

**AIRCONDITIONING AND REFRIGERATION INDUSTRY
DEFINED CONTRIBUTION RETIREMENT PLAN**

NOTICE TO PARTICIPANTS AND BENEFICIARIES

This Notice is to advise you that the Airconditioning and Refrigeration Industry Defined Contribution Retirement Plan (the “Plan”) has recently been amended to add a new Coronavirus-Related Distribution. Below is important information regarding this new option, including eligibility, the amount that can be withdrawn, and repayment options.

WHAT IS A CORONAVIRUS-RELATED DISTRIBUTION AND AM I ELIGIBLE?

Under the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), the Plan is permitted to allow you to withdrawal from your Individual Account in the form of a “Coronavirus-Related Distribution,” provided you are a “qualified individual.” Regardless of your employment status, you are a “qualified individual” if you certify that:

- a) You have been diagnosed with, or your spouse or your dependent living in the same household as you has been diagnosed with, the virus SARS-CoV-2 or the disease COVID-19 by a test approved by the Centers for Disease Control and Prevention, or
- b) You experience adverse financial consequences due to SARS-CoV-2 or COVID-19 as a result of:
 - (1) Being quarantined;
 - (2) Being furloughed;
 - (3) Being laid off;
 - (4) Having work hours reduced;
 - (5) Being unable to work due to lack of child care; or
 - (6) Closing or reducing hours of a business you own or operate.

If you are married at the time you request a Coronavirus-Related Distribution, your spouse must consent to the withdrawal. Coronavirus-Related Distributions are not eligible for direct rollover to another retirement plan.

HOW OFTEN AND HOW MUCH CAN I WITHDRAW AS CORONAVIRUS-RELATED DISTRIBUTIONS?

Between April 1, 2020 and December 30, 2020, you may take no more than one (1) Coronavirus-Related Distribution per calendar quarter (*i.e.*, three (3) total) of up to a maximum of \$15,000 in aggregate from your Individual Account balance, so long as you are a “qualified individual.”

The 10% early withdrawal penalty does not apply, and the Coronavirus-Related Distribution is not subject to mandatory 20% withholding. However, unless you elect otherwise, 10% will be withheld for federal income taxes, plus any applicable state tax withholding.

A Coronavirus-Related Distribution is taxable income, but you may spread out that taxable income evenly over a three-year period when you file your federal tax return.

For example, assume you the withdrawal the maximum \$15,000. Instead of treating the entire \$15,000 as taxable income for 2020, you may treat \$5,000 as taxable income in 2020, 2021 and 2022.

* Note that a maximum of \$15,000 may be distributed to you from the Plan. However, you may be eligible for Coronavirus-Related Distributions from other retirement plans in which you participate. If so, no more than \$100,000 in Coronavirus-Related Distributions may be distributed to you, counting all distributions from this Plan and any other retirement plans in which you participate. It is your responsibility to make sure the total amount of your Coronavirus-Related Distributions does not exceed \$100,000.

DOES THE PLAN ALLOW ME TO REPAY ANY CORONAVIRUS-RELATED DISTRIBUTION TAKEN?

Yes, you may repay to the Plan any portion of your Coronavirus-Related Distributions, in single or multiple payments, until May 18, 2023. Repayment is not required, but any repayment(s) would be treated as Rollover Contributions into the Plan.

This Notice constitutes your summary of material modifications as required by section 104(b) of the Employee Retirement Income Security Act of 1974 as amended, or ERISA, and should be kept with your copy of the SPD and other important Plan documents. The information in this notice is also in the Plan document, and the Plan document controls if there is any conflict with this notice. If you have any questions about this notice or need a copy of the SPD, please contact the Trust Fund Office at (714) 917-6100.