

*Pipe Fitters' Local 597*  
**INDIVIDUAL ACCOUNT & 401(K) PLAN**

45 North Ogden Ave. • Chicago, Illinois 60607

ph 312.633.0597 • fax 312.829.9796

[www.pf597.org](http://www.pf597.org)

**IMPORTANT NOTICE**

Dear Participants:

One March 27, 2020, the President of the United States signed into law the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). The CARES Act, among other things, is designed to promote economic relief by including changes that impact how you can use your qualified retirement plan. As a result of the CARES Act, the Board of Trustees (“Trustees”) of the Pipe Fitters’ Individual Account and 401(k) Fund, Local 597 (“Fund”) have made the following changes.

**CARES ACT DISTRIBUTION FOR QUALIFIED INDIVIDUALS**

If you meet the definition of a “Qualified Individual,” you may take a distribution from your Individual Account before December 31, 2020, up to a maximum aggregate of \$30,000.00 (“CARES Act Distribution”). You are considered a “Qualified Individual” if you satisfy one of the following requirements:

1. You are diagnosed with SARS-CoV-2 or with coronavirus disease 2019 (“COVID-19”) by a test approved by the Centers for Disease Control and Prevention (“CDC”);
2. Your spouse or dependent is diagnosed with COVID-19 by a test approved by the CDC; or
3. You experience 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 you own or operate due to such virus or disease, or other factors as determined by the Secretary of the Treasury (or the Secretary’s delegate).

If you already received a coronavirus related emergency in-service withdrawal from your Employer Contribution Account, such distribution will count towards the maximum aggregate of \$30,000.00.

To apply for a CARES Act Distribution, you must complete and return a CARES Act Distribution Self-Certification Form (“CARES Act Distribution Form”) directly to Mass Mutual. You may access the form by visiting the Fund’s website at [www.pf597.org](http://www.pf597.org) or by calling MassMutual at (800) 743-5274.

## **FAVORABLE TAX IMPLICATIONS OF CARES ACT DISTRIBUTIONS**

CARES Act distributions are subject to an automatic 10% federal tax withholding. However, you can waive the withholding completely or elect a greater value than 10% on the CARES Act Distribution Form. Any amount included in your gross income from a CARES Act distribution may be spread over a three-year period beginning with the taxable year in which the distribution is made, unless you elect otherwise. Additionally, CARES Act distributions are not subject to the 10% penalty on early distributions.

If you already received a coronavirus related emergency in-service withdrawal from your Employer Contribution Account, your prior distribution will be treated as a CARES Act distribution and will be eligible to receive the favorable tax treatment retroactively when you file your taxes for 2020. Please note, MassMutual will not be able to “refund” any tax amount you had withheld from a prior distribution.

## **REPAYMENT OF CARES ACT DISTRIBUTIONS**

If you receive a CARES Act distribution, you may repay the distribution to the Plan. This repayment must be made within three years beginning on the day after the date on which your distribution was received. You may repay the distribution in one or more installments and this amount will not count towards any IRS deferral limits.

## **SUSPENSION OF LOAN REPAYMENTS FOR QUALIFIED INDIVIDUALS**

If you meet the definition of a “Qualified Individual” as described above and you have an outstanding loan under the Plan, you may delay any outstanding loan payments for up to one year. However, the outstanding loan repayment due date must occur between March 27, 2020 and December 31, 2020.

This period of delay will NOT count towards your maximum loan repayment period (i.e., five years unless the loan is for a primary residence, then fifteen years). If you elect to suspend your outstanding loan repayments, your subsequent loan repayments will be adjusted to reflect the delay and any additional interest accrued.

To apply for a CARES Act Loan Suspension, you must complete and return a CARES Act Loan Suspension Self-Certification Form (“CARES Act Suspension Form”). You may access the form by visiting the Fund’s website at [www.pf597.org](http://www.pf597.org) or by calling MassMutual at (800) 742-5274. It may take up to 10 business days to process a Loan Suspension request once it is received.

## **REQUIRED MINIMUM DISTRIBUTIONS (“RMD”) WAIVED FOR 2020**

All required minimum distributions (“RMD”) are waived for 2020. This waiver applies to distributions that would otherwise be made in 2020 and required beginning dates that would otherwise occur in 2020.

Please keep this notice with your Summary Plan Description (“SPD”) booklet for future reference. Please contact the Fund Office with any questions regarding these new provisions.

Sincerely,

Board of Trustees