



THE BRIGHT CHOICE DEFERRED SALARY PLAN

2023 TRANSFERRABLE SOURCE NOTICE MORE CHOICES TO HELP YOU SUCCEED

Important notice regarding the Deferred Salary Plan of the Electrical Industry (“the DSP” or “the Plan”)

Periodically, the Board of Trustees elects to provide Deferred Salary Plan participants additional investment flexibility by moving a portion of the dollars attributed to employer contributions or excess HRA contributions to an unrestricted “transferrable source.”* Although *participant* contributions are unrestricted, all employer contributions to your DSP account are invested only in the JIB Capital Preservation Fund. **Employer** contributions are restricted from moving out of the Capital Preservation Fund to other investment options offered in the DSP, except for contributions moved to the Transferrable Source.

Recently the Board of Trustees authorized the Plan to move a portion of some participant balances into the Transferrable Source. The effective date of this transfer was May 31, 2023. The formula used to determine how much money is moved is 25% of the *employer* contribution sources that exceed \$50,000. If a participant previously had money moved to the Transferrable Source, those dollars were included in the most recent calculation and transfer.

An Example

A participant with **\$90,000** in the employer contribution source (combined employer contributions and HRA excess contributions) on May 31, 2023 and

\$10,000 in the Transferrable Source from a similar transaction in the past:

Balance in employer contribution source	\$90,000
Balance in the Transferrable Source from prior move	<u>\$10,000</u>
	\$100,000
New baseline	\$100,000 (combined employer dollars)
Reserving base of \$50,000	<u>-\$50,000</u>
New excess base	\$50,000
Excess base of \$50,000 x .25	\$12,500
Excess base x .25	\$12,500
Minus the current Transferrable Source balance	<u>\$10,000</u> (amount from the prior move)
Equals new dollars to be moved to the transferrable source	\$ 2,500

In this scenario, **\$2,500** would be added to the **\$10,000** in the employer Transferrable Source. The combined **\$12,500** would be available to be invested in any of the options offered in the DSP. **The remaining \$87,500 of employer contributions would be required to remain invested in the JIB Capital Preservation Fund.** If you have not previously had dollars moved to the Transferrable Source in your account, then your calculation was based simply on your balance in the employer contribution and excess HRA contribution sources, as of the transaction date. If you had less than \$50,000 in employer contributions as of the transaction date, your account was not impacted.

For additional information regarding the Transferrable Source, refer to the **Frequently Asked Questions (FAQ)** document found in the *Forms & documents* tab at jibretiredsp.com.

**Employer contributions include any contributions made to the Plan on your behalf as determined by the terms of your collective bargaining agreement, as well as any excess Health Reimbursement Account (HRA) contributions.*

Why It Matters

Having money in the Transferrable Source provides you the flexibility to further diversify your investments within the DSP. Diversification means spreading your money among several different kinds of investments. It is one way to help manage risk over the long term. Keep in mind that application of asset allocation and diversification concepts does not assure a profit or protect against loss in a declining market. **You can lose money by investing in securities.**

It should be noted that there are no investment restrictions on participant pre-tax or Roth 401(k) contributions to the DSP. Plan participants can invest contributions they make from their own salary deferrals to any of the investment options offered in the Plan. The Plan offers a number of investment options, which can be found by logging in to your account through jibretiredsp.com.

You Can Act Now

To review your account to see if you have a balance in the Transferrable Source or to make a change to your investments, go to jibretiredsp.com. Click on *Account access* on the top right-hand side of the page to log in to your account. Once you have logged in to your account, click on the link for *My Investments* on the *Account Summary* page; then choose *View by Contribution* in the drop-down menu and look for TRANSFERRABLE ER CONTRIBUTIONS.

You can also call Empower at **877-JIB-401K** (877-542-4015). Participant service representatives are available weekdays, from 8 a.m. to 9 p.m. ET.

Important information: Effective April 1, 2022, Empower officially acquired the full-service retirement business of Prudential. Please [click here](#) for more information associated with the acquisition.

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

Investing involves risk, including possible loss of principal. Asset allocation, diversification, dollar-cost averaging and/or rebalancing do not ensure a profit or protect against loss.

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