

**SUMMARY OF MATERIAL MODIFICATIONS For The SUPPLEMENTAL RETIREMENT ACCOUNTS (SRA)
FOR ALL EMPLOYEES OF DARTMOUTH COLLEGE**

This document summarizes important changes to Supplemental Retirement Accounts. If you have any questions regarding the changes covered in this Summary of Material Modifications (SMM), please contact the Benefits Office at human.resources.benefits@dartmouth.edu or 603-646-3588. You should keep a copy of this SMM with your SRA Summary Plan Description for future reference.

CARES Act provisions affecting retirement plans

The federal Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law by the president on March 27 and provides opportunities if a plan participant has experienced adverse financial consequences due to COVID-19 as defined in the CARES Act. You are considered eligible to take distributions/loans from your retirement plan if any of the below conditions are met:

- You have been diagnosed with COVID-19 by a test approved from the Centers for Disease Control and Prevention
- You have a spouse or dependent who has been diagnosed with COVID-19
- You suffer financial consequences as a result of quarantine, employment furlough, layoffs, reduced work hours or cannot work due to lack of child care as a result of coronavirus
- You experience a financial loss to an individually owned or operated business that is caused by a closing or reduction of hours due to coronavirus
- Other factors as determined by the Secretary of the Treasury or his delegate

Taking an early distribution or loan from your retirement plan has significant long-term implications for your retirement savings. Please carefully consider the ramifications of taking such an action before deciding to do so.

Dartmouth has chosen to adopt the following CARES Act provisions for our Supplemental Retirement Account (SRA) participants:

CARES Act Distributions

Penalties and withholding are waived for qualified distributions from the SRA

Provided the above eligibility criteria are met, the CARES Act waives the 10% early withdrawal penalty (generally applicable if participants are under age 59 ½) and eliminates the 20% mandatory withholding for coronavirus-related distributions of up to \$100,000 across qualified retirement plans. Distributions will still be subject to taxation, and you will have the option to pay taxes due over a three-year period. We suggest you consult with your personal tax advisor.

Note: While the 20% withholding will not be taken from distributions, you will have the option to add withholding if you want.

The act also allows you to reinvest withdrawn funds within three years regardless of that year's contribution limit, making it easier to replace the amount of your distribution in your retirement account. The CARES Act distribution will only be available **through December 31, 2020**.

SRA plan loan limits are increased

The maximum retirement plan loan limit has been increased from \$50,000 or 50% of vested account balances to \$100,000 or 100% of the vested account balance (TIAA loans still require collateral) for loans **taken through September 23, 2020**.

Dartmouth's loan policy is still in effect. This means the type of loan, the number of loans allowed, and limits offered within our plan have not changed.

If you choose to take a loan, you will be asked to self-certify that you meet the requirements for a coronavirus-related loan. The loan approval process will remain the same as it does for non-coronavirus-related loans.

Eligible participants with a current outstanding loan can defer payments due between March 27 and December 31, 2020 for up to one year. Future loan repayments will be adjusted for interest during the deferral period.

Suspension of required minimum distributions (RMDs)

To help provide relief for those required to take RMDs, the CARES Act allows you to cancel your 2020 RMD payments and restart them in 2021.

- *If you already have an RMD payment scheduled for this year:*
You have the flexibility to cancel it, and it will be restarted automatically in 2021.
- *If you have already started receiving your RMD this year:*
You have the option to repay it as a rollover. If checks have already been sent, you have 60 days to roll over those funds into a plan that accepts rollovers or into an IRA. In past disaster scenarios, the IRS has extended that rollover period. Our investment providers will monitor regulatory activity and notify clients if an extension is granted in this context.
- *If you have not set up your RMD this year:*
The CARES Act temporarily waives RMDs for 2020. If you want access to your retirement plan balance, you can take a distribution. Visit your investment provider's website or call, and be sure to set up an EFT.

Next steps

If you meet the above eligibility requirements and would like to speak to a Fidelity or TIAA representative to learn more or request a loan or distribution, please contact the provider directly.

Fidelity: www.netbenefits.com/dartmouth or 800-343-0860

TIAA: www.tiaa.org/dartmouth or 800-842-2252

The Benefits Office is also available to answer your questions at human.resources.benefits@dartmouth.edu or 603-646-3588.