

Qualified Birth or Adoption Distribution Policy Update 1/1/2020

Changes as the result of Secure (enacted in 2019) now allow for participants may take a Qualified Birth or Adoption Distribution of up to \$5000 (total under all employer plans) within one year of a child's birth or adoption. In cases of adoption, an "eligible adoptee" defined as any individual (other than child of the Participant's spouse) who has not attained 18 or is physically or mentally incapable of self-support. Employees may repay this distribution to their account within 3 years of taking the distribution (this repayment will be considered a rollover contribution into the account).

CCC has created a supplemental questionnaire to capture the employees' self-certification the distribution conditions are met.

The Plan Document will be amended retrospectively for this change by 12/31/2026, the deadline for changes in governmental 403(b) plans (non-governmental plans must be updated by 12/31/2025).

Carruth Compliance Consulting 403(b) and 457(b) Qualified Birth or Adoption Distribution Supplemental Questionnaire

Please provide the following information:

Participant's Name: _____ Phone Number(s): _____
Email Address: _____ SSN: _____
Employer: _____ Date of Birth: _____

Please answer the questions below.

1. I wish to withdraw \$ _____ from my account at _____ (vendor) as a qualified birth or adoption distribution (Note: the amount above cannot exceed \$5,000 per child across all retirement plan of the employer).
2. Yes or No This distribution request is being made within the 1-year period beginning on the date my child(ren) was born or when the legal adoption of my "eligible adoptee" is finalized. **(Note: If you answer No, STOP. You are ineligible for this distribution).**
3. **For adoptions only:** An "eligible adoptee" defined as any individual (other than child of the Participant's spouse) who has not attained 18 or is physically or mentally incapable of self-support. Is the child adopted an "eligible adoptee" using this standard?
 Yes or No **(Note: If you answer No, STOP. You are ineligible for this distribution).**

Participant Certification for Qualified Birth or Adoption Distribution

- I certify that the information I have provided is true and accurate.
- I understand that my eligibility and the amounts available for distribution are subject to verification by CCC.
- I understand that this distribution is subject availability under my investment contract and my employer's Plan.
- I understand that a *Qualified Birth or Adoption Distribution* is a taxable distribution (however is not subject to early withdrawal penalties).
- I understand that I may choose to repay this *Qualified Birth or Adoption Distribution* to my account within 3 years of receiving the distribution (this repayment would be treated as a rollover contribution to my account).

X _____ X _____
Participant Signature (Required) Date

Submit this and your vendor form to Carruth Compliance Consulting:

- You may fax to 833-895-7836
- You may securely upload to <https://www.ncompliance.com/upload.aspx>
- If your vendor requires original documents (i.e., documents must have "wet" signatures), please mail documentation to:

*Carruth Compliance Consulting, Inc.
6975 SW Sandburg Rd., Suite 320
Tigard, OR 97223*

If you have any questions or concerns, please call CCC at 503-968-8961 or toll free at 877-222-3090.