



The IAM National 401(k) Plan (“Plan”) understands that personal finances may be tight right now due to circumstances beyond your control. While retirement savings are set aside for your future, it may be necessary to access these funds before retirement during these unprecedented times and you should understand your options. The federal government’s Coronavirus Aid, Relief, and Economic Security (CARES) Act, the largest emergency relief bill in American history signed into law on March 27, 2020, contains provisions that may offer you immediate financial relief. These provisions were adopted by the IAM National 401(k) Fund Board of Trustees (“Trustees”) for the Plan. Below are questions and answers related to the new CARES Act provisions adopted by the Trustees for you to consider when looking into your future finances and to discuss with your financial advisor.

How does the CARES Act Stimulus Package benefit you and your retirement plan?

The CARES Act includes a new COVID-19 distribution option and relaxed loan rules for “qualified participants,” that may help you cover financial needs resulting from the impact of coronavirus.

What is a “qualified participant?”

A “qualified participant” is a participant who (1) is diagnosed, or whose spouse or tax dependent is diagnosed, with the virus SARS-CoV-2 or with the disease COVID-19 by a test approved by the Centers for Disease Control and Prevention; or (2) experiences adverse financial consequences because of being quarantined, being furloughed or laid off or having work hours reduced due to the virus, or being unable to work due to lack of child care due to the virus, or closing or reducing hours of a business owned or operated by the individual due to the virus.

Does the Plan offer CARES Act distribution and withdrawal options?

Under the CARES Act, the Board of Trustees adopted a provision that allows qualified participants to take a Coronavirus Related Distribution up to \$100,000. John Hancock will not charge a fee to initiate a distribution. **This provision is available, as stipulated by the CARES Act, until December 30, 2020.** This distribution is not subject to early distribution penalties or tax withholdings. Please note you still must pay taxes on the amount you withdraw, but you can spread the tax amount over three years. In addition, the distribution can be rolled back into the Plan within three years. Please contact your tax advisor with questions.

Does the Plan allow me to take a loan from my retirement savings?

Under Plan rules in place prior to the CARES Act, a participant loan may be no more than \$50,000 or one-half of a participant's vested account balance, whichever is less. Under the CARES Act, the Board of Trustees adopted a provision that will allow a qualified participant to take a loan of no more than \$100,000 or the full value of their account, whichever is less. **This provision is available, as stipulated by the CARES Act, until September 22, 2020.** John Hancock will also waive the loan origination fee for qualified participants. **All other Plan rules remain in effect.**

Under the CARES Act provision adopted by the Trustees, can qualified individuals delay loan repayments?

Yes, with the CARES Act, qualified individuals are able to delay for one year for any loan repayments due on or after March 27, 2020, through December 31, 2020. The loan repayment period is then extended by the time that loan repayments were delayed, and all future repayments will be adjusted to consider the additional interest accrued while repayments are suspended.

Will 2020 Required Minimum Distributions (RMD) be suspended?

All participants who are scheduled to receive a RMD in 2020 may choose to suspend their 2020 RMD. Later this month, John Hancock will be sending an RMD opt-out form for those participants who wish to suspend their RMD for 2020. Participants who were to have their first RMD made in 2020 are not required to take action as John Hancock will automatically suspend the start of your RMD until 2021.

How do I apply for CARES Act relief?

Please contact John Hancock at 833-388-6466 or login to your account at myplan.johnhancock.com.

What if I have additional questions?

Please contact John Hancock at 833-388-6466 regarding questions you may have regarding the CARES Act or your retirement account.

Sincerely,

IAM National 401(k) Plan
IAM National Benefit Funds Office