

SECURE 2.0 Act of 2022 Adoption Agreement Amendment Kit

For use with Ascensus' Nonstandardized Money Purchase Pension Plan Documents

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GENERAL INSTRUCTIONS

- Review, complete and sign the *Adoption Agreement Amendment*. Send a copy to American Century Investments, then file the original with your other qualified plan documents.
- Complete the *SMM-AA*. Provide a copy to each participant and beneficiary of a deceased participant.
- Keep the original *SMM-AA* with your *Summary Plan Description* in the plan records. You'll need to provide a copy of both to employees when they become eligible to participate in the Plan.

You must complete this kit even if your plan has been or will be operated using the defaults described in the *Basic Plan Document Amendment*.

SECURE 2.0 Act of 2022

Adoption Agreement Amendment

This amendment of the Plan (hereinafter referred to as the "Amendment") is comprised of this SECURE 2.0 Act of 2022 ("SECURE 2.0") Adoption Agreement Amendment (hereinafter referred to as the "Adoption Agreement Amendment") and the corresponding Basic Plan Document Amendment. The Amendment is adopted to reflect certain provisions of SECURE 2.0 and related guidance. This Amendment is intended to provide good faith compliance with SECURE 2.0 and related guidance until the Plan is formally restated to incorporate such guidance. Except as otherwise specified in the Adoption Agreement Amendment, the Amendment provisions are effective as provided in the Basic Plan Document Amendment. This Amendment supersedes the existing provisions of the Plan to the extent that those provisions are inconsistent with the provisions of the Amendment. The Amendment will not cause the Plan to become an individually designed plan.

In the event that the provisions in the Amendment modify or update a good faith amendment provision that is addressed in the Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019, the Bipartisan American Miners (BAM) Act of 2019, and the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 Adoption Agreement Amendment (collectively referred to herein after as "SECURE-CARES"), such good faith amendment provision will be identified accordingly.

EMPLOYER INFORMATION

Name of Plan _____

Plan Sequence Number _____ Trust Identification Number (if applicable) _____ Account Number _____

SECTION THREE: CONTRIBUTIONS

Complete Part A, as applicable

If the Plan has been or will be operated differently than as described in the Basic Plan Document Amendment for purposes of Part A below, complete Part A, as applicable, to reflect the operation of the Plan. If the Basic Plan Document Amendment reflects how the Plan has been or will be operated for Part A, do not complete the applicable Part A; the provisions of the Basic Plan Document Amendment will apply.

Part A. Repayments of Certain Distributions

Complete this Part A if rollover contributions are allowed pursuant to Section Three, Part E, item 1 of the Adoption Agreement, and repayments of emergency personal expense distributions, federally declared disaster distributions, and/or terminal illness distributions that were taken from another plan will be allowed to be made to this Plan.

- ☐ The Plan will accept repayments of the following types of distributions:
- ☐ Emergency personal expense distributions as described in Plan Section 5.01(D)(10).
 - ☐ Federally declared disaster distributions as described in Plan Section 5.01(D)(4).
 - ☐ Terminal illness distributions as described in Plan Section 5.01(D)(8).

This Part A is effective _____ for emergency personal expense distributions. *(Specify a date for this provision. The date may not be earlier than January 1, 2024.)*

This Part A is effective _____ for federally declared disaster distributions. *(Specify a date for this provision. The date may not be earlier than January 26, 2021.)*

This Part A is effective _____ for terminal illness distributions. *(Specify a date for this provision. The date may not be earlier than December 29, 2022.)*

NOTE: *If no selection is made above or no distribution types are specified, no repayments of the above distribution types will be permitted. The distribution repayments will be permitted from the same sources that are elected for Direct Rollovers in Section Three, Part E, item 1 of the Adoption Agreement.*

SECTION FIVE: DISTRIBUTIONS AND LOANS

Complete Parts A through C, as applicable

If the Plan has been or will be operated differently than as described in the Basic Plan Document, complete Parts A through C, as applicable, to reflect the operation of the Plan. If the Basic Plan Document Amendment reflects how the Plan has been or will be operated for one or more of Parts A through C, do not complete the applicable Parts; the provisions of the Basic Plan Document Amendment will apply.

Part A. Terminal Illness Distribution

Complete this Part A if a Participant may request that a distribution from the Plan be treated as made on account of a terminal illness.

- ☐ A Participant who has an otherwise distributable event under the Plan will be entitled to request that such distribution of their Individual Account be treated as a terminal illness distribution pursuant to Plan Section 5.01(D)(8).

This Part A is effective _____. (Specify a date for this provision. If no date is selected, December 29, 2022, will apply. The date may not be earlier than December 29, 2022.)

