NORTHERN CALIFORNIA PIPE TRADES TRUST FUNDS FOR UA LOCAL 342

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2020 ANNUAL SAFE HARBOR 401(k) NOTICE FOR NORTHERN CALIFORNIA PIPE TRADES SUPPLEMENTAL 401(k) RETIREMENT PLAN

INTRODUCTION

This document provides a brief summary of certain rights and obligations of Participants under the Northern California Pipe Trades Supplemental 401(k) Retirement Plan ("Plan") as required by federal law. Most, if not all, of the information in this Notice has previously been provided to you in various notices or communications. The information informs you of: (1) how much you can contribute to the Plan relating to your own "deferral contributions" (meaning a portion of your compensation); (2) what other amounts the employer will contribute to the Plan for you pursuant to the Collective Bargaining Agreement ("CBA"); and (3) when your Plan account will be vested and when you can receive a distribution of your Plan account. If you have additional questions after reading this Notice, please refer to the Summary Plan Description ("SPD") as well as any subsequent Summary of Material Modifications ("SMM") or contact the Plan's Record Keeper and Distribution Administrator, Kaufmann & Goble.

EMPLOYEE BEFORE-TAX CONTRIBUTION DEFERRALS

You may elect to make deferral contributions on a "before-tax" basis from your wages* to the Plan through an employee election, depending upon your CBA. For 2020, the deferral amounts are: $2.00, $4.00, $6.00, $8.00, and $10.00 per hour, which are referred to as 401(k) contributions. These amounts are referred to as deferrals and are held in an account for you. The deferral amounts could be limited under certain CBAs. Furthermore, your total deferral contributions in any taxable year may not exceed the annual dollar limit which is set by law. For instance, for 2020 the annual limit on elective deferrals is $19,500. The dollar limit may increase in some years for cost-of-living adjustments. The amount you elect to defer, and any earnings on that amount, will not be subject to income tax until it is actually distributed to you.

If you are at least age 50 or will attain age 50 during the 2020 calendar year, then there are also deferral options available to you in the amounts of $12.00 and $13.00 per hour (subject to the maximum IRS limits). Pursuant to IRS guidelines, Participants who are age 50 or older during the 2020 calendar year, the IRS permits an additional "catch-up contribution" of $6,500. Thus, the maximum amount a Participant that is age 50 or older can defer is a total of $26,000. This amount could increase in future years based on IRS guidance.

**Wage means your gross earnings during the Plan Year for work rendered by a Participant which includes wages, salaries, commissions, overtime pay, bonuses and other amounts received for work actually rendered in the course of employment with the Employer maintaining the Plan.*

PERIODS AVAILABLE FOR MAKING OR CHANGING ELECTIONS

You may elect to defer before-tax contributions deferred to the 401(k) Plan biannually (meaning two times each year). The election to make a deferral or modify your prior deferral usually takes place in November, which becomes effective with your January hours and in May, which becomes effective with your July hours. Your election will remain in place until the next election period. Please contact UA Local 342 at 925/686-5880 for more information.

EMPLOYER MANDATORY NON-ELECTIVE CONTRIBUTION

If you are an eligible Plan Participant and pursuant to the applicable CBA for your Classification, your Employer is required to contribute up to $6.00 per hour of Covered Employment to the Plan, even if you do not defer any of your compensation under the Plan. Employer Contributions are referred to as Internal Revenue Code ("IRC") 401(a) contributions and are not included in the 401(k) deferral limits as noted above. Please note, the mandatory contribution amount may be different under certain CBAs and for Apprentices. This mandatory Employer Contribution is due within the time period required by the CBA. This amount will likely change in the future. Other than the mandatory Employer Contributions described above there are no other Employer Contributions to the Plan.

VESTING

You are always 100% vested (which means that you are entitled to all of the amounts) in your accounts attributable to employee deferrals including catch-up contributions, rollover contributions, and Safe Harbor Employer contributions. It is possible that your Individual Account balance could decrease based on the Plan's investment yields (which vary each business day) and Plan expenses. **For more information on vesting rules, please refer to Article II, Section B of the SPD.**

DISTRIBUTION

The Plan and law impose restrictions on when you may receive a distribution from the Plan. Generally, you may receive a distribution by satisfying any one of the Distribution Options and Requirements outlined on Pages 11-13 of the SPD and any subsequent SMMs. Also, at the time you are entitled to receive a distribution, the Plan will provide you with a notice explaining the rules regarding the taxation of the distribution.

The Plan permits Participants who meet certain requirements to obtain a loan from their Individual Account. Any approved loan must be repaid to the Plan. The Loan Program is administered by the United Association Credit Union ("Credit Union"). Please refer to Pages 21-24 of the SPD for more information on the Plan's Loan Program or contact the Credit Union at 925/686-1044 or via email at info@unitedassociationcu.org for questions.

HOW TO OBTAIN ADDITIONAL INFORMATION

The Plan has hired Kaufmann & Goble as the Plan's Record Keeper and Distribution Administrator. Questions relating to day-to-day administration, processing of Distribution Request Forms and quarterly statements can be directed to Kaufmann & Goble as follows:

Kaufmann & Goble
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