

# Teamsters Local 346 Savings & 401(k) Plan

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## SUMMARY MATERIAL MODIFICATION (No. 4)

**Effective January 1, 2019**

On page 5 of the Summary Plan Description dated January 1, 2016 amend the Section entitled “Benefit Upon Demonstration of Financial Hardship” as follows:

### **BENEFIT UPON DEMONSTRATION OF FINANCIAL HARDSHIP**

When you have a demonstrable financial hardship you may apply for all or a portion of your Account. Upon application the Plan will make financial hardship distributions provided the Participant meets the Plan’s standards for such distributions. In order to be entitled to a hardship distribution you must present evidence to the Trustees in a written application showing that the amount of the requested distribution is not in excess of the amount required to meet the need (including amounts necessary to pay state and federal income taxes and penalties resulting from the distribution); you have obtained any other available distributions under the Plans available to you through your employment; and you have insufficient cash or other liquid assets to satisfy the need.

In addition, the immediate and heavy need must result from:

- Medical expenses previously incurred by you, your spouse or dependents;
- Payments necessary to prevent eviction from your principal residence or to prevent foreclosure on a mortgage on your principal residence (not monthly mortgage payments);
- Purchase of your principal residence;
- Tuition payments, room and board, and related educational expenses for the next 12 months of post-secondary education for you, your spouse or your dependents;
- Payments for burial or funeral expenses for your deceased parent, spouse, child or dependent; and
- Payments of expenses for the repair of damage to your principal residence that would qualify for the casualty deduction under IRS Code § 165 regardless of whether the losses are attributable to a federally declared disaster.

If you are married, written consent of your spouse is required for a financial hardship distribution.

The Trustees will make the final determination on whether a demonstrable financial hardship exists, what amount is required to meet the financial need created by the hardship, and whether you have any other reasonably available sources to satisfy the need.

The hardship withdrawal will be made from your pre-tax Employee Contribution Account then from your Employer Contribution Account. The withdrawal will be made pro-rata across your investment funds unless you direct otherwise in writing.

The withdrawal will be in the form of a check made payable to you

Withdrawals before age 59½ are subject to a 10% IRS tax penalty, except under certain circumstances specified under IRS regulations. Please consult your own professional tax advisor regarding the tax consequences of any pre-age 59½ withdrawal or distribution.

**Explanation:** The Hardship Distribution provisions have been amended to eliminate the prohibition against participants making contributions to the Plan for six months after they receive a hardship distribution. Other minor amendments clarify the requirements to receive a hardship consistent with recent legislation.