

Coronavirus-related Loan Request

IN ACCORDANCE WITH THE CARES ACT, THE CORONAVIRUS-RELATED LOAN PROVISIONS DESCRIBED BELOW EXPIRED ON SEPTEMBER 22, 2020.

Eligibility

The CARES Act requires that the participant must be affected by the coronavirus pandemic to request a coronavirus-related loan. To be eligible for a coronavirus-related loan, the participant, their spouse or dependent must have either been diagnosed with COVID-19 or the participant must have suffered adverse financial impact due to COVID-19 as a result of the participant, their spouse, or a member of the participant's household:

- being quarantined, being furloughed or laid off, or having work hours reduced due to COVID-19;
- being unable to work due to lack of childcare due to COVID-19;
- closing or reducing hours of a business that they own or operate due to COVID-19;
- having pay or self-employment income reduced due to COVID-19; or
- having a job offer rescinded or start date for a job delayed due to COVID-19.

Coronavirus-related loan provisions:

- Withdrawal up to \$100,000 or 100% of your vested account balance, whichever is less (across all your retirement plans)
- Maximum amortization schedule is 5 years
- Only permitted for 180 days from the enactment of the CARES Act (3/27/2020 through 9/23/2020)
- Loan payments can be delayed (interest must still be accrued for what would be the regularly scheduled payments)
- Your Plan's loan policies are in effect regarding the number of loans permitted to a participant at a time
 - For example, if your plan has a one loan limit, and you already have an outstanding loan, you will not be eligible to take another loan unless your Employer chooses to amend the limits of the plan.

Steps for requesting your CARES Act Loan:


1. Initiate request through your online account.
2. Complete online web request form with desired loan details (loan amount, number of payments, etc.).
3. Complete loan application (emailed to you based on your submission of Step 2).
4. Plan Sponsor review and approval of loan application.
5. If approved, loan application is submitted for processing.

Detailed steps for requesting:

- Initiated through the Participant's online account
 - Hover over **Plan Statements, Reports & Forms** in the navigation menu, select **Forms**
 - Within the **Select Forms** menu, choose **CARES Act Loan Request Form** and click **Get Results**

The screenshot displays the Sentinel Benefits & Financial Group online account dashboard. The navigation menu at the top includes 'Dashboard', 'Close Participant', 'View Investments', 'Manage My Account', 'Plan Statements, Reports & Forms', 'Tools & Education', 'Contact Us', 'Financial Finesse', and 'Request a Distribution'. A green arrow points from the 'Plan Statements, Reports & Forms' menu item to a dropdown menu that contains 'Statements & Reports' and 'Forms'. The 'Forms' dropdown is open, showing a 'Create Forms' section with two dropdown menus: 'Select form group' (set to 'Participant Forms') and 'Select form' (set to 'CARES Act Loan Request Form'). A green 'GET RESULTS' button is visible next to the 'Select form' dropdown. Below the dropdowns is a table with columns for 'Name', 'Size', 'File Type', and 'From Date'. The table lists two form groups: 'Form Group: Hardship Requests' and 'Form Group: Participant Forms'. The main dashboard area shows 'My Dashboard' with 'Track Retirement' and 'Account Balance' sections. The 'Track Retirement' section displays a projected income of \$136.57 per month, with a goal of \$165 per month, and a progress bar showing 83% completion. The 'Account Balance' section shows a current balance of \$21,327 and a vested balance of \$21,328.

- The below page will launch to provide details about the CARES Act loans. Click **Begin Here** to start your loan request.



CARES Act Loan Request

The Coronavirus Aid, Relief, and Economic Security (CARES) Act has created new provisions for loan requests.

The maximum loan amount available has been increased to the lesser of \$100,000 or 100% of your vested account balance. To be eligible for a loan over the standard \$50,000 or 50% of your vested account balance, you must meet one of the following Coronavirus reasons.

- ▶ You have been diagnosed with COVID-19;
- ▶ Your spouse or dependent has been diagnosed with COVID-19;
- ▶ You have experienced adverse financial consequences as a result of myself being quarantined, furloughed, laid off, having work hours reduced, being unable to work due to lack of child care due to COVID-19;
- ▶ Other factors as determined by the Treasury Secretary.

