This Amendment to the Southern California IBEW-NECA Pension Plan executed this 26th day of April, 2018 is made by the Board of Trustees of the Southern California IBEW-NECA Pension Trust Fund (“Board of Trustees”) to add clarifying language and structure regarding the Rehabilitation Plan and to serve as the annual Rehabilitation Plan Update (however generally each specific schedules’ hourly contribution amounts and benefit adjustments are not changed in this update).

NOW THEREFORE, the Plan is amended as follows:

ARTICLE 1 of the Plan is amended as follows:

Sections 1.42, 2.2, 3.5, 4.11, 5.6, 6.4, 7.14, 8.9, 9.12, 10.8, 11.2, 12.7, 13.5, 14.10, 15.6, 16.6 are each amended to read as follows.

**Compliance with Rehabilitation Plans**

All provisions of this Article are subject to the limitations and restrictions of Article 17. Article 17 Part B governs benefits first commencing on and after July 1, 2016 which builds upon and otherwise supersedes Article 17 Part A which governed benefits first commencing on and after October 28, 2009.

**ARTICLE 17 - REHABILITATION PLAN**

**REHABILITATION PLAN**

This Article 17 includes Part A the October 28, 2009 Rehabilitation Plan and Part B of the July 1, 2016 Rehabilitation Plan. Part B does not remove any prior benefit reductions or non-accruing contributions and generally adds cumulative increases in hourly non-accruing contributions and/or benefit reductions and otherwise supersedes Part A. Given Part B is controlling it is listed before Part A. Following is a brief summary of the History of the two Rehabilitation Plans.

At its October 20, 2009 meeting the Board of Trustees adopted the Rehabilitation Plan for the Plan Year beginning 2009 herein listed as Article 17 Part A. The provisions of Article 17 Part A were first effective October 28, 2009 for all benefits commenced on or after October 28, 2009 and superseded the provisions of the Plan to the extent those provisions were inconsistent with the provisions of Article 17 Part A. Benefits commenced prior to October 28, 2009 continue to be governed by other applicable provisions of the Plan.

Because of its changes under the Rehabilitation Plan Article 17 Part A for the Plan Year beginning 2009, the Plan was certified on September 28, 2010 to not be in critical or endangered status and the Plan's Rehabilitation Period ended.

Furthermore, the Southern California IBEW-NECA Pension Plan (“Plan”) was certified by its Actuary on September 28, 2016 to be in critical status for the Plan Year beginning July 1, 2018, pursuant to IRC Section 432(b)(3). Pursuant to IRC Section 432(b)(4) and the authority and direction of the Board of Trustees, on September 28, 2016 the Chair and Secretary elected for the Plan to be in critical status effective July 1, 2016.

Effective for the Plan Year beginning July 1, 2016, a new cumulative and additional Rehabilitation Plan was adopted as of September 28, 2016 by the Board of Trustees herein listed as Article 17 Part B. The July 1, 2016 Rehabilitation Plan (Part B) was amended October 27, 2016 by the Board of Trustees. The July 1, 2016 Rehabilitation Plan is incorporated in full as follows and now controls over any conflicting provisions of this Article.

The original September 28, 2016 Memorandum was mailed out to all Participants. If you did not receive the original Memorandum regarding “Benefit Changes under the Critical Status Rehabilitation Plan” and would like to receive additional copies of these documents, please contact the Administrative Trust Funds Office at the nationwide, toll free number (800) 824-6935 or at the primary business number (323) 221-5861.
SOUTHERN CALIFORNIA IBEW – NECA PENSION PLAN
REHABILITATION PLAN

PART B. FOR PLAN YEAR BEGINNING JULY 1, 2016

Introduction
The Pension Protection Act of 2006 ("PPA") as amended, requires the Trustees of a multiemployer pension plan that have elected critical status after being certified by the plan's actuary as being projected in Critical status (also known as "Red Zone" status) to develop a Rehabilitation Plan ("RP"). An RP must prescribe actions, including recommended actions to be taken by the bargaining parties that are expected to enable a plan to meet stated financial benchmarks by the end of the Rehabilitation Plan Period, based on reasonably anticipated experience and on reasonable actuarial assumptions. The Southern California IBEW-NECA Pension Plan ("Plan") was certified by its Actuary on September 28, 2016 to be projected to be in critical status for the Plan Year beginning July 1, 2018, pursuant to IRC Section 432(b)(3). Pursuant to IRC Section 432(b)(4) on September 28, 2016 the Trustees elected for the Plan to be in critical status effective July 1, 2016.

