



Annuity Fund of Local No. One, I.A.T.S.E.

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SUMMARY OF MATERIAL MODIFICATIONS TO THE ANNUITY FUND OF LOCAL NO. ONE, I.A.T.S.E.

To: All Participants in the Annuity Fund of Local No. One, I.A.T.S.E.
From: Scott Cool, Director of Fund Administration
Date: October 10, 2014
Re: ADDITIONAL HARDSHIP DISTRIBUTION OPTIONS

This document is a Summary of Material Modifications ("SMM") intended to notify you of important changes made to the Annuity Fund of Local No. One, I.A.T.S.E. (the "Plan"). 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 provided to you. If you need another copy of the SPD or if you have any questions regarding these changes to the Plan, please contact the Fund Office during normal business hours at 320 West 46th Street, 6th Floor, New York, New York, 10036, telephone number (212) 247-5225, or visit our web site at www.FundOneIATSE.com.

Effective August 14, 2014, the Board of Trustees has modified the Plan rules to permit hardship distributions from your Annuity account to cover certain tuition payments and burial/funeral expenses.

To qualify for a hardship distribution, you must have worked in Covered Employment for at least two (2) years, be able to establish one of the immediate and heavy financial needs listed below, and have no other resources (including Plan loans) reasonably available to meet the need. If you satisfy these requirements, you may take a Hardship Distribution from your Annuity account of up to 125% of the amount necessary to satisfy the need (the extra 25% is to help you pay taxes and potential penalties associated with the distribution). Funds available for such distribution are limited to contributions made to your Annuity account on or after 11/01/2002, including earnings on those contributions.

You must demonstrate an immediate and heavy financial need for one of the following purposes to obtain a Hardship Distribution:

- (1) **Tax Delinquency:** Payment of past due federal income taxes where the Internal Revenue Service has issued a formal notice of tax delinquency, a tax assessment or a tax lien in respect to such past due income taxes;
- (2) **Prevention of Eviction or Foreclosure:** Payment to avoid your loss of the right to continue to occupy or remain in possession of your principal residence, or to prevent loss of title due to non-payment of delinquent taxes, or to prevent imminent foreclosure of an outstanding mortgage because of non-payment of one or more installments;

- (3) **Tuition and Related Educational Fees:** Payment of tuition, related educational fees, or room and board expenses for the next 12 months of post-secondary education for the participant or participant's spouse, child, or dependent; or
- (4) **Burial or Funeral Expenses:** Payments for burial or funeral expenses for the participant's deceased parent, spouse, child, or dependent.

The Trustees (or their designee) may request any evidence that they deem necessary in order to determine whether the events described above have occurred and reserve the right to make a determination based on the evidence provided, in their sole and absolute discretion, and that decision will be final, binding and conclusive, subject to the Participant's right to appeal.

If you are married, you will be required to obtain written consent from your Spouse. Hardship Distributions are limited to one per calendar year per participant, and you will be required to provide proof that any prior hardship distribution related to tax delinquency or eviction/foreclosure was used for the specified purpose. The minimum amount for any Hardship Distribution is \$1,000.

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.