



SOUTHERN CALIFORNIA IBEW - NECA ADMINISTRATIVE CORPORATION

100 Corson Street, Suite 200, Pasadena, CA 91103

Phone: (323) 221-5861 or (800) 824-6935

Fax: (323) 726-3520

Mailing Address:

P.O. Box 6652

Pasadena, CA 91109



Website: www.scibew-neca.org

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MEMORANDUM

TO: All Plan Participants
Beneficiaries Receiving Benefit Payments
QDRO Alternate Payees
Employers Obligated to Contribute
Local Unions Representing Plan Participants

FROM: Board of Trustees
Southern California IBEW-NECA Pension Trust Fund

DATE: October 23, 2025

RE: **Information About Your Pension Plan** (with regard to enclosed notices)

IMPORTANT: We are enclosing the Annual Funding Notice and the Notice of Endangered Status for the Southern California IBEW-NECA Pension Plan ("Fund"). Federal law requires that these notices be provided to you annually. The notices do not change the amounts of monthly benefits to be paid to you.

If you would like additional copies of prior year notices, please contact the Administrative Trust Funds Office. The documents are also available on the Trust Funds' website at www.scibew-neca.org.

ANNUAL FUNDING NOTICE

For
Southern California IBEW-NECA Pension Plan

Introduction

This notice provides key details about your multiemployer pension plan (the “Plan”) for the plan year beginning July 1, 2024 and ending June 30, 2025 (“Plan Year”).

This is an informational notice. You do not need to respond or take any action.

This notice includes:

- Information about your Plan’s funding status.
- Details on your benefit payments guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency.

What if I have questions about this notice, my Plan, or my benefits?

Contact your plan administrator at:

- **Southern California IBEW-NECA Administrative Trust Funds Office**
- **Phone:** (323) 221-5861
- **Address:** 100 Corson Street, Suite 200, Pasadena, CA 91103

To better assist you, provide your plan administrator with the following information when you contact them:

- **Plan Number:** 001
- **Plan Sponsor Name:** Board of Trustees, Southern California IBEW-NECA Pension Plan
- **Employer Identification Number:** 95-6392774

What if I have questions about PBGC and the pension insurance program guarantees?

Visit www.pbgc.gov/prac/multiemployer for more information. For specific information about your pension plan or pension benefits, you should contact your employer or plan administrator as PBGC does not have that information.

Federal law requires all traditional pension plans, also known as defined benefit pension plans, to provide this notice every year regardless of funding status. This notice does not mean your Plan is terminating.

How Well Funded Is Your Plan?

The law requires the Plan’s administrator to explain how well the Plan is funded, using a measure called the “funded percentage.” The funded percentage is calculated by dividing Plan assets by Plan liabilities. In general, the higher the percentage, the better funded the plan. The chart below shows the Plan’s funded percentage for the Plan Year and the two preceding plan years. It also lists the value of the Plan’s assets and liabilities for those years.

Funded Percentage			
	2024	2023	2022
Valuation Date	July 1, 2024	July 1, 2023	July 1, 2022
Funded Percentage	77.3%	77.4%	77.9%
Value of Assets	\$1,571,184,416	\$1,529,663,692	\$1,493,674,413
Value of Liabilities	\$2,032,411,227	\$1,976,073,180	\$1,916,181,150

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Year-End Fair Market Value of Assets

To provide further insight into the Plan's financial position, the chart below shows the fair market value of the Plan's assets on the last day of the Plan Year and each of the two preceding plan years as compared to the actuarial value of the Plan's assets on July 1.

- **Actuarial values (shown in the chart above)** account for market fluctuations over time. Unlike market values, actuarial values do not change daily with stock or market shifts.
- **Market values (shown in the chart below)** fluctuate based on investment performance, providing a more immediate snapshot of the plan's funding status.

	6/30/2025	6/30/2024	6/30/2023
Fair Market Value of Assets	\$1,571,000,000*	\$1,509,170,779	\$1,416,745,093

*Please note that the market value as of June 30, 2025 is based on preliminary financial information and is subject to change.

Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan's funding status determines the steps a plan must take to strengthen its finances and continue paying benefits:

- **Endangered:** The plan's funded percentage drops below 80 percent. The plan's trustees must adopt a funding improvement plan.
- **Critical:** The plan's funded percentage falls below 65 percent or meets other financial distress criteria. The plan's trustees must implement a rehabilitation plan.
- **Critical and Declining:** A plan in critical status is also designated as critical and declining if projected to become insolvent—meaning it will no longer have enough assets to pay out benefits—within 15 years (or within 20 years under a special rule). The plan's trustees must continue to implement the rehabilitation plan. The plan's sponsor may seek approval to amend the plan, including reducing current and future benefits.

