



*Independent thought leadership*

## **Practical and Tactical Actions for Plans Amid the Challenging Environment**

### **Webinar Agenda**

#### I. What are plan sponsors asking now?

1. Can a standard 401(k) plan be amended to remove employer contributions?
2. Can a safe harbor 401(k) plan be amended to suspend or eliminate the safe harbor contribution?
3. When does a partial plan termination happen and what are the ramifications?
4. Can a plan sponsor change the plan's funding frequency from per payroll to year end?
5. Are hardships distributions as a result of Covid-19 exempt from the 10% early distribution penalty tax?

#### II. What's happening legislatively?

- "Coronavirus Aid, Relief, and Economic Security Act" or the "CARES Act"
- Temporary waiver of required minimum distribution rules
- 10% early distribution penalty waiver
- Relief for plan loans
- Expansion of DOL authority to postpone certain deadlines
- Assistance for defined benefit plans

#### III. Accessing 401(k) Assets as Last Resort

- Explore CARES Act relief
- Do a cash-flow analysis;
- Consider other income sources other than retirement plans.

#### IV. What will plan sponsors do next?

- Shore up existing plans
- Update plan governance process
- Complete a plan design check
- Anticipate more plans in motion in second half of 2020