

Request for Change in Plan Operation (RCPO): The Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”)

The Coronavirus Aid, Relief, and Economic Security Act (“CARES Act” or “Act”) was signed into law on March 27, 2020. Within this appropriations bill were provisions that apply to Retirement Plans.

This newly enacted law impacts the ongoing administration of your plan. Some of the Act’s provisions are required, while other provisions are optional, which may be adopted at the discretion of the plan sponsor/fiduciary. As plan sponsor, you may wish to consider whether or not to elect these optional provisions. Required plan operation changes to plans are not addressed in this RCPO. MassMutual is enhancing our recordkeeping systems to help support you in the implementation of required changes to your plan and its operations. We will be in touch with you in the coming months regarding any updates, and as regulatory guidance becomes available. If you have specific questions regarding any mandatory changes under the Act and our services, please contact your account manager.

Some of the optional changes included in the Act are summarized below, and not all of these options necessarily apply to your specific plan and current plan design. **You are not required to elect any of the optional changes for your plan, or to make any determinations regarding these changes at this time. These materials may not address all considerations and actions relevant to your plan. Please consult with the plan’s legal counsel to help determine whether now is an appropriate time to implement these changes, or if you will await further guidance.**

Optional Provision	Effective Date	Impacted Plan Types
Allow Coronavirus Related Distribution (“CRD”) penalty free from Eligible Retirement Plans	March 27, 2020	401(a) plans, 403(b) plans and governmental 457(b) Plans
Repayment of Coronavirus Related Distribution	March 27, 2020	401(a) plans, 403(b) plans and governmental 457(b) Plans
Temporary Maximum Loan Amount Increases of up to \$100,000	March 27, 2020	401(a) plans, 403(b) plans and governmental 457(b) Plans
One-year Extension of Loan Repayments	March 27, 2020	401(a) plans, 403(b) plans and governmental 457(b) Plans
Retroactive Plan Amendments allowed as long as the plan operated as if the provisions were included in the document all along	March 27, 2020	401(a) plans, 403(b) plans and governmental 457(b) Plans
Required Minimum Distributions suspended for 2020	March 27, 2020	401(a) plans, 403(b) plans and governmental 457(b) Plans

If you do not complete and return this RCPO, none of the optional changes listed above will be implemented for your plan at this time. If you wish to adopt any of the optional provisions, please select the NEXT button to begin the survey.

Please note that the information contained herein is for informational purposes to help support your administration of your Plan and is not intended as, and does not serve as, legal advice.

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If you determine that you do not wish to adopt any of the optional provisions, you can bypass reviewing each provision by selecting the “I do not choose to elect any of the optional provisions at this time.” Option. Otherwise to make elections, select the “Review” option and you will review the optional election one at a time.

In completing this RCPO, in what capacity do you represent the Plan(s):

Choose only one:

- The Plan Sponsor
- Third Party Administrator (TPA)

For Plan Sponsors:

- I do not wish to implement any of the Act’s optional provisions at this time.
- I will review this RCPO and select those provisions I wish implemented at this time.

For Third Party Administrators:

- I represent and certify that I have been authorized, by the applicable plan fiduciaries for which I serve as a third party administrator (“Plans”), to provide the following instructions to MassMutual.
 - I do not wish to implement any of the Act’s optional provisions for my Plans at this time.
 - I direct MassMutual to implement, for all of my Plans, the optional provisions indicated in my survey responses.
 - I will submit to MassMutual a separate survey for each of my Plans. ***I will complete and return this RCPO for each plan requiring changes, including the plan identification information that follows.***

