Utility Workers' Union of America Deferred Compensation Plan Summary Plan Description

Effective December 1, 2018

The Utility Workers’ Union of America Deferred Compensation Plan is administered by the:

The Plan’s Board of Trustees and
TIC International Corporation, Inc.
as third party administrator
6525 Centurion Drive
Lansing, MI 48917-9275
Phone (517)321-7502
Fax (517)321-7508
www.tici.com

James E. Schreiber, Administrative Manager

I. AN OVERVIEW OF THE PLAN

The 2014 Amendment and Restatement of the Utility Workers' Union of America Deferred Compensation Plan (the "Plan") is maintained by the Utility Workers' Union of America Deferred Compensation Fund (the "Fund") and is administered by the Fund's Board of Trustees and by TIC International Corporation, Inc., which is the Fund's third-party administrator. Most often, your Employer has negotiated with the Utility Workers' Union of America (the "Union") to include this Plan as part of your collective bargaining agreement. This document is the Plan's "Summary Plan Description" (or "SPD").

A. How the Plan Works

As a Plan Participant, you have an "individual account" in the Plan. Money is contributed to your account for each pay period that you elect to make elective or automatic contributions, and by your Employer (if they have agreed to contribute). Your account then can earn investment earnings.

Your account grows over time as contributions and any investment earnings accumulate. Then, when you retire, become disabled, or terminate employment, your account balance is paid out to you. If you die, the account will be paid to your designated beneficiary or beneficiaries.

B. Sources and Amount of Contributions

Specifics about where contributions to your individual account will come from are negotiated separately for each Employer and bargaining unit. But in general, accounts can be funded:

- Entirely with employee contributions, or
- With a mix of Employer and employee contributions.

Employer contributions are generally subject to collective bargaining. Employer contributions can be negotiated to "match" all or a portion of what the employee puts into the Plan. Or, the Employer contribution rate can be a flat amount for each hour worked, which is unrelated to the employee's contribution amount.

In some cases, employee contributions are made automatically, with all Participants required to contribute at a minimum amount, subject to opting out of plan participation.. In other cases, each Participant chooses his or her contribution rate.

C. Tax-Effective Employee Contributions

Employees who are permitted and elect to make contributions to the Plan will contribute on a before-tax basis.

This means that you're putting aside part of your gross income (money from your check) before taxes are taken out. In other words, less of your income is subject to income taxes, so you pay lower taxes while you save. You only pay taxes when you <u>receive</u> distributions from your account later (i.e., when you retire, become disabled or terminate employment).

II. ELIGIBILITY

If you’re a covered employee of an Employer who has agreed to participate in the Plan, you’re eligible to join the Plan upon the completion of your probation period.

A "Covered Employee" means an employee in a bargaining unit or category for which an Employer has agreed, by collective bargaining agreement or participation agreement, to contribute to the Plan. A Covered Employee is also an employee in any other job category agreed to by the Union and an Employer and permitted by the Plan.

III. ENROLLMENT

To begin participating in the Plan, you must complete an **Enrollment Form.** This form is available from the Fund Office, your Local Union, or your Company Personnel Representative. On the Enrollment Form, you may:

- Authorize payroll deductions for your own contributions (if applicable), and
- Tell the Plan how to invest your account.

After you complete the Enrollment Form, give the original to your Company Personnel Office and keep a copy for your records. Payroll deductions may begin automatically unless you cancel them on a separate form provided by the Fund Office. Additional payroll savings deductions (if applicable) begin as of the first pay period of the month following the date the Fund Office receives your Enrollment Form.

A. Your Beneficiary

When you enroll in the Plan, you’ll be asked to name a beneficiary to receive your account balance if you die. You’ll use the **Designation of Beneficiary Form** for this.

If you’re married, you must name your spouse as your beneficiary, unless your spouse consents to another beneficiary in writing. This consent must be witnessed and signed (on the Designation of Beneficiary form) by a Notary Public.

If you’re single, you can name anyone as your beneficiary, and can change beneficiaries at any time. The Designation of Beneficiary Form is available from the Fund Office, your Local Union or your Company Personnel Representative.

IV. CONTRIBUTIONS TO YOUR ACCOUNT

The source of contributions for individual Plan accounts – whether Employers, employees, or both – are negotiated separately for each bargaining unit or are described in your Employer’s participation agreement with the Fund. **For information on contributions under your collective bargaining agreement or your Employer’s participation agreement with the Fund, contact the Fund Office, your Local Union, or your Company Personnel Representative.**

In collective bargaining agreements that require Employer contributions**,** the rate is subject to collective bargaining. This rate can be expressed as dollars per week, a percentage of pay, or cents-per-hour-of-service.

Employer contributions can also be set up to "match" (up to an amount allowable by IRS regulation) all or a portion of what each employee contributes.

