

# SECURE Act of 2019, BAM Act of 2019, and CARES Act of 2020

## Document Amendment Provisions

### Individual(k) Plan

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The following are highlighted provisions in your SECURE/CARES Act Interim Amendment that are updated from your Cycle 3(C3) qualified retirement plan document (including the Adoption Agreement (AA) and Basic Plan Document (BPD)). Please review this information carefully to become familiar with the new provisions and how your interim amendment was prepared.

Plan Provision	Cycle 3 (C3) Document Provision	Location	SECURE Act of 2019, BAM Act of 2019, and CARES Act of 2020 Adoption Agreement Amendment Provision Definition and BPD Amendment Default	Location
Long-Term Part-Time Employee Eligibility Service Requirement	There is no provision in the C3 document to identify if the adopting employer permits a long-term part-time employee to participate in the plan for purposes of employer contributions.	N/A	<p>Plans that intend to exclude part-time/seasonal employees from becoming eligible to participate in the plan by imposing an eligibility service requirement must now allow employees to become eligible to participate in the plan for elective deferral purposes upon satisfying three consecutive 12-month periods of 500 hours of service, provided they reach age 21 by the end of the third 12-month period. This is more lenient than the statutory minimum service requirement of 12-consecutive months of service during which the employee completes a year of eligibility service (generally 1,000 hours of service).</p> <p>It is optional for an employer to apply this same three consecutive 12-month periods of 500 hours of service eligibility requirement for purposes of becoming eligible for employer contributions.</p> <p>This requirement is effective for 2021 and later plan years, but no 12-month period that begins before January 1, 2021, will be taken into account when calculating the service eligibility. Therefore, a long-term part-time employee would become eligible for elective deferrals, and if elected, for employer contributions, as of the first day of the plan's 2024 plan year.</p> <p><b>BPD Amendment Default:</b></p> <p><i>The long-term part-time service eligibility requirements will only be applicable for purposes of eligibility for elective deferral contributions.</i></p>	BPD: Section Two: Eligibility

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<p>Qualified Birth or Adoption Distributions (QBADs)</p> <p>Repayment of QBADs if taken from another plan</p>	<p>There is no provision in the C3 document to permit QBADs or to allow for the repayment of a QBAD taken from this plan or another plan.</p>	<p>N/A</p>	<p>For distributions in 2020 and later years, a plan may permit a participant who has welcomed a child (or individual who is incapable of self-support), whether by birth or adoption, to take a distribution that is exempt from the 10 percent early distribution penalty tax (if applicable). Distributions of up to \$5,000 in aggregate are permitted if this feature is elected in this SECURE/CARES Act Interim AA Amendment.</p> <p>A participant who received a QBAD from the plan may, if the individual is eligible to make a rollover into the plan, repay all or part of the distribution by making one or more contributions to the plan in an aggregate amount not to exceed the amount of the original distribution.</p> <p>A plan may also accept repayments of all or part of a QBAD that was taken from another eligible retirement plan.</p> <p><b>BPD Amendment Default:</b></p> <p><i>A participant will be entitled to request a QBAD. As the plan permits QBADs, the plan will allow for the repayment of such amounts to the Plan.</i></p> <p><i>The plan will accept repayments of QBADs that are taken from another eligible retirement plan.</i></p>	<p>Distributions: BPD: Section Five: Distributions and Loans to Participants</p> <p>Repayment: BPD: Section Three: Contributions</p>

