

# CARES Act Certification

EMPLOYER NAME	PLAN NAME	
Employee Full Name (please print)	SSN	
Permanent Address	Email Address	Daytime Phone Number
City	State	Zip

## 1. Notice to Participant

The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") provides "Qualified Individuals" with special options regarding retirement plan distributions, loan originations and loan repayments occurring by December 31, 2020. Use this form to certify that you are a Qualified Individual. A Qualified Individual is defined as someone who on or after January 1, 2020 and before December 31, 2020, meets one of the following criteria:

1. The individual 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. The individual's spouse or dependent (as defined in section 152 of the Internal Revenue Code of 1986) is diagnosed with such virus or disease by such a test, or
3. The individual experiences adverse financial consequences as a result of one of the following:
  - a. Being quarantined,
  - b. Being furloughed or laid off,
  - c. Having work hours reduced due to such virus or disease,
  - d. Being unable to work due to lack of child care due to such virus or disease,
  - e. The closing or reducing hours of a business owned or operated by the individual due to such virus or disease.

## 2. Withholding – CARES Act Distribution

**If you are requesting a CARES Act distribution, please note the following:** The CARES Act provides Qualified Individuals special federal income tax treatment on aggregate distributions up to \$100,000 from retirement plans and IRAs in 2020. This distribution is not subject to the 10% penalty tax, but it is still reportable income. The CARES Act requires you to either report the entire distribution as income in 2020 or pro rate it over 3 years. In addition, within 3 years of the date of the CARES Act distribution, you may roll it to an eligible retirement plan or IRA. The CARES Act only affects federal income taxation. State laws may treat this distribution differently for tax purposes. Please contact your tax advisor to discuss your income tax options in more detail.

### Federal Tax Withholding:

Please withhold \_\_\_\_\_% from my distribution for federal income tax. If no election is made, 10% will be withheld.

**State Tax Withholding:** No state income tax will be withheld except where required by law. If your state allows you to opt out of state tax withholding, include a completed Form W-4P with your distribution request. You may obtain a Form W-4P by downloading the form from the IRS website at *irs.gov*. \*NOTE: This option is only available for certain states. We will only waive state tax where allowed by law.

I have attached Form W-4P with my distribution request.

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### 3. Loan Provisions – CARES Act

Note: not all plans permit loans. If your retirement plan allows loans, then the CARES Act temporarily increases the loan limitations to the lesser of \$100,000 or 100% of a Qualified Individual's vested account balance for loans issued by September 23, 2020. If you obtain a CARES Act loan, you agree that the section of your Loan Application entitled "Irrevocable Pledge and Assignment" and the Promissory Note are modified to read as follows:

***Irrevocable Pledge and Assignment:***

*I hereby certify that I am a Qualified Individual under the CARES Act. In consideration of a loan to me in the amount I have requested from the Plan, I hereby irrevocably pledge and assign to the Trustee of the Plan, or to its successor or successors, my vested account balances, not to exceed the lesser of \$100,000, or 100% of my vested account balance determined on the date of the loan, to the extent necessary to satisfy such loan, any unpaid interest on such loan, all attorneys' fees necessary for collection of this obligation and all costs of collection. Failure by me to repay this loan when due or to pay any installment or interest when due authorizes the Trustee to foreclose on this security or to bring a lawsuit to collect the outstanding indebtedness and interests on the indebtedness. This Irrevocable Pledge and Assignment binds my heirs, personal representatives or other legal representatives.*

### 4. Plan Loan Repayment Relief – CARES Act

Qualified Individuals may delay plan loan payments due between March 27, 2020 and December 31, 2020, for up to one year. If you are unable to make your loan payments during this period, use this form to certify that you are a Qualified Individual as defined in Section 1 above. Note the following:

1. Regular loan payments must begin in January 2021.
2. You have two options to repay missed loan payments:
  - a. You may repay each missed payment (plus interest) no later than one year after the original due date. This option results in double payments beginning in 2021 until the past due amounts are repaid.
  - b. In the alternative, no later than one year after the first missed payment, you may request that the loan be re-amortized to include the missed payments and accrued interest. In most cases, this option will result in smaller payments.
3. If you chose to re-amortize your loan (2.b above) you must initiate the request using the plan's standard loan procedures. The Plan Administrator is not obligated to remind you of this option.
4. If you fail to repay the loan following the repayment relief, the outstanding loan balance will be reported as a plan distribution to you and subject to state and federal taxes.

### 5. Participant Certification

I have read the above disclosures and hereby certify that I am a Qualified Individual as defined in Section 1 above.

PARTICIPANT SIGNATURE

DATE

X

**Participant:** This form provides certification that you are qualified under the CARES Act to request a CARES Act loan or distribution or to obtain relief from loan payments in 2020. If you are requesting a CARES Act distribution or loan, you must also complete and submit the Plan's withdrawal or loan documentation in addition to this form.