

May 12, 2020

<FirstName LastName>  
<Company (if appropriate)>  
<Address>  
<Address>  
<City>, <State> <ZIP>

**RE: 2020 Required Minimum Distributions**

Dear <FirstName LastName>:

As you may know, the Internal Revenue Service (IRS) requires participants in retirement plans to withdraw a portion of their account balance or accrued benefit each year, starting as of the participant's required beginning date (RBD). These withdrawals are known as required minimum distributions (RMDs).

**Recent IRS legislation may change your RBD or the date on which your next RMD is due.**

The RBD for participants who attained age 70½ by December 31, 2019, is April 1 following the year in which the participant attains age 70½ or if later, following the year of retirement or termination of employment.

Due to a change made by the Setting Every Community Up for Retirement Enhancement (SECURE) Act, enacted in December 2019, the RBD for participants who attain age 70½ after December 31, 2019, is later. Their RBD is April 1 following the year in which the participant attains age 72 or if later, following the year of retirement or termination of employment.

In addition, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), enacted in March 2020, waives 2020 RMDs from defined contribution (DC) plans. Therefore, Wespath Benefits and Investments **will not** issue 2020 RMDs this year from the following plans:

- United Methodist Personal Investment Plan (UMPIP)
- Horizon 401(k) Plan (Horizon)
- Clergy Retirement Security Program (CRSP) DC account
- Retirement Plan for General Agencies (RPGA)
- Ministerial Pension Plan (MPP)

The RMD rules under the CARES Act are as follows:

- **Payees** (participants, surviving spouses and alternate payees under a divorce order) already receiving RMDs are not required to take an RMD in 2020.
- **Participants whose RBD is in 2020** would usually be required to receive their first RMD by April 1, 2020. However, if such a participant had not yet received the first RMD by that date, it is no longer required to be distributed. Also, the second RMD that would normally be required to be made by December 31, 2020 is waived. The next RMD that would be due is for the year 2021, payable by December 31, 2021.

- **Participants whose RBD is in 2021** would usually be required to receive their first RMD by April 1, 2021. However, this RMD is waived, and the next RMD that would be due is for the year 2021, payable by December 31, 2021.
- **Surviving spouses** who would have been required to start their RMDs by December 31, 2020 may delay doing so until December 31, 2021.
- **Non-spousal beneficiaries** of participants who died before 2020 are generally required to take a distribution of their entire account balance by December 31 of the fifth year following the participant's death. Now, due to the CARES Act, non-spousal beneficiaries who elected distributions over a five-year period may exclude 2020 as part of that period. For example, if a participant died in 2017, the five-year period will end December 31, 2023—not December 31, 2022.
- If you are receiving monthly or annual cash installments or monthly payments through LifeStage Retirement Income for the purpose of satisfying RMD rules, you may waive payments for 2020. Wespath will not *automatically* stop cash installments. **Please contact Wespath if you wish to stop your installment payments. If you do so, please remember that you will need to contact Wespath to resume these payments in the future.**

If you wish to receive a distribution, please contact Wespath to request an application. Participants, surviving spouses and alternate payees under a divorce order may also request a direct rollover of any payment from a defined contribution (DC) plan that would have been a 2020 RMD.

If you request a distribution in 2020, income tax withholding will apply based on the normal rules (in other words, the waiver of the 2020 RMD will not impact income tax withholding).

If you have any questions, please call Wespath at **1-800-851-2201**. Representatives are available business days from 8:00 a.m. to 6:00 p.m., Central time.

Sincerely,

Wespath Benefits and Investments