**SUMMARY PLAN DESCRIPTION**

**MATERIAL MODIFICATIONS – SECURE ACT[[1]](#footnote-1)**

This is a Summary of Material Modifications regarding the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ("Plan"). This is merely a summary of important changes to the Plan and information contained in the Summary Plan Description ("SPD") previously provided to you. It supplements and amends that SPD so you should retain a copy of this document with your copy of the SPD. If you have any questions, contact the Administrator. If there is any discrepancy between the terms of the Plan, as modified, and this Summary of Material Modifications, the provisions of the Plan will control.

**QUALIFIED BIRTH AND ADOPTION DISTRIBUTIONS.[[2]](#footnote-2)** Effective \_\_\_\_\_\_\_\_\_\_\_\_\_\_, you as a Participant may request a distribution of up to $5,000 per child as a Qualified Birth or Adoption Distribution (QBAD), provided certain conditions are met. A QBAD must be made during the 1-year period beginning on the date your child is born or the date you adopt someone who is not your child or your spouse’s child and who is under age 18 or is physically or mentally incapable of caring for themselves. You can later recontribute this distribution to an IRA or, in some situations, to this Plan.  *[QBADs are only available from accounts in which you are fully vested. QBADs are not available after you have severed employment. QBADs are available only from the following accounts: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.][[3]](#footnote-3)*

**REQUIRED MINIMUM DISTRIBUTIONS.**  The law requires that retirement plans distribute funds at least as rapidly as specified in the required minimum distribution (RMD) rules. The Plan has been amended to conform to recent changes in those rules. The law now requires complete distributions to some beneficiaries of deceased participants within 10 years after death. *[Additionally, distributions to a participant must generally begin by April 1 of the calendar year following the year the participant turns age 72 (or, in some cases, when the participant retires, if later). Previously, the age was 70½.][[4]](#footnote-4)* For more information, see [IRS Publication 590-B](https://www.irs.gov/publications/p590b). *[Certain beneficiaries of participants who died during the years 2015-2019 were required to take distribution of their benefits by December 31 of the 5th year following the year the participant died. These participants can extend the distribution by one year.]*[[5]](#footnote-5)

**QACA AUTOMATIC DEFERRALS.[[6]](#footnote-6)** The Plan has an automatic contribution arrangement, under which elective deferrals will automatically be withheld from your compensation at a certain rate unless you file an election to defer a different percentage amount (or to defer nothing). Effective \_\_\_\_\_\_\_\_\_\_\_\_\_, the automatic deferrals can be as high as 15%, as shown below. Previously, the limit was 10%.

[Insert QACA automatic deferral schedule]

**IN-SERVICE DISTRIBUTIONS.** [[7]](#footnote-7) Beginning \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, a Participant can take an in-service distribution from the Plan[[8]](#footnote-8) at age 59½. The amount of the distribution will be limited to the Participant’s vested accrued benefit or account balance. It will be subject to all restrictions, procedures, and plan provisions which otherwise apply to in-service distributions.

**LONG-TERM PART-TIME EMPLOYEES.[[9]](#footnote-9)** LTPT employees are eligible to defer to the plan. An LTPT Employee is employee is an Employee who has not entered the plan as a regular participant, but who is credited with at least three consecutive years beginning after December 31, 2020 with at least 500 Hours of Service in each *[and who has attained age 21]*[[10]](#footnote-10). Typically, that means they will not be eligible to defer prior to 2024. They will become eligible to defer on the [*first day of the first month or seventh month of the Plan Year][[11]](#footnote-11)* following or coincident with the date they meet the requirements to be an LTPT Employee. Union employees and nonresident aliens are not LTPT employees *[and neither are \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]*[[12]](#footnote-12) *[In addition to being able to make elective deferrals, LTPT employees can receive the following allocations: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.]*[[13]](#footnote-13) LTPT Employees are subject to the same deferral rules which apply to regular participants *[except as follows: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_][[14]](#footnote-14).* An individual who has entered the plan as an LTPT Employee and later satisfies the normal eligibility requirements will participate thereafter as a regular participant. Individuals who entered the Plan as LTPT Employees are credited with a Year of Service for each year in which they are credited with more than 500 Hours of Service.

1. This model SMM can be used if an employer uses the Relius SECURE interim amendment. [↑](#footnote-ref-1)
2. Include this paragraph only if you select 2.4(a). [↑](#footnote-ref-2)
3. Delete or modify these sentences as appropriate based on your selections in 2.4. [↑](#footnote-ref-3)
4. Modify these two sentences to reflect effective dates if you select 2.5(a). [↑](#footnote-ref-4)
5. Delete these two sentences if you select 2.7(b), or if the plan is a defined benefit plan or a 457(b) plan sponsored by a tax-exempt employer. [↑](#footnote-ref-5)
6. Include this paragraph only if you select 2.9(a). [↑](#footnote-ref-6)
7. Include this paragraph only if you select 2.10(a). Modify as needed depending on selections in 2.10 [↑](#footnote-ref-7)
8. If this is a profit-sharing or 401(k) plan, in place of the words “the Plan” substitute “an account transferred from a pension plan” [↑](#footnote-ref-8)
9. Delete this section only if the plan is not a 401(k) plan. [↑](#footnote-ref-9)
10. Modify as needed based on your selection at 2.8(e). [↑](#footnote-ref-10)
11. Modify as needed depending on selection in 2.8(c). [↑](#footnote-ref-11)
12. Describe LTPT exclusions, if any, specified in 2.8(d). [↑](#footnote-ref-12)
13. Describe additional contributions specified in 2.8(a). Delete this sentence if 2.8(a) is not selected. [↑](#footnote-ref-13)
14. Describe differences specified in 2.8(b), if any. [↑](#footnote-ref-14)