Employee contributions, if provided for in the collective bargaining agreement or participation agreement, can be either automatic or voluntary. With automatic employee contributions, all Participants are required to contribute at the same negotiated (or voluntarily-elected higher) rate, unless they revoke the automatic contribution (which can be done at any time). Participants who revoke their automatic contributions within 90 days of beginning participation will be refunded the automatic contributions they made.

For voluntary employee contributions, each participant chooses his or her contribution rate (up to IRS limits), within a specified range of rates, which can be based on percentage of gross pay, or dollars per pay period.

A. Basic Plan Operation

The Plan operates based on your collective bargaining agreement or your Employer's participation agreement. The Employer contributes (by, for example, matching) a portion of each employee's contribution, as provided by the applicable agreement. Employee participation is automatic but voluntary. The following example describes the Plan's basic operation:

Example:

Company B's employees are allowed to contribute to the Plan if they wish. Company B matches employees' contributions on a 1-for-2 basis, up to a maximum employer contribution of three percent (3%) of contributions. So, if an employee elects to contribute three percent (3%), the employer will contribute one and one-half percent (1½%). If the employee contributes nothing, Company B will contribute nothing on the employee's behalf.

B. Rollovers

In addition to regular contributions, the Plan also accepts "rollovers" from certain other plans. Rollovers can come from other 401(k) plans, qualified IRAs (but not ROTH IRAs), 403(b) plans, 457 plans, and other tax qualified plans that are permitted by regulation.

The "rolled" balances become part of the overall account balance and are subject to the same provisions and rules as regular contributions (including withdrawal provisions).

C. About Your Contributions

If you're permitted to contribute to the Plan, you're allowed to defer taxes by saving on a before-tax basis only.

D. Before-Tax Savings

As noted in the Introduction (Section I.C.), saving on a before-tax basis means that your savings are deducted from your gross income (that is, from your check) before federal taxes are taken out. In other words, less of your income is subject to federal income tax, so you pay less tax while you save. You don't pay federal income tax on before-tax savings until money is paid out to you from your Plan account (i.e., until you receive a distribution).

Here is an example of how saving on a before-tax basis would help you save on tax:

$600	***Your weekly income***
$-36	***Your weekly 401(k) contribution***
$564	***Your taxable income***

Because of before-tax savings, you pay tax on $564 – which will be lower than the tax you would pay on $600 – while you save $36 per week through the Plan.

Here is more detail on the example above: if your weekly salary is $600 and you contribute $36 to the Plan on a before-tax basis (that's 6% of your pay), here is how your take-home pay would be increased by your before-tax contribution:

	If You Save on an After-Tax Basis	If You Save on a Before-Tax Basis
Weekly salary	**$600**	**$600**
401(k)	**—**	**-$36**
Federal Taxes	**$76**	**$70**
Social Security	**$40**	**$40**
Take-home pay	**$484**	**$454**
After-Tax savings	**-$36**	**—**
Take-home pay	**$448**	**$454**
Difference in take-home pay		**+ $6**

E. Deferring State and Local Income Tax

Like the federal government, most states and municipalities permit employees to defer state income tax on before-tax contributions to plans like this one. However, some states and municipalities do not allow such deferral. You should contact your state or local tax agency or your tax advisor to determine what is allowed in your area.

F. Social Security Taxes

Social Security taxes are withheld from any before-tax savings. This means your Social Security retirement benefits will not be affected by saving on a before-tax basis.

G. Effect of Before-Tax Savings on Other Salary-Based Benefits

Since before-tax savings reduce your W2 (taxable) earnings, these contributions may also reduce any other benefits you have that are based on W2 earnings. Please contact your Company Personnel Representative or your Local Union for more information.

H. Changing Your Savings Amount

Your savings goals may change over time. That is why the Plan permits you to have the flexibility to change the way you are saving.

To make a change, complete a **Change Form,** available from the Fund Office, your Local Union, or your Company Personnel Representative. Submit the completed form to your Company's Personnel Office and the Fund Office. Contact the Fund Office to find out when your change will become effective.

I. Stopping Your Employee Voluntary and Automatic Contributions

If you're saving through the Plan (whether automatically or by election), you can stop voluntarily saving at any time by returning a completed Change Form to the address on the form at least 30 days before you wish your contributions to cease. To resume saving, you must again return a completed Change Form to the address on the form at least 30 days before you want your contributions to resume.

You also can stop your automatic contributions by filing a Change Form. The form will be retroactively effective if filed within the first 90 days after the later of the date you become eligible to participate in the Plan or the first day of each Plan Year.

V. FEDERAL LIMITS ON CONTRIBUTIONS

There are a number of specific rules that govern how much you and your Employer can contribute to the Plan. Federal regulations say that the maximum total before-tax savings an employee can contribute to the Plan in 2018 was $18,500. It is $19,000 in 2019. Additionally, Participants age 50 and over may contribute an amount (called a "catch up") above the contribution limit -- which is $6,000 in 2018 and 2019. These limits will be updated as the regulations are changed in the future.