TPA Name _____

Address _____

Phone Number: _____

Important Note on Plan Amendments

By completing this RCPO, you can immediately adopt these provisions, even if the plan does not currently allow for loans or in-service withdrawals. The plan must adopt the formal plan amendment on or before the last day of the plan year beginning on or after January 1, 2022 (January 1, 2024 for governmental plans). You should communicate any changes under this RCPO to your document service provider, TPA, legal counsel and other service providers. During the interim period, this RCPO will govern how your plan is operationally administered and is intended to help provide you with a record of good faith compliance with the provisions of the CARES Act. Of course, you should consult with your legal counsel regarding any changes to the operation of your plan prior to taking any action with respect to this RCPO. MassMutual cannot and does not provide legal advice, and nothing herein is intended to serve as legal advice. **Note that, if you wish to await regulatory implementation guidance prior to implementing any optional provisions, please do not proceed with this RCPO.**

If you are utilizing MassMutual's plan document services, MassMutual will provide a formal plan amendment for your review and signature, once available. If you are not utilizing MassMutual's plan document services, please contact your plan document provider for additional information. You should communicate any changes under this RCPO to your document service provider, TPA, legal counsel and other service providers, as applicable, to help ensure plan

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Allow Coronavirus Related Distributions (“CRDs”) from Eligible Retirement Plans

Applicable Only to: 401(a) plans, 403(b) plans and governmental 457(b) Plans.

Note: A CRD is not considered a hardship distribution, as a result none of a plan’s hardship restrictions apply. A plan can allow for this type of distribution even if the plan does not permit hardship distributions.

Optional Change: A plan may permit CRDs for participants who self-certify they meet one of the following conditions:

- Diagnosed with SARS-CoV-2 or COVID-19 by a test approved by the Centers for Disease Control and Prevention
- Spouse or dependent is diagnosed with SARS-CoV-2 or COVID-19
- Experiences adverse financial consequences as a result of being quarantined because of SARS-CoV-2 or COVID-19
- Being laid off or furloughed or having work hours reduced because of SARS-CoV-2 or COVID-19
- Being unable to work due to lack of child care because of SARS-CoV-2 or COVID-19
- Closing or reducing hours of a business owned or operated by the individual because of SARS-CoV-2 or COVID-19
- Other factors as determined by the Secretary of the Treasury

CRDs are subject to the following conditions:

- CRDs are capped at \$100,000 Plan administrator may rely on self-certification by the participant to approve the distribution.
 - A participant may spread the taxable amount equally over 3 tax years.
 - 10% penalty excise tax doesn’t apply to a CRD.
 - A CRD is not an Eligible Rollover Distribution.
 - CRDs are not subject to mandatory tax withholding.
 - Participant may elect voluntary 10% tax withholding.
 - A CRD may be repaid over 3 year period starting from the date of the distribution.
- **Effective Date:** CRDs are optional and are available for distributions made on or after January 1, 2020 and before January 1, 2021.

Action for Consideration: Please complete the following:

- No, I do not wish to adopt the optional provision to permit CRDs from the Plan(s).
- Yes, I direct MassMutual to allow CRDs from the Plan(s) subject to the criteria described above.

Note: CRD distribution amounts will be made available from any and all money sources except those money sources that do not have IRS mandated withdrawal restriction relief via the CARES Act. An example of this would be plan assets transferred from a Money Purchase plan.

Request a CRD Distribution via toll-free telephone services

Optional Change: The Plan Sponsor may direct MassMutual to allow participants to access their individual accounts to initiate a CRD Distribution via toll-free telephone services which include customer service professionals.

Action for Consideration: Please elect on of the following:

Yes, I would like Participants to be able to request CRD distributions via toll-free telephone services.

No, I do not Participants to be able to request CRD distributions via toll-free telephone services.

CRD Distributions via toll-free telephone services will use participant information currently held in our recordkeeping system, which includes but is not limited to participant status and vesting. An affirmative election confirms your approval of this information as accurate for purposes of processing the requested distribution.

Increase Loan Amounts from Eligible Retirement Plans as a result of the Coronavirus pandemic

Applicable only to: 401(a) plans, 403(b) plans and 457(b) Plans.

Prior Law: The amount available to take as a plans loans was generally limited to the lesser of 50% of the participant's account balance or \$50,000.

Optional Change: A 401(a), 403(b) or governmental 457(b) plan may increase its maximum allowable amount for participant loans to the lesser of 100% of the participant's account balance or \$100,000.

