

**SUMMARY OF MATERIAL MODIFICATIONS TO THE ANNUITY FUND  
OF THE INTERNATIONAL UNION OF OPERATING ENGINEERS  
LOCAL UNION NO. 94-94A-94B, AFL-CIO**

**To: All Participants in the Annuity Fund of the International Union of Operating Engineers Local Union No. 94-94A-94B, AFL-CIO**

**From: The Plan Administrator of the Annuity Fund of the International Union Operating Engineers Local Union No. 94-94A-94B, AFL-CIO**

**Re: Changes to the Plan due to the CARES Act**

**Date: June 22, 2020**

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*This document is a Summary of Material Modifications (“SMM”) intended to notify you of important changes under the Annuity Fund of the International Union of Operating Engineers Local Union No. 94-94A-94B, AFL-CIO (the “Plan”) due to the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”). All changes noted below are effective as of March 27, 2020. This summary is intended to satisfy the requirements for issuance of a SMM under the Employee Retirement Income Security Act of 1974, as amended. You should take the time to read this SMM carefully and keep it with the Summary Plan Description (“SPD”) that was previously provided to you. If you need another copy of the SPD or if you have any questions regarding this change to the Plan, please contact the Plan Administrator during normal business hours at: 331-337 West 44<sup>th</sup> Street, New York, New York, 10036, telephone number: (212) 459-8948.*

On March 27, 2020, Congress passed the CARES Act to provide relief for individuals impacted by the COVID-19 pandemic. The Board of Trustees (the “Trustees”) amended the Plan in accordance with the provisions of the CARES Act regarding certain in-service distributions, loan repayments, and the waiver of required minimum distributions (“RMD”), as explained below.

### **Coronavirus-Related Distribution**

Effective as of March 27, 2020, a participant who certifies that he/she is a COVID-19 Participant<sup>1</sup> may take a Coronavirus-Related Distribution from the participant’s Post-2007 Profit Sharing Account under the Plan through August 31, 2020 while still in covered employment in an amount up to \$25,000. The Coronavirus-Related Distribution is eligible for certain favorable tax treatment. It may be included into taxable income ratably over three years and may be repaid to a qualified plan (including the Plan) or IRA within three years after the Coronavirus-Related Distribution.

### **Loan Repayments**

Under the current terms of the Plan, loans taken from the Plan must be repaid in substantially equal installments over no more than five years (except for certain residential loans). Effective as of March 27,

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<sup>1</sup> The CARES Act defines a “COVID-19 Participant” as any individual: (i) who is diagnosed with the virus SARS-CoV-2 or with coronavirus disease 2019 by a test approved by the Centers for Disease Control and Prevention, (ii) whose spouse or dependent is diagnosed with such virus or disease by such a test, or (iii) who experiences adverse financial consequences as a result of being quarantined, being furloughed or laid off or having work hours reduced due to such virus or disease, being unable to work due to lack of child care due to such virus or disease, closing or reducing hours of a business owned or operated by the individual due to such virus or disease, or other factors as determined by the IRS.

2020, the Trustees amended the Plan to allow a participant who certifies that he/she is a COVID-19 Participant to delay by up to one year the due date of loan repayments that are otherwise due between the date of enactment of the CARES Act, March 27, 2020, and December 31, 2020. Loan repayments due after the delay period (i.e., commencing January 2021) will be adjusted to reflect the delay and any interest accruing during the period of such delay.

### **Required Minimum Distributions**

In accordance with the provisions of the CARES Act, the Plan has been amended to suspend the requirement that Required Minimum Distributions (“RMDs”) be made in 2020. The Plan’s recordkeeper, John Hancock, will continue to process 2020 RMDs for a participant who is set up to automatically receive such RMDs from the Plan in 2020 *unless* the Participant requests that the Plan not process their 2020 RMDs. John Hancock will send a communication to those participants who have a 2020 RMD payment scheduled, asking whether they would like their 2020 RMD payment suspended. Participants who would like to suspend their 2020 RMD payment should complete and return the form portion of the communication to John Hancock. Otherwise, they will receive their 2020 RMD payment as scheduled. For RMDs paid between February 1 and May 15, 2020, the IRS has extended the rollover period until July 15, 2020. RMDs paid after May 15, 2020 may be rolled over within 60 days in accordance with existing indirect rollover rules. Furthermore, the Plan will not distribute any new RMDs unless the Participant requests the Plan to distribute the RMDs. For all requests and questions regarding processing and distributing RMDs, please contact John Hancock at (833) 388-6466 or (888) 440-0022 for Spanish.

This SMM is intended to provide you with an easy-to-understand description of certain changes to the Plan. While every effort has been made to make this description as complete and as accurate as possible, this SMM, of course, cannot contain a full restatement of the terms and provisions of the Plan. If any conflict should arise between this SMM and the Plan, or if any point is not discussed in this SMM or is only partially discussed, the terms of the Plan will govern in all cases.

The Board of Trustees 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 under the Plan, in whole or in part, at any time and for any reason, in accordance with the applicable amendment procedures established under the Plan and the Agreement and Declaration of Trust establishing the Plan (the "Trust Agreement"). The Trust Agreement is available at the Fund Office 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 under the Plan.