

ELECTRICAL INDUSTRY SERVICE BUREAU, INC.
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SAN FRANCISCO, CA 94102
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November, 2017

To: PARTICIPANTS IN THE SAN FRANCISCO ELECTRICAL WORKERS RETIREMENT SAVINGS PLAN

Re: 2018 OPEN ENROLLMENT FOR WAGE DEFERRAL ELECTION

All employees who have attained at least 45% Apprentice level and are working for an employer that contributes to the San Francisco Electrical Workers Retirement Savings Plan, may elect (or revise their current election) to make 401(k) pre-tax wage deferrals during open enrollment. Open enrollment begins in November and ends December 5th, with payroll changes taking effect on January 1, 2018. **Employees may elect 401(k) contributions to the Plan in \$1.00 per hour increments up to a maximum of \$8.00.** These contributions will reduce your taxable wages for income tax purposes, but will not reduce your earnings subject to social security taxes.

There are no matching contributions to the Plan. Instead, your employer is required to contribute to your account in the Plan under the bargaining agreement in accordance with the following schedule:

Member Work Classification	Hourly Non Elective Contribution Rate
Journeyman and Above	\$4.00
80% Apprentice	\$3.20
75% Apprentice	\$3.00
70% Apprentice	\$2.80
65% Apprentice	\$2.60
60% Apprentice	\$2.40
55% Apprentice	\$2.20
50% Apprentice	\$2.00
45% Apprentice	\$1.80
40% Apprentice	(Not Eligible)

All contributions to the Plan are fully vested, and generally may not be distributed to you until your retirement or disability (though elective deferrals and rollover contributions may be distributed upon the occurrence of a specified hardship). Additional details are contained in the summary plan description.

If you are a traveling employee working in the jurisdiction of IBEW Local 6, you are also eligible to elect 401(k) contributions to the Plan. If you have elected reciprocity, your non elective contributions will continue to be transferred to your home local fund. However, 401(k) contributions will not be reciprocated but instead credited to your individual account in the SFEW Retirement Savings Plan.

If you elect 401(k) contributions to the Plan and you have been sent by your employer to work in another jurisdiction under a portability agreement, your employer will continue to withhold the

contribution from your gross wages and report them to EISB on a separate “differential transmittal form.”

If you elect 401(k) contributions to the Plan, wage percentage calculations for the purpose of determining vacation/holiday/thrift savings withholding from your paycheck will be based on your pre-deferral taxable wages. The amount withheld for vacation will, therefore, be the same whether or not you make 401(k) contributions to the Plan.

For 2018, unless you elect otherwise, the Plan Office will assume that you wish to make a pre-tax contribution from your wages based on your 2017 401(k) election. **You may change this election, and contribute any whole dollar amount from zero up to \$8.00 per hour, by completing the attached election form and returning it to the Plan Office no later than December 5, 2017.** If you do not return a completed election form by this date, your 2018 contribution will be identical to your 2017 election for all of 2018. You may elect a new contribution level for 2019, during next year’s open enrollment period.

If you have any questions, please call the Plan Office at (415) 263-3670.

**San Francisco Electrical Workers Retirement Savings Plan
401(k) Election and Compensation Reduction Agreement for 2018**

I wish to make the following 401(k) deferral from my 2018 hourly wages to my account in the San Francisco Electrical Workers Retirement Savings Plan:

Check One:

- _____ None
- _____ \$1.00
- _____ \$2.00
- _____ \$3.00
- _____ \$4.00
- _____ \$5.00
- _____ \$6.00
- _____ \$7.00
- _____ \$8.00

Effective January 1, 2018, I hereby authorize my employer to reduce my compensation (i.e. hourly wages), in accordance with the rate level specified above (\$0.00 to \$8.00), and to pay the amount of that reduction to the Plan as a 401(k) contribution. My elective deferrals for 2018 may not exceed the \$18,500 annual limitation set forth in the Internal Revenue Code, with the exception of an additional \$6,000 “catch-up” deferral if I am age 50 or older. My signature below authorizes my employer to reduce my compensation in the amount I have chosen above effective January 1, 2018. **I understand that after December 5, 2017, I will not be able to change my election until next year’s open enrollment effective for 2019.**

EISB will notify my employer of my election and will hold my election on file. The amount of this election will appear on any dispatch form that I may receive from IBEW Local 6 during 2018.

Signature: _____ Last 4 Digits SSN: XXX-XX- _____

Print Name: _____ EMPLOYER: _____

Address: _____

Return by **December 5, 2017**: c/o E.I.S.B., Inc., 720 Market St., Ste. 700, San Francisco, CA 94102

NOTE: If this form is not returned, you will be treated as having a 401(k) elective deferral in 2018 that is the same as your 2017 compensation deferral classification. If, for example, you had no elective deferral contribution in 2017, you will be treated as having no elective deferral in 2018.