SAN FRANCISCO ELECTRICAL WORKERS RETIREMENT SAVINGS PLAN
LOAN POLICY

This loan policy ("Policy") is maintained under Section 9.6 of the San Francisco Electrical Workers Retirement Savings Plan ("Plan"), effective for loans issued after December 31, 2017.

1. Eligibility. If you are a Participant or Beneficiary in the Plan, and you have had no outstanding loan from any other tax-qualified retirement program of a contributing Employer during the past 1-year period, you may request a loan from the Plan pursuant to these procedures. You must agree to the terms contained in the promissory note and related documents, including the imposition of setup and ongoing administration fees. Loan fees will be charged to your account in addition to the loan amount. Spousal consent is required as a condition to receiving a loan.

2. Limitation on Amount and Purpose. The minimum loan amount is $1,000. The maximum loan amount allowed for a loan is the lesser of (i) 50% of your account balance and (ii) $50,000 reduced by the highest outstanding loan balance (if any) during the 1-year period ending immediately before the date of your loan. The Plan imposes no restriction on the purpose of your loan. You may have no more than 2 loans outstanding at any time. You may not take an additional loan if you defaulted on a prior loan under Section 9 below and that loan has not yet offset your account under Section 10.

3. Interest. The loan interest rate will be fixed at the prime rate published by Reuters at the time the loan is processed, plus 1%, unless such rate is not reasonable and appropriate. All interest accrued on the loan will be credited to your account.

4. Requesting a Loan. To initiate a loan, you should contact Fidelity Investments at 866-84-UNION, or online at www.fidelity.com/atwork. Fidelity will then send a signature ready application to you, with instructions to return the executed paperwork to the Plan Office (EISB) for approval.

5. Fees. The Plan will impose a $50 loan initiation fee, plus a $6.25 quarterly fee. These fees will be charged directly to your account. (Also, see Section 7 regarding principal residence loans.)

6. Payments. Your loan must provide for regular even monthly payments of principal and interest by automated clearinghouse ("ACH") deduction from your personal checking account. No loan will be approved unless you agree to allow the Plan to collect payments by automatic deduction. Should you revoke approval for automatic deduction, the loan balance shall be immediately due and payable, together with accrued interest, and subject to the deemed (Section 9) or offset (Section 10) distribution procedures should the loan not be paid in full. Prepayments are not allowed, except that you may repay the entire balance due at any time. Your loan payments into your account will be invested in the same manner as are contributions to your account, and will be credited back to the subaccounts that funded the loan.

7. Term. The minimum term of your loan is 12 months and the maximum term is 60 months, except that the maximum term is 180 months if your loan is used to acquire a dwelling which, within a reasonable time, will be used as your principal residence. If your loan is a principal residence loan, you must provide documentation that you purchased your residence (based on the close date of the purchase transaction) during the 180-day period that ends on the 90^{th} day following the date the loan was issued. If you do not provide that documentation, your loan will automatically convert to a 60-month loan from its inception, and an additional $50 fee will be charged. To avoid default, you must make up any payment shortfall no later than the end of the grace period described in Section 9. This Policy does not provide for a loan term exceeding 60 months for a loan to construct (as opposed to buy) your principal residence.

8. Loan Funding and Security. Each loan must be secured with an irrevocable pledge and assignment of up to 50% of your account in the Plan. Loan funding shall be made from all subaccounts, and all investments, within your account on a pro rata basis. Your loan may not place other Participants at risk of investment loss. Accordingly, your loan will be administered as a Participant directed investment of that portion of your account equal to the outstanding balance of your loan. The Plan will credit your account with interest earned and principal payments received.

9. Default (Deemed Distribution). If you are late with a loan payment, the Plan will default the unpaid balance of your loan if any scheduled payment remains unpaid as of the last day of the calendar quarter succeeding the calendar quarter in which the payment became late. (The period between the payment's due date and the end of the next calendar quarter is referred to as the "grace period.") If your account is not yet eligible for distributions, a loan in default shall be treated as ("deemed") distributed for tax purposes at the time of default, and will (i) not be eligible for rollover to any other retirement arrangement, (ii) continue to be carried as an asset on the books and records of the Plan, with continuing adjustments for accrued interest, until such time as you incur a severance from service and it is offset under Section 10 below, (iii) reflect tax basis only to the extent that you have made additional loan payments after the date of the deemed distribution and (iv) cause no further taxable income to you after the date of the deemed distribution. If you have a loan that has been deemed distributed under this section, but not yet offset under Section 10 because you are not yet eligible for Plan distributions, you may make future payments on the loan to reduce its balance. Those payments will not be tax deductible, but will create tax basis in your account that will allow for future nontaxable distributions from your account. You may not take another loan from the Plan if you previously defaulted on a Plan loan and that loan has not been offset under Section 10.

10. Distribution (Offset Distribution). If you are late with a loan payment and your account is distributable (for example, you are eligible for early retirement or disability payments), the Plan will offset your account by the unpaid balance of the loan for which a scheduled payment remains wholly or partly unpaid as of the last day of the grace period described in Section 9. Also, a loan that has been deemed distributed under Section 9 above will be offset under this section immediately upon your severance from service. Unlike a deemed distribution under Section 9, you may roll over, to another retirement arrangement, a taxable offset distribution under this section to the extent you have personal cash to fund the rollover. The Plan will provide an appropriate tax notice to you on or about the date of the offset distribution explaining applicable tax and rollover rules. An offset distribution will reduce your account balance by the unpaid principal and accrued interest and cause the loan to be treated as repaid to the extent of the offset. As permitted under regulations, you are treated as having consented to a distribution under this section as a condition to receiving the loan.

11. Death of Borrower. If you have obtained a loan from the Plan and die before the loan is fully paid, the Plan will allocate the unpaid loan balance among your beneficiaries. A beneficiary may continue to make payments on the beneficiary's allocation portion of the loan pursuant to the loan's general terms. Should the loan default, the beneficiary will be taxed on the unpaid balance.

12. You are Responsible for Loan Consequences. Obtaining a Plan loan carries risks. You will diminish your retirement resources if you fail to repay the loan in accordance with its terms, or if the interest paid on the loan is less than the earnings you otherwise would have earned had you not taken the loan. If you default on the loan, you will pay personal income, and perhaps penalty, taxes on the amount of the default. The Board of Trustees is not responsible for these consequences, and neither the Board nor the Plan Office can advise you regarding whether a loan is appropriate for your circumstances. By requesting a loan you acknowledge that you are aware of your payment responsibilities and the risks.

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