San Francisco Electrical Workers Retirement Savings Plan
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EXPLANATION OF DISTRIBUTION RULES

The SFEW Retirement Savings Plan (the "Plan") allows Participants to request distributions if certain requirements are met. This Explanation is provided to you along with an Application for Benefits form and a Tax Notice. It describes the requirements for distributions other than hardship withdrawals. If you wish to request a hardship withdrawal, please ask the Plan Office for the appropriate forms. This Explanation is valid only if you receive your distribution during the 180-day period following the date this Explanation was provided to you. Also, the law requires that you be given at least 30 days to consider whether to take a distribution. If you return the Application for Benefits to the Plan Office during the 30-day period following the date this Explanation was provided to you, then you are electing to waive that 30-day election period. In no event will your benefit be distributed earlier than the 7th day following the date this Explanation was provided to you. Please see the Summary Plan Description for more details on Plan terms.

General Rules. The Application for Benefits form should be used to request a distribution from your account in the Plan if you wish to take a distribution and:

(i) you have ceased covered employment and attained age 65;

(ii) you have ceased covered employment, attained age 55 and commenced benefits under the Northern California Electrical Workers Pension Plan (or another covered plan in the Electrical Industry);

(iii) you have attained age 55, ceased covered employment, have performed no work in covered employment in the past 18 months, and have no current prospects for covered employment;

(iv) you qualify for a social security disability benefit; or

(v) your account does not exceed $5,000, you have performed no work in covered employment in the past 18 months and you do not intend to return to Electrical Industry employment in the union's jurisdiction.

When You Must Take a Distribution. You must take a distribution from your account no later than April 15 of the year following the later of (i) the year in which you attain age 70 1/2 or (ii) the year in which you cease to be an Employee. Until then, no distribution will be made to you without your consent. If you keep your retirement money in the Plan, the investment options available to you, and the administration fees charged to your account, will be the same as they are for active employees. Because you may pay higher fees to a financial institution to maintain an account should you roll over your account to a financial institution, you should compare fees imposed by the Plan with fees you expect to pay outside the Plan. Please refer to the Summary Plan Description, and the annual fee disclosure provided by the Plan Office, for more information on investment alternatives and fees that are charged to your account. In addition, you should read the consequences of deferring distributions in the attached Tax Notice. The Plan does not charge you for routine benefit-related information you request from the Plan Office.

Available Forms of Distribution. You may take your distribution in any of the following forms:

1. Single Life Annuity for a Participant.
2. Joint and Survivor Annuity, with the survivor percentage at 50%, 75% or 100% of the Participant's annuity amount.
3. Single sum distribution of any amount once in a 12-consecutive-month period (including a full lump sum distribution of the remaining account balance).
4. Payment in multiples of $100 per month until the account is exhausted.

A single life annuity is a monthly payment for your life. A joint and survivor annuity is a monthly payment to you for life, with a monthly payment to your beneficiary after your death in an amount equal to the specified percentage of the monthly amount that had been paid to you before your death. Though each annuity form is actuarially equal to each other benefit form, your monthly payment will be highest if you select a single life annuity (since it provides for no payments to a beneficiary after your death) and lowest under a joint and 100% survivor annuity (since it provides the highest monthly payment to your beneficiary after your death). If you are married and you select a form of distribution that is not a joint and survivor annuity, your spouse must consent to your election. If you select any of the annuity forms of distribution, your account will be used to purchase an annuity from a commercial insurance company. You may always revoke a prior distribution election to the extent your account has not yet been distributed to you or used to purchase an annuity from an insurance company, provided the Plan Office has sufficient time to cease processing the distribution, and subject to the spousal consent requirements.

Values of the Forms of Distribution. Because all of your account is used to fund your benefit, all forms of benefit under the Plan have the same actuarial value. The total amount you would ultimately receive from each form of annuity distribution available to you depends on several factors, including interest rates, and your (and your beneficiary's) eventual date of death. Attached to this Explanation is a table that provides an estimate of the monthly annuity amount you might expect to receive for each $1,000 of account balance applied to an annuity purchase beginning at specified ages. This table is updated each calendar year, and is based upon (i) the 30-Year Treasury Weighted Average interest rate for the December that precedes the year, (ii) the UP-1984 Mortality Table and (iii) the assumption for a joint annuity form of distribution that you and your spouse or other beneficiary are the same age. The actual payment you would receive will depend upon the annuity purchase rates set by the insurance company providing the annuity. The table provides only an estimate of your monthly benefit payments under the annuity forms of benefit. The estimates do not take into account commission costs and other fees you will pay to an insurance company should you select an annuity form of distribution. If you would like a more customized estimate of your monthly benefit under the forms described above, please request it from the Plan Office.

