

Here's a quick overview of the differences between traditional employer-funded defined contribution annuity retirement plans and the NEFP, a 401(k) plan funded by members' salary deferrals:

Feature / Benefit	Traditional Annuity Pension Plans	National Electrical 401(k) Plan (NEFP)
Contributions	Employer may contribute at a determined rate. Some plans have member after-tax contributions	Member Salary Deferral Contributions <ul style="list-style-type: none"> • 0% to 100% pre-tax • Members can update their contribution rate quarterly
Investments Offered	Determined by the Board of Trustees	
Investment Selection	Directed by the Board of Trustees	<ul style="list-style-type: none"> • Members can invest in any of the funds offered in the NEFP • Members can manually select investments or invest through GoalMaker®, an optional tool that pairs them with one of twelve professionally built model portfolios at no additional cost
Distributions	Members can begin receiving payments once they meet certain vesting, age, and employment status requirements	Members can choose how and when they prefer to withdraw their savings when the time comes (retirement/termination)
Lifetime Income	Members can select to receive the benefit as either Lifetime or Joint and Survivor; they must make their election prior to receiving their first benefit	Members have access to the Prudential Day One® IncomeFlex Target® Balanced Fund, which, for an additional fee of about 1%, converts a portion of their savings to a steady stream of guaranteed income for life, ¹ while also providing the flexibility of access to their account market value ²
Statements	Dependent on Plan	Quarterly Statements
Online Account Access	Dependent on Plan	24/7 access at www.nefp.org

Contact **Larry Bradley** at **301-556-4304** or email ljb@nebf.com for details.



¹Guarantees are based on the claims-paying ability of the insurance company and are subject to certain limitations, terms and conditions. The market value is not guaranteed at any time and will fluctuate with market volatility.

²Withdrawals proportionately reduce guaranteed values prior to locking in. After lock-in, withdrawals in excess of the lifetime annual withdrawal amount will reduce guarantees proportionately and may even eliminate them.

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The Prudential Day One® IncomeFlex Target® Balanced Fund was designed for use with Prudential IncomeFlex Target, an in-plan guaranteed retirement income product, and is available as an insurance company separate account under group variable annuity contracts issued by **Prudential Retirement Insurance and Annuity Company (PRIAC)**, Hartford, CT. PRIAC does not guarantee the investment performance or return on contributions to the separate account. PRIAC is solely responsible for its financial condition and contractual obligations. Availability and terms may vary by jurisdiction, subject to regulatory approvals. Guarantees are based on claims-paying ability of the insurance company and are subject to certain limitations, terms and conditions. Annuity contracts contain exclusions, limitations, reductions of benefits and terms for keeping them in force. Contract form #GA-2020-TGWB4-0805. For more information, participants should access the participant service center or call 877-778-2100 for a copy of the Prudential IncomeFlex Target Important Considerations before investing. PRIAC is a Prudential Financial company.

GoalMaker's model allocations are based on generally accepted financial theories that take into account the historic returns of different asset classes. But, of course, past performance of any investment does not guarantee future results. Participants should consider their other assets, income and investments (e.g., equity in a home, Social Security benefits, individual retirement plan investments, etc.) in addition to their interest in the plan, to the extent those items are not taken into account in the model. Participants should also periodically reassess their GoalMaker investments to make sure their model portfolio continues to correspond to their changing attitudes and retirement time horizon.

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