DATE: April 2020  
TO: All Business Managers and International Staff  
FROM: Boilermakers National Annuity Trust  

The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was signed into law on March 27, 2020 in response to the Novel Coronavirus (COVID-19) pandemic. The CARES Act allows (does not mandate) certain retirement plans to adopt some or all of the relief provisions provided in the Act.

The Annuity Trustees immediately responded by approving the following provisions:

- Allow a Coronavirus Related Distribution (CRD) for qualified individuals of up to $5,000 from their Profit Sharing Account Balance through December 31, 2020

- Allow loan deferments for a maximum of 1 year for all active loans (not yet defaulted) on March 27, 2020 and new loans issued from March 28, 2020 through December 31, 2020

- Waive all 2020 Required Minimum Distributions that were not paid by April 1, 2020 and would normally be required to be paid by December 31, 2020

The attached Notice that will be mailed to all Annuity Participants by April 30, 2020.

NOTE: Prudential is working to update their systems as outlined in the CARES Act and will be able to assist our Participants with the new relief provisions beginning Monday, April 20, 2020.
DATE: APRIL 2020
TO: PARTICIPANTS IN THE BOILERMAKERS NATIONAL ANNUITY TRUST, LOCAL LODGES, CONTRIBUTING EMPLOYERS AND THE INTERNATIONAL BROTHERHOOD OF BOILERMAKERS
FROM: BOILERMAKERS NATIONAL ANNUITY TRUST
RE: NOTICE OF PLAN CHANGES RELATED TO THE CORONAVIRUS AID AND ECONOMIC SECURITY ACT ("CARES Act")

Changes to the Annuity Plan document

Recently, the Board of Trustees for the Boilermakers National Annuity Trust (the “Fund” or the “Plan”) approved the following provisions related to the “CARES Act”. This Notice summarizes the changes so please read carefully and keep it with your Summary Plan Description for future reference.

What additional provisions have been added to the Annuity Plan?

Effective immediately the following provisions have been added to the Boilermakers National Annuity Plan:

1. Coronavirus Related Distribution for Qualified Individuals
2. Deferment of Loan Re-Payments for Qualified Individuals
3. Waiver of 2020 Required Minimum Distributions

WHAT ARE THE CHANGES?

1. **Coronavirus Related Distribution (CRD)**

   A Distribution will be allowed from a Participant’s Profit Sharing portion of their Annuity Account Balance. The Profit Sharing Account Balance is the amount of Contributions, and associated investment gains, for work performed on and after January 1, 2007.

   To determine if you have Profit Sharing Contributions in your Annuity Account you may:

   - Refer to your most recent quarterly Annuity Statement
   - Check your Account Balance online at [www.bnf-kc.com](http://www.bnf-kc.com) and click on “Check Your Annuity”
   - Call Prudential at 1-855-611-2628 Monday through Friday, 8 a.m. to 9 p.m. ET
Distribution details:

- A Participant must meet the definition of a Qualified Individual under the “CARES Act” (see definition on page 3)
- A maximum CRD of **up to $5,000** (allowed from Profit Sharing Contributions only)
- A CRD is available through December 31, 2020
- The 10% federal early withdrawal penalty is waived
- Federal tax withholding is optional from the distribution and the federal tax due may be paid over a 3-year period
- State tax withholding, if applicable, will be withheld at the time of distribution

If a Participant takes a CRD that distribution may be paid back to the Participant’s Individual Account within three (3) years from receipt of the CRD.

2. **Deferment of Loan Re-Payments**

If a Participant has an active loan on 3/27/2020 they may elect to defer (suspend) loan payments:

- A Participant must meet the definition of a Qualified Individual under the “CARES Act” (see definition on page 3)
- Loan payments may be deferred for one (1) year from 3/27/2020
- Interest continues to accrue during the deferment
- At the end of the deferment period, the loan will be re-amortized to adjust payments for the new due date and accrued interest
- **Participants must elect to have their loans deferred by calling 1-855-611-2628 Monday through Friday, 8 a.m. to 9 p.m. ET**
- Participants can make loan payments during the deferment period if they wish to do so
- Participants with a defaulted loan as of March 27, 2020 are **not** eligible to defer loan payments

If a Participant has a loan issued between 3/28/2020 and 12/31/2020 they may elect to defer (suspend) loan payments:

- Participants must meet the definition of a Qualified Individual under the “CARES Act” (see definition on page 3)
- Loan payments may be deferred one (1) year from the date the loan is issued
- Interest continues to accrue during the deferment
- At the end of the deferment period, the loan will be re-amortized to adjust payments for the new due date and accrued interest
- **Participants must elect to have their loans deferred by calling 1-855-611-2628 Monday through Friday, 8 a.m. to 9 p.m. ET**
- Participants can make loan payments during the deferment period if they wish to do so
3. Waiver of 2020 Required Minimum Distributions (RMD)

RMD’s are required under the Internal Revenue Code for Annuity Plan Participants that are over age 70 ½ and have stopped working in Covered Employment. RMD’s will be waived for the year 2020 if they have not already been paid by April 1, 2020. Waiving the RMD avoids requiring Participants to take distributions at depressed asset values.

In addition, the year of 2020 will be disregarded with regards to the 5-year RMD payout period, as outlined in the Internal Revenue Code, for certain beneficiaries.

The waiver of the 2020 RMD is automatic; however, Participants eligible for RMD’s may elect to take an ordinary distribution from the Plan or a CRD distribution (as long as they meet the criteria of a Qualified Individual under the “CARES Act”).

Definition of a Qualified Individual:

To be considered a “Qualified individual” an individual must meet the following "coronavirus" criteria outlined in the “CARES Act”:

- Individual diagnosed with COVID-19;
- Individual has a spouse or dependent with COVID-19 OR
- Individual who experiences adverse financial consequences as a result from being quarantined, furloughed, laid off, work hours reduced, unable to work due to lack of child care, closing or reduced hours of a business owned or operated by an individual due to COVID-19.

A Participant is required to self-certify that he or she meets the criteria of a “Qualified Individual” as outlined in the “CARES Act” at the time they apply for a CRD or request a loan payment deferment.

WHO IS AFFECTED BY THESE CHANGES?

1. Participants, Beneficiaries and Alternate Payees with an Individual Account with Profit Sharing Contributions that meet the definition of a Qualified Individual under the “CARES Act” and also meets one of the following:
   - Participant with an Active Loan on March 27, 2020
   - Participants that take out a loan from March 28, 2020 through December 31, 2020
   - Participants, Beneficiaries and Alternate Payees that take a CRD distribution before December 31, 2020

2. Participants, Beneficiaries and Alternate Payees that would normally be required to take an RMD in 2020 will automatically have the RMD waived under the CARES Act as outlined below:
   - Participants and Alternate Payees if the RMD was not already paid by April 1, 2020
• Certain Beneficiaries that are required to take a total payout of their Account Balance within 5 years of the Participant’s date of death

If you have questions concerning these changes, please contact a customer service representative toll free at 1-855-611-BNAT (2628).

• Automated system available 24 hours a day, seven days a week
• Representatives are available Monday through Friday 8 a.m. to 9 p.m. ET

To access your Annuity Account online go to www.bnf-kc.com and click the “Check Your Annuity” link to access your individual account.

Sincerely,

The Board of Trustees
Boilermakers National Annuity Trust