SECURE 2.0 Amendments

SECURE 2.0 – The Basics

SECURE 2.0 became law in December 2022.

Provision effective dates have ranged from immediate through January 1, 2026.

Operational utilization of provisions in advance of formal amendment adoption.

Amendment adoption required by December 31, 2026.

SECURE 2.0 Amendments

Amendment Process & Timing

Minimal actions required by Plan Sponsors.

Instructions provided with delivery of the plan's SECURE 2.0 amendment.

Amendments will be available via the plan's portal.

- Q2 - Introductory Emails
- Q3 - Webinar and Access to Resources
- Q3 - Preparation of Amendments
- Q3 - Delivery to Plan Sponsors
- Q4 – Adoption of Amendment

Plan Design Approach

Defaults selected for SECURE 2.0 amendments are based on:

Mandatory provisions which must be included.

Discretionary provisions that serve to:

- Minimize costs or administrative burden of any mandatory provisions
- Increase flexibility for Plan Sponsors
- Ease administrative burdens/liabilities for Plan Sponsors
- Create enhanced savings opportunities for plan participants
- Broadly supported by recordkeeping systems to avoid additional work for Plan Sponsors

Summary of Provisions

Included Provisions

Mandatory Roth Catch-up

Participants with prior-year FICA wages over $150,000 must make any catch-up contributions as Roth (rather than Pre-Tax).

Higher Catch-up Limits

Participants ages 60 to 63 may make enhanced catch-up contributions.

Increased Force-outs

Maximum involuntary cash-out limits increased from $5,000 to $7,000.

Long Term Part Time Employees

Employees with at least 500 hours of service in two consecutive years are allowed to make elective deferrals (are not included for employer contributions).

Self-certification of Hardship

Participants may self-certify that they meet hardship withdrawal requirements (rather than Plan Sponsors reviewing and certifying).

Top Heavy Rules

Allows exclusion of those under age 21 or with less than one year of service from receiving top heavy contributions.

Excluded Provisions

The SECURE 2.0 amendment is drafted to exclude these provisions for several reasons:

- Additional regulatory guidance needed
- System developments needed (to incorporate the guidance)

Including at this time would:

- Create increased compliance risk
- Require manual administration

- Auto-Portability
- Employer Matching of Student Loan Payments
- Special Military Spouse Eligibility and Vesting
- Roth Employer Contributions
- Pension-Linked Emergency Savings Accounts
- Several optional new withdrawal types

Additional Information

Anticipated Q&A

Q **Can other plan changes be incorporated into the SECURE 2.0 amendment?**

A No, the SECURE 2.0 amendment is a “standalone” document that supplements the existing plan document. Any discretionary changes to the existing plan document will require a separate amendment.

Q **Can we utilize the plan’s forfeiture account and/or other plan assets to pay any fees associated with the amendment?**

A Yes, fees associated with the mandatory amendment are eligible to be paid from the plan.

Q **What do I have to do to get this amendment prepared for my plan?**

A Nothing! Our team is diligently working on the preparation of the amendments.

Q **Will I have any to-dos related to the amendment?**

A We’ll provide detailed instructions with the delivery of your amendment. Depending on the plan document your plan utilizes, you may have to execute the amendment. If this is the case, you’ll receive detailed instructions as well as a DocuSign email for ease of execution. Additionally, while we’ll make sure the recordkeeping system is up-to-date to align with the amendment, any provisions that impact your payroll system will require your coordination.

Anticipated Q&A

Q **Are there any other upcoming changes to my plan document?**

A Yes, a new restatement cycle ("Cycle 4") will begin later this year / early in 2027. Once the IRS has approved the new documents, we will be providing you will additional information related to timing, requirements, and how we're prepared to support you.

Q **Can we wait and adopt the SECURE 2.0 with this new document?**

A No. Although the timing of these two document related requirements may overlap towards year-end, the IRS did not extend the SECURE 2.0 amendment deadline to allow for alignment of these document updates. We will be delivering the SECURE 2.0 amendments in Q3 to ensure your plan remains compliant with these requirements.

Q **How can I get answers to additional questions as they come up?**

A We understand that you may have more questions and we're here to assist! Our Admin Resource Page (linked in your initial email) includes FAQs, a detailed Summary Chart, and will include a copy of this presentation and recording shortly. Our team is also available to discuss any questions you have too!

Questions?