

Sprinkler Industry Supplemental Pension Fund

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IMPORTANT PARTICIPANT NOTICE REGARDING NEW HARDSHIP DISTRIBUTION OPTION FOR BURIAL AND FUNERAL EXPENSES FOR A DECEASED PARENT, SPOUSE, CHILD, OR DEPENDENT

December 2025

Dear Participant:

The Trustees of the Sprinkler Industry Supplemental ("SIS") Pension Fund appreciate the many advantages a retirement plan can offer and regularly review the Fund's rules and features. As a result, the Trustees have amended the Fund's rules to add a new Hardship distribution option for burial and funeral expenses. Accordingly, moving forward, a Participant may seek a Hardship distribution due to an immediate and heavy financial need arising from burial and funeral expenses for a deceased parent, spouse, child, or dependent.

Application Requirements

- *In General.* The term "Hardship" means an immediate and heavy financial need that cannot be satisfied from other resources. The amount of any Hardship distribution cannot exceed the amount needed to pay for the Hardship (including amounts needed to pay taxes or penalties resulting from the distribution). You must submit an application to the Fund Office in order for your distribution request to be reviewed and processed.
- *Written Statement.* To be eligible for a Hardship distribution, you must provide a written statement specifying: (a) the nature of the immediate and heavy financial need, and (b) that you have insufficient cash or other liquid assets reasonably available to pay for the financial need.
- *Required Documentation.* In support of your application for a Hardship distribution for funeral and burial expenses, you must provide: (a) name of the deceased and date of death; (b) copy of the death certificate; (c) documentation identifying your relationship to the deceased; and (d) actual invoices or other documentation from the funeral home, mortuary, crematorium, cemetery, monument company, burial company, and/or religious establishment (church, synagogue, chapel or other place of worship) showing the (i) name and address of the service provider, (ii) name of the deceased, (iii) list of expenses, and (iv) the balance due.

Federal Tax Issues

Hardship distributions you receive are taxable under the Internal Revenue Code. An additional 10% federal tax penalty will apply to distributions received under this new feature for anyone under the age of 59½, unless an exception applies. Accordingly, we encourage you to think carefully about whether to utilize your individual account balance for any purpose unrelated to retirement and to consult with a tax advisor for advice specific to your individual circumstances.

Conclusion

The Trustees believe that the SIS Pension Fund plays an important role in your retirement security and are proud to be involved in its continued operation. As always, if you have any questions about this correspondence, or the Fund in general, please feel free to contact the Fund Office.

This notice, known as a summary of material modifications, is intended as a non-technical summary of certain changes to the rules and regulations of the SIS Pension Fund, so it does not contain all the details. In the event of a discrepancy between this notice and the Fund's official Plan documents, the official Plan documents, as interpreted and applied solely by the Trustees pursuant to their exclusive discretionary authority, will prevail. The Trustees reserve the right to modify the official Plan documents and the features of the SIS Pension Fund at any time.