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Ms. Gladys M. Finnigan
Assistant to the Vice President
Communications Workers of America
AFL-CIO, District One
80 Pine Street, 37th Floor
New York, New York 10005

Re: Hardship Withdrawal

Dear Ms. Finnigan:

Final regulations under the Internal Revenue Code have made some changes to the rules that apply to hardship withdrawals from 401(k) plans. The new rules expand the types of expenses that qualify as a hardship. Specifically, the rules include expenses and losses incurred by an employee on account of a federally declared disaster that qualifies for Federal Emergency Management Agency (FEMA) individual relief for the area in which the employee principally resides or works ("disaster-related hardship withdrawals"). Prior to this change in the law, the Internal Revenue Service would periodically extend hardship withdrawal availability for certain high profile disasters. The change in the law is a benefit for participants who need access to their 401(k) funds on account of a disaster. The final regulations also allow casualty-related hardship withdrawals (a pre-existing and separate category from disaster-related withdrawals) to continue to be made based on casualty without regard to whether the casualty relates to a federally declared disaster.

This letter sets forth the corresponding changes to the *Verizon Savings and Security Plan for New York and New England Associates* ("Savings Plan").

In accordance with changes to the final regulations relating to 401(k) plan hardship withdrawals, the Savings Plan will be amended and administered to allow disaster-related hardship withdrawals and to continue to allow casualty-related hardship withdrawals without regard to whether the casualty relates to a federally declared disaster. The changes will be made effective no later than March 1, 2021.

Let me know if you have any questions or if you want to discuss.

Very truly yours,

Patrick J. Prindeville
Executive Director – Labor Relations