Also, the total Employer contributions (if applicable) plus employee before-tax savings (if applicable) cannot exceed 100% of compensation (or $53,000, if less) annually.

Finally, the Plan is subject to "nondiscrimination" rules under the Internal Revenue Code. These rules apply to higher-paid employees. Depending on the results of nondiscrimination tests, applicable Employer contributions and/or employee before-tax contributions may be reduced or eliminated for higher-paid employees. In 2018, highly compensated employees are generally defined as those earning more than $120,000 a year for 2018 and more than $125,000 a year for 2019. This amount may be adjusted annually for inflation.

If you are affected by these limitations, the Fund Office will contact you.

VI. INVESTMENT OF YOUR ACCOUNT

The Plan requires the Trustees to invest contributions to the Plan until the Trustees decide that the Plan may cost-effectively permit participants to "self-direct" their investments. After careful study, the Trustees made that decision and implemented a "participant-directed" investment program in July 2014. Participants have been able to direct the investment of their Plan accounts since then.

So, beginning July 2014, you can allocate your account among investment options selected by the Trustees. The Plan may, from time to time, in its discretion, add or delete one or more of these investment options or limit the monies that may be contributed to an investment option. You'll, be notified of any changes, additions, or limitations to your investment options when they become available.

To help administer the participant-directed investment program, the Trustees have retained Massachusetts Mutual Life Insurance Company ("MassMutual"). For information and instructions on how to make and change investment selections and for a menu of current investment options and other information related to investment selection, contact MassMutual at 1-877-474-5016 from 8 a.m. to 9 p.m. ET, on online at www.retiresmart.com.

Initially, each Participant, or beneficiary of a deceased Participant, must follow MassMutual's procedures to set up his/her personal online account. After you create your personal online MassMutual account, you'll be able to direct how your account is invested by selecting from among available investment options. You'll also be able to tell MassMutual how to invest your account by telephone, using a toll-free telephone number, and following applicable procedures.

You may invest all the money in your account in any or all of the investment options offered under the Plan, unless otherwise disclosed in the MassMutual materials referenced in this SPD. Each investment option will have different investment styles and objectives. How you elect to invest your account among the investment options is an important and personal decision. As you make your choices, keep in mind that investments come with built-in trade-offs between risk and return. Lower risk investments generally offer lower potential returns. Investments with higher risks of loss generally offer higher potential returns.

You should also keep in mind that each investment option may have different fees and charges. This information has been disclosed and also is available on MassMutual's website.

Over time, as your retirement savings goals change, you'll want to review your allocation along with the investment style and objectives of the investment fund options available in the Plan.

All current Plan investment options, along with investment performance and fee information, can be accessed at **www.retiresmart.com** or by accessing your personal online MassMutual account on MassMutual's website **www.retiresmart.com.**

By accessing the websites listed above, you will have access to the following information about each Plan investment option:

- Its issuer;
- Its objectives or goals;

- Its main investment strategies (including a general description of the types of assets held for investment) and main risks;
- Its portfolio turnover rate;
- Its performance data, updated at least a quarterly; and
- Its fee and expense information.

The websites listed above will also give you access to a general glossary of terms to help you understand the Plan's investment options. (www.retiresmart.com) is a direct link to this glossary.

A. *Investment Election*

After you set up your personal online MassMutual account, you can direct your investment either online or by giving instructions to MassMutual by telephone, using its toll-free number.

Please note that if you don't set up a personal online MassMutual account, or if you choose not to select from among the available investment options, your account will be invested in one of several MassMutual "RetireSmart" lifecycle funds. These are sometimes called "default investment alternatives". The "RetireSmart' lifecycle fund selected for you will depend on your age. These lifecycle funds were designed to approximate the investment selections that would be recommended for a typical person of your age participating in a participant-directed individual account-based retirement plan. But only YOU will know whether these life cycle investment funds, or a mix of these and/or other available Plan investment options, are best designed to meet your individual circumstances. Investment earnings will be reinvested in the same investment option in which they were earned. **They are not subject to federal, state, or local income tax until they are paid out to you.**

B. *Changing Your Investment Strategy*

Beginning July 2014, you can change the way your account is invested on any day that the financial markets are open, provided you have opened your personal online MassMutual account. To change investments, you must follow MassMutual's procedures. The current procedures are available online when you access your personal online MassMutual account.

C. *A Note of Caution*

You should keep in mind that the cumulative effect of fees and expenses can substantially reduce the growth of your retirement account. Fees and expenses are only one of several factors that you should consider when making investment decisions. The Employee Benefit Security Administration's (a division of the U.S. Department of Labor) website includes an example demonstrating the long-term effect of fees and expenses on retirement savings.

