



SOUTHERN CALIFORNIA PIPE TRADES DEFINED CONTRIBUTION FUND

SUPPLEMENT No. 9

To: All Participants
From: Board of Trustees
Date: March 2025
Re: Qualified Disaster Recovery Distributions

KEEP THIS NOTICE WITH THE SUMMARY PLAN DESCRIPTION

The Board of Trustees adopted amendments to the Plan and Summary Plan Description (SPD), effective retroactive to January 1, 2025, to expand the pre-retirement distribution options by allowing Participants to take Qualified Disaster Recovery Distributions as authorized by the Securing A Strong Retirement Act of 2022 (“SECURE 2.0 Act”). To reflect this change, the SPD is amended as follows:

- A new Section 9(I) is added:

I) Qualified Disaster Recovery Distributions (QDRDs)

You may take a Qualified Disaster Recovery Distribution (QDRD) from your Individual Account if, at any time during the Incident Period of a Qualified Disaster, your principal residence is located in the Qualified Disaster Area and you sustain an economic loss as a result of such Qualified Disaster. A “Qualified Disaster Recovery Distribution” is a distribution that does not exceed \$22,000 per Qualified Disaster and is made on or within 180 days after the first day of the Incident Period.

A “Qualified Disaster” is any event or occurrence that has been declared a major disaster by the President under Section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act. For any Qualified Disaster, the “Qualified Disaster Area” is the area with respect to which the major disaster was declared by the President, and the “Incident Period” is the time period during which the major disaster occurred as determined by FEMA. You must complete a special form to apply for a QDRD.

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

- i) Employee Pre-tax 401(k) Contribution account
- ii) Employer 401(a) Contribution account (including only post-merger employer contributions for former Landscape Plan Participants)
- iii) Pre-merger employer 401(a) Contribution account (for former Landscape Plan Participants)
- iv) Pre-tax Rollover Contribution account
- v) Employee After-tax Roth 401(k) Contribution account
- vi) Roth Rollover Contribution account

The amount withdrawn from your Individual Account as a QDRD is not subject to the 10% early distribution penalty for taking a withdrawal before age 59½. Unless you elect otherwise, income taxes on a QDRD will be assessed ratably over a three-year period.

You have the option to repay to the Plan all or a portion of the amount you withdraw as a QDRD at any time during the three-year period beginning on the day after you receive the distribution. Any amount of a QDRD that you repay to your Individual Account will be treated as a Rollover Contribution.

Taking a QDRD will not impact your eligibility for a hardship distribution as described in Section 9(A). If you take a QDRD and are also eligible for a hardship distribution due to expenses or losses incurred on account of the same disaster that gave rise to your eligibility for the QDRD, the \$22,000 QDRD limit will not impact the amount you can withdraw from your Individual Account pursuant to Section 9(A).

- The chart under Section 9(E) is revised to reflect the addition of QDRDs as follows:

Benefits Available Before Retirement		
Type of Withdrawal	Amount Available	Key Limitations
Hardship	100% of Individual Account	<ul style="list-style-type: none"> Limited to certain hardship circumstances only
Qualified Disaster Recovery Distribution (QDRD)	Up to \$22,000 (you may also be eligible for a hardship distribution for losses in excess of \$22,000 resulting from the same disaster)	<ul style="list-style-type: none"> Distribution must be made within 180 days of the first day of the Incident Period of the Qualified Disaster Your principal residence must be located in the Qualified Disaster Area at any time during the Incident Period and you must have sustained an economic loss as a result of such Qualified Disaster
Employer 401(a) Contribution Account – Inactivity	Employer 401(a) Contribution account balance	<ul style="list-style-type: none"> Employer 401(a) Contribution account balance must be \$2,000 or less Two Calendar Years with no Employer 401(a) Contributions
Employer 401(a) Contribution Account – In-service	Employer 401(a) Contribution account balance	<ul style="list-style-type: none"> First Employer 401(a) Contribution received at least five years ago 12 months with no contributions Employer has not restarted Employer 401(a) Contributions
Termination of Employment	100% of Individual Account	<ul style="list-style-type: none"> 12 months with no contributions 12 months with no employment with a Contributing Employer 12 months with no employment in the industry in D.C. No. 16
Special Termination of Employment Withdrawal for former Landscape Plan Participants	100% of Individual Account accrued prior to January 1, 2025	<ul style="list-style-type: none"> Two full Plan Years with no Employer contributions from any Employer that contributed to the former Landscape Plan Participants
Disability	100% of Individual Account	<ul style="list-style-type: none"> Must have Social Security disability “notice of award”
Automatic Payment of Small Individual Accounts	100% of Individual Account	<ul style="list-style-type: none"> Individual Account balance must be \$7,000 or less (not counting any Rollover Contribution account balance) Must meet requirements for Termination of Employment above Only at Trustees’ discretion
Qualified Birth or Adoption	Up to \$5,000	<ul style="list-style-type: none"> Child must be: <ul style="list-style-type: none"> Under the age of 18; or 18 or older and physically or mentally incapable of self- support. You must apply within one year of the child’s date of birth or within one year of when the legal adoption of the child is finalized.
Terminal Illness	100% of Individual Account	<ul style="list-style-type: none"> Physician certification that death is expected within 84 months.
Notes:		
<ul style="list-style-type: none"> This is only a summary of the Plan’s distribution rules. See Section 9, page 12 for further details. Federal and state income tax and tax penalties can total more than 50% of withdrawals taken before age 59½. See Section 13, page 17 for further details. 		

KEEP THE FUND OFFICE INFORMED OF YOUR ADDRESS.

If the Fund office does not have your current address, you will not be informed about important changes to your benefits and you may not receive all the benefits to which you are entitled. You can obtain a Change of Address Form from www.sptac.org, or from the Fund office or your Local Union office. You may also use this QR code to complete a Change of Address Form.

You should also promptly advise the Fund office of any change in your family status, such as marriage, divorce, or death.