This Rehabilitation Plan:

1. Specifies the rehabilitation period and the expected emergence date;
2. Includes 3 schedules (Default Schedule and 2 Alternative Schedules) of benefit changes and non-benefit contribution changes that will be provided to the bargaining parties, one of which must be implemented as part of future collective bargaining agreements between Local unions and contributing employers entered into or renewed after September 28, 2016, nothing prevents an employer and union from agreeing to implement a particular schedule prior to the expiration of a "collective bargaining agreement";
3. Provides requirements for meeting the requirements of the Rehabilitation Plan and describes how the Rehabilitation Plan will be updated from time to time; and
4. Describes how the Default Schedule will be automatically implemented if there is no agreement between the bargaining parties in a timely manner.

Rehabilitation Plan Period

The Trustees determined, based on information about the expiration of current collective bargaining agreements, that the Rehabilitation Period will begin on July 1, 2019. The Fund is expected to emerge from Critical Status by July 1, 2029, based on reasonable assumptions and implementation of this Rehabilitation Plan.

If the Fund Actuary certifies before the end of this period that the Plan is no longer in Critical status for a Plan year, the Rehabilitation Plan Period will end as of the close of the preceding Plan year.

Schedules
Based on the Plan Actuary's September 28, 2017 certification that the Plan is in Critical status on July 1, 2017, the RP update must contain schedules of plan changes and/or contribution rate changes that are projected to enable the Plan's Funding Standard Account to have a positive credit balance by the end of the Rehabilitation Plan Period. Pursuant to the PPA an RP must include a proposed "default schedule" that identifies the necessary reductions in the amount of future benefit accruals and reduction in adjustable benefits necessary to achieve the applicable benchmarks, assuming no collective bargaining agreement increases contributions to the plan (other than contributions necessary to achieve the benchmark after amendments have reduced future benefit accruals and adjustable benefits to the maximum extent permitted by law). This schedule has been prepared and is set forth below in the Default Schedule of this RP.
An RP may also provide proposed schedules providing increases in contributions necessary to achieve the applicable benchmark, assuming lesser reductions. These schedules have been prepared and are set forth below in Alternative Schedules 1 through 2 of this RP. Projections by the Fund Actuary, which were based on reasonable assumptions, indicate that the benchmark will be achieved by increasing the contribution rate by between $0.76 and $1.37 an hour depending upon the effective date. Unless otherwise specified, these additional contributions would result in no benefit accrual, would be devoted solely to improving the funding of the Plan and would cease at the later of emergence from Critical Status or upon action by the Board of Trustees.

The Board of Trustees has determined alternative schedules addressing contribution rates and benefit reductions that need to be provided to the bargaining parties as set forth in Schedules 1 through 2 below.

**Implementation of Remedies and Schedules**

The current accrued benefit of pensioners and beneficiaries whose actual pension benefit commenced prior to April 1, 2017 (including a piece deferred to age 55) are not subject to reduction under this Rehabilitation Plan. If a pensioner, prior to the attainment of Normal Retirement Age, returns to Covered Employment, and then retires on the new accruals after March 31, 2017 the additional benefit accrued due to the return to employment is awarded as a totally separate and distinct annuity with a separate annuity starting date. This totally separate and distinct annuity will be determined under this Rehabilitation Plan.

Benefits for other participants and deferred benefits of all Participants are determined as follows:

All participants who terminated or will terminate covered employment prior to becoming covered by a Schedule in the collective bargaining process, and not in pay status as of March 31, 2017, and any deferred benefit of all participants, shall have their benefits determined based on the benefit changes described under the applicable schedule upon implementation of the applicable schedule to their former bargaining unit. To the extent provided under the implemented schedule the benefits of a participant who commenced benefits on or after April 1, 2017, and any deferred benefit of all participants, shall, to the extent required by the applicable schedule, see their benefits reduced in accord with the applicable schedule. These provisions shall take effect on the later of the date the applicable schedule is implemented for the participant's former bargaining unit or the date that benefits can be eliminated allowing for legally required advanced notice.

As with any schedule the default schedule is implemented upon adoption by the collective bargaining parties as the applicable schedule for a particular bargaining unit.

However, should the bargaining parties fail to elect any schedule within 180 days following the expiration date of a collective bargaining agreement in effect as of September 28, 2016 the Board of Trustees are required by law to unilaterally implement the Default Schedule for that particular bargaining unit.

In regards to updates to this Rehabilitation Plan, if after receiving the schedules contained in a Rehabilitation Plan Update, should the bargaining parties fail to elect any schedule within 180 days following the expiration date of a collective bargaining agreement, as described in Internal Revenue Code § 432(c)(7)(B)(ii) the Board of Trustees are required by law to unilaterally implement the contribution schedule applicable under the expired collective bargaining agreement, as updated and in effect on the date the collective bargaining agreement expires.

