The Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27, 2020 and contains several provisions that affect the UC Retirement Savings Program (DC Plan, 403(b) and 457(b) plans). Below is a summary and implementation status for each:

1. **Suspension of 2020 Minimum Required Distributions (MRDs)**
   - MRDs for 2020 will not be processed unless they are specifically requested or already scheduled.
   - Participants who would otherwise be subject to MRDs in 2020 will receive the attached email/letter next week (4/21).
   - An article and updated MRD Fact Sheet have been posted to myUCretirement.com. There is also a feature in the May issue of New Dimensions retiree newsletter.

2. **Temporary distributions of up to $100,000 per qualifying individual**
   - Distributions not subject to usual in-service restrictions and early withdrawal penalties; may be redeposited within 3 years; income tax liability can be spread out over 3 years.
   - In process of obtaining UC Board of Regents approval to offer this relief.

3. **Temporary 403(b) loan provision changes for qualifying individuals**
   - Increase in the maximum amount that can be borrowed to $100,000.
   - Deferral of loan payments for one year.
   - In process of obtaining UC Board of Regents approval to offer this relief.

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**Notes:**

(1) **qualifying individual**: A participant who meets any of the following:
   - Is diagnosed with SARS-CoV-2 or COVID-19 with a test approved by the Centers for Disease Control and Prevention
   - Has a spouse or dependent diagnosed with SARS-CoV-2 or COVID-19
Experiences adverse financial consequences from being quarantined, furloughed or laid off; having work hours reduced; being unable to work due to lack of child care; closing or reducing the hours of a business owned or operated by the individual; or from other factors, as determined by the Treasury secretary

- Participant will self-certify eligibility with Fidelity

(2) **optional provision**: As these provisions are optional, UC must seek approval from the UC Board of Regents before making any changes to the retirement savings plans. We understand employees are already feeling the impacts of COVID-19 and work is underway to prepare the recommendations for Regental approval as soon as possible. We have also been working with Fidelity to ensure that if/when these recommendations are approved, they can be implemented very quickly to allow impacted employees the opportunity to utilize the expanded distribution and loan provisions right away.

Until these provisions are approved, however, Fidelity will be unable accommodate requests for distributions or loans that are outside of the current hardship distribution, unforeseen emergency distribution and plan loan provisions. We expect to be able to provide critical details and additional information in the coming weeks.