The Pension Enhancement Option. If you are also a participant in the Northern California Electrical Workers Pension Plan (the "NCEW Pension Plan"), you may, once in your lifetime, transfer any amount of at least $10,000 from your account in this Plan to the NCEW Pension Plan. Any amount transferred will be used to enhance whatever form of benefit you choose under the NCEW Pension Plan, though certain restrictions apply to lump sum death benefits and post-retirement benefit increases. Application for a pension enhancement transfer to the NCEW Pension Plan must be made during the 90-day period that precedes the commencement date of your pension under the NCEW Pension Plan. Participants who wish to take their benefit in this Plan in one of the annuity forms should consider a pension enhancement transfer. Amounts distributed will no longer be available for transfer to the NCEW Pension Plan for pension enhancement. Please see the Summary Plan Description for the NCEW Pension Plan for more information, or contact the Plan Office.

Outstanding Loans. If you have an outstanding loan at the time of your distribution, you may choose whether or not to include your loan in your distribution. If you include the loan in your distribution, the amount of cash you receive (or roll over) will not change, but your loan will terminate and the taxable amount of your distribution (and resulting withholding taxes) will increase by the amount of your loan. You may roll over some or all of your distributed loan balance (in addition to other amounts distributed) to an eligible retirement plan by contributing cash from your personal resources up to the distributed loan amount. If you exclude your loan from your distribution, then your loan will continue and not result in a taxable distribution to you so long as you continue to make scheduled payments.

Tax Consequences of a Distribution. A Tax Notice is included with this Explanation, which you should read carefully (if it was not included, ask the Plan Office for a copy). In general, any distribution that you do not roll over to an eligible retirement plan will be taxable to you, and will result in the loss of tax-exempt earnings on the amount you retain after you have paid your income taxes on the distribution. Also, if you have not attained age 59 1/2, you will be subject to an additional 12.5% federal and state penalty tax for early distributions, unless an exception applies. You may wish to consult with your personal tax advisor before electing a distribution. The Tax Notice provides more detail. The Tax Notice may not be appropriate if you do not reside in the United States.

Income Tax Withholding. Income tax withholding will not be imposed on amounts directly transferred to an eligible retirement plan. Distributions not directly transferred will be subject to automatic 20% federal, and 2% California, income tax withholding; except that you may elect no withholding (i) for federal purposes on payments that will be made over 10 years or more and (ii) for California purposes on any distribution. The Plan does not withhold taxes for any state other than California.

SAN FRANCISCO ELECTRICAL WORKERS RETIREMENT SAVINGS PLAN
Monthly Payment Table per $1,000 of Vested Account Balance
For Payments During 2021

	Monthly Payment			
		Joint and Survivor Annuity		
Participant's Age	**Single Life Annuity**	**50%**	**75%**	**100%**
25	$2.50	$2.34	$2.27	$2.20
26	$2.54	$2.37	$2.29	$2.22
27	$2.57	$2.39	$2.32	$2.24
28	$2.61	$2.42	$2.34	$2.27
29	$2.65	$2.46	$2.37	$2.29
30	$2.68	$2.49	$2.40	$2.32
31	$2.73	$2.52	$2.43	$2.34
32	$2.77	$2.56	$2.46	$2.37
33	$2.81	$2.59	$2.49	$2.40
34	$2.86	$2.63	$2.53	$2.43
35	$2.91	$2.67	$2.56	$2.46
36	$2.96	$2.71	$2.60	$2.50
37	$3.02	$2.75	$2.64	$2.53
38	$3.07	$2.80	$2.68	$2.57
39	$3.13	$2.85	$2.72	$2.61
40	$3.20	$2.90	$2.77	$2.65
41	$3.26	$2.95	$2.81	$2.69
42	$3.33	$3.00	$2.86	$2.73
43	$3.41	$3.06	$2.91	$2.78
44	$3.48	$3.12	$2.96	$2.82
45	$3.56	$3.18	$3.02	$2.87
46	$3.65	$3.25	$3.08	$2.92
47	$3.74	$3.31	$3.14	$2.98
48	$3.83	$3.39	$3.20	$3.04
49	$3.93	$3.46	$3.27	$3.09
50	$4.03	$3.54	$3.34	$3.16
51	$4.14	$3.62	$3.41	$3.22
52	$4.26	$3.71	$3.49	$3.29
53	$4.38	$3.81	$3.57	$3.37
54	$4.51	$3.90	$3.66	$3.44
55	$4.64	$4.01	$3.75	$3.52
56	$4.79	$4.12	$3.85	$3.61
57	$4.94	$4.23	$3.95	$3.70
58	$5.10	$4.35	$4.06	$3.80
59	$5.27	$4.48	$4.17	$3.90
60	$5.46	$4.62	$4.29	$4.00
61	$5.65	$4.76	$4.42	$4.12
62	$5.86	$4.92	$4.55	$4.24
63	$6.08	$5.08	$4.69	$4.36
64	$6.31	$5.25	$4.85	$4.50
65	$6.56	$5.43	$5.01	$4.64
66	$6.82	$5.63	$5.18	$4.79
67	$7.10	$5.83	$5.36	$4.95
68	$7.39	$6.05	$5.55	$5.12
69	$7.71	$6.29	$5.75	$5.31
70	$8.05	$6.54	$5.97	$5.50

Interest: 1.62% (30-year treasury rate in effect for November 2020)
Mortality: UP84+1 Participant
UP84 -4 Beneficiary
Participant and Beneficiary assumed to be the same age.