

Puget Sound Electrical Workers 401(k) Savings Plan

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Administered by
Welfare & Pension Administration Service, Inc.

July 23, 2024

**TO: All Eligible Plan Participants
Puget Sound Electrical Workers 401(k) Savings Plan**

RE: Updated Temporary Distributions for Financial Hardship

This is a Summary of Material Modification describing changes to your Annuity plan adopted by the Board of Trustees. Please be sure that you and your family read it carefully and keep this document with your Summary Plan Description Booklet.

Effective immediately through September 30, 2024 the Board of Trustees have approved a temporary Plan change to allow distributions for financial hardship.

To be eligible for the hardship distribution you must have had at least 870 covered hours reported in either plan year of June 1, 2022 – May 31, 2023 or June 1, 2023 – May 31, 2024, and be on IBEW Local 46's "out-of-work" list at the time of application, and for the prior six months.

A hardship distribution may only be if you have an immediate and heavy financial need. The hardship distribution may not exceed the greater of \$50,000 or your account balance.

The following are considered immediate and heavy financial needs for the hardship distribution:

- Amounts necessary to obtain services for medical expenses for you, your spouse, your dependents or primary beneficiary that are not reimbursable or covered by your health plan;
- Costs directly related to the purchase (excluding mortgage payments) of your principal residence;
- Payment of tuition and related educational fees, and room and board expenses for the next twelve months of post-secondary education for yourself, your spouse, your or dependents;
- Payment to prevent the eviction from your principal residence or foreclosure on your primary mortgage;
- Payment for burial or funeral expenses for your deceased parent, spouse, or dependents;
- Expenses for repair of damage to your principal residence that would qualify for the IRS casualty loss deduction;
- Expenses and losses (including loss of income) incurred by you on account of a disaster declared by the Federal Emergency Management Administration (FEMA), provided your principal residence or your principal place of employment at the time of declaration was in the declaration area; and
- Such other events set forth by the IRS.

In order to apply for the hardship distribution, you must complete the required forms, receive spousal consent (if applicable), and self-attest that you have insufficient cash or other liquid assets to satisfy your immediate and heavy financial need. You may receive only one (1) hardship withdrawal in any given twelve (12) month period.

**Board of Trustees
Puget Sound Electrical Workers 401(k) Savings Plan**

Important Reminder - You must advise the Administration Office of any changes in your basic demographic data, including changes in your name, marital status, dependents, other insurance coverage available, designated beneficiary, home address, email address and telephone number. Provide information changes by completing and sending a new Enrollment Form to the Administration Office. If you have a change in dependents: divorce requires a complete filed copy of your divorce decree along with any accompanying court orders including the parenting plan. Marriage requires a copy of your marriage certificate, the parenting plan for stepchildren and their birth certificates.

Failure to update your information on file may interfere with our ability to process your benefits and provide timely communication of important Plan information.