

## SUMMARY OF MATERIAL MODIFICATIONS

### OPEIU NATIONAL RETIREMENT SAVINGS PLAN

*This notice is a Summary of Material Modifications (“SMM”) intended to notify you of an update to the OPEIU National Retirement Savings Plan (the “Plan”). This summary is intended to satisfy the requirements for issuance of a SMM under the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended. You should take the time to read this SMM carefully and keep it with the copy of the Summary Plan Description (“SPD”) that was previously given to you. If you need another copy of the SPD or if you have any questions regarding the change to the Plan, please contact the Fund Office during normal business hours at: 80 Eighth Avenue, 20<sup>th</sup> Floor, New York, NY 10011, telephone number (877) 866-0975.*

The Trustees are pleased to inform you that effective October 1, 2019, or as otherwise indicated below, the Plan has been amended to: (i) incorporate the final Internal Revenue Service hardship distribution rules, (ii) add the requirement for Spousal consent for distributions, and (iii) eliminate the wait following termination of employment for a distribution, unless required by an applicable Collective Bargaining Agreement.

The SPD is amended as follows, with new language underlined:

**(1) The “Retirement or Total and Permanent Disability” section on pages 9-10 of the SPD has been updated as follows:**

#### **Retirement or Total and Permanent Disability**

If you retire or become totally and permanently disabled, the value of your Individual Account will be payable to you as soon as administratively possible after you submit a completed application for your benefit, including, if you are married, your Spouse’s signed and notarized consent to the distribution and any other documentation that may be required by the Plan. In order to obtain a distribution on account of retirement or disability, you must present documentary evidence satisfactory to the Plan of your retirement or disability. In the case of retirement, such evidence may include, for example, your written representation (in a form satisfactory to the Trustees) that you no longer have an employment relationship with a Contributing Employer and a representation by your most recent Contributing Employer confirming your termination of employment with the Contributing Employer.

A Participant is “totally and permanently disabled” if he or she has been deemed disabled by the Social Security Administration and has been awarded disability benefits under the Social Security Act. The Participant must present evidence of the disability award by the Social Security Administration to the Trustees (or their designee). A Participant’s date of disability shall be the date the Social Security Administration designates in its disability award letter as the date the Participant first became disabled provided, however, that if the Social Security Administration’s disability award letter does not state the date of disability and only states the date that the disabled

Participant's first Social Security disability payment shall commence, the date of disability shall be the date that is five (5) months prior to the Social Security disability award letter's date of benefit commencement.

If your Individual Account balance is \$1,000 or less (including any rollover contributions you made to the Plan and any earnings thereon) at the time benefits are first distributable under the Plan, your Individual Account balance will automatically be distributed to you without requiring an application from you or consent from your Spouse. In no event will distributions commence later than April 1 of the calendar year following the calendar year in which the Participant attains age 70½ or retires, if later (your "required distribution date").

**(2) The "Termination of Employment" section on page 10 of the SPD has been updated as follows:**

### **Termination of Employment**

If you "separate from service" from all Contributing Employers for any reason other than your retirement or total or permanent disability, the value of your Individual Account will be payable to you as soon as administratively possible after you (i) submit a completed application for your benefit, including, if you are married, your Spouse's signed and notarized consent to the distribution and, (ii) if applicable, satisfy the waiting period requirement in your Collective Bargaining Agreement as described below. You will be considered to have separated from service only if you no longer have an employment relationship with **any** Contributing Employer. If the terms of your Collective Bargaining Agreement subject you to a waiting period for distribution following your separation from service, the value of your Individual Account will be payable after the required wait time has elapsed, provided that, the above-listed requirements have been satisfied and there have been no contributions made to the Plan on your behalf during the applicable wait time. Please contact the Plan's Record-keeper to determine the distribution timing rule applicable to your Account. If your Account balance is \$1,000 or less (including any rollover contributions you made to the Plan and any earnings thereon), or you have reached your "required distribution date", the distribution of your Individual Account balance to you will automatically commence without requiring an application from you or consent from your Spouse.

**(3) The "How to Apply for Benefits" section on pages 12-13 of the SPD has been updated as follows:**

### **How to Apply for Benefits**

When you become eligible to receive your benefits, you may request an application by calling the Plan's Record-keeper at (877) 778-2100. Once completed, the forms must be returned to the Fund Office for a determination. If you are married, your application for the payment of benefits will not be approved unless you provide your Spouse's signed and notarized consent to the distribution.

Note, you may be required to furnish additional information necessary to process your application for benefits, as requested by the Plan.