Part B. Qualified Federally Declared Disaster Loans

Complete this Part B to indicate how the Plan is operated for purposes of the enhanced loan provisions pertaining to federally declared disaster loans. This Part B should only be completed if Participants were not permitted to request a loan due to being affected by a federally declared disaster, even though they were otherwise entitled to request a loan from the Plan pursuant to Plan Section 5.16.

- ☐ A Participant who is otherwise entitled to request a loan from the Plan **will not be entitled** to request a loan using the enhanced loan maximum amounts that are applicable to loans for federally declared disasters in Plan Section 5.16.

This Part B is effective _____. (Specify a date for this provision. The date may not be earlier than January 26, 2021.)

Part C. Qualified Long-Term Care Distributions

Complete this Part C if a Participant is entitled to request a distribution for the purchase of or payment of premiums for certified long-term care insurance.

- ☐ A Participant will be entitled to request a distribution of their Individual Account for the purchase of or payment of premiums for qualified long term care insurance.

This Part C is effective _____. (Specify a date for this provision. The date may not be earlier than December 30, 2025.)

EMPLOYER SIGNATURE

Signature of Employer:

1. I acknowledge that I have relied upon my own advisers regarding the completion of this Adoption Agreement Amendment and the legal and tax implications of amending this Plan;
2. I understand that my failure to properly complete this Adoption Agreement Amendment may result in disqualification of the Plan; and
3. I have received a copy of this Adoption Agreement Amendment and the corresponding Basic Plan Document Amendment which are hereby adopted for the Plan.

Signature of Adopting Employer _____ Date Signed _____

Type Name _____ Title _____

Summary of Material Modifications to the Adoption Agreement

Name of Plan _____

Name of Adopting Employer _____

Plan Sequence Number _____ Plan Year End _____

The purpose of this document is to update your Summary Plan Description (SPD). This document is very important and should be kept with your SPD. The following update to your SPD is limited to changes to certain provisions of the SPD. The following sections of your SPD are amended to include the following. Unless otherwise noted, the effective date of this Summary of Material Modifications (SMM) is the first day of the first Plan Year beginning on or after January 1, 2023. To the extent that any provisions of this SMM conflict with your SPD, the terms of this SMM will apply.

CONTRIBUTIONS

If I take a distribution from this Plan or another eligible employer plan, can I combine it with my money in this Plan?

Repayment of Emergency Personal Expense Distributions

- ☐ If you take an Emergency Personal Expense Distribution from another retirement arrangement, you will be able to repay such distribution to this Plan by the end of the 3-year period beginning on the day after you take that distribution, if the distribution was taken from one of the types of plans for which the Plan will accept direct rollovers. The Plan's rules regarding rollover contributions apply to the repayment of such Emergency Personal Expense Distributions. The rollover contribution rules are listed in the SPD previously provided to you.

This provision is effective _____.

Repayment of Federally Declared Disaster Distributions

- ☐ If you take a Federally Declared Disaster Distribution from another retirement arrangement, you will be able to repay such distribution to this Plan by the end of the 3-year period beginning on the day after you take that distribution, if the distribution was taken from one of the types of plans for which the Plan will accept direct rollovers. The Plan's rules regarding rollover contributions apply to the repayment of such Federally Declared Disaster Distributions. The rollover contribution rules are listed in the SPD previously provided to you.

This provision is effective _____.

Repayment of Terminal Illness Distributions

If you take a distribution from this Plan as a Terminal Illness Distribution, you will be able to repay such distribution to this Plan or an eligible retirement plan to which such repayment contributions can be made by the end of the 3-year period beginning on the day after you take that distribution. The Plan's rules regarding rollover contributions apply to these repayments. The rollover contribution rules are listed in the SPD previously provided to you.

- ☐ If you take a distribution from another retirement arrangement as a Terminal Illness Distribution, you will be able to repay such distribution to this Plan by the end of the 3-year period beginning on the day after you take that distribution, if the distribution was taken from one of the types of plans for which the Plan will accept direct rollovers. The Plan's rules regarding rollover contributions apply to the repayment of such Terminal Illness Distributions.

This provision is effective _____.

DISTRIBUTIONS AND LOANS

Can I withdraw money from the Plan while I am still employed?

Terminal Illness Distribution

- ☐ Yes ☐ No

If "Yes" is selected, and you are otherwise eligible for a distribution under the Plan, you may elect to treat your distribution from the Plan as a Terminal Illness Distribution after you have provided the appropriate documentation to the Plan Administrator. Contact your Plan Administrator for more information or if you have questions.

This provision is effective _____.

