

From: Joe Dubeck and Gerry Ginter
To: All Current CBC Employees
Date: November 26, 2018
Re: Company Matching Contributions for Your CBC 401(k) Plan

CBC's Board of Directors has authorized your Profit Sharing and 401(k) Plan to be enhanced with a new matching contribution beginning January 1, 2019.

The Board's primary objectives in augmenting your retirement plan are two-fold:

First, we're responding to constructive input from all CBC associates urging us to do more to encourage you to increase your personal retirement savings rate. Clearly, the most direct means of achieving this goal is to enhance your 401(k) participant contributions with a match from CBC.

Second, CBC's annual profit sharing has historically formed the foundation of CBC's contribution to your retirement security. But over the past decade multi-faceted economic pressures faced by our industry have severely pinched CBC's profitability resulting in minimal profit to be shared by CBC's owners and profit sharing club members alike. The Board has therefore authorized this new match to be maintained regardless of CBC's profitability.

To be clear, CBC's profit sharing contribution formula has not been altered by the Board's implementation of the matching contribution. So for future years in which we generate a profit, it will continue to be shared between owners and employees alike.

The enclosed "Statement of Material Modifications" describes this new benefit in IRS-required legalese. But in less formal terms, we're very pleased that the Board has seen fit to grant this new benefit *regardless of your length of employment service to CBC!* That facet of our new company match should encourage all of us to reassess our payroll contribution rate. In doing so, please consider bringing your employee payroll contribution rate to the minimum 3% of gross wages required to secure the maximum company match contribution.

We look forward to a significant increase in active participation in the 401(k) Plan as a result of this Board action. Please take the time to digest the details of our new company match and sincerely consider its benefits for you and your family. Instructions to act upon a positive decision are included in the attached materials. As always, your further questions specific to any facet of your Plan are welcomed by Gerry Ginter and Compensation & Capital (Ken Matson) at info@planspecs.com.

**SUMMARY OF MATERIAL MODIFICATIONS TO
Chicago Blower Corporation Production & Maintenance Employees
Profit Sharing Plan and 401(k) Arrangement
Effective January 1, 2019**

The Chicago Blower Corporation Production & Maintenance Employees Profit Sharing Plan and 401(k) Arrangement (the "Plan") has recently been amended effective January 1, 2019, to enhance its mission to provide you and your beneficiary with economic benefits upon your retirement, disability, termination of employment or death. The primary modification is CBC's implementation of a Company Matching Contribution.

This information is provided to you in accordance with the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The information in the Plan's Summary Plan Description ("SPD") is updated by this Summary of Material Modifications ("SMM"). The updated SPD may be accessed on the Plan's website at www.planspecs.com/cbc under the Plan Operations tab. Alternatively, you may request a copy of the SPD or the Plan Document from the Third-Party Plan Administrator ("TPA") with an email to them at info@planspecs.com.

The following is a summary of the plan amendments adopting these changes. If there is any discrepancy between this Summary of Material Modifications and the plan document, as amended, the language of the plan document will prevail.

Effective January 1, 2019:

Company Matching Contribution Computation and Eligibility: The Plan will provide for a Company Matching Contribution based upon your Participant Contributions. Until further notice, the match rate is 25% of each dollar of Participant Contribution up to 3% of "eligible compensation" received on each pay date. For purposes of the Plan, the term "eligible compensation" is generally your gross wages. Based upon this current match formula, your maximum rate of match as compared to your eligible compensation is 0.75%. To qualify for this maximum match, you must enroll for salary reduction contributions of at least 3% of eligible compensation. The Company Matching contribution is computed for each paycheck and deposited to your account in the Plan's Trust within a few days of each applicable pay date. All employees are eligible to make Participant Contributions to the Plan regardless of their years of service. Therefore, all employees are eligible for the new Company Matching Contribution.

For a very small group of higher income employees, the IRS imposes limits on the amount of compensation that the Plan may take into account in making contributions. This limit is also adjusted for cost of living increases from time to time by the IRS. Please reference the SPD for further details on IRS compensation limits if you think you may be impacted by these limits.

Initiating your Company Matching Contribution Account: If you are currently making Participant Contributions to the Plan, your matching will begin automatically with your first paycheck after January 1, 2019. If you would like to increase your current rate of Participant Contributions, complete the "Future Contributions – Deferral Rate and /or Investment Mix Change Request" form. If you have never made Participant Contributions to the Plan and would like to start, contact the Plan Administrator's representative, Gerry Ginter, to initiate your online secure Plan portal. Then complete a "Participant's Original Deferral Agreement" form. Both forms are available from the Plan Administrator's representative, Gerry Ginter or on the Plan's personal portal login at www.planspecs.com/cbc. Form submission instructions are included on each form.