The Plan was in endangered status in the Plan Year because the Plan's funded percentage was below 80% and the Plan was not projected to have an accumulated funding deficiency within six years of the Plan Year.

On September 28, 2018 the actuary certified the Plan was in endangered status in the plan year commencing July 1, 2018, because the Plan emerged from critical status, the Plan's funded percentage was below 80% and the Plan was not projected to have an accumulated funding deficiency within six years of the Plan Year. On November 13, 2018, the Board of Trustees reclassified the Plan's rehabilitation plan as the funding improvement plan. The purpose of the funding improvement plan is to restore the financial health of the Plan and meet the benchmarks defined in the funding improvement plan. The funding improvement plan was designed to get the Plan out of endangered status as of July 1, 2029. In reclassifying the rehabilitation plan as a funding improvement plan, the Trustees made no further changes to Plan benefits or required contribution rate increases, which the Trustees believe will be sufficient to result in the Plan's financial recovery.

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Notifications in terms of the various status determinations set forth above and explanations of the benefit changes were all mailed previously. Should you desire additional copies of prior notices, 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. Materials on the current Funding Improvement Plan are also available on the Trust Funds' website at www.scibew-neca.org.

Participant and Beneficiary Information

The following chart shows the number of participants and beneficiaries covered by the Plan on the last day of the Plan Year and the two preceding plan years. The numbers for the Plan Year reflect the plan administrator's reasonable, good faith estimate.

Number of participants and beneficiaries on last day of relevant plan year beginning July 1	2024	2023	2022
1. Last day of plan year	6/30	6/30	6/30
2. Participants currently employed	8,640	8,739	8,806
3. Participants and beneficiaries receiving benefits	6,739	5,998	5,944
4. Participants and beneficiaries entitled to future benefits (but not receiving benefits)	3,922	3,735	3,498
5. Total number of covered participants and beneficiaries (Lines 2 + 3 + 4 = 5)	19,301	18,472	18,248

Please note that the counts as of June 30, 2025 are preliminary and are subject to change.

Funding & Investment Policies

Funding Policy

Every pension plan must establish a funding policy to meet its objectives. The funding policy relates to how much money is needed to pay promised benefits. The funding policy of the Plan is to maintain a balance such that plan resources will fund plan obligations. Plan resources include accumulated plan assets plus expected future contributions and investment income. Plan obligations are benefit payments to current and future retirees and beneficiaries, including benefits earned to date as well as benefits expected to be earned in the future. Plan obligations also include expected expenses paid from plan assets. In implementing this funding policy, the Plan Trustees will work with professional advisors to adopt a prudent investment policy and to determine the actuarial value of plan obligations. Over time, the Trustees may adjust plan benefits in response to investment returns and other plan experience, or seek additional contributions from the bargaining units.

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Investment Policy

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The Investment Policy Statement of the Plan is to achieve a target allocation among asset categories of 25.0% domestic large cap equity, 7.5% domestic small / mid cap equity, 7.5% international equity, 2.5% global tactical asset allocation, 10.0% investment grade fixed income, 5.0% short duration high yield, 7.5% opportunistic high yield, 5.0% real estate – core plus, 10.0% real estate – value add, 5.0% opportunistic strategies, 2.5% private credit, 7.5% private equity, and 5.0% infrastructure.

As of the end of the Plan Year, the Plan's assets were allocated among the following investment categories as percentages of total assets:

Asset Allocation	Percentage
Public equity	44.9%
Private equity	7.2%
Investment grade debt instruments	7.7%
High-yield debt instruments	11.1%
Real Estate	15.6%
Other	13.5%

The preliminary average return on assets for the Plan Year was 7.3%.

Events Having a Material Effect on Assets or Liabilities

By law, this notice must include an explanation of any new events that materially affect the Plan's liabilities or assets. These events could affect the Plan's financial health or its ability to meet its obligations.

For the plan year beginning on July 1, 2025 and ending on June 30, 2026, there are no expected events with a material effect on assets or liabilities.

Right to Request a Copy of the Annual Report

Pension plans must file an annual report, called the **Form 5500**, with the U.S. Department of Labor. The Form 5500 includes financial and other information about these pension plans.

You can get a copy of your Plan's Form 5500:

- **Online:** Visit www.efast.dol.gov to search for your Plan's Form 5500.
- **By Mail:** Submit a written request to your plan administrator.
- **By Phone:** Call [\(202\) 693-8673](tel:2026938673) to speak with a representative of the U.S. Department of Labor, Employee Benefits Security Administration's Public Disclosure Room.

The Form 5500 does not include personal information, such as your accrued benefits. For details about your accrued benefits, contact your plan administrator.

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Summary of Rules Governing Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by PBGC, below), the plan must apply to PBGC for financial assistance. PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

Benefit Payments Guaranteed by PBGC

Only vested benefits—those that you've earned and cannot forfeit—are guaranteed.