You should also keep in mind that some Plan investment options limit your ability to buy and sell them. This is to protect you and other investors from incurring additional costs and changing the investment option's internal functioning by buying and selling too quickly or too often. This called "frequent trading" and the Fund's investment options are generally not designed to support frequent trading. You should carefully read the prospectus and other information available to you on MassMutual's website about available investment options before deciding whether to change your investment strategy.

Further, before making investment decisions, you should carefully read this SPD, and other investment materials that are available and can be accessed from your personal online MassMutual account. You'll be able to change the investment direction of your existing account balance without changing the investment direction of future contributions, and vice versa. But, your account will have to be invested among available investment fund options in 1% multiples.

And finally, an investment's past performance is not necessarily an indication of how the investment will perform in the future.

VII. VESTING

"Vesting" refers to your ownership of money in your account. For example, if you are 100% vested in your account, you own all the money in it. All contributions to the Plan, whether made by you or your Employer, are always immediately 100% vested. This means that you always have a nonforfeitable right to all the money in your account, but you may not be entitled to receive it until you become eligible for a distribution (which is discussed below under the Section X called "When Your Account Will be Paid Out to You.")

VIII. QUARTERLY ACCOUNT STATEMENTS

Even though you can see the status of your Plan account each day by accessing your personal online MassMutual account, you also will be mailed a personalized statement at least quarterly. Each quarterly statement will show:

- Your total account balance and your balance in each investment option at the beginning of the statement period;
- Any withdrawals that you initiated from your account during the period;
- Employer and/or employee contributions received by the Plan during the period;
- Any transfers between investment funds that you requested during the period (if applicable);
- Any fees charged by the Plan to your account during the statement period;
- Investment gains or losses in your account (and in each investment fund) during the period; and
- Your total account balance (and your balance in each investment fund) at the end of the statement period.

The statement will also summarize other pertinent data, such as up-to-date investment elections. Your account also may be adjusted to allocate your share of other proper charges (subtractions) and/or credits (additions), which are not already reflected in your account.

IX. WHEN YOUR ACCOUNT IS VALUED

There are three types of valuations that occur which affect your account. First, each *investment option* is generally valued and reported by MassMutual each day the financial markets are open. Second, your *individual account* is valued each day the financial markets are open. Your online account will show the value of each investment option that you selected. The value shown on your online account will include fees and other charges incurred by the Fund as of that date, although your account may be subject to other fees and charges that have not yet been allocated.

Third, at the end of each Plan Year, (on the last business day in which the Fund Office is in operation) the *whole Fund*, including your account, also will be "valued". This means that the fair market value of your account will be determined. Your account also may be adjusted to allocate your share of other proper charges (subtractions) and/or credits (additions), which are not already reflected in your account.

X. WHEN YOUR ACCOUNT WILL BE PAID OUT TO YOU

The full market value of your Plan account (contributions plus any earnings on these amounts) will be payable (in a "distribution") to you if:

- You elect to retire (which could be as early as age 55);
- You become totally and permanently disabled (and eligible for Social Security Disability Benefits) while working for your Employer;
- You die (in which case, the entire amount in your account will be distributed to your beneficiary);
- You are a "Qualified Reservist"; or
- You terminate your employment (for any reason other than retirement, disability, or death), or if your Employer ceases to be a "Participating Employer" as determined by the Plan's Trustees.

You are **not** entitled to be paid your Plan account if you "transfer" from bargaining unit employment to non-bargaining unit employment.

Once you're eligible to receive your account balance, you (or your beneficiary) will have the choice to roll it over into another tax-qualified plan or qualified IRA, take a lump-sum distribution or receive monthly installment payments. (For information about tax implications of distributions, see section XI).

No matter what, however, in no event will distributions commence later than April 1 of the calendar year following the calendar year in which you attain age 70½ or retire, if later.

Finally, the Plan may "hold-back" an amount equal to 20% of your account balance to permit the Plan to assure that your account has been properly credited with all investment earnings, losses, and plan expenses allocable to it. After this process is completed, the remaining portion of your account (after adjustment up or down) will be distributed consistent with the benefit option that you selected.

A. Methods of Payment

You (or your beneficiary) can choose to have your account paid in one of several ways. However, if you're married, special rules concerning your beneficiary apply (see Section III.A. "Your Beneficiary,"). The following payment methods are available:

- **Lump-Sum cash payment.** If you elect this option, you will receive your account balance in a single, lump-sum payment,

  Example:

  When Rick retires, he has a $93,000 account balance. Since he has elected the lump-sum cash payment option, he will receive a single, lump-sum cash payment of $93,000 (less applicable federal taxes).

- **Direct Rollover.** You can elect to have your account balance rolled-over directly to an IRA or other eligible employer plan.

