

IMPORTANT NOTICE ON HARDSHIP DISTRIBUTIONS

October 2011

Dear Participant,

Your IUOE Local 4 Annuity and Savings Plan (“Annuity Plan”) is one of the most flexible plans of any building trade retirement savings plan in our area. The Trustees continue to be pleased that you have this Plan available to you as an important part of your income for retirement.

As you know, the Plan must follow federal laws and regulations and must be administered fully in accordance with the law. Therefore, effective April 1, 2011, certain restrictions have been placed on Hardship Distributions.

The Plan defines a Financial Hardship as:

- Payment of medical expenses incurred by the Participant, his/her Spouse or dependent children, not covered by an employee welfare plan, governmental plan or other third party funding. Payment of medical expenses of a dependent parent shall qualify for a hardship distribution provided the Participant provides evidence to the Board of Trustees that such parent is financially dependent on the Participant for at least 50% of the dependent parent’s financial support.
- Funeral expenses of an immediate family member, (spouse, child or parent) of the Participant.
- Payment of tuition and related educational fees, and room and board expenses, for the next twelve months of post-secondary education for the Participant or the Participant’s Spouse or dependent as described in paragraph (1).
- Payment necessary to prevent eviction from or foreclosure on a mortgage on the Participant’s principal residence including apartments. Copies of letters from the mortgage holder threatening foreclosure, (final notice by mortgage institution accelerating and/or calling the loan in default), shall be the evidence that must be submitted in the case of a foreclosure or eviction or a letter from your landlord for an apartment.

continued on back ►

Board of Trustees

Louis G. Rasetta, *Chairman*
Kevin Bennett
William McLaughlin
Jack Harney
Peter Martin
John J. Shaughnessy, Jr.

IUOE Local 4

Louis G. Rasetta,
Business Manager

Administrator

Gina M. Alongi



International Union of Operating Engineers Local 4

Annuity and Savings Plan

- Expenses for bond and/or bail for jail or imprisonment of Participant or the Spouse or the child of a Participant or expense associated with child custody and support. A copy of the court order establishing bond/and or bail is the evidence that must be submitted for this Hardship Expense.

Generally, if you qualify for a Hardship Distribution, the amounts available for withdrawal will be restricted to “PARTICIPANT” amounts, including Rollovers and earnings on those amounts and your 401(k) Plan (also called “Income Deferral Contributions or Elective Deferrals”), less any earnings on those deferral amounts. You will not be able to withdraw “EMPLOYER” amounts (amounts contributed on your behalf by your employer to the Annuity Plan). After receipt of a Hardship Distribution, the Plan must suspend all 401(k) elective deferrals into your account for a period of six (6) months.

Conditions of a Financial Hardship

The Board of Trustees, based upon the Participant’s representation and other such facts known to the Board, determines whether a Participant may receive a Hardship Distribution. At a minimum, each of the following conditions must be met:

1. The distribution is not in excess of the amount of the immediate and heavy financial need of the Participant, (including any amounts necessary to pay any federal, state or local taxes or penalties reasonably anticipated to result from the distribution);
2. The Participant has obtained all distributions, other than Hardship Distributions, and all nontaxable loans currently available under the International Union of Operating Engineers Local 4 Annuity and Savings Plan; and
3. The Participant agrees that 401(k) elective deferrals made to his/her account will be suspended for six (6) months after receipt of the Hardship Distribution.

In addition, married Participants must receive consent from their spouse before the Board will approve a Hardship Distribution.

No Participant will be allowed to receive more than one (1) Hardship Distribution in a 12-month period. Of course, you are eligible to take distributions from your Annuity Account (Employer Amounts) if you retire, become disabled, or terminate employment (no contributions for a period of six (6) months). A beneficiary may receive a distribution because of the participant’s death. If you have any questions about the Annuity and Savings Plan, contact the Fund Office at 508-533-1400 x141 or 1-888-486-3524 x141.

Again, we are pleased that the Annuity and Savings Plan continues to help you and your family prepare for retirement.

Sincerely,

The Board of Trustees

This Notice briefly describes certain features of the Local 4 Annuity and Savings Plan. It is not a complete description of the Plan or of Hardship Distributions; in all cases the terms of the official Plan Document will prevail.