



SHEET METAL WORKERS' INTERNATIONAL ASSOCIATION LOCAL UNION NO. 73 ANNUITY PLAN



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May 29, 2020

SUMMARY OF MATERIAL MODIFICATIONS SHEET METAL WORKERS LOCAL UNION NO. 73 ANNUITY PLAN

Dear Fund Participant,

We are here to support you and your family during this global health emergency. Please read this letter carefully as it describes a new temporary CARES Act distribution to the Sheet Metal Workers Local Union No. 73 ("Fund"), which is meant to provide assistance to the participants who have been impacted by the COVID-19 pandemic, as well as other changes the Trustees have authorized.

NEW- Temporary COVID-19 Temporary CARES Act Distribution

This new Temporary CARES Act distribution provides that a Participant who meets the criteria below the lesser of either 50% of the vested balance in the Participant's account or \$100,000.00, excluding the balance of the Participant's Money Purchase Pension Account.

Employees who are participants in the Fund will be eligible for the temporary distribution if they:

1. The Participant is laid off by a contributing employer due to the closure of a worksite, the closure of a shop, or other circumstances related to COVID-19;
2. The Participant is subject to a Federal, State, or local quarantine or isolation order related to COVID-19;
3. The Participant has been advised by a health care provider to self-quarantine due to concerns related to COVID-19;
4. The Participant is experiencing symptoms of COVID-19 and seeking a medical diagnosis;
5. The Participant is caring for an individual subject or advised to quarantine or isolation; or
6. The Participant is caring for a son or daughter whose school or place of care is closed, or the childcare provider is unavailable, due to COVID-19 precautions.

A Participant who takes a temporary distribution may repay the amount withdrawn at any time during the three (3) year period beginning on the day after the date on which the distribution was received.

NEW-Hardship Distribution Amendment – Section 15.1(d)

A Participant no longer has to exhaust withdrawal and/or loan options from other plans in which the Participant is active in order to take a hardship distribution. The Participant must still meet the remaining criteria: the participant cannot be

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relieved through disbursement or compensation by insurance or otherwise; by reasonable liquidation of their assets to the extent the liquidation does not create a financial hardship; or by borrowing from commercial sources on reasonable commercial terms. Please contact the Fund Office if you have questions about hardship distributions.

NEW-Loan Amendment – Section 13.2(a)

The limit on a general-purpose loan from a Participant's account is now the lesser of either 50% of the vested balance in the Participant's account or \$20,000.00 instead of the previous \$10,000.00.

The amendment also allows who has taken a loan in the preceding twelve (12) months may take a second loan subject to all other requirements of Section 13.2(a)(5). This subsection takes effect March 20, 2020 and terminates upon a Proclamation from the President of the United States declaring that the National Emergency related to COVID-19 has ended.

NEW – CARES Act Loan Repayment Deferral

The CARES Act permits participants who take a loan from their Annuity Plan Account to defer repayment of the loan until January 2021. Interest will continue to accrue on the loan during the deferment period, resulting in a higher monthly payment beginning in January 2021. Contact the Fund Office for additional information.

NEW-In-Service Withdrawal Limit – Section 16.1(c)

You were previously informed of the ability for an Active Participant to take an in-service withdrawal from their account when you reach age 59.5. This amendment limits these in-service withdrawals to once every six (6) months.

Due to social distancing requirements, the 73 Fund Office is closed to walk-ins.

Guidance regarding the coronavirus is evolving on a daily basis. If you have questions about your benefits, start by visiting our website at <https://www.smw73.org/covid-19.html>, which will be updated as additional information is provided. Should you have any questions concerning this SMM, please contact the Fund Office at (708) 449-7373.

Sincerely,

The Board of Trustees
Sheet Metal Workers Local Union No. 73

Please file this notice together with your Summary Plan Description ("SPD") booklet.