Qualified Long-Term Care Distribution

☐ Yes ☐ No

If "Yes" is selected, you may receive distributions for the purchase of or payment of premiums for certified long-term care insurance. However, such distributions during the taxable year may not exceed, in the aggregate, the least of the following:

- a. The amount paid by or assessed to you during the taxable year for or with respect to certified long-term care insurance for you or your spouse (or other family member of the employee as provided by the Secretary by regulation);
- b. Ten percent of the present value of your nonforfeitable accrued benefit Plan;
- c. \$2,500 (as adjusted for cost-of-living increases).

This provision is effective _____.

Can I take a loan from the Plan because I was affected by a federally declared disaster?

☐ Yes ☐ No

If "Yes" is selected, if you are otherwise permitted to take a loan(s) from your account under the Plan, you may take a Federally Declared Disaster Loan. See your SPD for other applicable loan terms.

This provision is effective _____.

Limits on plan loans.

The maximum loan amount that is available to you is increased to \$100,000 (reduced by the highest outstanding loan balance in the previous 12 months) or 100% of your vested balance in the Plan (reduced by the current outstanding loan balance, if any), whichever is less.

One-year suspension of loan payments.

If you have an outstanding loan at the time that you would otherwise qualify for a Federally Declared Disaster Loan, any payment on such loan that is due during the period between the first day of the disaster's declared incident period and ending on the date which is 180 days after the last day of such incident period will be delayed for one year and subsequent payments will be adjusted accordingly. In addition, the period of such delay will not be counted toward the maximum 5-year repayment period. All such delayed loan payments will accrue interest.

What if I die before receiving all of my money from the Plan?

For purposes of distributions to your beneficiary after December 31, 2023, your beneficiary will generally have the same options regarding the form of the distribution that are available to you as a Participant. If the Plan is subject to spousal consent requirements, however, and the balance is greater than \$7,000, your beneficiary may be required to take the payments in the form of a life annuity, unless the annuity has been properly waived by you (and your spouse, if applicable) during your lifetime. Your spousal beneficiary may also have the option of rolling the distribution into an IRA.

INVESTMENTS

What investments are permitted under the Plan?

If qualifying longevity annuity contracts (QLAC) are available under the Plan, there are limits on the premium payments you can make to a QLAC each year. Effective for QLACs purchased or received in an exchange on or after December 29, 2022, your premium payments for a QLAC cannot be more than: 1) \$200,000 (for 2026, this amount will increase as the cost-of living increases) over the sum of the premiums paid before that date and premium payments made on your behalf from all other retirement plans and any individual retirement arrangements (IRAs) you may have; or 2) the excess of the sum of the premiums paid before that date and the premium payments made on your behalf from all other retirement plans and any IRAs you may have, whichever is less. If you are using your retirement assets to invest in multiple QLACs and you have exceeded these limits, you must notify the Plan Administrator within a reasonable timeframe to ensure that the excess is moved to a non-QLAC investment no later than December 31 of the year following the year in which the excess occurred. The Plan Administrator is entitled to rely on the information you provide regarding any QLACs you have invested in outside of this Plan.

Further information on the investment and distribution requirements related to the QLAC can be obtained from the SPD that was previously provided to you, the Plan Administrator, or the financial organization that is providing the QLAC.

DEFINITIONS

Federally Declared Disaster Distribution – A limited distribution you can take from the Plan due to residing in a declared disaster area and experiencing an economic loss due to that disaster. This distribution is generally not subject to the 10% tax penalty.

Federally Declared Disaster Loan – A loan from the Plan subject to different limitations than normal plan loans available to you (as described in the Loan Policy) if you reside in a declared disaster area and experiencing an economic loss due to that disaster.

Required Beginning Date – When you reach age 73 (age 72 if you attained that age on or before December 31, 2022, and age 70½ if you were born before July 1, 1949), you will generally need to begin taking a portion of your balance out of the Plan each year. This distribution is called a required minimum distribution, or RMD. If you continue to work for your Employer after age 73 (age 72 if you attained that age on or before December 31, 2022, and age 70½ if you were born before July 1, 1949), you may, as permitted by the Plan, delay required distributions until you actually stop working for your Employer unless you own more than 5% of the Employer. If you own more than 5% of the Employer, you will need to begin taking payments at age 73 (age 72 if you attained that age on or before December 31, 2022, and age 70½ if you were born before July 1, 1949) even if you are still employed. The annual required distribution amount is generally based on your account balance divided by a life expectancy factor outlined in retirement plan regulations.

Terminal Illness Distribution – If you request an otherwise permissible distribution from the Plan and provide the Plan Administrator with evidence that your doctor has certified that you have an illness which would reasonably result in death in 7 years or less from the date of that certification, you may be able to treat such distribution as a Terminal Illness Distribution. This distribution treatment will allow you to repay the distribution to the Plan and the distribution will not be subject to the 10% tax penalty, if applicable.