

## **Carpenters' Local No. 491**

### **Annuity Plan**

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#### **ANNOUNCEMENT TO PARTICIPANTS**

#### **CARPENTERS LOCAL NO. 491 ANNUITY PLAN**

#### **SUMMARY OF MATERIAL MODIFICATION**

The Trustees of the Carpenters Local No. 491 Annuity Plan, on behalf of the Carpenters Local No. 491 Annuity Plan (the "Plan") announce that the Plan has been amended, effective as of January 1, 2021.

The purpose of one amendment is to provide Participants who have not worked for at least six (6) consecutive months the option to receive a portion of their account in the Plan. A distribution to a Participant whose service has been terminated for six (6) months is not the same as a coronavirus-related distribution under the law. The United States Congress did not extend the deadline to receive a coronavirus-related distribution, so the Trustees amended the Plan to provide Participants with another means of receiving financial assistance to better endure the economic distress resulting from the impacts of the coronavirus public health emergency, but this type of benefit has different tax implications than a coronavirus-related distribution.

The amount a Participant may elect to receive as a six-month termination distribution depends on the amount the Participant previously received as a coronavirus-related distribution. A Participant whose service is broken by six (6) months of contributions not required to be made by an Employer on the Participant's behalf may elect to receive a distribution from the Plan in an amount up to \$30,000, less any amount(s) already received in the form of a coronavirus-related distribution. Participants who have already received \$30,000 in distributions from the Plan may not receive any additional distributions. The deadline to receive a six-month termination distribution is March 31, 2021. The application must be postmarked no later than March 31, 2021.

**Participants interested in receiving a six-month termination distribution are strongly advised to consult with a tax professional, since the distribution will be subject to federal and state income taxes, and possible penalties if a premature distribution (excise tax). The Trustees, the Plan Administrator, and other advisors to the Plan may not provide advice regarding the tax impact of a six-month termination distribution or whether it is an appropriate financial decision.**

The Plan was also amended to permit the suspension of payments and extension of terms of certain loans to qualified individuals to pay for emergency expenses arising out of, or caused by, the economic distress resulting from the impacts of the coronavirus public health emergency. In the case of a qualified individual with a loan outstanding on or after March 27, 2020, if the due date for any repayment with respect to the loan occurs during the period beginning on March 27, 2020, and ending on December 31, 2020, the due date may be delayed for one (1) year. In

addition, any subsequent repayments of the loan may be adjusted appropriately to reflect the delay and any interest accruing during the delay, and the period of delay may be disregarded in determining the five-year period and the term of the loan.

This is a brief announcement to employees. In the case of a conflict, the terms of the Plan govern the terms of this announcement and the Summary Plan Description. If you have any questions on the announcement or the Plan, please contact the Plan Administrator.

**\*\*\*\* Please keep this Summary of Material Modifications with your Summary Plan Description for the Carpenters Local No. 491 Annuity Plan \*\*\*\***

Trustees of the  
Carpenters Local No. 491  
Annuity Plan  
January 2021