For non-bargaining unit employee participants employed by employers who also contribute on behalf of bargaining unit participants the schedule and implementation date is the same as the schedule and implementation date for that employer's bargaining unit employees.

For non-bargaining unit employee participants not employed by an employer that contributes pursuant to a collective bargaining agreement their implementation date is the earlier of the employer's adoption of a schedule or 180 days from July 1, 2017.

In summary, if the collective bargaining parties have already adopted a schedule, and when that collective bargaining agreement expires and the collective bargaining parties fail to elect an updated Schedule within 180 days following the expiration of the collective bargaining agreement, the Board of Trustees are required by law to unilaterally implement the updated version of the schedule previously elected by the collective bargaining parties.
Reciprocity and other issues under the Rehabilitation Plan and Critical Status Determination

Off-benefit contributions payable under the schedules result in no benefit accruals and are devoted solely to improving the funding status of the Plan. The same is true in terms of any employer surcharge contributions received or payable for periods prior to the collective bargaining parties’ adoption and implementation of a Rehabilitation Plan Schedule. Accordingly, individuals who work inside the jurisdiction of the Plan and have employer contributions transferred to another plan pursuant to a money-follows-the-person reciprocity agreement shall see all prior and future increased off-benefit contributions under any alternative schedule and all employer surcharge contributions remain in this Plan to improve the Plan’s funded status. Only on-benefit contributions (both prior and future) received will be transferred.

The benefits of an alternative schedule are available only for work performed under a collective bargaining agreement or subscription agreement which specifically adopts an alternative schedule. When a participant works outside the jurisdiction of this Plan, the individual, absent an extraordinary agreement, is not working under an applicable alternative schedule. When such a Participant reciprocates contributions to this Plan pursuant to a money-follows-the-person reciprocity agreement, it must be credited to the Default Schedule absent an extraordinary agreement by the employer to adopt an alternative schedule for such work.

Some individuals who never become vested in benefits under this Plan may be entitled to a pro-rata pension from this Plan due to pro-rata reciprocity agreements. The pro-rata pension of such a nonvested individual shall be calculated and paid pursuant to the Default Schedule except to the extent of covered hours under an alternative schedule which shall accrue benefits in accord with the alternative schedule under which the covered hours were worked.

If a participant works under a particular schedule and subsequently works under another schedule, benefits accrued during the first period of employment and for prior periods under the same collective bargaining agreement, will be determined under the applicable schedule and benefits accrued during employment under a second schedule shall be determined under the second schedule. To the extent required by law this may result in separate and distinct annuities being provided to an individual participant to assure compliance with all applicable law.

In the event that a particular schedule is implemented for an employer, and then that employer, in a subsequent negotiation, bargains a different schedule, the Trustees may develop a revised contribution schedule for that particular situation.

Rules During the Rehabilitation Period and Adoption of the Rehabilitation Plan Update

On and after September 28, 2016, the Board of Trustees may not accept a collective bargaining agreement or participation agreement that provides for: (a) lower contributions for any participants; (b) a further suspension of contributions with respect to any period of service; or (c) any new direct or indirect exclusion of younger or newly hired employees from plan participation. During the plan adoption period, the Trustees may not amend the plan in any way that increases plan liabilities by reason of an increase in benefits, change in accruals, or change in the vesting rate, unless the amendment is necessary to maintain the plan’s qualified status.

Once the RP Update has been adopted, the Plan may not be amended in a manner that is inconsistent with the RP Update. In addition, the Plan may not be amended to increase benefits, including future benefit accruals, unless the Fund Actuary certifies that the benefit increase is consistent with the RP Update and is paid for out of contributions not required by the Rehabilitation Plan Update to meet the applicable benchmark.

Based on reasonable assumptions, the Fund is expected to emerge from Critical Status by the Plan Year beginning July 1, 2029. The Trustees recognize the possibility that actual experience could be less favorable than the reasonable assumptions. Therefore, the Trustees are establishing the annual standard for the projected credit balances for each year of the Rehabilitation Period to remain positive which will allow for the Plan to reflect possible actuarial losses and still help keep the Fund on target to emerge from Critical Status by the end of the Rehabilitation Period.
Annual Updating of RP
Each year the Fund’s Actuary will review and certify the status of the Fund under the PPA funding rules and whether the Fund is or is not making the scheduled progress toward the requirements of the RP Update. To that end, the scheduled progress under this RP Update is for the Plan Funding Standard Account’s projected credit balances for each year of the Rehabilitation Period to remain positive. If the Board of Trustees determines that it is necessary in light of updated information they will revise the RP Update and the schedules recommended under it. Notwithstanding subsequent changes in contribution schedules, a schedule of contribution rates provided by the Board of Trustees and relied upon by the bargaining parties in negotiating a collective bargaining agreement shall remain in effect for the duration of that collective bargaining agreement. However, a collective bargaining agreement that is renewed or extended will need to include terms consistent with one of the schedules in effect at the time of the renewal or extension. A failure to timely adopt such an updated schedule will require the Board of Trustees to unilaterally implement the updated version of the schedule applied 180 days subsequent to the expiration of the Collective Bargaining Agreement.

