

HEAT AND FROST INSULATORS LOCAL 34 PENSION PLAN

IMPORTANT NOTICE / SUMMARY OF MATERIAL MODIFICATIONS

TO: Participants and Beneficiaries of Heat and Frost Insulators Local 34 Pension Plan

FROM: The Board of Trustees

DATE: August 2017

RE: Notice of Changes to the Pension Plan

The Board of Trustees of the Heat and Frost Insulators Local 34 Pension Plan (the Plan) has recently taken action to amend the Plan Document. This notice called a "Summary of Material Modifications" describes the Plan change.

The Plan has amended its Participant Loan provisions to provide for a loan default cure period. Specifically, the Plan now provides that in the event an installment payment is not paid by its due date, a Participant is deemed to be in default. The Participant may cure the loan default by making the missed installment payment not later than the end of the cure period, which is the last day of the calendar quarter following the calendar quarter in which the installment payment was due. If the Participant fails to cure the loan default, they will be deemed to have received a distribution equal to the amount of the outstanding balance of the loan. This cure period can only be used one-time per loan.

Below is an example of how this loan cure period works.

On August 1, 2016, a participant has a nonforfeitable account balance of \$45,000 and borrows \$20,000 from a plan to be repaid over five years in level monthly installments at the end of each month.

After making all payments monthly through July 31, 2017, the participant fails to make the payment due on August 31, 2017.

The Plan allows a cure period through the end of the next calendar quarter. Consequently, the Participant would have until December 31, 2017 to cure their default by making the installment payment. If the Participant fails to cure the loan default, there would be a deemed distribution on December 31, 2017 equal to \$17,282, which is the outstanding balance on the loan.

Summary of Material Modifications

This notice, called a "Summary of Material Modifications" explains the changes to the Plan. Please read this notice and keep it for future reference with the Summary Plan Description Booklet you previously received. If you have any questions about these changes to the Plan, please contact the Plan Administrator at (952) 851-5948.