MEMORANDUM

TO: All participating District Councils and Local Unions in the IUPAT Annuity Plan
FROM: Board of Trustees of the International Painters and Allied Pension Fund
DATE: March 31, 2020
RE: NEW: COVID-19 Emergency Annuity Distribution

Adopted by the Board of Trustees to be Effective April 1, 2020 ending September 30, 2020

The Trustees of the IUPAT Industry Annuity Plan have amended the Plan to permit those participants who have experienced a layoff to receive a distribution from their account while the current pandemic is effecting access to employment.

Although the Annuity Plan allows for hardship withdrawals, those withdrawals are designed to pay bills or other approved expenses in arrears. In other words, participants are required to fall behind on their bills and provide documentation of accrued delinquencies for mortgages, rent and other subsistence expenses, in order to prove an immediate and heavy financial burden, as required by law. In most circumstances, participants do not receive any direct payment from these hardship withdrawals.

The Plan’s Trustees are providing relief which puts cash in the hands of our participants to meet day-to-day living expenses.

Participants may apply for a distribution of up to $10,000, or the maximum amount distributable to a participant who has less than $10,000 available pursuant to legal requirements (First Distribution). Participants must provide proof of unemployment to the Plan.

At a date not sooner than ninety (90) days after the First Distribution, the participant may apply for a second distribution not to exceed the lesser of $10,000 or the maximum amount distributable to a participant who has less than $10,000 remaining available pursuant to legal requirements (Second Distribution). Participants must present documentation showing continuous unemployment during the period starting with his or her layoff date through the date of application for the Second Distribution.

The maximum amount distributable under this provision is the lesser of $20,000 or the maximum amount a participant has available pursuant to legal requirements. Please note that the amount distributable is limited to contributions derived from work on or after January 1, 1994 and before April 1, 2018.
This Emergency Distribution option is temporary and shall cease to be effective after September 30, 2020.

This emergency distribution is designed for participants who are out of work due to the COVID-19, there are other alternatives available which may be a better fit for certain participants.

In addition, under the CARES Act, participants may be able to receive favorable tax treatment upon certification that the withdrawal they are making is a Corona Virus-related. Applications and certifications will be available by calling the Fund Office at 410-564-5500, through email at pension@iupat.org or through the website at iupatpension@iupat.org.