Other Issues
Benefit changes will become effective pursuant to the terms of the Rehabilitation Plan Update as soon as legally permissible after a Rehabilitation Plan Update schedule is adopted or implemented and those benefit changes are expected to be permanent, as required by the PPA for benefits commencing on or after April 1, 2017. The Social Security Level Income form of payment continues to be unavailable.

PART B. DEFAULT SCHEDULE FOR BENEFITS COMMENCING ON AND AFTER THE EARLIEST IMPLEMENTATION OF THIS DEFAULT SCHEDULE

Benefit Changes

- Notwithstanding anything to the contrary in this Rehabilitation Plan, with respect to hours worked after the date of implementation of this Schedule, the benefit accrual rate becomes 1.00% of all Default Schedule contributions for hours worked by the Participant.

- The disability benefits were previously eliminated for all accruals under the Plan's current or historical Default Schedules and are otherwise removed for any participants who are not in pay status as a disabled participant as of March 31, 2017.

- The subsidy for the Early Retirement Pension for all accruals under the Plan's current or historical Default Schedules (which began as early as October 28, 2009) are eliminated. Any Early Retirement benefits earned under this Default Schedule are otherwise based on actuarial reductions from Normal Retirement Age (age 65) for any participants who are not in pay status as of March 31, 2017.

- The 60-month guarantee period is eliminated for all accruals under the Plan's current or historical Default Schedules and is otherwise removed for benefits not in pay status as of March 31, 2017.

- The Pre-Retirement 120-month guarantee period for the Death Benefit is eliminated for Participant benefits accrued under any of the Plan's current or historical Default Schedules and is otherwise removed for benefits not in pay status as of March 31, 2017.

The only forms of benefit payment available to a retiring participant commencing receipt of benefits accrued under the Plan's current or historical Default Schedules shall be a single life annuity with no guarantee period, the 50% Joint-and-Survivor Pension, and the 75% Joint-and-Survivor Pension. The reduction factors for the Joint-and-Survivor payment forms will be adjusted so as to be actuarially equivalent to a single life annuity with no guarantee period.

Contributions
Employer contribution rate levels shall not increase. If an existing Agreement calls for different rates for apprentices or other classifications than the journeyman rate that practice may continue under this Default Schedule.
PART B. ALTERNATIVE SCHEDULE 1

Benefit Changes

- The disability benefits are eliminated for any participants who are not in pay status as a disabled participant as of March 31, 2017.

- The subsidy for the Early Retirement Pension for all Terminated Vested Participants is eliminated. The subsidy for the Early Retirement Pension is eliminated for any Active Participants retiring prior to attaining both age 56 and 44,500 hours. The benefit is otherwise based on actuarial reductions from Normal Retirement Age (age 65) for any participants who are not in pay status as of March 31, 2017.

Contributions

All prior non-accruing contributions continue to be non-accruing. This Rehabilitation Plan Alternative Schedule I requires one of the Contribution Increase Schedules below to be adopted. The majority of the schedules below come from and could have been implemented with the Plan's January 27, 2016 Funding Improvement Plan (FIP) Update. The rate increases are non-accruing and solely serve to improve the funding of the Plan. If one of the following rate increase schedules has already been implemented in line with the January 27, 2016 FIP Update, it does not need to be implemented in duplicate.