- **Monthly installments over 5, 10, 15, or 20 years.** If you chose this payment method, you will receive monthly payments over 5, 10, 15 or 20 years - whichever period you specify. Each year, your total unpaid account balance will be divided by the number of installments remaining. The result will be the amount you will receive each month. While payments are being made, your unpaid balance will continue to be invested. If you die while still receiving installments, the remaining unpaid balance will be paid to your beneficiary. Your beneficiary, subject to applicable tax-law restrictions, will be able to choose to receive continued installments or a lump-sum cash payment.

  Example:

  When Mike retires, he elects to receive his $50,000 account balance in monthly installments over 10 years. That means he will be scheduled to receive 120 monthly payments (12 months x 10 years = 120 payments). The amount of each of his first year's payments will be $417 ($50,000/120 months = $417), less applicable federal taxes, if elected. After the first year, each year's remaining monthly payment will be calculated by dividing his total unpaid balance – which will continue to be invested – by the number of installments remaining.

- **Lifetime Payments/Joint and Survivor Annuity.** If you elect this option, your total account balance will be used to purchase an annuity contract for your benefit from a commercial insurance company selected by the Trustees. Remember, if you are married, you <u>must</u> receive your benefits using this option <u>unless</u> your spouse has consented to one of the other options available under the Plan.

B. Filing a Request for Payout

If you're entitled to a payout, you must complete and return a **Distribution Form,** available from the Fund Office, your Union Representative, or your Company Personnel Representative. You'll use this form to tell the Fund which payment option (of the options outlined above) you wish to receive.

C. When Your Payout is Distributed

If you terminate your employment with a Participating Employer for any reason and your account balance is less than $1,000, that amount will automatically be distributed to you. You will have the opportunity to roll the distribution over or receive a check for the amount in your account, less withheld taxes.

If you die after you begin receiving payments, the remaining balance of your account will continue to be distributed to your beneficiary at least as rapidly as the method of distribution that was used prior to your death, in accordance with IRS regulation.

XI. PAYING TAXES ON A PAYOUT

Upon receiving a Plan payout, you or your beneficiary will be responsible for paying income taxes on the taxable portion of your account.

The taxable portion of your account includes any before-tax employee contributions, any employer contributions, and all earnings on your account. These taxable amounts will be taxed as ordinary income. (Some lump-sum payouts, however, may qualify for special federal income tax treatment. See Section XI.D. "Special Tax Treatment for a Lump-Sum Payout").

A. Federal Income Tax Withholding

A 20% federal income tax withholding will automatically be applied to all lump-sum distributions paid out directly to you. You are responsible for any additional federal income taxes, state and/or local income taxes. There is also a 10% federal income tax penalty for early distributions if you have not yet reached age 59½, as described below. The 10% federal income tax penalty is not applicable to participants who take early retirement in accordance with the provisions of the Plan.

If you or your beneficiary elect monthly installments over 5 years or more, the Plan must withhold federal income tax from your monthly payouts. If you or your beneficiary choose another monthly installment payout period, you may elect to not have federal income taxes withheld.

B. State and Local Income Taxes

State and local income tax laws regarding Plan payouts vary by location. Please consult a tax advisor or your state or local tax agency for more information.

C. 10% Federal Income Tax for Early Withdrawal

As noted above if you receive a payout from the Plan before age 59 1/2, the payout is subject to ordinary income taxes plus an additional 10% federal tax for early withdrawal.

Distributions that are generally not subject to the additional 10% tax include:

- Disability payouts;
- Retirements beginning on or after age 55 if a payout other than a lump-sum is elected; and
- Payouts to your beneficiary upon your death.

D. Special Tax Treatment for a Lump-Sum Payout

If the entire balance of your account is distributed to you (or to your beneficiary) in a lump-sum within a single tax year, the taxable portion may be eligible for special "ten-year averaging" federal income tax treatment. This treatment is available only if you had been in the Plan for at least five full calendar years.

In addition, individuals who were age 50 or over on January 1, 1986 can make a one-time election to use the 10-year averaging and capital gains provisions that were in effect before the Tax Reform Act of 1986. After making this election, an individual will not be permitted to elect special tax treatment for any future Lump-Sum payouts. If you have questions about the tax treatment of lump-sum payouts, or any other tax questions, you could always consult with your tax adviser.

E. Rolling Over a Lump-Sum Payout

If you (or your beneficiary) receives a lump-sum payout of your entire account balance within a single tax year, you can continue deferring federal income tax (and the additional 10% tax, if applicable) on any taxable money that you "rollover" to an approved IRA or another qualified plan. Taxable money includes any before-tax employee contributions, any Employer contributions, and all earnings on your account.

If the rollover is made payable directly to another qualified plan or IRA, the Plan will not be required to withhold the 20% federal income tax. If the rollover distribution is made payable to the Participant (or beneficiary), the Plan is required to withhold the 20% federal income tax. Further, continued tax deferral will be permitted **only** if you complete the rollover within 60 days of your payout. If you choose to rollover the money over after the distribution has been made payable to you, you must rollover the entire amount, including the 20% in federal taxes taken by the Plan, into another qualified plan or IRA.

