MHS and SSS Defined Contribution Retirement Plan Benefits Update

November 2020

Relief for Participants impacted by Coronavirus (COVID-19)

The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") offers relief for participants affected by COVID-19. Please see the provisions below in the Methodist Health System and the Shared Service Systems Defined Contribution Retirement Plans that may provide relief for you and your family.

IF YOU ARE INTERESTED IN A COVID RELATED DISTRIBUTION, PLEASE CONTACT WELLS FARGO BY DECEMBER 24, 2020. THE DISTRIBUTION MUST BE MADE BY DECEMBER 30, 2020.

Highlights of the CARES Act

- Someone affected by the COVID-19 as specified in the CARES Act is now someone:
    - who was diagnosed with the virus SARS-CoV-2 or with coronavirus disease 2019 (referred to collectively as COVID-19) by a test approved by the Centers for Disease Control and Prevention (including a test authorized under the Federal Food, Drug, and Cosmetic Act)
    - whose spouse or dependent (as defined in Internal Revenue Code section 152) was diagnosed with COVID-19 by such a test.
    - who experienced adverse financial consequences as a result of:
        - the individual, the individual's spouse, or a member of the individual's household (defined as someone who shares the individual's primary residence) being quarantined, furloughed or laid off or having work hours reduced due to COVID-19.
        - the individual, the individual's spouse, or a member of the individual's household being unable to work due to lack of child care due to COVID-19
        - closing or reducing hours of a business owned or operated by the individual, the individual's spouse, or a member of the individual's household due to COVID-19
        - the individual, the individual's spouse, or a member of the individual's household having a reduction in pay (or self-employment income) due to COVID-19, or having a job offer rescinded or start date for a job delayed due to COVID-19
        - other factors as determined by the Treasury Secretary

- The CARES Act provides the following relief to participants who have been affected by COVID-19 as specified in the CARES Act (see definition above).
    - You may receive Coronavirus-Related Distributions up to $100,000.
    - Early plan withdrawals (taken under age 59 ½) will not be subject to the 10 percent tax penalty on early plan withdrawals for Coronavirus-Related Distributions (up to $100,000).
    - Coronavirus-Related Distributions may be re-contributed to a retirement plan over three years. You will also be permitted to pay taxes on these distributions over three years.
- If you are subject to Required Minimum Distributions (RMDs) rules, they have been waived for retirement plans for 2020. Generally, RMDs are paid to participants who attained age 70 ½ in years 2019 or earlier (or attained age 72 in years 2020 or later).

Contact the Wells Fargo Retirement Service Center at **1-800-728-3123** for more information. You may also want to talk with your tax advisor to see how these changes may affect you.