<table>
<thead>
<tr>
<th>Alternative</th>
<th>Contribution Increase per Hour Worked</th>
<th>Increase(s) Effective on and after the Following Date(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>single increase of $0.76</td>
<td>February 1, 2016</td>
</tr>
<tr>
<td>(b)</td>
<td>two cumulative increases of $0.41</td>
<td>February 1, 2016 and February 1, 2017 respectively</td>
</tr>
<tr>
<td>(c)</td>
<td>three cumulative increases of $0.29</td>
<td>February 1, 2016, February 1, 2017 and February 1, 2018 respectively</td>
</tr>
<tr>
<td>(d)</td>
<td>single increase of $0.80</td>
<td>July 1, 2016</td>
</tr>
<tr>
<td>(e)</td>
<td>two cumulative increases of $0.43</td>
<td>July 1, 2016 and July 1, 2017 respectively</td>
</tr>
<tr>
<td>(f)</td>
<td>three cumulative increases of $0.31</td>
<td>July 1, 2016, July 1, 2017 and July 1, 2018 respectively</td>
</tr>
<tr>
<td>(g)</td>
<td>single increase of $0.88</td>
<td>February 1, 2017</td>
</tr>
<tr>
<td>(h)</td>
<td>two cumulative increases of $0.47</td>
<td>February 1, 2017 and February 1, 2018 respectively</td>
</tr>
<tr>
<td>(i)</td>
<td>three cumulative increases of $0.34</td>
<td>February 1, 2017, February 1, 2018 and February 1, 2019 respectively</td>
</tr>
<tr>
<td>(j)</td>
<td>single increase of $0.93</td>
<td>July 1, 2017</td>
</tr>
<tr>
<td>(k)</td>
<td>two cumulative increases of $0.51</td>
<td>July 1, 2017 and July 1, 2018 respectively</td>
</tr>
<tr>
<td>(l)</td>
<td>three cumulative increases of $0.37</td>
<td>July 1, 2017, July 1, 2018 and July 1, 2019 respectively</td>
</tr>
<tr>
<td>(m)</td>
<td>single increase of $0.86</td>
<td>January 1, 2017</td>
</tr>
<tr>
<td>(o)</td>
<td>single increase of $1.11</td>
<td>July 1, 2018</td>
</tr>
<tr>
<td>(p)</td>
<td>two cumulative increases of $0.62</td>
<td>July 1, 2018 and July 1, 2019 respectively</td>
</tr>
<tr>
<td>(q)</td>
<td>three cumulative increases of $0.45</td>
<td>July 1, 2018, July 1, 2019 and July 1, 2020 respectively</td>
</tr>
<tr>
<td>(r)</td>
<td>single increase of $1.36</td>
<td>July 1, 2019</td>
</tr>
<tr>
<td>(s)</td>
<td>two cumulative increases of $0.76</td>
<td>July 1, 2019 and July 1, 2020 respectively</td>
</tr>
<tr>
<td>(t)</td>
<td>three cumulative increases of $0.57</td>
<td>July 1, 2019, July 1, 2020 and July 1, 2021 respectively</td>
</tr>
<tr>
<td>(u)</td>
<td>an increase of $0.35 followed by two cumulative increases of $0.34</td>
<td>March 1, 2017, and March 1, 2018 and March 1, 2019 respectively</td>
</tr>
</tbody>
</table>
Each of the contribution requirements is subject to additional increases as necessary in future Rehabilitation Plan Updates. If an existing Agreement calls for different rates for apprentices or other classifications than the journeyman rate that practice may continue under this Alternative Schedule.

**PART B. ALTERNATIVE SCHEDULE 2**

**Benefit Changes**
The benefit changes under this Alternative Schedule are identical to those in Alternative Schedule 1 of this Rehabilitation Plan with the addition of the following provisions: Participants in this Plan may also participate in the Inland Empire IBEW-NECA Pension Trust Fund. For Plan Years commencing on and after July 1, 2015, notwithstanding anything in this Plan to the contrary, no Plan Year in which at least 375 hours of reciprocal contributions are made on behalf of a Participant to this Defined Contribution Plan shall constitute a portion of a ‘Grace Period’ of such a Participant under that Plan.

**Contributions**
Contribution changes under this scenario are identical to Alternative Schedule 1 within this Rehabilitation Plan with the exception of requiring an additional $0.01 effective from July 1, 2017 through June 30, 2021.
PART A. FOR PLAN YEAR BEGINNING JULY 1, 2009

Introduction
The Pension Protection Act of 2006 ("PPA") as amended by the Worker, Retiree and Employer Recovery Act of 2008 (WRERA), requires the Trustees of a multiemployer pension plan that has been certified by the plan's actuary as being in Critical status (also known as "Red Zone" status) to develop a Rehabilitation Plan ("RP"). An RP must prescribe actions, including recommended actions to be taken by the bargaining parties that are expected to enable a plan to meet stated financial benchmarks by the end of the Rehabilitation Plan Period, based on reasonably anticipated experience and on reasonable actuarial assumptions. On September 28, 2009, the Southern California IBEW-NECA Pension Plan ("Plan") was certified by its Actuary to be in Critical status for the Plan Year beginning July 1, 2009, pursuant to IRC Section 432(b)(3).

