

ANNUITY FUNDS - International Union of Operating Engineers

Local Unions 138, 138A, 138B & 138C Nassau & Suffolk Counties
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ANNUITY FUND

SUMMARY OF MATERIAL MODIFICATION

Dear Participant:

At the last meeting of the Trustees of the Fund, changes to the hardship withdrawal provisions were approved by the Trustees to conform to the "safe-harbor" guidelines set forth by the Internal Revenue Service. Consequently, the Trustees have amended the Plan's hardship withdrawal provisions as follows:

- Effective January 1, 2010, hardship withdrawals will not be permitted for the purpose of purchasing or leasing an automobile.
- Effective January 1, 2010, Section 9.1(g) of the Plan is amended in its entirety to permit a hardship as a result of the following:

Renovation and/or restoration of a Participant's principal residence if such renovation and/or restoration would repair damage to the principal residence not covered by insurance.

In addition, as of April 1, 2010, the hardship withdrawal applications will be administered through New York Life. If you feel that you qualify for a hardship withdrawal and wish to apply, you may contact the Fund Office and you will be provided the forms that must be completed and forwarded to New York Life for review. As the new administrator for the hardship withdrawal applications, New York Life will be responsible for determining whether you qualify for the distribution under the Plan. If you have any questions, please contact the Fund Office.

Very truly yours,

William K. Duffy, Jr.
Fund Administrator