

## **Hospitality Industry 401(k) Plan**

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### **Summary of Material Modifications**

The Board of Trustees has made the following changes to the Hospitality Industry 401(k) Plan ("Plan").

### **Coronavirus-related distributions**

Through the end of 2020, Qualified Individuals are eligible to take up a coronavirus-related distribution up to \$100,000, regardless of age. You are a Qualified Individual if:

- You (or your spouse or dependent) has been diagnosed with coronavirus (that is, SARS-CoV-2 or coronavirus disease 2019 (COVID-19)) by a test approved by the Centers for Disease Control and Prevention, or
- You have adverse financial consequences as a result of any of the following:
  - being quarantined, being furloughed or laid off or having work hours reduced due to coronavirus;
  - being unable to work due to lack of child care due to coronavirus;
  - closing or reducing hours of a business that you own or operate due to coronavirus; or
  - other factors described in future government guidance.

You will need to certify that you are a Qualified Individual when you apply for a corona-virus related distribution or special loan.

Coronavirus-related distributions are treated differently from other Plan distributions in the following ways:

- There is no 10% penalty tax that would otherwise apply to distributions taken before age 59-1/2 (or age 55 if you have terminated employment);
- You may choose to have your CRD included in your income in equal amounts over the next three years for federal income tax purposes;
- The 20% mandatory federal income tax withholding does not apply to CRDs (and CRDs are not eligible for direct rollover); and
- You may pay any portion of your CRD back to the Plan or to another plan or IRA within 3 years.

### **Required Minimum Distributions**

Participants are generally required to begin to take their money out of the Plan beginning in the year after they reach age 70-1/2, unless they are still working. These payments are called "required minimum distributions." Under a special rule in effect for 2020, the Plan will not be making any required minimum distributions for the remainder of 2020.

If you reach age 70-1/2 in 2020 or later, you do not need to begin to take your money out of the Plan until the April 1 following the calendar year in which you reach age 72 (or the April 1 following the calendar year in which you stop working, if later).

If you die on or after January 1, 2022 and you have a designated beneficiary other than your spouse, he or she must receive the balance of your account by December 31 of the year that is 10 years after your death.

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**This notice is a summary of material modifications to the Fund's Summary Plan Description. Please read it carefully and keep it in a safe place along with your Summary Plan Description for future reference. If you have any questions, please contact the Fund Office at (410) 683-6500 or toll free (800) 638-2972.**