



# Eighth District Electrical PENSION FUND ANNUITY PLAN

## PLAN HIGHLIGHTS



The **Eighth District Electrical Pension Fund Annuity Plan** is a great way to save for your future, with the help of potential tax savings through pre-tax contributions, tax-deferred growth and a variety of investment options. Read on to find out how the plan can help put you on the path to a more secure retirement.

### Contributions

- You may make pre-tax contributions to the plan in hourly pay reduction units of \$0.05 per hour. A participant's elective deferrals to the plan may not exceed the maximum limit set by the IRS each year.
- To establish or change your contributions to the plan, complete the Elective Deferral Authorization Form and return it to your employer.
- Contributions to your account may be made by your employer on your behalf, according to the terms of your Collective Bargaining Agreement.

### Managing Your Investments

- Detailed information on the investment options offered in the Eighth District Electrical Pension Fund Annuity Plan can be found by logging in to your account. Go to [poweryourretirement.com](http://poweryourretirement.com) and click *Log in* on the right-hand side of your screen to access your account. Once logged in, choose *Investments & Performance* found under the *View Details* heading on the left-hand menu.
- Changes to invest allocations for future contributions may be made at any time. Go to [poweryourretirement.com](http://poweryourretirement.com) and click *Log in* on the right-hand side of your screen. Once logged in, choose *Investment Allocations* found under the *Manage Account* heading on the left-hand menu.
- You can also move money between the different investment options offered in the plan. Go to [poweryourretirement.com](http://poweryourretirement.com) and click *Log in* on the right-hand side of your screen to access your account. Once logged in, choose *Transfers* found under the *Manage Account* heading on the left-hand menu. While the plan allows for you to move money between funds at any time, there is an excessive trading policy that may limit transfers of investment options. You will receive notification from Empower if you are in violation of the excessive trading rules.

### Loans

- The plan permits "General Purpose" loans that can be taken for any reason, and "Primary Residence" loans that can be used for the purchase or rehabilitation of your primary residence. Only one Primary Residence loan per lifetime is allowed.
- Minimum loan amount is \$1,000. Maximum loan amount is the lesser of \$50,000 or 50% of vested account balance less the highest outstanding loan balance over the past 12 months.
- The duration for a General Purpose loan is five years in equal monthly or quarterly coupon payments.

- The duration for a Primary Residence loan is 10 years in equal monthly or quarterly coupon payments.
- You will receive a payment coupon from Empower approximately three weeks prior to the payment due date. Loan payments are to be sent to the Empower address provided on the payment coupon.
- Interest rate on loans is the Prime Rate + 1%.

*Any outstanding loan balance not paid back at termination becomes taxable in the year of default. Under the Tax Cuts and Jobs Act 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.*

## **Distributions / Withdrawals**

- While the **Eighth District Electrical Pension Fund Annuity Plan** is designed for long-term retirement savings, you may have access to a portion of your account balance under certain circumstances prior to retirement. These distributions include:
  - **Age 59½ Withdrawals**—available from member deferrals only (employer contributions, if applicable, are not eligible for this type of withdrawal).
  - **Disability Withdrawals**—Withdrawals are allowed from member deferrals and employer contributions if it has been determined you are entitled to a Social Security disability benefit or certification by a physician as being unable to perform duties required by any EE classification working under an IBEW-NECA Collective Bargaining Agreement.
  - **Hardship Withdrawals**—Hardship distributions are allowed for the following reasons:
    - Medical/Dental expenses incurred by the participant, their spouse, primary beneficiary on the plan, or any dependents;
    - Purchase (excluding mortgage payments) of a primary residence;
    - Payment of tuition for the next 12 months of post-secondary education for a plan participant, their spouse, primary beneficiary on the plan, or any dependents;
    - Payments needed to prevent eviction or mortgage foreclosure on a participant's primary residence;
    - Payment of burial or funeral expenses for a participant's deceased parent, spouse, children, step-children, step-parent, dependents, or primary beneficiary on the plan;
    - Expenses for the repair of damage to a participant's primary residence that qualifies for a casualty deduction;
    - Expenses and losses as a result of a federally declared disaster as allowed by the plan; and
    - Expenses due to being on the *Out of Work List*.
      - A plan participant who has been on the "out of work book" for a sponsoring IBEW Local Union can receive a hardship distribution in the amount of \$2,000 per month for each month on the "out of work book" up to a maximum of \$8,000.
      - Hardship distributions are available from member deferrals only.
      - To request a Hardship Distribution, please complete a *Request for Hardship Distribution Form*. This form can be requested by going to the plan's [web site](#) and clicking on the tab labeled "Forms." You can also call Empower at **877-778-2100**. The completed form should be returned to:

Empower  
PO Box 5410  
Scranton, PA 18505-5410

- **Retirement or termination of employment.** Withdrawals are allowed from Deferrals and Employer contributions if you have been separated from Covered Employment for six months. Because you've participated in the plan, you have money working for your future. What to do with that money when your employment status changes or you retire is just one of many decisions you'll need to make—and it's an important one. You can choose among these options:
  - Keep your money invested through the **Eighth District Electrical Pension Fund Annuity Plan** (provided your balance is \$1,000 or greater).
  - Take flexible cash distributions when you need the money or as regularly scheduled payouts.
  - Roll your savings over to an IRA.
  - Roll your savings over to a new employer's retirement plan (if applicable).
  - Take a single "lump-sum" cash distribution.
- To request a withdrawal, please complete the *Report of Termination/Request for Disbursement Form* or the *Request for Systematic Disbursement Form*. These forms can be found by going to the plan's [web site](#) and clicking on the tab labeled "Forms." You can also call Empower at **877-778-2100** . The completed form should be returned to:

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### Tax Implications

- Any withdrawals not rolled over to an IRA or another qualified Retirement Plan arrangement are subject to federal income tax at the investor's personal federal tax rate. State and local taxes may also be due on funds withdrawn.
- A 20% mandatory withholding for federal income tax is automatically deducted from withdrawal payments paid to you (with certain limited exceptions).

### Tools and Resources

- Online or over the phone, you can tap a wide variety of account management tools and retirement-planning resources.
  - Manage your account whenever and wherever you have internet access by going to [poweryourretirement.com](http://poweryourretirement.com) and clicking *Log in* at the right-hand side of the screen.
  - You can also manage your account by calling your plan's toll-free number, **877-778-2100**. You can speak with a participant service representative in English, Spanish or dozens of other languages, weekdays from 6 a.m. to 7 p.m. MT.

This material is for informational purposes only and is not intended to provide investment, legal or tax recommendations or advice.

Withdrawals may be subject to income tax and a 10% early withdrawal penalty if taken before age 59½.

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