

Metal Lathers Local 46 Annuity Fund

Summary of Material Modifications

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The Metal Lathers Local 46 Annuity Fund (the "Plan") has been amended, effective as of October 1, 2001, to add an in-service withdrawal feature.

The purpose of this Summary of Material Modifications ("Summary") is to notify you of this change.

This Summary is to be read in conjunction with the Plan's Summary Plan Description ("SPD"), which was previously distributed to you. Please keep this Summary with your SPD as it updates the information contained in the SPD.

Please read the Summary carefully. If you have questions after reading this Summary, please contact the Fund Office.

Accessing Your Account

One of the most commonly asked questions about the Plan is, "Can I get my money out of the Plan?". Since the primary purpose of the Plan is to encourage long-term retirement savings, distribution of your account cannot be made while in Covered Employment. However, to satisfy certain financial needs, you may borrow against your account under the Plan and/or may withdraw a portion of your account. Please note that loans and withdrawals under the Plan may be subject to limitations, in addition to those described below, established by the Trustees in order to anticipate changes in the value of your account due to market fluctuations.

Loans

The maximum loan amount available to you will be determined by your account balance. You may borrow up to the lesser of (i) 50% of your account balance or (ii) \$50,000. This \$50,000 maximum is reduced, however, by the amount of your highest outstanding loan balance for the previous 12-month period. The minimum loan amount is \$1,000. The principal and interest you pay on your loan will be credited to your account.

You can model your repayment schedule and apply for a loan through *Benefits Complete*[®]. Loan documentation and processing instructions will be mailed to you. You should be aware, however, that to obtain a loan under the Plan, you must have had an account for at least one year.

You may borrow from your account for one of the following reasons:

•A loan for funeral expenses

Funeral expenses incurred by you because of the death of a spouse, child or parent.

Required proof can be a funeral bill or invoice from a funeral home, undertaker or cemetery, which shows the amount of the expenses incurred. You must also state your relationship to the deceased.

•A loan for tuition expenses

Expenses incurred by you in connection with the payment of tuition, fees, room and board to maintain yourself, your spouse or a dependent child of yours at an accredited four year college or university or at a school for the physically or mentally handicapped.

Required proof can be a bill or receipt from the school, which indicates the amount of expenses for tuition and, if applicable, room and board.

• A loan to purchase a home

Expenses incurred for the purchase of a home, a cooperative or a condominium apartment, which will be your primary residence.

Required proof can be a copy of a contract or similar document, which indicates the exact location of the home or apartment, the name of the buyer and the purchase price. The document must be signed by the seller or real estate broker.

• A loan for home improvement expenses

Expenses for improvements to your principal residence.

Required proof can be a copy of a contract or similar document from a contractor, etc.

- **A loan for medical expenses**

Unreimbursed medical expenses incurred by you, your spouse or your dependent child.

Required proof can be a copy of a statement from your physician, dentist or insurance carrier showing what portion of the invoice(s) will be reimbursed by your insurance company.

- **A loan for the purchase of an automobile**

You may also obtain a loan to purchase an automobile for you, your spouse or your dependent child.

Required proof can be a copy of a Bill of Sale from the car dealership.

- **A loan for other economic hardship**

You may apply for a loan for other financial hardships, provided you have proof which demonstrates true hardship to the satisfaction of the Trustees.

The types of proof described above are not the only acceptable proofs. However, any proof submitted must show the reason for which you are requesting a loan and the amount of the expenses to be incurred. In addition, you should be aware that no loan can be granted unless and until you sign a Vacation Fund Assignment attached to your loan application.

The interest rate is fixed and will be equal to the Prime Rate plus 1% as published in the Wall Street Journal.

Loans must normally be repaid over a period of not more than five years in quarterly installment payments of principal and interest. However, if you're using the loan to purchase your principal residence, the loan can be repaid over a period of not more than 10 years. Loans may be prepaid in full at any time without penalty. Failure to repay a loan in accordance with its terms may also constitute default. If you default on your Plan loan, under the federal tax laws, you will be considered to be in taxable receipt of your unpaid loan balance and, for loans issued after December 31, 2001, interest will generally continue to accrue (for purposes of determining your eligibility for any subsequent loan) until the loan is repaid or you receive a distribution from the Plan. You will then have to pay income taxes on the amount of your unpaid loan and, if you are under age 59½, an additional 10% penalty tax may apply. You should contact *Benefits Complete* for additional information regarding the treatment of loans in default.

If you leave Covered Employment before your loan is repaid, you may continue to make loan repayments. However, if you fail to do so and/or receive distribution of your account, the outstanding loan balance will be treated as taxable income to you and if you are under age 59½, an additional 10% penalty tax will apply.

You should also be aware that if you are married, you must obtain your spouse's written and notarized consent in order to obtain a loan from the Plan.

Hardship Withdrawals

While you are in Covered Employment, you may also withdraw a portion of your account to pay any of the expenses described above.

If you are married, you must obtain your spouse's written and notarized consent when you apply for a hardship withdrawal. In addition, you may only withdraw the amount of any rollover

contributions you may have made (and any earnings thereon) and any Participating Employer contributions made on your behalf after September 30, 2001 (and any earnings thereon) needed to meet your hardship. However, if you elect, you may also withdraw from your available account the amount needed to pay any applicable tax withholding on the withdrawal. The minimum amount you can withdraw is \$1,000.

The amount withdrawn will be subject to mandatory 20% federal income tax withholding and state tax withholding, if applicable. If you are under age 59½, an additional 10% penalty tax may apply. You may obtain a hardship withdrawal form from the Fund Office.