanently disabled.

The five-year participation period generally begins on the first day of the calendar year in which you make your first elective Roth contribution and

ends when five consecutive calendar years are completed. For example, if you first make elective Roth contributions at any time in 2015, your five-year participation period begins on January 1, 2015 and ends on December 31, 2019. An earlier starting date for the five-year participation period may apply if you directly roll over Roth contributions to the Plan. Each participant making elective Roth contributions has a single five-year participation period under the Plan and this five-year participation period is generally not redetermined.

(2) Roth Distribution That Is Not "Qualified."

If you receive a distribution from your Roth Account that is not a qualified distribution, the investment earnings will be taxable to you; that is, the earnings will be includible in your gross income. (You will not owe taxes on the amount of the distribution attributable to your Roth contributions because you paid tax on the Roth contributions when they went into the Plan.) You may defer taxable income from a Roth distribution that is not a qualified distribution if you receive the distribution in an eligible rollover distribution and you elect a rollover, as described in the next paragraph.

(b) Rollovers of Roth Accounts.

(1) Rollover of Roth Account to Roth IRA.

Payment from a Roth Account that is an "eligible rollover distribution" may be rolled over to a Roth IRA. The rules regarding Roth Account rollovers to Roth IRAs are complex, and you should consult IRS Publication 590 or a tax advisor before initiating such a rollover.

(2) Rollover of Roth Account to a Roth Account in Another Employer Plan.

Payment from a Roth Account that is an "eligible rollover distribution" may be directly transferred to another employer plan that accepts the Roth Account. (However, you may not make such a transfer after you receive a cash distribution of the Roth Account.)

(c) Rollover of Regular Plan Accounts to Roth IRAs.

Payments from your Plan Accounts that do not include Roth contributions and that are "eligible rollover distributions" may be rolled over to a Roth IRA, provided you pay required taxes in connection with the rollover. (You should consult IRS Publication 590 or a tax advisor before initiating such a rollover.)

## Questions

If you have any questions or require a copy of the Plan's SPD, please contact the Plan Office:

Electrical Construction Industry Annuity Plan  
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***This Summary of Material Modifications ("SMM") explains an important change to the Plan as described above. This SMM cannot modify the terms of the formal Plan document. If there are inconsistencies between this SMM and the Plan document, the formal Plan document will control. This SMM does not provide tax advice regarding your benefits. If you have questions on how your benefits will be taxed, please consult an attorney or tax advisor.***