If your spouse or other beneficiary receives a lump-sum payout of your entire account balance within a single tax year following your death, he or she also can take advantage of the 60-day rollover provision on the taxable portion of the payout. Additional restrictions may apply to rollovers by non-spouse beneficiaries.

XII. IF YOU ARE REEMPLOYED AFTER RECEIVING A PAYOUT

If you are reemployed by a Participating Employer after receiving a payout of any portion of your account balance, you will be able to rejoin the Plan after a one-year waiting period (starting with the date your payout became payable). If you did not receive any payout, or if you pay back the amount of your distribution, you'll be able to rejoin the Plan immediately.

XIII. ADMINISTRATION OF THE PLAN

A. Protection of Your Account

The money in your account is not subject to claims of your creditors or your spouse or other beneficiary's creditors. You may not assign, sell, or commit any unpaid balance in your account in any way unless the assignment results from a judgment, decree, or order relating to child support, alimony payments, or marital property rights under state domestic relations law (i.e., QDROs, which are discussed below), or responds to a federal tax lien or levy.

B. Qualified Domestic Relations Orders (“QDROs”)

The Retirement Equity Act of 1984 requires that employee benefit plans recognize QDROs. If you are a party in a divorce settlement that affects your interest in this Plan, you should have your attorney contact the Fund Office in order to ensure that the appropriate documents are filed and that the court order in question complies with the governing legislation. You can also obtain more information about QDRO’s, including information about the Fund’s QDRO Policy, by contacting the Fund Office.fee

In general, a QDRO is a court order, judgment, or decree that:

- Is made pursuant to a state domestic relations law (including community property laws);
- Relates to the provision of child support, alimony payments, or marital property rights; and
- Creates or recognizes another person’s (an “alternate payee's”) right to receive all or a portion of a participant's benefits under an employee benefit plan.

C. The Plan's Trust Fund

All Employer and employee contributions go to the Fund. The Fund is a legal entity that holds the assets of the Plan. Plan Assets may be used <u>only</u> for the benefit of Plan participants and their beneficiaries, and to pay certain Plan expenses.

Effective July 2014, the Plan is a “participant-directed” plan. Therefore you, and not the Trustees, are responsible for selecting how you want the money in your account to be invested. (Before the Plan became participant-directed, the Trustees were responsible for investing all the Fund’s assets.)

D. Administration of the Plan

The Fund is administered by its Board of Trustees, which is comprised of an equal number of Union and Employer Trustees who serve as the Sponsor and Administrator of the Plan. The Board has retained TIC International Corporation, Inc. to act as the Plan’s third party administrator.

The Fund’s Trustees are:

The third party administrator (*i.e.*, the Fund Office or plan administrator) does most of the day-to-day work involved in running the Plan, including answering employees' questions, keeping records of employees' individual accounts, processing forms, paying out account balances, etc. But, the Board of Trustees is authorized to amend the Plan and take all actions and make all decisions necessary and proper to carry out the provisions of the Plan. It also assures that all Plan participants are given equal consideration.

E. Administrative Fees

There are a variety of administrative fees and investment expenses associated with operating the Plan. All expenses are paid from the Fund using available investment earnings and any applicable Participant fees. The Fund’s Trustees and third party administrator try to estimate and include anticipated administrative fees (as opposed to fees related to solely to Plan investment options) and build them into the fees charged against the Plan investment options that you select. But, some administrative fees are hard to estimate. Where possible, some of these expenses are paid from the total annual operating expenses of one or more of the Plan's investment options (e.g., through revenue sharing arrangements, Rule 12b-1 fees, or sub-transfer agent fees. 12b-1 fees are discussed in greater detail below). However, if the revenue sharing, 12b-1, or other revenue is not enough to cover the Fund’s expenses, the Fund may charge your account for additional administrative fees (like legal, accounting and other costs properly incurred in the operation of the Plan and Fund). When this occurs, each Participant’s account will be charged an equal portion of these fees. Your account also may be charged additional fees based on specific requests you make for services that the Fund must provide for your account, including:

- Return of excess contributions: $40;
- Administration of QDRO: $350;
- Overnight mailing of checks: $20;
- Application re-processing: $75;
- Setting up an installment payment distribution option: $100;
- Purchase of contract and setting up annuity distribution option: $175 (this includes 2% premium tax charged to the affected participant’s account); and
- Annual account fee: $25.

F. Investment Option Fees

Beginning July 2014, each investment option the Plan offers will be charged management fees by the individual investment companies that manage it. These fees vary by investment type. Investment management fees may be deducted from Participant accounts or reflected in the fair market value (or share price) of each investment option. Investment fees charged by each investment option are disclosed in periodic investment fee disclosures. They can also be found in MassMutual materials, and individual investment fund prospectuses that you can access on the MassMutual website and other locations where mutual fund descriptions are available. These fees are expressed as the investment option’s "Expense Ratio." In some cases, because the Plan is an institutional investor, some fees (called “sales charges”) may be waived.