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2020 Required Minimum Distribution (RMD) Payment Election	There is no provision in the C3 document to address the 2020 RMD payment election.	N/A	<p>Under the CARES Act, plan participants, and beneficiaries are not required to take their 2020 RMDs. This waiver also applies to individuals who turned 70 ½ in 2019 but who did not take their first RMD before January 1, 2020. A distribution that is taken in 2020 but is not treated as an RMD because of the waiver, may have been rolled over to another eligible retirement plan or to an IRA by July 15, 2020, assuming the individual was otherwise eligible to roll over the distribution.</p> <p><b>BPD Amendment Default:</b></p> <p><i>Participants and beneficiaries who would have otherwise been required to take RMD's for 2020 but for the enactment of Code section 401(a)(9)(I) may choose whether to remove their 2020 RMD or extended 2020 RMD from the plan. If the participant or beneficiary does not elect to receive or remove the 2020 RMD or extended 2020 RMD, the employer will retain such amount within the plan.</i></p> <p><i>If a 2020 RMD or extended 2020 RMD is not removed from the plan, there will not be a new annuity starting date upon recommencement.</i></p> <p><i>For purposes of the direct rollover distribution provisions of the plan, 2020 RMDs and extended 2020 RMDs will be treated as eligible rollover distributions.</i></p>	<p>Contributions: BPD: Section Five: Distributions and Loans to Participants</p> <p>Repayments: BPD: Section Three: Contributions</p>

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Age 59 1/2 Distributions	In the C3 BPD, a participant who has not incurred a termination of employment will be entitled to request an in-service distribution of all or part of the vested portion of their individual account attributable to transfers of money purchase pension contributions if they are eligible to receive an in-service distribution of any employer contribution under the plan, but not earlier than age 62.	BPD 5.01(C)(1)	<p>Effective for 2020 and later plan years, a plan may allow for in-service distributions at age 59 ½ (instead of age 62 under prior law) of that portion of a participants' individual account attributable to transfers of money purchase pension contributions.</p> <p><b>BPD Amendment Default:</b></p> <p><i>Effective the first day of the plan year beginning on or after January 1, 2023, a participant who has not incurred a termination of employment will be entitled to request an in-service distribution of all or part of the vested portion of their individual account attributable to transfers of money purchase pension contributions if they are eligible to receive an in-service distribution of any employer contribution under the plan, but not earlier than age 59.5.</i></p>	BPD: Section Five: Distributions and Loans to Participants

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<p>Coronavirus-Related Distributions (CRDs)</p> <p>Repayment of CRDs</p>	<p>There is no provision in the C3 document to address the CRDs or repayment of CRDs taken from this plan or another plan.</p>	<p>N/A</p>	<p>Individuals were permitted to withdraw up to \$100,000 in aggregate in the form of a CRD without paying the 10 percent early distribution penalty tax. A CRD is defined as a distribution made on or after January 1, 2020, and before December 31, 2020, to a participant or beneficiary who was a qualified individual. Individuals may repay CRDs, not to exceed the amount of the original distribution, to an eligible retirement plan over three years beginning with the day following the day a CRD is taken.</p> <p><b>BPD Amendment Default:</b></p> <p><i>A qualified individual was entitled to request a CRD pursuant to Plan Section 5.01(D), Section 2202 of the CARES Act, and related guidance.</i></p> <p><i>Since the plan did allow for CRDs, repayment of such amounts to the plan will be permitted within a three-year period, beginning the day after the individual received the distribution. The plan will accept repayments of CRDs that are taken from another eligible retirement plan.</i></p>	<p>Distributions: BPD: Section Five: Distributions and Loans to Participants</p> <p>Repayments: BPD: Section Three: Contributions</p>

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Coronavirus-Related Loans	There is no provision in the C3 document to address the coronavirus-related loan provision.	N/A	<p>The plan loan maximum for a qualified individual was increased to the lesser of \$100,000 or 100 percent of the participant’s vested balance. This increased amount applied to loans made during the 180-day period that began on March 27, 2020.</p> <p>Retirement plan loan repayment dates that occur between March 27, 2020, and December 31, 2020, could be delayed for one year, with the amortization period, including the five-year repayment deadline, adjusted accordingly.</p> <p><b>BPD Amendment Default:</b></p> <p><i>If loans were otherwise permitted from the plan, a qualified individual was entitled to request a loan pursuant to the enhanced loan maximum amounts and utilize the extended repayment terms that are applicable under Section 2202 of the CARES Act, and IRS regulations and related guidance.</i></p> <p><i>If loans were not otherwise permitted from the plan, a participant, who was a qualified individual, would not have been entitled to request a loan using the enhanced loan maximum amounts or utilize the extended repayment terms.</i></p>	AAA: Part A. BPD: Section Five: Distributions and Loans to Participants