

ELEVATOR CONSTRUCTORS ANNUITY AND 401(k) RETIREMENT PLAN

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Summary of Material Modifications

June 2020

To: All Participants in the Elevator Constructors Annuity and 401(k) Retirement Plan, I.U.E.C. Locals and Regional Directors

From: Robert O. Betts, Jr., Executive Director for the Board of Trustees

EMERGENCY CORONAVIRUS-RELATED DISTRIBUTION PROGRAM

Introduction

In April 2020, the Board of Trustees of the Elevator Constructors Annuity and 401(k) Retirement Plan (Plan) agreed to offer **Emergency Coronavirus-Related Distributions** so that eligible Participants have the opportunity to take advantage of the provisions of Section 2202(a) of the CARES Act. Under this provision of the CARES Act, the Plan may offer Participants who have been adversely impacted by the COVID-19 Pandemic distributions from their Individual Accounts on a tax-favored basis.

Currently, to receive an Emergency Coronavirus-Related Distribution, a Participant is required to submit an Emergency Coronavirus Related Distribution Application to MassMutual by June 30, 2020. This is referred to as "Phase 1" below. After careful consideration, the Trustees have agreed to extend the Annuity 401(k) Plan's Emergency Coronavirus-Related Distribution program through September 30, 2020. This is referred to as "Phase 2" below. This Summary of Material Modifications describes the Plan's emergency coronavirus-related distribution program.

General Eligibility

An Emergency Coronavirus-Related Distribution or Emergency Coronavirus-Related (Phase 2 Period) Distribution is available to a Participant:

- Who is diagnosed with COVID-19 by a test approved by the CDC;
- Whose spouse or dependent is diagnosed with COVID-19 by such a test; or
- Who experiences adverse financial consequences resulting from –
 - Being quarantined; being furloughed, laid off, or having work hours reduced due to COVID-19,
 - Being unable to work due to lack of childcare,
 - A closing or reducing of hours of a business owned or operated by the Participant due to COVID-19, or
 - A reduction in pay (or self-employment income) due to COVID-19 or having a job offer rescinded or start date for a job delayed due to COVID-19;
 - The Participant's spouse or member of his or her household (i.e., someone who shares the Participant's principal residence):
 - being quarantined, furloughed or laid off, or having work hours reduced due to COVID-19,
 - being unable to work due to a lack of childcare due to COVID-19,
 - having a reduction in pay (or self-employment income) due to COVID-19, or

Summary of Material Modifications (Continued)

- having a job offer rescinded or start date for a job delayed due to COVID-19, or
- Closing or reducing hours of a business owned or operated by the Participant's spouse or a member of his or her household due to COVID-19.

The Plan will rely on Participants' certifications that they satisfy these conditions.

When you submit your Application will determine whether you're eligible to receive an Emergency Coronavirus-Related Distribution or an Emergency Coronavirus-Related (Phase 2 Period) Distribution.

- A Participant who submits an application to MassMutual by June 30, 2020, and who is otherwise eligible, will receive an Emergency Coronavirus-Related Distribution under Phase 1 *unless* the Participant has already reached the limit for Phase 1 Emergency Coronavirus-Related Distributions, in which case, the Participant's application will be treated as an application for an Emergency Coronavirus-Related (Phase 2 Period) Distribution.
- A Participant who submits an application to MassMutual *after* June 30, 2020, and who is otherwise eligible, will receive an Emergency Coronavirus-Related (Phase 2 Period) Distribution regardless of whether the Participant previously received an Emergency Coronavirus-Related Distribution.

Source Accounts for Emergency Coronavirus-Related Distributions or Emergency Coronavirus-Related (Phase 2 Period) Distributions.

The Plan has special account source rules for Emergency Coronavirus-Related Distributions and Emergency Coronavirus-Related (Phase 2 Period) Distributions:

- **First**, your Rollover Account (if you have established a Rollover Account).
- **Then**, if you don't have a Rollover Account or your Rollover Account is less than \$25,000, your 401(k) Account,
- **Then**, if you don't have a 401(k) Account and/or Rollover Account, or if the total balance of those accounts is less than \$25,000, your Old Annuity Account (if you have an Old Annuity Account).
- **Finally**, if you don't have an Old Annuity Account or if the total balance of your 401(k) Account (if any), Rollover Account (if any) and Old Annuity Account (if any) is less than \$25,000, your New Annuity Account.

Emergency Coronavirus-Related Distributions and Emergency Coronavirus-Related (Phase 2 Period) Distributions receive special federal income tax treatment:

- They are not subject to the 10% tax penalty typically applicable to early distributions.
- They are not eligible rollover distributions, meaning they are not subject to mandatory 20% income tax withholding. MassMutual will withhold 10% of these distributions as federal income tax withholding unless Participants elect otherwise.
- They will be included as gross income for federal tax purposes over a 3-year period unless you elect otherwise.

They may be re-contributed, in whole or in part, in one or more payments, to this Plan or another eligible retirement plan that accepts rollovers under which you participate, within three (3) years of receipt.

How to apply for an Emergency Coronavirus-Related Distribution or Emergency Coronavirus-Related (Phase 2 Period) Distribution.

You may obtain an Application Form for an Emergency Coronavirus-Related Distribution or an Emergency Coronavirus-Related (Phase 2 Period) Distribution by calling MassMutual at 800-74-FLASH or online at <http://www.massmutual.com/iuec>.