G. 12b-1 Fees

Certain mutual fund fees are designed for distribution and marketing use. In some cases, the Fund may negotiate with investment option providers to “recapture” a portion of these fees, called 12b-1 fees, to help offset the cost of administering the Plan.

H. Appeal Procedure

If the Fund Office determines that you are not entitled to the benefit you have requested, you will receive a written notice within 90 days explaining the reason(s) why your request was denied and providing you with a list of additional documentation, if any, that you will need to make your appeal. Appeals based on a disability claim have different rules. If you decide to appeal the decision, you must submit a written request for review by the Board of Trustees within 60 days after you receive the notice.

Your written request will be submitted to the Board of Trustees at the first meeting held after the date your appeal is received by the Fund Office. You generally will be notified of the decision reached by the Board of Trustees within 15 business days after the meeting date on which your appeal was heard, but not more than 120 days after your request for review was received.

Different timeframes have been established if a claim involves a disability determination; more detailed appeal procedures are available upon request from the Plan Administrator.

I. Your Rights Under the Employee Retirement Income Security Act of 1974

As a Participant in the Plan, you have certain rights and are entitled to certain protections under the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended, including rights 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 Pension and Welfare Benefit Administration.

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 plan 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.

You can also examine the collective bargaining agreement or participation agreement that enables you to participate in the Plan, as well as all of the Plan's legal documents that are filed with the U.S. Department of Labor. The collective bargaining agreement and legal documents are available for you to examine without charge at the Fund Office during normal work hours. Or you can receive a copy of any of these items, for a reasonable charge, by writing to the Fund Office. Many of the Plan's documents are also available online at www.uwuabenefits.org.

Prudent Action 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 Plan. The people who operate your Plan, called “fiduciaries”, 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 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 pension benefits is denied, 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 a 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 to you because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which 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 qualified status of a domestic relations order or a medical child support order, of 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, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, 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 Ave., N.W., Washington D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

J. A Few Words About Your Investment Decisions

Your investment decisions are your own and should reflect your personal objectives.

You should consider all the available investment options carefully before making your investment choices. Keep in mind that any investment carries a degree of risk. The annual rate of return of your investments will vary depending on your investment choice and overall market performance. How the investment options have performed in the past does not guarantee that those results will continue. It is up to you to monitor the investment options and to make investment elections that meet your financial goals. The Fund is intended to constitute a participant-directed account plan under Section 404(c) of ERISA. Therefore, the fiduciaries of the Plan may be relieved of liability for any losses which are the result of your investment instructions.

K. Agent for Service of Legal Process

The Agent for Service of Legal Process is Christopher P. Legghio, 306 South Washington Ave, Suite 600, Royal Oak, Michigan 48067. Service of legal process may also be made to the Trustees of the Plan at the addresses stated on page 13.

L. More Facts

- The Plan’s official name is the Utility Workers’ Union of America Deferred Compensation Plan.
- The Plan Administrator’s address is 6525 Centurion Drive, Lansing, MI 48917-9275.
- The Plan Administrator’s telephone number is (517) 321-7502. The fax number is (517) 321-7508.
- The Plan's investments are maintained by its Board of Trustees at the address of the Plan Administrator or at Bank of Labor, the custodian of Plan assets.
- A complete list of the Employers sponsoring the Plan, including addresses and IRS-assigned employer identification numbers, is available to you or your beneficiary. Write to the Fund Office for more information.
- The Fund files descriptions and annual reports of the Plan with the Secretary of Labor in Washington, DC. The Fund also files annual reports with the Internal Revenue Service.
- The Fund’s Employer Identification Number is 06-1822042.
- The Plan's fiscal year is a calendar year, January 1 to December 31.
- This is a defined contribution plan as defined by ERISA. Its assets are therefore <u>not</u> insured by the Pension Benefit Guaranty Corporation.
- Each Employer maintains the Plan under a collective bargaining agreement. Copies of these agreement(s) are available by writing to the Fund Office.

Attachments

I. Current MassMutual Materials Related to Mechanics of Participant-Directed Investment:

(A) An explanation of the circumstances under which participants and beneficiaries may give investment instructions;

(B) An explanation of any specified limitations on such instructions under the terms of the plan, including any restrictions on transfer to or from an investment alternative;

(C) A description of participant voting, tender and similar rights appurtenant to an investment in a designated investment alternative as well as any restrictions on such rights;

(D) An identification of investment alternatives;

(E) An identification of any investment managers; and

(F) A description of any "brokerage windows," "self-directed brokerage accounts," or similar plan arrangements that enable participants and beneficiaries to select investments beyond those offered by the Plan.

