

Cement Masons & Plasterers 401(k) Trust

Physical Address: 7525 SE 24th Street, Suite 200, Mercer Island, WA 98040 • Mailing Address: PO Box 34203, Seattle, WA 98124
Phone: (877) 367-0528 • Fax: (206) 695-0984 • Website: www.cementmasonstrust.com

Administered by
Welfare & Pension Administration Service, Inc.

Explanation of Payment Options

This Explanation of Payment Options provides information regarding the forms of payment available under the Trust, and the election procedures. The following payment options are available:

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- **Monthly Installment:** You receive substantially equal monthly payments for an established number of years you specify. If you elect payment of your account balance over a specific number of years, each year, your monthly payment amount shall be recalculated by dividing the remaining balance in your account (adjusted to reflect earnings and expenses) by the remaining number of monthly payments. The default final payment may be a different amount and reflect the remaining balance of the participant's account. Once elected, you may only change or cancel this distribution option once per Calendar Year upon 30 days prior written notice. Undistributed amounts in your account will continue to be credited or charged with the pro rata share of the Trust's earnings and expenses.
 - **Lump Sum Payment:** You receive a one-time, lump sum payment of your entire account balance. You may elect to rollover all or a portion of the lump sum.
 - **Partial Lump Sum Distribution:** You receive a partial distribution of your account in an amount you specify. You may elect to rollover all or a portion of the lump sum. To be eligible for this distribution option, your account balance must be more than \$5,000. If your account balance is \$5,000 or less, you may only request a complete lump sum distribution of your account balance. Partial distributions are not permitted more frequently than one per Calendar Year. Undistributed amounts in your account will continue to be credited or charged with a pro rata share of the Trust's earnings and expenses. Any remaining amounts in your account may be distributed under any other form of payment provided in this Trust. However, if your account balance is less than \$5,000 following one or more partial distributions, you may only request a complete lump sum distribution of the remaining account balance.
 - **Minimum Required Distribution (MRD):** If you are no longer working under covered employment and you, your pension must now start on April 1 following the calendar year you reach your required beginning age. This age is 70-1/2 if born before July 1, 1949, or age 72 if born on or after July 1, 1949. If you qualify for an MRD, once you apply and receive your first installment, automatic annual distributions will occur in December of each year thereafter.
 - **Hardship Distribution:** A hardship distribution may only be made on account of an immediate and heavy financial need of the Participant and in an amount not to exceed the sum necessary to satisfy that financial need. A Participant may receive only one (1) hardship withdrawal in any given twelve (12) calendar month period.