



SPRING | 2020

MPI

COVID-19 IAP HARDSHIP WITHDRAWAL

Frequently Asked Questions

1. What is an IAP account?

The Motion Picture Industry Individual Account Plan (IAP or “Plan”) is an employer-funded defined contribution account separate from the Motion Picture Industry Pension Plan. The IAP is funded through a combination of employer contributions (based on a percentage of your wages) and investment gains and losses based on the investment performance of the entire IAP trust fund.

Participants who retire are eligible to withdraw their IAP accounts two months after commencing their pension benefit from the Pension Plan.

2. How is the IAP different than the Pension or are they the same account?

The IAP is a separate plan from the Pension Plan.

3. How can I find out if I have an IAP and how much is in the account?

The easiest way to find out if you have an IAP and the balance is to log in to www.mpiphp.org and click on the Pension area for more information about your IAP, as well as the vesting status in your Pension Plan.

4. How long until I am vested in this account?

Vesting in the IAP occurs upon completion of one qualified year (400 or more hours). Vesting in the Pension Plan takes five qualified years.

5. Can I take the IAP hardship withdrawal if I am not vested?

No, you need one qualified year to be vested in the IAP.



Motion Picture Industry Pension & Health Plans

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6. How do I apply for the special COVID-19 hardship withdrawal?

You may apply online between May 1, 2020 and July 31, 2020 by going online and registering to access your account on www.mpiphp.org. Click on “Forms” and then click on “COVID-19 Hardship Withdrawal” to begin the hardship withdrawal process.

You must apply on-line; you can use your mobile “smart” phone, a tablet, or a desktop computer to fill out the application and upload documents. The application process takes about 15-20 minutes to complete.

7. How much money can I withdraw?

You can request any amount under 20% of your account balance but not less than \$200.

8. How long will it take to receive the money?

Once a fully-completed application is received, reviewed and approved by Plan staff, payment will be completed within 30 days.

9. How can I get my money sooner, I have bills piling up?

All payments will take approximately 30 days to process upon receipt of a complete application. The application is considered complete when all sections are filled out, properly signed, and have the requested identification documents and spouse form (if applicable) attached. Payments are processed in the order the request is received. Due to the high volume of requests, we are not able to accelerate any payments.

10. Do I have to pay Taxes?

The IAP hardship withdrawal is a taxable payment. However tax withholding is optional under the law (CARES Act of 2020.) The Plan allows three tax withholding options for federal withholding: 0%, 10% and 20%. In addition, California tax withholding is offered at 0%, 1% and 2%.

Depending on your tax situation, including your filing status (single/married), other income, individual deductions and other tax considerations, you should consult with your CPA/tax preparer on which tax withholding option is best for you. In addition, note that the law allows you to spread the tax expense for such a hardship withdrawal over three years. **The Plan Office cannot provide any individual tax advice.** Please consult your personal tax advisor.

11. What if I am still working but need the money because COVID-19 has affected me. Can I request to take the withdrawal?

There are clear qualification requirements. Participants must self-certify they meet one of the following:

1. I, my spouse, or my dependent is **diagnosed** with the virus SARS-CoV-2 or with coronavirus disease 2019 (COVID-19) by a test approved by the Centers for Disease Control and Prevention; or
2. I am experiencing **adverse financial consequences** as a result of being quarantined, being furloughed or laid off or having work hours reduced due to such virus or disease, being unable to work due to lack of child care due to such virus or disease, closing or reducing hours of a business owned or operated by the individual due to such virus or disease.

12. What are all the supporting documents that you need to apply for the IAP hardship withdrawal?

You will need to provide a form of personal identification (such as a Driver's License or Passport). The personal identification must meet five requirements: 1) it must be government issued; 2) it must be current (unexpired); 3) it must have a picture of the person; 4) it must have a signature of the holder; and 5) for the participant, the name must match the participant's name on MPI's records.

If you are married and have an IAP balance of \$5,000 or more, a personal identification of your spouse (that includes a signature) and a completed Spousal Consent Form are required.

13. We are under quarantine and cannot get the document notarized, what are my options?

Usually the only document that requires a notary seal is the Spousal Consent Form. However, under the stay-at-home orders in place, an alternate process has been developed that only requires a copy of personal Identification of your spouse (that includes a signature) to be provided to the Plan. Plan staff will compare the signature on the identification to the signature on the Spousal Consent Form. If they are reasonably determined to be from the same person, the application will be approved without a notary witness of the signature on the Spousal Consent Form.

14. Can I email my application with a copy of my spouse's identification?

The application must be submitted through the MPI website. Supporting documents (personal identifications and the Spousal Consent Forms) should be uploaded when completing the on-line form.

15. Will you send me a letter of acknowledgment when my payment is in process?

A confirmation letter will be sent to provide the payment details.

16. Will direct deposit be an option?

No. All payments will be made via check.

17. How can I check the status of my payment?

The confirmation letter will include the payment date. On that date, the check will be placed into the USPS postal system. There will be no tracking available for these payments.

18. Are there any drawbacks from withdrawing the IAP?

If you withdraw from your IAP, you will have less money available in your IAP account at retirement. In addition, you may be subject to a tax expense depending on your tax situation.

19. Can you roll over your IAP hardship withdrawal to a financial institution?

Hardship distributions cannot be rolled over.

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20. How is the IAP different than a 401K?

A 401(k) plan requires an employee to make an election to contribute a portion of wages into a tax-deferred retirement plan known as a 401(k) Plan. Since the IAP is funded directly by employers pursuant to a negotiated collective bargaining contract, the IAP is not a 401(k) Plan.

21. I got COVID-19 after the time frame to apply. Will there be an exception that will allow me to apply for the IAP hardship withdrawal?

The application period will end on July 31, 2020. There are no exceptions.

22. Why is there only a specific time to apply when people are still getting sick?

These payments are being made because of a Plan amendment adopted by the Board of Directors. The dates being used are the ones specified in the amendment.

23. How is this going to affect my retirement options when I do retire?

Aside from the reduction of your IAP balance due to the withdrawal, there will be no impact on retirement qualification or benefit options available at the time of retirement.

24. Due to the virus, I am staying with family at an address different than where I normally reside. Can you send my check to me where I am currently?

If you have temporarily moved, you can change your address online using our easy online form, which takes just a few minutes to complete. Confirmation of your address is integrated into the online hardship application process. Checks will be mailed only to the address on record for the Participant via this process. Our systems cannot maintain two separate addresses, such as a permanent address and then a temporary address for IAP check payment. Once you are back at your permanent address, you can go online and change the mailing address once again.

25. What if I have applied and I am unable to get the requested information to you right away. Will I lose the opportunity to apply for the IAP hardship withdrawal?

The payment can be processed as long as the application is submitted by July 31, 2020 and all necessary documents are provided and check is issued prior to December 31, 2020.

26. I have a child support order. Can I still make the emergency withdrawal?

Any child support that has been taken from the IAP account will reduce the balance available for withdrawal, but will not otherwise prevent you from taking a hardship distribution.

27. Is paying back the IAP over a three year period a requirement or an option?

Repayment is optional.

28. Can I lose the IAP money if I stop working in the industry?

Once you are vested in the IAP, future contributions will stop coming from employers once you leave the industry. However, your IAP account will be invested and your account will accrue gains or losses due to investments until you become eligible to withdraw the benefit due to

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retirement or an early IAP distribution if you are not vested in the Pension Plan and are on a break in service from the industry.