

Plumbing and Pipefitting Industry Retirement Plan of Kansas

1520 Kensington Rd, Suite 200 • Oak Brook, IL 60523 • Telephone (620) 232-3799

October 5, 2020

TO PARTICIPANTS IN THE
PLUMBING AND PIPEFITTING INDUSTRY
RETIREMENT PLAN OF KANSAS

Re: Recent Plan Amendment – Summary of Material Modifications

Dear Participant:

We are writing to advise you of changes that were recently made to the Plumbing and Pipefitting Industry Retirement Plan of Kansas (the “Plan”). This document supplements the Plan’s Summary Plan Description (“SPD”).

Break in Service

The Plan provides that benefits are payable to you if you retire, become disabled, have a break in service, or die. We revised the Plan to clarify that a break in service occurs for this purpose if you experience a 12-month period during which no Employer is required to make contributions to the Plan on your behalf. The 12-month measuring period begins on the day immediately following the last day you do any work for an Employer that is required to make contributions to the Plan on your behalf. This change merely clarifies existing Plan provisions.

CARES Act Relief

We made two changes to the Plan to give you additional options in response to the COVID-19 pandemic. These changes are authorized by the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act.

First, we amended the Plan to permit individuals who otherwise would have been required to take a required minimum distribution for 2020 to waive that distribution.

Second, effective August 21, 2020, we revised the Plan in accordance with the CARES Act to allow “Qualified Individuals” (as defined below) to elect to receive a Coronavirus-Related Distribution (“CRD”) from the Plan. Those who take a CRD may also elect to repay the CRD to the Plan. This is a temporary change.

If you are a Qualified Individual with an account under the Plan (whether currently employed by a Contributing Employer or not), you may take up to two CRDs during the period

from August 21, 2020, through December 30, 2020. If you are married on the date you request a CRD, your spouse must consent to the distribution. You must wait at least 60 days after your first CRD is distributed to request a second CRD.

The maximum amount of any CRD that you may receive is the lesser of 50% of your vested account balance or \$20,000. If you elect to take two CRDs, the total amount that you may receive is the lesser of 50% of your vested account balance or \$40,000.

The 10% tax penalty that is normally assessed on early distributions from the Plan does not apply to CRDs. The amount of any CRD you take is included in your taxable income, but you may elect to spread the taxation across three years.

You may elect to repay all or any portion of the CRDs that you receive. Such repayment may be made at any time during the three-year period after you receive a CRD and may be in the form of one lump-sum payment or multiple payments. The Plan will treat any such repayments as rollover contributions.

To take a CRD, you must be a Qualified Individual. You are a “Qualified Individual” if:

- You are diagnosed with the Coronavirus by a Center for Disease Control or FDA approved test;
- Your spouse or dependent is diagnosed with the Coronavirus by a Center for Disease Control or FDA approved test; or
- You, your spouse, or a member of your household experience adverse financial consequences due to:
 - Quarantine,
 - Furlough or layoff or a reduction in work hours or pay due to the Coronavirus,
 - Rescission of a job offer or delay in a job start date because of the Coronavirus,
 - Being unable to work due to lack of child care caused by the Coronavirus, or
 - Closing or reducing hours of a business owned or operated by you, your spouse, or a member of your household due to the Coronavirus.

For purposes of CRDs, a member of your household is someone who shares your principal residence.

The Plan Administrator will rely on your self-certification regarding whether you satisfy one of these conditions.

If you have any questions about this summary, please contact BMGI, the Plan's third-party administrator, at (620) 232-3799.

Sincerely,

THE TRUSTEES