

Teamsters Local 346 Savings & 401(k) Plan

2002 London Road – Suite 300
Duluth, MN 55812-2152

Wilson-McShane Corporation
Fund Administrators

Telephone: (218) 727-7929
Fax: (218) 728-4773
Toll Free: (800) 570-1012

Summary of Material Modification (No. 5)

Effective January 1, 2024

On page six of the Summary Plan Description dated January 1, 2016, add a new Section entitled “In Service Withdrawals Not Subject to the 10% IRS Tax Penalty.”

EMERGENCY EXPENSE DISTRIBUTIONS

You may apply for an emergency personal expense distribution of up to \$1,000 or the non-forfeitable interest in your account, whichever is less. To receive such a distribution, you must provide a written certification stating that the distribution is necessary to meet unforeseeable or immediate financial needs relating to necessary personal or family emergency expenses. You have the option to repay the distribution within three years. No further emergency distributions are allowed in the following three calendar years unless the distribution is fully repaid, or you contribute through elective deferrals an amount at least equal to the amount of your emergency distribution. If you repay the amount or contribute through elective deferrals an amount equal to your emergency distribution, you may apply for another emergency personal distribution but no more often than one distribution per calendar year. The Plan will include the amount paid to you in gross income in the year it was distributed unless fully repaid in the same year.

FEDERALLY DECLARED DISASTER DISTRIBUTIONS

If the President declares a federal disaster in the area in which you live and you suffer an economic loss in connection with the disaster, you may make a withdrawal of up to \$22,000 or the non-forfeitable interest in you account, whichever is less. You must apply within 180-days of the disaster. You may repay all or a portion of the disaster recovery distribution at any time during the three-year period after the distribution was received. The amount paid to you as a disaster distribution will be included in gross income, spread over a three-year period, beginning with the taxable year that you received the disaster distribution.

DISTRIBUTIONS TO A TERMINALLY ILL PARTICIPANT

If a physician certifies in writing that you have an illness or physical condition reasonably expected to result in death within 84-months, you may apply for a distribution. You may withdraw all or a portion of the non-forfeitable interest in your account and there is no limit on how often you may apply for a distribution under this Section, provided you have a current physician certification. You have the option to repay all or part of this distribution during the three-year period starting the day the distribution is received. The distribution is included in income in the year it is received.

DOMESTIC ABUSE DISTRIBUTIONS

You may apply for a domestic abuse distribution if you self-certify that you have experienced domestic abuse by a spouse or domestic partner within the previous one-year period. The maximum available is \$10,000 indexed for inflation, or 50% of the nonforfeitable interest in your account, whichever is less. “Domestic abuse” means physical, psychological, sexual, emotional, or economic abuse, including efforts to control, isolate, humiliate, or intimidate the victim, or to undermine the victim’s ability to reason independently, including by means of abuse of the victim’s child or other family member living in the household. You have the option to repay all or part of this distribution during the three-year period starting the day the distribution is received. The distribution is included in gross income in the year it is received. The joint and survivor spousal consent requirements applicable to other distributions are not applicable to domestic abuse distributions.

Explanation:

Congress recently passed legislation known as SECURE 2.0 which, among other things, allows defined contribution plan trustees to amend plans to grant participants the ability to access a portion of their retirement accounts with no 10% early withdrawal penalty -- in certain circumstances. The Trustees of the Teamsters Local 346 Savings and 401k Plan have taken advantage of SECURE 2.0 to amend the Plan as explained above.