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Vesting of your Company Matching Contribution Account: Your Company Matching Contribution Account is subject to the same vesting schedule that the Plan applies to the Company Profit Sharing Contribution Account. Vesting means your right to all or a portion of your account balance. Your Participant Contribution Account and your Rollover Contribution Account are always fully vested. Your Company Matching and Profit Sharing Contribution Accounts are fully vested upon your retirement on or after attaining age 65, or if you die or become disabled while you are an employee of the Company. If your employment is terminated for any other reason, both types of Company Contributions allocated to your Account will have vested progressively over a six or seven-year period, based upon your Years of Service beginning with your date of hire, according to the following schedule:

<u>Years of Service</u>	<u>Contributions Prior to 2007: Percent Vested</u>	<u>Contributions After 2006: Percent Vested</u>
Less than 2 years	0%	0%
2 years, but less than 3 years	0%	20%
3 years, but less than 4 years	20%	40%
4 years, but less than 5 years	40%	60%
5 years, but less than 6 years	60%	80%
6 years, but less than 7 years	80%	100%
7 years or more	100%	100%

For purposes of vesting under the Plan, a Year of Service is a calendar during which a Participant is credited with 870 hours of service. You will incur a one year "break in service" if during a calendar year you are credited with fewer than 435 hours of service.

Vesting service and vesting computations are generally straight-forward to apply to the great majority of participants. That said, their application is subject to complex provisions when unusual employment situations arise. These provisions are detailed in the SPD and the Plan Document. Please reference the SPD for further details or contact the TPA with an email to them at info@planspecs.com.

Accessing your Company Matching Contribution Account: While an employee of CBC, you may not withdraw or borrow from your Company Matching Contribution Account. After your employment with CBC terminates for any reason, the vested portion of your Company Matching Contribution Account is available for distribution under the identical Plan provisions currently applied to all other components of your Plan Account. Any non-vested portion of your Company Matching Contribution Account is forfeited upon the earlier of Account distribution or accumulation of five consecutive breaks in service. Forfeitures fund future Company Matching Contributions of then-current participants. Please reference the SPD for further details.

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OTHER INFORMATION ABOUT THE PLAN THAT YOU SHOULD KNOW

Name of Plan:	Chicago Blower Corporation Production & Maintenance Employees' Profit Sharing Plan and 401(k) Arrangement
Company:	Chicago Blower Corporation 1675 Glen Ellyn Road Glendale Heights, IL 60139 (708) 858-2600
Union:	Sheet Metal, Air, Rail And Transportation Workers Local Union No. 265
Company's Employer I.D.:	36-2078465
Type of Plan:	Profit sharing and 401(k) plan
Plan's Identification Number:	002
Plan Year:	Calendar year ending December 31
Plan Administrator:	Retirement Committee c/o Chicago Blower Corporation 1675 Glen Ellyn Road Glendale Heights, IL 60139 (630) 858-2600
Contact Point for Agent of the Plan Administrator:	Third-Party Plan Administrator Compensation & Capital Administrative Services, Inc. Email: info@planspecs.com Plan's Proprietary Website: www.planspecs.com/cbc
Retirement Committee:	Joseph J. Dubeck, Gerald J. Ginter, Jr., Susan G. Gohl, Scott A. Kossman
Trust Name:	Chicago Blower Corporation 401(k) Profit Sharing Trust
Trustees:	Joseph J. Dubeck, Gerald J. Ginter, Jr., Susan G. Gohl, Scott A. Kossman 1675 Glen Ellyn Road Glendale Heights, IL 60139 (630) 858-2600
Agents for Service of Legal Process:	Chicago Blower Corporation 1675 Glen Ellyn Road Glendale Heights, IL 60139 (630) 858-2600 The Trustees may also be served with legal process.
Further Information and Copies of the Plan may be obtained from:	Retirement Committee c/o Chicago Blower Corporation 1675 Glen Ellyn Road Glendale Heights, IL 60139 (630) 858-2600
Pension Benefit Guaranty Corporation:	The Plan is a defined contribution profit sharing plan, and benefits under the Plan are determined solely by the balance of a Participant's Account. As such, the Pension Benefit Guaranty Corporation does not insure the benefits under the Plan.