



IBEW LOCAL 569

SAN DIEGO ELECTRICAL ANNUITY PLAN
4545 VIEWRIDGE AVENUE STE 110
SAN DIEGO, CA 92123
(858) 569-6322
(800) 632-2569



Thank you for your interest in the San Diego Electrical Annuity Plan / 401K. The Board of Trustees is pleased to provide you with the enclosed enrollment materials:

- **Important Questions and Answers** – contains highlights of the Plan, basics of investing, and overview of investment options as well as frequently asked questions.
- **Enrollment Form** – simply complete and return to the Trust Office to start contributing pre-tax dollars to the Plan.
- **Beneficiary Designation Form** – designate the primary and secondary beneficiaries that would be entitled to receive the value of your account in the event of your death.

Please read through the information and return the completed Enrollment Form and Beneficiary Designation Form to the Trust Office when you are ready to enroll.

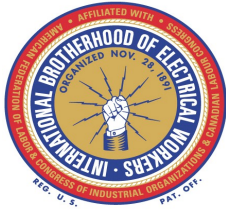
Please note that if you have indicated on a Local 569 Job Referral slip that you want a specific percentage deducted from your paycheck for 401K, you are NOT automatically enrolled in the Plan. You still need to complete the required forms and return them to the Trust Office.

Each time you change employers, you must notify the Trust Office (858) 569-6322 x809 so that your contributions can continue with your new employer.

If you are working out of town as a traveler under a reciprocal agreement, all contributions to the San Diego Electrical Pension Plan which are more than the current hourly rate for a journeyman, under the Inside Wireman's Agreement, will be forwarded to the San Diego Electrical Annuity Plan / 401K.

For general questions, you can call the Trust Office at (858) 569-6322 x809 or (800) 632-2569 x 809.

Board of Trustees



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401K / ANNUITY IMPORTANT QUESTIONS AND ANSWERS

Q: Why are 401K plans better than IRAs?

A: 401K plans typically have higher annual contribution rates vs. an IRA. Contributions to our 401K plan are also taken from your paycheck pre-tax.

Q: How much can you contribute per year to a 401K?

A: A 401K plan allows employees to contribute up to **\$23,500 in 2025** to their tax deferred account, with another **\$7,000 catch-up allowance** for employees aged 50 or more.

Q: Who determines the operation and yearly contributions/distributions of benefits?

A: Our 401K plan is governed by federal law.

Q: When am I eligible to participate?

A: If you are employed under a collective bargaining agreement (i.e. you work in the field), you are eligible to participate immediately.

Q: How do I make contributions?

A: After you have turned in your completed 401K enrollment paperwork, your contributions are automatically taken out through payroll deductions.

Q: How much can I contribute?

A: You can contribute up to 100% of your wages up to a maximum of \$23,500 per year in 2025. This dollar amount is adjusted annually for cost-of-living increases.

Q: What are "Catch-Up" Contributions?

A: The "catch-up" rate is an additional \$7,000 a year to the Plan beyond other contribution limits for participants aged 50 and over.

Q: Are my contributions matched by my employer?

A: No, employers do not make separate contributions to 401K. The only exception is when a Local 569 member travels out of the area and reciprocates their pension contributions back to our home local. The excess of the other area's pension contribution rate will go directly to your IBEW 569 401K / Annuity account.

Q: Can I lose my contributions?

A: No, your contributions are 100% vested and non-forfeitable. Please keep in mind that depending on the investment fund(s) you choose, the value of your account may fluctuate depending on the investment's performance. Your account is also subject to administrative expenses which also may reduce your account balance.

Q: When can I receive funds from my account? (*If married, notarization is required.*)

A: You are eligible for benefits when you satisfy one of the following conditions:

- You attain the age of 59 ½ or older. You do not need to terminate employment to receive a distribution at age 59 ½.
- Before age 59 ½ and you terminate employment for any reason (including disability, layoff, etc.) with an employer participating in this Plan. Your contributions and investment earnings are available as soon as possible following termination of employment and receipt of an application for benefits. **Please note that this distribution may be subject to early withdraw penalties.** The Summary Plan Description (SPD) describes these options in more detail.

Q: Can I take a loan on my 401K / Annuity Account?

A: Yes, you may have one loan at a time. The maximum is one-half of your account balance or \$50,000, whichever is less. The maximum term of the loan is 5 years unless it is for the purchase of your principal residence, which has a maximum term of 30 years. The interest charged on the loan, and paid back to your account, is the prime rate plus one percent. Apply for a loan at: <https://myplan.johnhancock.com>. **If married, notarized is required.**

Q: Can I take a hardship withdrawal?

A: You may take a hardship withdrawal from your account for the following reasons:

- To purchase your primary residence
- To prevent eviction or foreclosure of your primary residence
- To pay tuition and related educational expenses for you, a dependent, or designated beneficiary
- To pay medical expenses for you, a dependent, or designated beneficiary
- To pay for repairs or damages to your primary residence
- To pay for burial expenses for a dependent or designated beneficiary

Q: Can I stop (or pause) my 401K deduction?

A: Yes, at any time. Simply complete a change form to stop your 401K deductions. The deductions will be stopped as soon as they are processed by your employer's payroll department. When you are ready to start saving again, simply complete a new change form with the percentage you would like to deduct.

Q: How and where are my funds invested?

A: Once contributions are deposited into your 401K account, you will receive a welcome packet from John Hancock. The packet will explain how to access your account on-line and how to set up investment selections.

Q: Will I be charged any fees for participating in this plan?

A: Account balances with less than \$10,000:

- The monthly fee is the account balance multiplied by .00125.

Account balances with more than \$10,000:

- There is an annual flat fee of \$270 which is paid in monthly installments of \$22.50

Q: Where can I find Enrollment, Beneficiary or Distribution forms?

A: All forms can be obtained by contacting the Trust Office at 858-569-6322 x809 or by downloading them at <https://569trusts.org/401K/plan/>. They are also located on the outside wall of the Trust Office.