If you leave your Individual Account balance in the Plan, you may elect to have the Plan commence distributions to you at any time by providing the Plan's Record-keeper advance notice of your election. The Plan's Record-keeper will then send to you the appropriate application forms to receive a distribution of your Individual Account balance (see the rules under "Forms of Payment" above). Your Individual Account will be valued for distribution purposes, as of the date the valuation request is received in good order.

Payments will be made in accordance with the terms of the Plan and only within the limits of existing laws and regulations and are subject to the terms and conditions of those laws and regulations.

**(4) Effective January 1, 2020, the "Hardship Eligibility" section on pages 15-16 of the SPD has been updated as follows:**

### **Hardship Eligibility**

On account of a hardship, the Plan allows you to elect to withdraw any dollar amount from your Elective Contributions, Matching Contributions and Profit Sharing Contributions Accounts, and earnings on these amounts under the Plan by giving prior written notice to the Plan's Record-keeper on the applicable form within such time limit as the Trustees prescribe and, if married, you must obtain the consent of your Spouse. This feature is designed to give you access to funds that otherwise might not be available to you which are necessary to address an immediate and heavy financial need. Except as provided below, Participants with account balances, regardless of employment status, are eligible for a loan through the Plan as described above.

A hardship withdrawal may be taken for one of the following seven (7) reasons in accordance with the Plan's terms:

- Medical expenses that would be deductible under Code Section 213(d) (determined without regard to whether the expenses exceed 7.5% of adjusted gross income) for you, your Spouse, your dependents, or your Primary Beneficiary under the Plan;
- Payment of tuition or related educational expenses for the next twelve (12) months of post-secondary education for you, your Spouse, your dependents, or your Primary Beneficiary under the Plan;
- Purchase (excluding mortgage payments) of your principal residence;
- Payment to prevent eviction from your principal residence or foreclose on your mortgage for your principal residence;
- Payment for burial or funeral expenses because of your death or the death of your Spouse, children, dependents, or your Primary Beneficiary under the Plan;
- Certain expenses for the repair of damages to your principal residence that would qualify for the casualty deduction under Code Section 165 (determined without regard to Code Section 165(h)(5) and whether the loss exceeds 10% of adjusted gross income);

- Certain expenses and losses (including loss of income) you incurred on account of a disaster declared by the Federal Emergency Management Agency (FEMA) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, provided that your principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster.

For this purpose, a “Primary Beneficiary under the Plan” is an individual who is named as your beneficiary and has an unconditional right, upon your death, to all or a portion of your account balance under the Plan.

You can withdraw up to the amount necessary to meet the immediate financial need created by the hardship event. However, you must obtain any other currently available, non-hardship, distributions under this Plan and any other plans of deferred compensation, whether qualified or nonqualified, maintained by your Employer, including plan loans to the extent available from any qualified plan. A hardship distribution is not in excess of the amount of an immediate and heavy financial need if it includes amounts necessary to pay any Federal, state or local income taxes or penalties reasonably anticipated to result from the distribution. You must provide a written representation (which could be by an electronic medium) that you have insufficient cash or other liquid assets reasonably available to satisfy your financial need. Note, a hardship distribution may not be made if the Plan Administrator has actual knowledge that is contrary your representation.

In all cases, the Trustees are the sole and absolute judges of whether or not your expenditures qualify for a hardship withdrawal from the Plan and whether the proof of such expenditures is sufficient.

**(5) The SPD has been updated to include the following:**

**In-Service Withdrawals**

If you are working for a Contributing Employer in covered employment and have reached age 59½, you may withdraw all or part of your account balance (reduced by any unpaid loans, if applicable).

You may request an in-service withdrawal application by calling the Plan’s Record-keeper at (877) 778-2100. Once completed, the application forms along with any required documentation must be returned to the Plan’s Record-keeper for a determination. If you are married, you must provide the Plan’s Record-keeper with a signed and notarized consent of your Spouse to an in-service withdrawal.

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The Board of Trustees of the Plan or its duly authorized designee, reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Plan, or any benefits provided thereunder, in whole or in part, at any time and for any reason, in accordance with the applicable amendment procedures established under the Plan and its related Trust Agreement. The Plan's Document and the Trust Agreement are available upon request at the above address and may be inspected by you free of charge during normal business hours.

No individual other than the Board of Trustees (or its duly authorized designee) has any authority to interpret the Plan documents, make any promises to you about benefits under the Plan, or to change any provision of the Plan. Only the Board of Trustees (or its duly authorized designee) has the exclusive right and power, in its sole and absolute discretion, to interpret the terms of the Plan and decide all matters arising thereunder.