

IBEW LOCAL NO. 9

FRINGE BENEFIT FUNDS

IBEW Local No. 9 and Line Clearance Contractors Health & Welfare Fund
IBEW Local No. 9 and Line Clearance Contractors 401(k) Retirement Plan

Managed for the Trustees by:
TIC INTERNATIONAL CORPORATION

January 2006

TO: PLAN PARTICIPANTS OF THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL UNION NO. 9 AND LINE CLEARANCE CONTRACTORS 401(k) RETIREMENT PLAN

RE: 2006 SUMMARY OF MATERIAL MODIFICATIONS

Dear Plan Participant:

This past year, the Trustees of the IBEW Local No. 9 and Line Clearance Contractors 401(k) Retirement Plan (the "Plan") have amended the Plan. This Notice, known as a Summary of Material Modifications ("SMM") is an amendment to the Summary Plan Description ("SPD") you received previously. You should keep this SMM with your SPD for future reference.

The changes to the Plan are as follows:

- On August 15, 2005, the way a designated beneficiary will be treated following divorce was changed. Previously, if you named your spouse as your beneficiary and then divorced, your ex-spouse would still be entitled to survivor benefits unless you changed the designation. Now, the designation of your ex-spouse will automatically end upon your divorce. If you want to keep your ex-spouse as your designated beneficiary, then you must give the Plan Administrator a new Beneficiary Designation Form that is dated after the date of divorce. Another way to name your ex-spouse as your beneficiary is to provide the Plan Administrator with a Qualified Domestic Relations Order that identifies your ex-spouse as your surviving spouse. A revised Beneficiary Designation Form is enclosed in this mailing.
- On June 30, 2005, the way an Involuntary Cash-Out may be paid was changed. Previously, the Plan may have made an Involuntary Cash-Out to a former Participant who had a vested accrued benefit of less than \$5,000.00. The Cash-Out was a single distribution of the entire account balance. Now, only if the entire vested accrued benefit is less than \$1,000.00, will the entire account balance be distributed to the former Participant as a single cash payment. If the vested accrued benefit is between \$1,000.00 and \$5,000.00, then the entire account balance will be directly rolled over to an Individual Retirement Account ("IRA"). The IRA account will be set up in the Participant's name at a bank or other financial institution chosen by the Plan Administrator.
- On May 17, 2005, the definition of "Leaving the Trade" was changed so that an employee can choose to leave the trade permanently, even after reaching Normal Retirement Age. Previously, an employee could choose to leave the trade permanently only if he had not yet reached Normal Retirement Age. Like before, an employee must fill out the Plan

Administrator's form Affidavit of Leaving the Trade. Forms are available at the Fund Office at the address listed below.

You were previously notified of the following Plan Modifications. However, they are included for your review:

- For distributions made on or after November 11, 2002, the Trustees may withhold an amount equal to twenty percent (20%) of a Participant's Account Balance based on the expected valuation of the account. The remaining total of the Participant's account will be distributed as soon as administratively feasible after the final valuation for the Plan Year.
- Effective January 1, 2002, a Participant, Surviving Spouse and former spouse designated as an Alternate Payee by a Qualified Domestic Relations Order, who are eligible for a distribution, can make a direct rollover to 1.) a qualified employer plan, or 2.) a Section 457 plan which accepts rollovers, or 3.) an individual retirement account or annuity (IRA), or 4.) a Section 403(a) qualified annuity or to a Section 403(b) tax-sheltered annuity.
- Hardship Withdrawals are permitted on a Participant's 401(k) Account Balance. For further information regarding Hardship Withdrawals, please contact the Pension Department at the Fund Office at the address listed below.
- Effective July 1, 2000, the Trustees approved an Expense Allocation of \$50.00 that will be applied yearly on June 30th to each Participant's Account. The purpose of this charge is to create a reserve for administrative expenses. If your account balance is greater than \$50.00 at the end of the Plan Year, this annual service fee will be applied back to your account. Typically, more than \$50.00 is reapplied to your account. This charge will stay in the Fund and does not represent an increase in the service fees charged to the Plan.

Please be advised that the Board of Trustees for the Benefit and Retirement Funds as of the date of this notification are as follows:

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7942 South Madison Street
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Sincerely,

BOARD OF TRUSTEES
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
LOCAL UNION NO. 9 AND LINE CLEARANCE CONTRACTORS 401(k) RETIREMENT PLAN