

**SPECIAL CORONAVIRUS-RELATED AMENDMENT**  
to the  
**ORANGE COUNTY IBEW-NECA ELECTRICAL**  
**WORKERS DEFINED CONTRIBUTION PENSION**  
**PLAN**

Recitals

WHEREAS, the federal government has adopted legislation (Senate Bill 3578, having the title Coronavirus Aid, Relief, and Economic Security Act (known as the “CARES Act”) that permits a Retirement Plan to provide for distributions and Participant loans to Participants in certain situations as a result of the Coronavirus pandemic;

WHEREAS, the Board of Trustees of the Contra Costa County Electrical Workers Retirement Plan ("Plan") has determined that it is necessary, given the seriousness of the Coronavirus pandemic and the effect on the Plan Participants (losing their jobs for indefinite periods); that the Plan be amended to permit a partial distribution that qualifies as a Coronavirus-Related Distribution under the CARES Act;

WHEREAS, the ability to take a distribution under this provision terminates as of June 30, 2020, unless extended by the Plan’s Chair and Co-Chair;

WHEREAS, the CARES Act permits expanded Participant loans and the suspension of certain loan repayments for Qualified Individuals during the March 27-June 30, 2020 period, the Plan is amended to include certain provisions as permitted by the Act;

THEREFORE, the Board of Trustees amends the Plan as follows:

Amendment

Article VI, Section 4 is added to the Orange County IBEW-NECA Electrical Workers Defined Contribution Pension Plan (“Plan”) as follows

**Partial Distribution Upon Termination of Employment—Coronavirus Pandemic.**

A Participant who is terminated from Covered Employment (including a furlough, layoff or short termination) on or after March 1, 2020, as a result of impacts of the Coronavirus (also known as a Coronavirus-Related Distribution as defined in the Coronavirus Aid, Relief, and Economic Security Act known as “CARES”), is entitled to a distribution from his or her Individual Account up to \$50,000. A Coronavirus-Related Distribution will be permitted for any of the following reasons:

- a. A Participant who is diagnosed with the virus SARS-CoV-2 or with coronavirus disease 2019 (COVID-19) by a test approved by the Centers for Disease Control and Prevention,
- b. A Participant whose spouse or dependent (as defined in section 152 of the Internal Revenue Code of 1986) is diagnosed with such virus or disease by such a test, or
- c. A Participant who experiences adverse financial consequences as a result of being quarantined, being furloughed or laid off or having work hours reduced due to such virus or disease, being unable to work due to lack of child care due to such virus or disease, closing or reducing hours of a business owned or operated by the individual due to such virus or disease, or such other factors as determined by the Secretary of the Treasury for the (or the Secretary's delegate).

This distribution option is available through June 30, 2020. During June, the Board of Trustees will evaluate whether to extend the distribution option past that date.

The Plan Office may rely on a Participant's certification that he or she satisfies the conditions noted above.

To be entitled to the distribution, the Participant cannot have performed any work in the Electrical Industry for a non-signatory employer during the March-June period. The ability to take a distribution pursuant to this provision terminates as of June 30, 2020.

**Taxes, Waiver of 10% IRS Premature Tax Penalty during 2020 and Withholding.**

Pursuant to the CARES Act, the Participant will be responsible for ordinary taxes on the distribution. Because Congress amended the law to eliminate the IRS 10% premature tax penalty for early distributions and does not require mandatory 20% withholding on the distribution, a Participant may elect to withhold any amount desired, including no withholding (otherwise the tax withholding will be 10%). While the distribution is subject to ordinary income tax, subject to the CARES Act, the Participant may choose to include one-third of the taxable amount of the income each year for three consecutive years in order to spread the tax burden over a longer period. Participants are encouraged to consult with a tax advisor regarding this issue.

**Option to Repay the Distributing Over Three Year Period.** In addition, pursuant to the CARES ACT (and any federal guidance issued thereunder), a Participant may repay the distribution to the Plan at any time during the 3-year period beginning on the day after the date on which the Coronavirus-related distribution is received by the Participant. If the Participant does not repay the distribution within the 3-year repayment period, then

the Participant loses the opportunity to repay the distribution. The repayments may be made in one or more installments which in the aggregate may not exceed the total amount of the Coronavirus-related Distribution made to you. Participants are encouraged to consult with a tax advisor regarding the repayment option.

Article 6, Section 5 is added to the Plan as follows:

**Participant Loan—Loan of 100% of Account Balance up to \$50,000 is Permitted.**

From April 1 through June 30, 2020, pursuant to the "CARES" Act referenced above (and any federal guidance issued thereunder), the Plan will permit a "qualified individual" to obtain a Participant loan from the Plan in an amount up to the lesser of \$50,000 or 100% of the Participant's Individual Account balance. A qualified individual is any person who satisfies one of the three eligibility criteria:

- a. A Participant who is diagnosed with the virus SARS-CoV-2 or with coronavirus disease 2019 (COVID-19) by a test approved by the Centers for Disease Control and Prevention,
- b. A Participant whose spouse or dependent (as defined in section 152 of the Internal Revenue Code of 1986) is diagnosed with such virus or disease by such a test, or
- c. A Participant who experiences adverse financial consequences as a result of being quarantined, being furloughed or laid off or having work hours reduced due to such virus or disease, being unable to work due to lack of child care due to such virus or disease, closing or reducing hours of a business owned or operated by the individual due to such virus or disease, or such other factors as determined by the Secretary of the Treasury (or the Secretary's delegate).

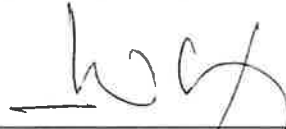
The Plan Office may rely on a Participant's certification that he or she satisfies the conditions noted above to be a Qualified Individual.

**Certain Loan Payments Are Suspended for One Year.** Loan repayments for a CARES Act loan or any outstanding loan as of March 27, 2020 through June 30, 2020 to a Qualified Individual, are suspended for one year. This applies to any repayments for such Qualified Individual due between March 27, 2020 and December 31, 2020. The suspension period is not counted when determining the maximum permitted loan period (five years for a general loan and a longer period for loans used to purchase a primary residence). Pursuant to the CARES Act, interest will be charged during the postponed payment period.

Article 6, Section 6 of the Orange County IBEW-NECA Electrical Workers Defined Contribution Plan is added to the Plan as follows:

**Required Minimum Distributions Postponed.** Pursuant to the CARES Act, the Required Minimum Distributions (“RMD”) that are required to be made during 2020 are not required to be made during 2020. This includes 2020 RMD payments for individuals already receiving RMD payments and individuals who would have received their first RMD payment in 2020. Thus, a Participant has the option of not taking an RMD during 2020 (or may continue to receive such payments).

Approved: April 10, 2020

  
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Neal Lauzon, Chair

  
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Tom Geller, Co-Chair