



To Participants in the OkMRF Defined Contribution (DC) and/or Customized Manager Option (CMO) Plan:

The Coronavirus Aid, Relief and Economic Security (CARES) Act was signed into law on March 27, 2020, helping ease some of the financial pressures facing Americans in the wake of COVID-19. If you have been impacted by COVID-19 and meet the **Eligibility Requirements**, the Act allows more access to your retirement savings.

The Oklahoma Municipal Retirement Fund (OkMRF) fully adopted the provisions of the CARES Act on April 24, 2020. OkMRF recognizes this is a challenging situation and you may need access to your retirement savings. However, it is important to weigh the immediate benefit of taking a loan or plan distribution with the long-term consequences of reducing your retirement savings.

The CARES Act includes retirement related provisions for greater access to retirement funds through a new withdrawal provision (“coronavirus-related distributions” known as CRDs) and waives the 2020 required minimum distributions (RMDs). If your plan has the loan feature, CARES also allows higher loan amounts and loan repayment delays to help ease the financial pressures faced by participants who contract or are negatively affected by the virus.

You must satisfy the **Eligibility Requirements** to receive relief if you are an individual who experiences at least one (1) of the following:

- You are 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
- Your spouse or dependent is diagnosed with such virus or disease by such a test; or
- You experience adverse financial consequences as a result of:
 - being quarantined, furloughed or laid off or having work hours reduced due to such virus or disease,
 - being unable to work due to lack of childcare due to such virus or disease, closing or reducing hours of a business owned or operated by the individual due to such virus or disease, or
 - meeting such other factors as may be issued in U.S. Treasury guidance.

If you meet one of the Eligibility Requirements described above, your expanded options include:

Coronavirus-related distributions (CRD) from your OkMRF DC or CMO Plan

- You can request a CRD up to an aggregate amount of \$100,000 through December 31, 2020.
- The CRD is not subject to the mandatory federal 20% tax withholding that otherwise apply to distributions.
- The CRD is not subject to the 10% early withdrawal penalty tax.
- The CRD will be reported as a distribution for tax year 2020, but you may elect to include the amount in your gross income ratably over three years. You should work with your Tax Advisor regarding tax reporting.
- The \$100,000 CRD maximum applies on an individual basis for all your retirement plans and IRAs. If you take a CRD from another Plan or IRA, you are responsible for tracking your limits to ensure that you do not exceed the \$100,000 maximum.

Additionally, if you meet one of the Eligibility Requirements described above, your expanded options may include:

Coronavirus-related increase in loan maximum (if loans are available in your DC or CMO Plan)

- You may take a new coronavirus-related loan from your OkMRF DC or CMO Plan up to the lesser of \$100,000 or 100% of your vested account balance.
- Your existing plan loans (if any) will count against the number of loans available under the plan, as well as your maximum loan amount available.
- You may take this loan beginning March 27, 2020 through September 23, 2020.

Coronavirus-related delay in loan repayments (if loans are available in your DC or CMO Plan)

- You may delay your new or existing loan repayments that are due from March 27, 2020 through December 31, 2020.
- Loan repayments due and unpaid between March 27, 2020 and December 31, 2020 (the “suspension period”) will continue to accrue interest during the suspension period.
- In January 2021, your loan will be re-amortized over the remaining term of the loan plus the length of the suspension period.
- You will receive a confirmation with the new re-amortized loan repayment amount.
- Loan repayments will then resume on the first scheduled periodic due date after December 31, 2020.

Other relief for all OkMRF DC or CMO Plan participants regardless of whether you meet the Eligibility Requirements.

Required Minimum Distributions (RMDs)

- There are no required RMDs for 2020.
- You will receive an additional communication if RMDs are applicable to you.

IMPORTANT: In order to receive the coronavirus-related relief under the CARES Act, you will be required to certify on a recorded line that you satisfy one of the **Eligibility Requirements** referenced above at the time of the request.

For more information or to elect one of these options, please call **(844) GO-OKMRF (466-5673)** weekdays between 7:00 a.m. – 7:00 p.m. (excluding stock market holidays) to speak with a Customer Service Representative. Prior to calling, you will need both your Social Security and PIN number. If you need to reorder a PIN, please let us know. It could take up to 7 business days for you to receive your PIN. It will be mailed to your last known address of record.

Please note that OkMRF and the OkMRF DC/CMO Plan recordkeeper, Voya Financial®, cannot provide you with tax advice. Prior to taking an action, you should speak with your tax advisor.

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