



# **SOUTHERN CALIFORNIA PIPE TRADES DEFINED CONTRIBUTION FUND**

## **SUPPLEMENT No. 3**

To: All Participants  
From: Board of Trustees  
Date: September 2020  
Re: Distribution for the Birth or Adoption of a Child

### **KEEP THIS NOTICE WITH THE SUMMARY PLAN DESCRIPTION**

The Board of Trustees has adopted an amendment to the Plan and Summary Plan Description (SPD) effective January 1, 2021, adding a new Section 9(F) to the SPD as follows:

#### **(F) Qualified Birth or Adoption Distribution (QBOAD)**

You may withdraw up to \$5,000 from your Individual Account upon the birth of your child or following the adoption of a child.

An “adopted child” means anyone (other than your Spouse’s child) who is legally adopted by you and who is:

1. Under the age of 18; or
2. 18 or older and physically or mentally incapable of self-support.

You must withdraw the amount within one year of the child’s date of birth, or within one year of when the legal adoption of the child is finalized.

Funds will be distributed from your Individual Account in the following order:

1. Employee Pre-tax 401(k) Contribution account
2. Employer 401(a) Contribution account
3. Pre-tax Rollover Contribution account
4. Employee After-tax Roth 401(k) Contribution account
5. Roth Rollover Contribution account

This withdrawal is not subject to the 10% early distribution penalty for taking a withdrawal prior to age 59½ nor is it subject to the normal 20% mandatory withholding for taxes that applies to eligible rollover distributions. The Plan will withhold at the rate of 10% for taxes unless you elect no withholding.

You have the option to repay to the Plan all or a portion of the amount you withdraw. All such withdrawals and repayments will be subject to federal law and any rules or regulations issued by the Internal Revenue Service.