



What the Coronavirus Aid, Relief, and Economic Security (CARES) Act Means to You

Lincoln is here to help

To help you navigate financial difficulties resulting from COVID-19, the federal government has passed the CARES Act, an economic stimulus package that includes provisions aimed at making it easier, for those who qualify, to access money in their retirement plan accounts.

Penalty-free, coronavirus-related distributions (CRDs) – subject to the terms of your plan

You can take up to \$100,000 from the vested balances in your retirement plan accounts, including IRAs. You can take money from more than one retirement account, but the maximum you can withdraw from all your retirement accounts combined is \$100,000. You won't be subject to the normal 10% early withdrawal penalty (if you're under 59½) or the 20% mandatory tax withholding. However, 10% federal tax withholding will apply unless you elect no tax withholding on the CARES Act distribution request form. While your distribution is considered ordinary income and is taxed, you can spread that expense over three years and pay a portion of the tax each year.

If you take the distribution in 2020, you also have the option to repay the distribution back to your retirement account over a three-year period, in which case it will be treated as a direct transfer and will not be taxed.

You can request a distribution more than once (up to the \$100,000 vested balance across all of your retirement plan accounts). This allows you the ability to request enough money to meet your short-term needs while retaining as much in your account as possible.

Are you eligible?

To take advantage of the CARES Act distribution provision, you must self-certify that you meet **one of the following** criteria:

- ✔ You have contracted COVID-19
- ✔ Your spouse or dependent has contracted COVID-19
- ✔ You have lost your job, been furloughed, or are working a reduced schedule because of COVID-19
- ✔ You are unable to work due to loss of childcare because of COVID-19

Your plan permits:

- ✔ Penalty-free distributions



Important Note



Before taking an eligible distribution from your plan account, be sure to first consider other options. By withdrawing money that's meant for retirement, you'll be reducing your balance and eliminating any future earning potential.

Have questions about how to request a distribution?

If, after careful consideration, you decide to take a distribution from your retirement plan, follow these steps to initiate the process.

- 1 Contact the Lincoln Customer Contact Center at **800-234-3500**, Monday through Friday, from 8:00 a.m. to 8:00 p.m. Eastern, and tell a representative you want to initiate an eligible CARES Act distribution.
- 2 Complete the **CARES Act distribution request form** provided by the Lincoln Customer Contact Center representative, which includes self-certification for eligibility. Your representative can help if you need assistance completing the form.
- 3 Return the completed form to Lincoln via fax, mail, or express mail. Return instructions are on the form. Once Lincoln receives your completed form, we'll review the request, verify that it matches your retirement plan provisions, and process the distribution.

Not a deposit
Not FDIC-insured
Not insured by any federal government agency
Not guaranteed by any bank or savings association
May go down in value

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