

**NOTICE REGARDING EMPLOYEE'S RIGHTS AND OBLIGATIONS
UNDER
CORNELL-HART EMPLOYEE ELECTIVE 401(K) PLAN
February 2020**

The IRS requires that all employees eligible to participate in the Cornell-Hart Pension Plan Employee Elective 401(k) Plan (the "Plan") receive the following information regarding their rights and obligations under the Plan. This notice is required because the Plan relies on the safe harbor of IRC § 401(k)(12) that relieves the Plan from performing the actual deferral percentage test of IRC § 401(k)(3)(A)(ii):

- **401(k) Elective Deferral Contributions.** Each employee for whom employer contributions are made may elect to contribute the 401(k) amount specified by the Trustees from time to time. The amount is set to keep the account balances within the yearly maximum fixed by law. For 2020, you can elect to make a 401(k) contribution anytime by written notice to your employer to have your deferrals withheld from your paycheck and contributed to the Plan. You can stop anytime, by written notice to your employer. You can re-start, or re-stop, as often as you choose. For 2020, the contribution amounts are:

Journeyman and Apprentice¹

\$1 per hour or greater up to the maximum allowed amount. The maximum contribution total for 2020 is \$19,500 if you are under the age of 50, for age 50 or older an additional \$6,500 is allowed.

Non-bargaining Unit Employee¹

\$1 per hour or greater up to the maximum allowed amount. The maximum contribution total for 2020 is \$19,500 if you are under the age of 50, for age 50 or older an additional \$6,500 is allowed.

- **Safe Harbor Plan.** The Plan is a Safe Harbor Plan under Internal Revenue Code Section 401(k)(12). The Plan meets the Safe Harbor by classifying a portion of the employer contribution to a Non-Highly Compensated Participant's basic account equal to 3% of the Non-Highly Compensated Participant's compensation as a qualified non-elective contribution under IRC § 401(k)(12)(C).

¹ Journeymen, Apprentices and Non-Bargaining Unit Employees individually select the per hour deferral amount. Rates are subject to change by the Trustees.

- **Voluntary Contributions.** As of January 1, 2010, you may no longer make additional contributions to the Plan on an after-tax basis each year.
- **Vesting.** You are 100 percent vested at all times in all amounts in your 401(k) account and voluntary account, even if you stop working for a contributing employer.
- **Benefit Distributions.** Distribution of your account balances will begin upon approval of an application for benefits made after:
 - (1) Your retirement from covered employment at the regular retirement age of 55 or older; or
 - (2) Your permanent disability or death at any age; or
 - (3) Your termination of covered employment for 12 months at any age provided your 401(k), voluntary and rollover accounts total \$5,000 or less.
- **Cornell-Hart Pension Trust Booklet.** Your Plan booklet has a summary of the Plan's rules. The Plan Document which contains the full text of the Plan determines your actual rights and benefits. This summary notice is required for the limited purpose of satisfying the safe harbor testing rules of IRC § 401(k)(12). You should refer to your booklet to answer any questions. If you do not have a booklet dated April 1, 2018, you may view and print the booklet at www.cornellbenefits.org or contact the Trust Office at 800-547-4457 or 503-224-0048 and request a copy.