

How the new CARES Act may impact you and your money

As you know, the current pandemic has changed the way we are socializing, working and living every day.

But it's also causing unprecedented financial hardships and hurdles for millions of individuals, families, households and businesses across the country as they attempt to push forward. In fact, even while the coronavirus remains highly contagious, many Americans are more concerned about having to bear the economic burden of a potential recession than they are of actually getting sick.¹

Help is on the way, though.

In a legislative effort to provide support and protection to the increasing number of people who have been financially impacted by the COVID-19 crisis, Congress recently passed the new Coronavirus Aid, Relief, and Economic Security Act — or the CARES Act for short. Aimed at assisting all those in need, from laid-off employees to small-business owners to retirement savers, the massive stimulus package includes a number of provisions to help out many Americans.

You may be wondering, *How does the CARES Act affect me and my deferred compensation account?*

Let's take a look to clear up any confusion.

Becoming eligible for coronavirus-related provisions

COVID-19 has caused many different obstacles for Americans to overcome. From getting ill to losing a job to caring for family, you may be faced with several life-changing circumstances due to the virus.

If you need a helping hand, you could look to your deferred compensation plan as a last resort.

As of today, you may be eligible for a distribution, new loan or loan payment break from your deferred compensation plan if:

- You have been diagnosed with COVID-19 with a test that's been approved by the Centers for Disease Control and Prevention.
- Your spouse or dependent has tested positive for COVID-19.
- You have experienced financial hardships, such as being furloughed, quarantined or laid off — or you are facing reduced working hours or the inability to work due to lack of childcare due to COVID-19.
- You have had to shut down or scale back your own business due to COVID-19.

For additional factors that may not be listed here, please call Empower Retirement at 1-877-457-3535.

Delaying loan payments

If you have a new or existing loan, you may be able to postpone making your usual payments.

Applying for a new “increased” loan

Under the CARES Act, the maximum amounts have increased for new qualified loans for eligible participants taken on or before September 22, 2020.

Taking a withdrawal without a penalty

Even though you’re encouraged to stay the course and keep saving for your future, everyone’s situation is unique.

Regardless of your age, you may be able to initiate a coronavirus-related distribution from your account through December 31, 2020, without paying the standard 10% early withdrawal penalty. You also have the choice to pay back your withdrawal within a three-year period.

Please note: All of the above provisions are plan-specific and have been adopted by your NH plan.

Understanding the updated RMD rules

For the remainder of 2020, you no longer have to take a required minimum distribution from your account.

Waiving new loan and withdrawal fees

To serve you and support your needs during this difficult time, Empower Retirement is not charging origination fees for any new plan loan or hardship withdrawal in response to the coronavirus outbreak.

Accessing information

Before taking money out of your deferred compensation account or requesting a loan from your plan, it’s always a good idea to speak with a financial professional so you can stay on track — and stay the course. To run the potential numbers for yourself, visit the Learning Center and try out the:

➤ **Withdrawals before retirement calculator**

➤ **Borrowing from your retirement plan calculator**

These tools, as well as other valuable online resources, are always available to help you reach your long-term goals.

As your savings situation evolves, you may have additional concerns in the days, weeks and months ahead. Please contact Empower, to learn more about your options, at 1-877-457-3535.

➤ **Log in to your account now**

Information in this document is current as of April 1, 2020, and is subject to change based on legislative updates. Empower will communicate relevant changes to you and your NH plan as appropriate.



¹ “From Confidence to Concern: America’s Financial Outlook in the Face of a Pandemic,” Empower Institute, March 27, 2020.

Securities offered and/or distributed by GWFS Equities, Inc., Member FINRA/SIPC. GWFS is an affiliate of Empower Retirement, LLC; Great-West Funds, Inc.; and registered investment adviser, Advised Assets Group, LLC. Investing involves risk, including possible loss of principal. This material is for informational purposes only and is not intended to provide investment, legal or tax recommendations or advice.

©2020 Empower Retirement, LLC. All rights reserved. GEN-FLY-WF-496557-0420 RO1163228-0420