

NORTHERN ILLINOIS ANNUITY FUND

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Administered by

Welfare & Pension Administration Services, Inc.

Rules for Hardship Distribution

Effective July 1, 2018, all participants in the Northern Illinois Annuity Fund (NIAF) are eligible to request hardship distributions from their account. Your account balance includes all contributions made to the NIAF, adjusted for distributions, investment gains and losses, and allocated expenses.

Withdrawals shall be limited as follows:

- A. Three hardship withdrawals in a lifetime;
- B. Minimum amount is \$1,000;
- C. Limited to 50% of your Account Balance as of the last Valuation Date prior to the date of the withdrawal;
- D. The amount shall not exceed the immediate and heavy financial need as described in (1) through (6) below, including amounts necessary to pay any Federal, state or local income taxes or penalties reasonably anticipated thereon.

Withdrawal requests must be in writing and made for one or more of the following reasons:

1. To pay medical expenses described in Section 213(d) of the Internal Revenue Code that are incurred by you, your spouse, or dependent children;
2. To purchase (excluding mortgage payments) a principal residence;
3. To pay tuition for post-secondary education for you, your spouse, or your dependent children;
4. To prevent the eviction from your principal residence or foreclosure on the mortgage on your principal residence.
5. To pay burial expenses due to the death of an immediate family member;
6. To pay home repair costs due to a natural disaster.

The foregoing is only a brief and general description of the hardship provision of the fund and is not meant to interpret or change in any way the Fund Rules and Regulations. The Trustees reserve the right to amend, modify, or discontinue all or part of this Fund whenever in their judgment, conditions so warrant. **In the event there is a conflict between statements in this summary and the Rules and Regulations, the terms of the Rules and Regulations control.**