This Rehabilitation Plan:

1. Specifies the rehabilitation period and the expected emergence date;

2. Includes three schedules (Default Schedule and two Alternative Schedules) of benefit changes and non-benefit contribution changes that will be provided to the bargaining parties, one of which must be implemented as part of future collective bargaining agreements between Local Unions and contributing employers entered into or renewed after October 28, 2009, nothing prevents an employer and Union from agreeing to implement a particular schedule prior to the expiration of a "collective bargaining agreement";

3. Provides requirements for meeting the requirements of the Rehabilitation Plan and describes how the Rehabilitation Plan will be updated from time to time; and

4. Describes how the Default Schedule will be automatically implemented if there is no agreement between the bargaining parties in a timely manner.

Rehabilitation Plan Period
The Rehabilitation Plan Period for the Plan is the period of 13 Plan Years beginning July 1, 2010. The Board of Trustees of the Plan, on October 15, 2009, elected to extend the 10-year Rehabilitation Plan Period under IRC Section 432(c)(4)(A) to 13 years pursuant to Section 205 of the Worker, Retiree, and Employer Recovery Act of 2008.

The Trustees also determined, based on information about the expiration of current collective bargaining agreements, that the Rehabilitation Period will begin on July 1, 2010. The Fund is expected to emerge from Critical Status by July 1, 2023, based on reasonable assumptions and implementation of this Rehabilitation Plan.

If the Fund Actuary certifies before the end of this period that the Plan is no longer in Critical status for a Plan year, the Rehabilitation Plan Period will end as of the close of the preceding Plan year.
Schedules
Based on the projected credit balances calculated for purposes of the Plan Actuary’s September 28, 2009 certification that the Plan is in Critical status, the RP must contain schedules of plan changes and/or contribution rate changes that are projected to enable the credit balances to be positive by the end of the Rehabilitation Plan Period. Pursuant to the PPA an RP must include a proposed “default schedule” that identifies the necessary reductions in the amount of future benefit accruals and reduction in adjustable benefits necessary to achieve the applicable benchmarks, assuming no collective bargaining agreement increases contributions to the plan (other than contributions necessary to achieve the benchmark after amendments have reduced future benefit accruals to the maximum extent permitted by law). This schedule has been prepared and is set forth below in the Default Schedule of this RP.

An RP may also provide a proposed schedule providing increases in contributions necessary to achieve the applicable benchmark, assuming no amendments reducing future benefit accruals, nor reduction in adjustable benefits under the Plan. This schedule has been prepared and is set forth below in Alternative Schedule 1 of this RP. Projections by the Fund Actuary, which were based on reasonable assumptions, indicate that the benchmark will be achieved by increasing the contribution rate by $2.00 an hour effective July 1, 2010. This additional $2.00 per hour in contributions would result in no benefit accrual, would be devoted solely to improving the funding of the Plan and would cease at the later of emergence from Critical Status or upon action by the Board of Trustees.

The Board of Trustees has determined alternative schedules addressing contribution rates and or benefit reductions need to be provided to the bargaining parties as set forth in Schedules 1 and 2 below.

Implementation of Remedies & Schedules
The current monthly benefit of pensioners and beneficiaries whose actual pension benefit commenced prior to October 28, 2009 are not subject to reduction under this Rehabilitation Plan. Benefits for other participants and deferred benefits of all Participants are determined as follows:

All participants who terminated or will terminate covered employment prior to becoming covered by a Schedule in the Collective Bargaining process, and not in pay status as of October 28, 2009, and any deferred benefit of all Participants, shall have their benefits determined based on the benefit changes described under the applicable Schedule upon implementation of the applicable Schedule to their former bargaining unit. To the extent provided under the implemented Schedule the benefits of a Participant who commenced benefits under the current Plan on or after October 28, 2009, and any deferred benefit of all participants, shall, to the extent required by the applicable Schedule, see their benefits reduced in accord with the applicable Schedule. These provisions shall take effect on the later of the date the applicable Schedule is implemented for the Participant's former bargaining unit or the date that benefits can be eliminated allowing for legally required advanced notice.

As with any Schedule the Default Schedule is implemented upon adoption by the Collective Bargaining Parties as the applicable Schedule for a particular bargaining unit. However, should the bargaining parties fail to elect any Schedule within 180 days following the expiration date of a collective bargaining agreement in effect as of October 28, 2009 the Board of Trustees are required by law to unilaterally implement the Default Schedule for that particular bargaining unit.

For non-bargaining unit employee Participants employed by employers who also contribute on behalf of bargaining unit Participants the Schedule and implementation date is the same as the Schedule and implementation date for that employer's bargaining unit employees. For non-bargaining unit employee participants not employed by an employer that contributes pursuant to a collective bargaining agreement their implementation date is the earlier of the employer's adoption of a Schedule or 180 days from July 1, 2010.

