

HARDSHIP WITHDRAWALS

THE ELEVATOR CONSTRUCTORS ANNUITY AND 401(K) PLAN

A “hardship withdrawal” is a withdrawal used to pay for certain unexpected circumstances and provides you access to your money in the **Elevator Constructors Annuity and 401(k) Retirement Plan** before retirement.

According to the Internal Revenue Service’s (IRS) safe harbor regulations, your “hardship” must represent an “immediate and heavy financial need” and a distribution must be provided to satisfy your financial need. The IRS has deemed six reasons as immediate and heavy financial burdens; therefore, you can only obtain a hardship withdrawal due to the following:

- ▶ **Unreimbursed tax-deductible medical expenses for you, your spouse or your dependents**
- ▶ **Purchase of a primary residence (excluding mortgage payments) for yourself**
- ▶ **Prevention of eviction or foreclosure on your principal residence**
- ▶ **Expenses for the repair of damage to your principal residence**
- ▶ **Post-secondary education for yourself or your immediate family**
- ▶ **Payments for burial or funeral expenses for your deceased parent, spouse, children or dependents**

Generally, you must provide documentation for the reasons above before the hardship withdrawal can be approved. Hardship withdrawals are only available from the balance in your 401(k) source and cannot exceed the amount of the need. Hardship withdrawal distributions are not eligible to be rolled over into another qualified account. Additionally, you must exhaust all resources available to you and there must not be “any other resources that are reasonably available” to you to handle that financial need. Please note that 401(k) Contributions to the Plan are suspended for a period of 6 (six) months after the hardship withdrawal distribution is made from the plan. The Benefits Office will notify your employer to cease making these contributions. The Annuity Contribution will continue during the suspension period. In the event that 401(k) contributions are made during the suspension period, MassMutual will return these contributions to you.

MassMutual handles the processing of hardship withdrawals. Although no taxes are required to be withheld when the hardship withdrawal distribution is requested, the distribution must be

reported on the participant's income tax return for the tax year in which it was received. MassMutual will issue a 1099-R for the distribution. Participants taking hardship withdrawals are encouraged to consult with their tax advisor for specific tax treatment of the hardship distribution. For details regarding circumstances eligible for a hardship withdrawal, the documentation required to validate those circumstances, and potential tax implications; please log on to: **<https://www.massmutual.com/IUEC>**. To request a hardship withdrawal, call MassMutual at 1-800-74-FLASHSM (35274) to speak to a customer service representative who can answer your questions and mail you a hardship withdrawal application. Once MassMutual receives an application, they will request any additional information needed from you, if necessary, and process the application.