What PBGC Guarantees

PBGC guarantees "basic benefits" including:

- Pension benefits at normal retirement age.
- Most early retirement benefits.
- Annuity benefits for survivors of plan participants.
- Disability benefits for disabilities that occurred before the earlier of the date the plan terminated or the sponsor's bankruptcy date.

What PBGC Does Not Guarantee

PBGC does not guarantee certain types of benefits, including:

- A participant's pension benefit or benefit increase until it has been part of the plan for 60 full months. Any month in which the multiemployer plan was insolvent or terminated due to mass withdrawal does not count toward this 60-month requirement.
- Any benefits above the normal retirement benefit.
- Disability benefits in non-pay status.
- Non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

Determining Guarantee Amounts

The maximum benefit PBGC guarantees is set by law. Your plan is covered by PBGC's multiemployer program. The maximum PBGC guarantee is \$35.75 per month, multiplied by a

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participant's years of credited service.

PBGC guarantees a monthly benefit based on the plan's monthly benefit accrual rate and your years of credited service. The guarantee is calculated as follows:

1. Take 100 percent of the first \$11 of the Plan's monthly benefit accrual rate.
2. Take 75 percent of the next \$33 of the accrual rate.
3. Add both amounts together.
4. Multiply the total by your years of credited service to determine your guaranteed monthly benefit.

Example 1: Participant with a Monthly \$600 Benefit and 10 Years of Service.

1. Find the accrual rate: $\$600/10 = \60 accrual rate.
2. Apply PBGC formula:
 - a. Take 100 percent of the first \$11 = \$11
 - b. Take 75 percent of the next \$33 = \$24.75
3. Add the two amounts together: $\$11 + \$24.75 = \$35.75$
4. Multiply by years of credited service: $\$35.75 \times 10 \text{ years} = \357.50

In this example, the participant's guaranteed monthly benefit is \$357.50.

Example 2: Participant with a \$200 Monthly Benefit and 10 Years of Service.

1. Find the accrual rate: $\$200/10 = \20 accrual rate.
2. Apply PBGC formula:
 - a. Take 100 percent of the first \$11 = \$11
 - b. Take 75 percent of the next \$9 = \$6.75
3. Add the two amounts together: $\$11 + \$6.75 = \$17.75$
4. Multiply by years of credited service: $\$17.75 \times 10 \text{ years} = \177.50

In this example, the participant's guaranteed monthly benefit is \$177.50

NOTICE OF ENDANGERED STATUS

For

Southern California IBEW-NECA Pension Plan as of July 1, 2025

To: All Participants, Beneficiaries, Participating Unions and Contributing Employers

This is to inform you that on September 29, 2025 the Plan actuary certified to the U.S. Department of the Treasury, and to the Board of Trustees, that the Southern California IBEW-NECA Pension Plan (“Plan”) is in endangered status for the Plan Year beginning July 1, 2025. Federal law requires that you receive this notice.

Endangered Status

The Plan’s actuary determined that the Plan is in endangered status because the plan’s actuary determined the funded percentage of the Plan is less than 80%. Also, the plan is not projected to have an “accumulated funding deficiency” over the current and next 6 years.

Funding Improvement Plan

Federal law requires pension plans in endangered status to adopt a funding improvement plan aimed at restoring the financial health of the plan. On November 13, 2018, the Board of Trustees reclassified the Plan’s rehabilitation plan as the funding improvement plan. The purpose of the funding improvement plan is to restore the financial health of the Plan and meet the benchmarks defined in the funding improvement plan. The funding improvement plan was designed to put the Plan in the Green Zone as of June 30, 2029. In reclassifying the rehabilitation plan as a funding improvement plan, the Board of Trustees made no further changes to Plan benefits or required contribution rate increases, which the Board of Trustees believe will be sufficient to result in the Plan’s financial recovery. The Plan’s funding improvement period, as defined under Section 432(2)(4), began on July 1, 2019. The Plan’s actuary determined the Plan is making scheduled progress in meeting the requirements of the funding improvement plan. You have a right to obtain a copy of the formally adopted funding improvement plan.

Where to Get More Information

For more information about this notice, you may contact the Administrative Trust Funds Office if you have questions at (323) 221-5861 or the nationwide, toll-free number (800) 824-6935. Normal business hours are Monday through Friday, 8:30AM to 5:30PM. Voicemail messages may be left at any time and calls will be returned by the end of the next business day. Fax communications may be directed to (323) 726-3520 and you may access the Trust Funds’ website at www.scibew-neca.org at any time.

Sincerely,

The Board of Trustees

cc: U.S. Department of Labor
U.S. Pension Benefit Guaranty Corporation