II. A current explanation of any fees and expenses for general plan administrative services (e.g., legal, accounting, recordkeeping), which may be charged against the individual accounts of participants and beneficiaries and are not reflected in the total annual operating expenses of any designated investment alternative, as well as the basis on which such charges will be allocated (e.g., pro rata, per capita) to, or affect the balance of, each individual account.

III. Current MassMutual-provided information about, performance data, fees and expenses of Investment Alternatives (including investment alternatives that are part of a contract, fund or product that permits participants or beneficiaries to allocate contributions toward the future purchase of a stream of retirement income payments guaranteed by an insurance company) :

(A) The name of each investment alternative;

(B) The type or category of the investment (e.g., money market fund, balanced fund (stocks and bonds), large-cap stock fund, employer stock fund, employer securities).

(C) For investment alternatives with respect to which the return is not fixed, the average annual total return of the investment for 1-, 5-, and 10-calendar year periods (or for the life of the alternative, if shorter) ending on the date of the most recently completed calendar year; as well as a statement indicating that an investment's past performance is not necessarily an indication of how the investment will perform in the future;

(D) For investment alternatives with respect to which the return is fixed or stated for the term of the investment, both the fixed or stated annual rate of return and the term of the investment. If, with respect to such a designated investment alternative, the issuer reserves the right to adjust the fixed or stated rate of return prospectively during the term of the contract or agreement, the current rate of return, the minimum rate guaranteed under the contract, if any, and a statement advising participants and beneficiaries that the issuer may adjust the rate of return prospectively and how to obtain (e.g., telephone or Web site) the most recent rate of return required under this section;

(E) Benchmarks. For investment alternatives with respect to which the return is not fixed, the name and returns of an appropriate broad-based securities market index over the 1-, 5-, and 10-calendar year periods (or for the life of the alternative, if shorter) comparable to the performance data periods provided under paragraph (C) above, and which is not administered by an affiliate of the investment issuer, its investment adviser, or a principal underwriter, unless the index is widely recognized and used;

(F) For investment alternatives with respect to which the return is not fixed:

(1) The amount and a description of each shareholder-type fee (fees charged directly against a participant's or beneficiary's investment, such as commissions, sales

loads, sales charges, deferred sales charges, redemption fees, surrender charges, exchange fees, account fees, and purchase fees, which are not included in the total annual operating expenses of any designated investment alternative) and a description of any restriction or limitation that may be applicable to a purchase, transfer, or withdrawal of the investment in whole or in part (such as round trip, equity wash, or other restrictions);

(2) The total annual operating expenses of the investment expressed as a percentage (i.e., expense ratio), calculated in accordance with 29 CFR Section 2550.404a-5(h)(5);

(3) The total annual operating expenses of the investment for a one-year period expressed as a dollar amount for a $1,000 investment (assuming no returns and based on the percentage described in 2 above);

(G) A statement indicating that fees and expenses are only one of several factors that participants and beneficiaries should consider when making investment decisions;

(H) A statement that the cumulative effect of fees and expenses can substantially reduce the growth of a participant's or beneficiary's retirement account and that participants and beneficiaries can visit the Employee Benefit Security Administration's Web site for an example demonstrating the long-term effect of fees and expenses; and

(I) For investment alternatives with respect to which the return is fixed for the term of the investment, the amount and a description of any shareholder-type fees and a description of any restriction or limitation that may be applicable to a purchase, transfer or withdrawal of the investment in whole or in part.

IV. Comparative format chart prepared by MassMutual that satisfies 29 CFR Section 2550.404a-5(d)(2).

This booklet is a "Summary Plan Description" for the Utility Workers' Union of America Deferred Compensation Plan. Only highlights of the Plan are presented here. Detailed provisions are found in the Plan's formal text, a copy of which is available for you to examine at the Fund Office. If anything stated in this booklet conflicts with the formal text, the formal text will overrule this Summary Plan Description.

Attachments to this Summary Plan Description include fee, performance and expense information that is updated and disclosed at least annually to all Plan participants and beneficiaries. To the extent that the attachments to this SPD conflict with the most current disclosures provided to you by or on behalf of the Plan, the most current disclosures will govern.

The Utility Workers' Union of America Deferred Compensation Fund intends to continue this Plan indefinitely. The Trustees have, however, reserved the right to amend or terminate the Plan at any time. By law, no amendment may reduce the balance in your Plan account as of the date of the amendment. If the Plan is terminated, your entire account balance will be paid out to you.

The Trustees intend the Plan to be a tax-qualified plan under the Internal Revenue Code. The provisions of the Plan are subject to any changes required by the Internal Revenue Service or the U.S. Department of Labor to comply with federal law or regulations.

Your participation in the Plan is not a guarantee of your continued employment with your Employer. If you quit, are discharged or laid off, this Plan does not give you a right to any benefit or interest in the Plan except as specifically provided in the Plan document.

.