The Board of Trustees of the Southern California Bricklayers Pension Fund (Plan) is pleased to inform you that the Plan is amended consistent with the Coronavirus Aid, Relief, and Economic Security Act (known as the “CARES Act”) that was signed into law on March 27, 2020, to permit partial distributions to Participants who have lost their jobs as a result of the Coronavirus pandemic and related issues. For a temporary time, the Plan has been changed to enable you to receive the lesser of one-half of your Individual Account or $25,000, if you are terminated, laid off, or furloughed from March 1, 2020 through July 31, 2020, provided you meet the conditions set out below.

1. Partial Distribution Upon Termination of Employment—Resulting from Coronavirus.
A Participant who is terminated from Covered Employment, including a separation of employment, layoff or furlough, on or after March 1, 2020 through July 31, 2020, as a result of impacts of the Coronavirus (also known as a Coronavirus-Related Distribution as defined in the Coronavirus Aid, Relief, and Economic Security Act known as “CARES”), is entitled to a one-time distribution of the lesser of one-half of his Individual Account with the Plan or $25,000. The Individual Account will be valued as of April 30, 2020 or at its regular quarterly dates thereafter. A Coronavirus-Related Distribution will be permitted for any of the following reasons:

   a. A Participant who is diagnosed with the virus SARS-CoV-2 or with coronavirus disease 2019 (COVID-19) by a test approved by the Centers for Disease Control and Prevention,
   b. A Participant whose spouse or dependent is diagnosed with such virus or disease by such a test, or
   c. A Participant who experiences adverse financial consequences as a result of being quarantined, being furloughed or laid off or having work hours reduced due to such virus or disease, being unable to work due to lack of child care due to such virus or disease, closing or reducing hours of a business owned or operated by the Participant due to such virus or disease, or such other factors as determined by the Secretary of the Treasury (or the Secretary’s delegate).
The Participant cannot have performed any work in the Brick Mason Industry for a non-signatory employer from March 1 through December 31, 2020.

The Participant must complete and submit a certification, attesting to satisfaction of the conditions noted above, with spousal consent if married. You must contact the Trust Fund Office to request an application for the distribution or certification. This temporary provision terminates as of July 31, 2020, unless extended by the Trustees of the Plan.

Note: This partial distribution is only available for a short time upon termination from employment due to this global pandemic. This Plan is a retirement plan, designed to help you and your families retire with dignity. The Plan’s rules remain intact in that distributions are only available upon retirement, death, disability, and termination of employment.

**Taxes, 10% IRS Premature Tax Penalty Waived for 2020 and Withholding.** You will be responsible for ordinary taxes on the distribution. Fortunately, Congress amended the law to eliminate the IRS 10% premature tax penalty for early distributions and does not require mandatory 20% withholding on the distribution. You may elect to withhold any amount you want (otherwise the tax withholding will be 10%). This includes electing to withhold no taxes. (Although California has yet to eliminate the 2.5% premature state tax penalty for early distributions, we are hopeful that that will happen.) While the distribution is subject to ordinary income tax, you can choose to include one-third of the taxable amount in your income each year for three consecutive years in order to spread the tax burden over a longer period. You are encouraged to consult with a tax advisor regarding this issue.

**Option to Repay Plan during Three Year Period Following the Distribution.** In addition, if you wish, you have the right to repay the distribution to the Plan at any time during the 3-year period beginning on the day after the date on which your Coronavirus-Related distribution is received by you. If you do not repay the distribution within the 3-year repayment period, then you lose the opportunity to repay the distribution. The repayments may be made in one or more installments which in the aggregate may not exceed the total amount of the Coronavirus-related Distribution made to you. Once again, you are encouraged to consult with a tax advisor regarding the repayment option.

2. **Forfeiture Provision Has Been Rescinded in Plan Amendment No. 2**

In Amendment no. 2, the Trustees deleted the potential forfeitures provisions by removing section G in Article VII. Previously, the Plan provided that if the Participant could not be located after four years of not having worked in the Brick Masons industry, the Individual Account would be forfeited. The Plan did provide that the Individual Account would be reinstated if the Participant applied for his benefit under the Plan. Amendment no. 2 rescinded the forfeiture provisions.
Please note that the Summary Plan Description (dated January 1, 2018) is thus modified, by deleting the first full paragraph on page 6, the last question and answer on page 15, and first two questions and answers on page 16.

For copies of Plan Amendment No. 2 or the Summary Plan Description or if you have any questions regarding this notice, please contact the Trust Administrative Office at (626) 646-1080.

This document has been uploaded and is available on the participant website at www.bac4cabenefits.org.