

**SHEET METAL WORKERS' LOCAL NO. 46 ANNUITY FUND**

**SUMMARY OF MATERIAL MODIFICATIONS  
AND  
NOTICE TO PARTICIPANTS**

(Plan No.: 002; I.D. No.: 16-1168659)

January 8, 2020

Dear Participant:

The Fund's Trustees have amended the Sheet Metal Workers' Local No. 46 Annuity Fund Summary Plan Description ("SPD") as follows:

I.

Effective January 1, 2020, the Answer to Question 20 ("CAN I RECEIVE A DISTRIBUTION FROM THE PLAN IN THE EVENT OF A FINANCIAL HARDSHIP") is amended to read as follows, with the new and revised language in bold italics:

"The Annuity Plan also permits hardship distributions. Under certain circumstances you may elect to withdraw any amount from your account, but not more than the lesser of (1) \$25,000, (2) your Account value, **or (3) the amount necessary to relieve your financial hardship.** You may not take a hardship withdrawal more frequently than once every 6 months.

There are certain other eligibility requirements that you must meet for a hardship distribution. However, your account balance may not be reduced to less than \$300 as a result of receipt of a hardship distribution to allow for payment of monthly administrative costs. In order to receive a hardship distribution you must certify in writing that you need the money to meet an immediate and heavy financial need such as medical expenses, purchase of a primary residence, payment of rent to avoid eviction, payment of mortgage to avoid foreclosure, payment of a car loan or purchase of an automobile which is essential to your ability to commute to work, expenses for repair or damage to your principal residence caused by an unusual event such as a hurricane, tornado, fire, flood, or other natural disaster, or payments for burial or funeral expenses for your deceased parent,

spouse, children or dependents. No other reasons are acceptable. The expense must be yours, your spouse's, your child's, or other dependent's.

You must also demonstrate your inability to meet the financial need from other sources. ***If the requirements below are met, it will be determined that you have demonstrated that the need cannot be met from other sources:***

- 1. You have obtained all other currently available distributions (including distributions of ESOP dividends under section 404(k), but not hardship distributions) under the plan and all other plans of deferred compensation, whether qualified or nonqualified, maintained by your employer;***
- 2. You have provided to the plan administrator a representation (in a form satisfactory to the Trustees and in accordance with applicable law) that you have insufficient cash or other liquid assets reasonably available to satisfy the need; and***
- 3. The plan administrator does not have actual knowledge that is contrary to the above representation.***

There are other rules which apply to hardship distributions. The Fund Manager can explain these rules and provide you with the necessary forms you must complete to receive a hardship distribution.

All hardship distributions are made in a single sum. You will have to obtain your spouse's consent (if you are married) just as if this were any other lump-sum distribution, regardless of the amount you request.”

II.

Effective December 18, 2019, the Answer to Question 18 (“WILL I BE PAID EVERYTHING IN MY ACCOUNT?”) is amended to read as follows:

“Benefits payable to you (or your beneficiary in the event of your death) are based on the entire balance in your account. Your benefits may be distributed to you in a number of different ways, as explained below.”

III.

Effective December 18, 2019, the Answer to Question 32 (“WHO RECEIVES MY BENEFITS IF I DIE PRIOR TO RETIREMENT?”) amended to read as follows:

“If you are married, your spouse (if any) will automatically receive a benefit equal to 50% of the value of your Individual Account. Your designated beneficiary will receive the remaining 50% of the value of your Individual Account. If your spouse is your designated beneficiary, he or she will receive a benefit equal to 100% of the value of your Individual Account.

If you are not married, any beneficiary you designate will receive the balance of your Individual Account.

If you fail to designate a beneficiary, any death benefits payable based on your Individual Account will be paid as follows:

- a. First, to your widowed spouse (if any); or if the widowed spouse is not living, then
- b. Second, to your surviving children in equal shares; or if there are no surviving children, then
- c. Third, to your surviving parents in equal shares, or to your surviving brothers and sisters in equal shares if your parents are deceased; or if there are no surviving parents nor siblings; then

- d. Fourth, to your duly appointed and qualified executor and administrator, or if no executor or administrator is appointed and qualified within 90 days following receipt by the Trustees of notice of your death, the
- e. Fifth, the Trustees will determine in their sole discretion as to the distribution of the portion of your Individual Account.

Beneficiary designation forms are available at the Fund Office for use in naming your beneficiary.”

Please place this information with your Summary Plan Description for permanent reference. If you have any questions concerning the change summarized above, please call the Fund Office at (585) 458-0400.

Sincerely,

BOARD OF TRUSTEES  
SHEET METAL WORKERS LOCAL  
NO. 46 ANNUITY FUND