

Plumbers, Pipe Fitters & MES Local Union No. 392 Supplemental Retirement Fund



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IMPORTANT NOTICE

January 2022

Dear Participants:

The Board of Trustees of the Plumbers, Pipefitters and Mechanical Equipment Service Local Union No. 392 Supplemental Retirement Fund is pleased to announce the addition of a Roth feature to the Plan, which is summarized in this Notice. You may begin to utilize the Roth feature of the Plan effective March 1, 2022.

Roth Elective Contribution

Beginning March 1, 2022, if you are eligible to make an Elective Deferral to the Plan, you may elect to designate all or a portion of your contributions as a Roth Elective Contribution.

A Roth Elective Contribution is made with after-tax dollars instead of pre-tax dollars. This means that you pay federal income tax on your Roth Elective Contribution at the time it is withheld from your paycheck.

A Roth Elective Contribution and its associated investment earnings are tax-free income at the time of distribution under the Plan, provided the distribution is a “qualified distribution.” A qualified distribution must meet the following conditions:

- The distribution is made at least five years after the first day of the calendar year in which you first made a Roth Elective Contribution to the Plan; and
- The distribution is made on or after age 59 ½, or on account of disability or death.

In-Plan Roth Conversions

Beginning March 1, 2022, you may also convert all or a portion of the non-Roth portion of your Elective Deferral Account balance to your In-Plan Roth Conversion Account. However, you may only convert the portion of your Elective Deferral Account balance for which you are otherwise eligible to receive a distribution from the Plan at the time of the conversion. An In-Plan Roth Conversion is irrevocable and cannot be undone after the transfer is made.

If you elect an In-Plan Roth Conversion, you must pay taxes on the amounts that would have been taxable if the distribution had not been rolled over.

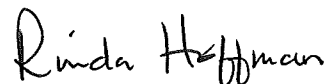
An In-Plan Roth Conversion may be withdrawn tax-free provided that you are age 59 ½ or older and your account has been established for at least five years from the date the conversion was made. However, the distribution may be taxable and subject to an additional 10% early withdrawal tax if you withdraw it within five years.

Annual Contribution Limits

Please be advised the IRS applies the annual contribution limit to the total of your annual pre-tax Elective Deferral and after-tax Roth Elective Contributions. The limit for your total 2021 contributions is \$19,500, plus a \$6,500 “catch-up” contribution provided you are age 50 or older.

Please keep this notice with your Summary Plan Description (“SPD”) booklet for future reference. If you have any questions about the Roth feature, please contact the Fund Office.

Sincerely,

A handwritten signature in black ink that reads "Rinda Hoffman". The signature is written in a cursive style with a large initial "R" and a distinct "H".

Rinda Hoffman
Fund Administrative Manager