

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS,
LOCAL UNION NO. 9 & LINE CLEARANCE CONTRACTORS
401(k) RETIREMENT PLAN

Pursuant to the Board of Trustees power to amend the Plan as reflected in Section 11.1 of the Plan Document, the Trustees hereby amend the Plan by adopting this First Amendment and insert an additional section as follows:

§ 7.1A Hardship Distribution

A Participant with the consent of his spouse in accordance with Subsection 7.2(c) may apply in writing to the Board of Trustees for a hardship withdrawal of part or all of his net distributable amount. The net distributable amount is equal to the distributable amount, reduced by the amount of previous distributions on account of hardship. The distributable amount is equal to the amount of the Participant's total Elective Deferrals as of the date of distribution. The Board of Trustees in its discretion and in accordance with the provisions of this Section 7.1A shall determine what portion or all of such vested Account Balance is necessary to alleviate the hardship. A distribution is on account of hardship only if the distribution both is made on account of an immediate and heavy financial need of the Participant as determined in accordance with Subsection (a) below and is necessary to satisfy such financial need as determined in accordance with Subsection (b) below. The determination by the Board of Trustees of the existence of an immediate and heavy financial need and of the amount necessary to meet the need shall be made in a nondiscriminatory and uniform manner. The determination of hardship by the Board of Trustees shall be final and binding.

Alternate 1 (deemed hardship distribution standards)-

(a) A distribution will be deemed to be made on account of an immediate and heavy financial need of the Participant if the distribution is for:

(i) expenses for medical care described in IRC section 213(d) incurred by the Participant, the Participant's spouse, or any dependents of the Participant (as defined in IRC section 152), or necessary for these persons to obtain medical care described in IRC section 213(d);

(ii) costs directly related to the purchase of a principal residence for the Participant (excluding mortgage payments);

(iii) payment of tuition and related educational fees for the next 12 months of post-secondary education for the Participant, the Participant's spouse, children, or dependents of the Participant;

(iv) payments necessary to prevent the eviction of the Participant from his principal residence or foreclosure on the mortgage of that residence; or

(v) such other financial needs as prescribed by the Commissioner of the Internal Revenue Service.

(b) A distribution will be deemed to be necessary to satisfy an immediate and heavy financial need of a Participant if all of the following requirements are satisfied:

(i) the distribution is not in excess of the amount of the immediate and heavy financial need of the Participant. The amount of an immediate and heavy financial need may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution;

(ii) the Participant has obtained all distributions, other than hardship distributions, and all nontaxable (at the time of the loan) loans currently available under all plans maintained by the Employer;

(iii) the Participant does not make an Elective

Deferral for his taxable year immediately following the taxable year of the hardship distribution in excess of the \$7,000 limit (adjusted for the cost of living) for such next taxable year less the amount of such Participant's Elective Deferral for the taxable year of the hardship distribution; and

(iv) the Participant does not make an Elective Deferral or contribution to all other plans maintained by the Employer for a 12-month period following the date of receipt of the hardship distribution. For this purpose, the phrase "all other plans maintained by the Employer" means all qualified and nonqualified plans of deferred compensation maintained by the Employer. The phrase includes a stock option, stock purchase, or similar plan, or a cash or deferred arrangement that is part of a cafeteria plan within the meaning of IRC section 125. However, such phrase does not include a health or welfare benefit plan, including one that is part of a cafeteria plan.

If additional methods for distributions are prescribed by the Commissioner of the Internal Revenue Service, such additional methods for distributions are hereby incorporated by reference.

Alternate 2 (general hardship distribution standards)-

(a) The determination by the Board of Trustees of whether a Participant has an immediate and heavy financial need is to be made on the basis of all relevant facts and circumstances, and must be for one of the reasons specified in (i)-(vi), below. A financial need shall not fail to qualify as immediate and heavy merely because such need was reasonably foreseeable or voluntarily incurred by the Participant. A distribution will be treated as made on account of an immediate and heavy financial need of the Participant if the distribution is on account of:

(i) medical expenses;

(ii) the purchase (excluding mortgage payments) of a principal residence of a Participant;

(iii) tuition and related educational fees for the next 12 months of post-secondary education for the Participant, the Participant's spouse, children, or dependents of the Participant;

(iv) the need to prevent the eviction of the Participant from his principal residence or foreclosure on the mortgage of that residence;

(v) funeral expenses of a Participant's family member;
or

(vi) such other financial needs as prescribed by the Commissioner of the Internal Revenue Service.

(b) A distribution will not be treated as necessary to satisfy an immediate and heavy financial need of a Participant to the extent the amount of the distribution is in excess of the amount required to relieve the financial need or to the extent such need may be satisfied from other sources that are reasonably available to the Participant. This determination by the Board of Trustees is to be made on the basis of all relevant facts and circumstances. For purposes of this Subsection (b), the Participant's resources shall be deemed to include those assets of his spouse and minor children that are reasonably available to the Participant. Property owned by the Participant and the Participant's spouse, whether as community property, joint tenants, tenants by the entirety, or tenants in common, generally

will be deemed a resource of the Participant. However, property held for the Participant's child under an irrevocable trust or under the Uniform Gifts to Minors Act will not be treated as a resource of the Participant. The amount of an immediate and heavy financial need may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution. A distribution generally may be treated as necessary to satisfy a financial need if the Board of Trustees reasonably relies upon the Participant's written representation, unless the Board of Trustees has actual knowledge to the contrary, that the need cannot reasonably be relieved—

(i) through reimbursement or compensation by insurance or otherwise,

(ii) by liquidation of the Participant's assets,

(iii) by cessation of Elective Deferrals under the Plan, or

(iv) by other distributions or nontaxable (at the time of the loan) loans from plans maintained by the Employer or by any other employer, or by borrowing from commercial sources on reasonable commercial terms in an amount sufficient to satisfy the need.

For purposes of this Subsection (b), a need cannot reasonably be relieved by one of the actions listed in (i)-(iv) above if the effect would be to increase the amount of the need.

401k plan doc amend 1.wpd

IN WITNESS WHEREOF, the Union Trustees and the Employer Trustees have executed this First Amendment to the Plan Document on this 12th day of February 2001 with the intent that this amendment is to be effective as of December 21, 2000.

UNION TRUSTEES

EMPLOYER TRUSTEES