Reciprocity and other issues under the Rehabilitation Plan and Critical Status determination.
Off-benefit contributions payable under the Schedules result in no benefit accruals and are devoted solely to improving the funding status of the Plan. The same is true in terms of any employer surcharge contributions received or payable for periods prior to the collective bargaining parties adoption and implementation of a Rehabilitation Plan Schedule. Accordingly, individuals who work inside the jurisdiction of this Plan and have employer contributions transferred to another Plan pursuant to the money-follows-the-person Reciprocity Agreement shall see all increased off-benefit contributions under
any Schedule and all employer surcharge contributions remain in this Plan for funding purposes only. Only on-benefit contributions received will be transferred.

The benefits of an Alternative Schedule are available only for work performed under a Collective Bargaining Agreement or Subscription Agreement which specifically adopts the Alternative Schedule. When a Participant works outside the jurisdiction of this Plan, the individual, absent an extraordinary agreement, is not working under an agreement which adopts an Alternative Schedule. When such a Participant reciprocates contributions to this Plan pursuant to the money-follows-the-person Reciprocity Agreement for work performed outside of this Plan’s jurisdiction, it must be credited to the Default Schedule absent an extraordinary agreement by the employer to adopt an Alternative Schedule for such work.

Some individuals who never become vested in benefits under this Plan may be entitled to a pro-rata Pension from this Plan due to pro-rata Reciprocity Agreements. The pro-rata Pension of such a non-vested individual shall be calculated and paid pursuant to the Default Schedule except to the extent of Covered Hours under an Alternative Schedule which shall accrue benefits in accord with the Alternative Schedule under which the Covered Hours were worked.

If a Participant works under a particular Schedule and subsequently works under another Schedule benefits accrued during the first period of employment and for prior periods under the same collective bargaining agreement, will be determined under the applicable Schedule and benefits accrued during employment under a second Schedule shall be determined under the second Schedule. To the extent required by law this may result in separate and distinct annuities being provided to an individual Plan Participant to assure compliance with all applicable law.

In the event that a particular Schedule is implemented for an employer, and then that employer, in a subsequent negotiation, bargains a different Schedule, the Trustees may develop a revised contribution Schedule for that particular situation.

Rules During the Rehabilitation Period and Adoption of the Rehabilitation Plan
On and after September 28, 2009, the Board of Trustees may not accept a collective bargaining agreement or participation agreement that provides for: (a) lower contributions for any participants; (b) a suspension of contributions with respect to any period of service; or (c) any new direct or indirect exclusion of younger or newly hired employees from plan participation. During the plan adoption period, the trustees may not amend the plan in any way that increases plan liabilities by reason of an increase in benefits, change in accruals, or change in the vesting rate, unless the amendment is necessary to maintain the plan's qualified status.

Once the RP has been adopted, the Plan may not be amended in a manner that is inconsistent with the RP. In addition, the Plan may not be amended to increase benefits, including future benefit accruals, unless the Fund Actuary certifies that the benefit increase is consistent with the RP and is paid for out of contributions not required by the Rehabilitation Plan to meet the applicable benchmark.

Based on reasonable assumptions, the Fund is expected to emerge from Critical Status by the Plan Year beginning July 1, 2023. The Trustees recognize the possibility that actual experience could be less favorable than the reasonable assumptions. Therefore, the Trustees are establishing the following annual standards to reflect possible actuarial losses and still keep the Fund on target to emerge from Critical Status by the end of the Rehabilitation Period.

Annual Updating of RP
Each year the Fund's Actuary will review and certify the status of the Fund under the PPA funding rules and whether the Fund is or is not making the scheduled progress toward the requirements of the RP. To that end, the chart below provides the projected credit balances for each year of the Rehabilitation Plan. If the Board of Trustees determines that it is necessary in light of updated information they will revise the RP and the schedules recommended under it. Notwithstanding subsequent changes in contribution schedules, a schedule of contribution rates provided by the Board of Trustees and relied upon by the bargaining parties in negotiating a collective bargaining agreement shall remain in effect for the duration of that collective bargaining agreement. However, a collective bargaining agreement that is renewed or extended will need to include terms consistent with one of the Schedules in effect at the time of the renewal or extension. A failure to adopt such an updated Schedule would require the Board of Trustees to
unilaterally implement the Default Schedule 180 days subsequent to the expiration of a collective bargaining agreement containing a Schedule.