Effective Date: This change is optional for loans taken between March 27, 2020 and September 23, 2020.

Some Considerations: If the Plan does not offer loans, this is not applicable. The Plan Sponsor may wish to also consider participants' ability to repay larger loans

Action for Consideration: Please complete the following if you do not wish to increase the available loan limit:

No, I do not wish to adopt the optional change the Plan's loan limits.

Yes, I direct MassMutual to implement the increased loan limits described above.

Certain Loan Repayments can be Delayed for up to One Year

Affected Plan Types: 401(a) plans, 403(b) plans and governmental 457(b) Plans.

Existing Law: Participants are required to repay loans in full within 5 years (except for loans used to purchase a primary residence) and repayments must be made in substantially equal installments paid at least quarterly. The only way a Plan could suspend loan payments was in the event of a bona fide leave of absence or for the employee performing military duties.

Optional Change: A plan may permit participants to suspend loan payments for up to one year with respect to payments due on or after March 27, 2020. Re-amortization of the loan will be allowed due to extra interest accrued during the suspension.

Effective Date: This change is optional for loans suspended between the enactment of the Act and December 31, 2020.

Action for Consideration: Please choose one of the following elections:

- No, I do not want to adopt the optional change to allow participants to extend the due date for loan repayments for up to one year without penalty.
- Yes, I want to change the plan loan repayment schedule to allow participants to extend the due date for loan repayments for up to one year without penalty.

Required Minimum Distributions may be Suspended for Calendar Year 2020

Affected Plan Types: 401(a) plans, 403(b) plans and governmental 457(b) Plans.

Prior Law: Anyone with a balance in one of the above plans who was over the age of 70½ (or age 72, as per recent law changes) who met the other criteria for a Required Minimum Distribution was required to take their minimum distribution each year from their balance under the above plans.

Optional Change: The plan sponsor may elect to waive the Required Minimum Distribution requirement for distributions made in 2020.

Effective Date: This change is optional for Required Minimum Distributions that are required to be taken in 2020. [e.g. 2019 RMDs required to be made by April 1, 2020 and 2020 RMDs to be taken by December 31, 2020.] Participants who already received their 2020 minimum distribution cannot repay it to the plan.

In order to avoid any undue hardship for plan participants and beneficiaries, MassMutual has temporarily stopped making automated Required Minimum Distributions to Participants and Beneficiaries who are otherwise required to receive a Required Minimum Distribution for the 2020 Distribution Calendar Year. Please indicate below if you do not wish to suspend Required Minimum Distributions for your Plan(s). Otherwise, MassMutual will accept your completion and return of this RCPO as your direction to continue suspension of Required Minimum Distributions to the extent allowed by the Act.

- I do not wish to suspend Required Minimum Distributions for 2020.

Allow for Retroactive Plan Amendments to be adopted by the Plan

Affected Plan Types: 401(a) plans, 403(b) plans and governmental 457(b) Plans.

Prior Law: Plans had limited circumstances in which retroactive plan amendments would be allowed to be adopted by the plan sponsor.

Optional Change: A plan may adopt these rules immediately, even if the plan does not currently allow for hardship distributions or loans, provided the plan is amended on or before the last day of the first plan year beginning on or after January 1, 2020 (January 1, 2024 for governmental plans), or later if prescribed by the Treasury Secretary.

Effective Date: This provision change is optional for amendments adopted after the enactment of the Act.

Some Considerations: There is no election to be made with this change. It simply gives plan sponsors the ability to implement these changes to the plan document retroactively.

This Request for Change in Plan Operation (RCPO) is deemed effective until these changes are incorporated into a plan amendment.

Signed by Plan Administrator or Authorized Signer:

Plan Name: _____

Contract/Plan Number: _____

Full Name of Authorized Signer: _____

Email of Authorized Signer: _____

Title: _____

Date: _____

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This page will summarize the information provided in the RCPO and will give the submitter the opportunity to edit or submit the RCPO