<table>
<thead>
<tr>
<th>Plan Year Ending 6/30</th>
<th>Projected Credit Balance</th>
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<tbody>
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<td>2011</td>
<td>$73,193,000</td>
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<tr>
<td>2012</td>
<td>93,506,000</td>
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<tr>
<td>2013</td>
<td>106,290,000</td>
</tr>
<tr>
<td>2014</td>
<td>114,958,000</td>
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<tr>
<td>2015</td>
<td>127,702,000</td>
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<tr>
<td>2016</td>
<td>144,524,000</td>
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<td>2023</td>
<td>23,966,000</td>
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</table>

**Other Issues**
Benefit changes will become effective pursuant to the terms of the Rehabilitation Plan as soon as legally permissible after a Rehabilitation Plan Schedule is adopted or implemented and those benefit changes are expected to be permanent, as required by the PPA for benefits commencing on or after October 28, 2009. The Social Security Level Income form of payment is no longer permitted.

**PART A. DEFAULT SCHEDULE FOR BENEFITS COMMENCING ON AND AFTER OCTOBER 28, 2009**

**Benefit Changes**

- With respect to hours worked after the date of implementation of this Schedule, the benefit accrual rate becomes 1.00% of contributions made on the participant's behalf. "Contributions" for this purpose excludes any contribution increases specifically required by this Schedule.

- The disability benefit is eliminated for any participants who are not in pay status as a disabled participant as of October 28, 2009.

- The early Retirement Pension for Participants retiring prior to age 55 is based on actuarial reductions from Normal Retirement Age (age 65) as of October 28, 2009.

- The 60-month guarantee period is eliminated with respect to benefits not in pay status as of October 28, 2009.

- The Pre-Retirement 120-month guarantee period for the Death Benefit is eliminated as of October 28, 2009.

The only forms of benefit payment available to a retiring participant commencing receipt of benefits on or after October 28, 2009 shall be a single life annuity with no guarantee period, the 50% Joint-and-Survivor Pension, and the 75% Joint-and-Survivor Pension. The reduction factors for the Joint-and-Survivor payment forms will be adjusted so as to be actuarially equivalent to a single life annuity with no guarantee period.

**Contributions**
Employer contribution rate levels shall not increase. If an existing Agreement calls for different rates for apprentices or other classifications than the journeyman rate that practice may continue under this Default Schedule.
PART A. ALTERNATIVE SCHEDULE 1

Benefit Changes
Benefit accruals under a Collective Bargaining Agreement after this Schedule is implemented shall be determined disregarding any contribution increases specifically required under this Schedule. The Level Income option is eliminated October 28, 2009. Except for the foregoing no other benefit accrual changes or reductions are provided for under this Schedule.

Contributions
Employer contribution rate levels shall increase by $2.00 per hour under this Alternative Schedule 1 for July 1, 2010 hours worked and hours worked thereafter.

All additional contributions pursuant to this Schedule over the amounts required under collective bargaining agreements in effect as of October 28, 2009 shall be disregarded for purposes of determining participants' accrued benefits. Accrued benefits are in no fashion based upon the amount of increased employer contributions under the foregoing Schedule or any employer surcharge contributions payable by the employer. These contributions shall be utilized solely to improve the funding condition of the Plan and shall result in no benefit accruals whatsoever.

If an existing agreement calls for different rates for apprentices or other classifications than the journeyman rates specified above, proportional off-benefit contribution increases will be required.

PART A. ALTERNATIVE SCHEDULE 2

Benefit Changes

- Benefit accruals under a Collective Bargaining Agreement after this Schedule is implemented shall be determined disregarding any contribution increases specifically required under this Schedule.
- The Level Income option is eliminated October 28, 2009.
- The Early Retirement Pension for Participants retiring prior to age 55 is based on actuarial reductions from Normal Retirement Age (age 65) effective for benefits first commencing after June 30, 2010.

Contributions
Employer contribution rate levels shall increase by $1.30 per hour under this Alternative Schedule 2 for July 1, 2010 hours worked and hours worked thereafter.

All additional contributions pursuant to this Schedule over the amounts required under collective bargaining agreements in effect as of October 28, 2009 shall be disregarded for purposes of determining participants’ accrued benefits. Accrued benefits are in no fashion based upon the amount of increased employer contributions under the foregoing Schedule or any employer surcharge contributions payable by the employer. These contributions shall be utilized solely to improve the funding condition of the Plan and shall result in no benefit accruals whatsoever.

If an existing agreement calls for different rates for apprentices or other classifications than the journeyman rates specified above, proportional off-benefit contribution increases will be required.

Executed this 26th day of April, 2018 at Commerce, California.

Board of Trustees
Southern California IBEW-NECA Pension Trust Fund

By: [Signature]
Chairman

By: [Signature]
Secretary