Step 1

Complete the online loan request for paperwork.
Provide us with your desired loan amount and number of payments

➔

Step 2

Receive and complete your loan paperwork.
Instructions included in the online form

➔


Step 3

After approval, your loan is processed by Sentinel Benefits
You'll receive your loan upon completion of processing

BEGIN HERE

If you need any assistance with this request, please contact our Service Center at 888-762-6088, Monday through Friday (8:00am - 6:00pm ET).

- In the Loan Request Form, enter details about your loan request, including:
 - Name and email address
 - Review interest rate, max loan amount*, and max number of payments
 - Enter request amount
 - Enter requested number of payments
 - Choose maximum available options
 - Review confirmation details and click **Submit**

CARES Act - Loan Request Form


This form is to initiate your paperwork request for a loan from your qualified retirement plan in accordance with the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

The CARES Act has expanded retirement loan provisions to increase the loan limit to the lesser of \$100,000 or 100% of the participant's vested account balance. This only applies to loans made on or before September 23, 2020 (180 days following enactment of CARES) and is only for individuals that meet the eligibility requirement.

To be eligible under the CARES Act an individual must certify they're an individual:

- a) who is diagnosed with COVID-19, or
- b) whose spouse or dependent is diagnosed with COVID-19, or
- c) who experiences adverse financial consequences as a result of myself being quarantined, furloughed, laid off, had hours reduced, or other factors as determined by the Secretary of the Treasury during the COVID-19 pandemic.

Your Information

Plan ID *

Plan Year End *

Plan Name *

Your Name *

Your Email *

This is required for loan paperwork delivery.

Loan Interest Rate and Limitations

Loan Interest Rate % *
4.25

Maximum Available Loan Amount *
Your requested loan amount cannot exceed this amount.
100,000

Maximum Number of Payments *
Your requested number of payments cannot exceed this number. It's based on your pay frequency and the five-year limitation on retirement plan loans. For example, if paid twice per month (semi-monthly), you would have a maximum number of payments of 120 (24 payments per year x 5 years = 120 payments).
130

Loan Request Details

Enter your requested loan amount *
\$

Number of Payments *
Cannot exceed the maximum number of payments based on your pay frequency above.

Estimated Loan Payment Amount
\$

Note: Your final payment amount may differ slightly when processed. Your amortization, received at processing time, will serve as your final and accurate payment amount.

Maximum Available

Your account balance fluctuates with the market. If the amount requested exceeds the amount available at the time of processing, would you like to process your loan request for the maximum available amount? *


Yes, process for the maximum available.
 No, process for the requested amount, or do not process.

Confirmation

By submitting this request, you self-certify that you are an individual (a) who has been diagnosed with COVID-19, (b) whose spouse or dependent has been diagnosed with COVID-19, or (c) who experienced adverse financial consequences as a result of being quarantined, furloughed, laid off, having hours reduced, or other factors as determined by the Secretary of the Treasury during the COVID-19 pandemic. Any loan amount over \$50,000 or 50% of your vested account balance must comply with the provisions of the CARES Act. By submitting this request, you certify that you are not taking more than \$100,000 in loans across all retirement plans.

Your loan paperwork will be emailed to you at the email address above. **YOU MUST COMPLETE THIS PAPERWORK AND RETURN IT AS INSTRUCTED TO REQUEST YOUR LOAN.**

- **Note: Maximum loan amount is vested balance, less the 12-month high of outstanding loan balances**
- After submission, you'll receive an email with your attached loan application paperwork.
- Complete this loan application, sign the document and return it using the instructions on the form for having the request approved.
- Once approved, your loan will be processed and the funds will be sent to you.



CARES Act - Loan Application
Sentinel Web Demo 401(k) Plan
WEBPLAN

Use this form to request a loan from your employer-sponsored retirement plan.
Fill in by hand using CAPITAL letters and black ink. Please write as legibly as possible to avoid processing delays.

Helpful to Know

- The CARES Act permits you borrow up to \$100,000 or 100% of your vested account balance (whichever is less) from your workplace retirement plan. Most plans also have a loan minimum of \$1,000.
- The maximum you can borrow is based on your retirement plan's rules and on the value of your account. Be aware that a market downturn could reduce your maximum between the time you submit your request and when it is approved and processed.
- If you've taken a loan from your plan before, the amount you can borrow will generally be reduced by the highest loan balance you've had during the past 12 months (if any).
- Loan costs may include a one-time set-up fee and annual maintenance fee.
- It is your responsibility to keep current with your loan payments. Failure to do so can have tax and financial consequences.

Participant First Name		Participant Last Name		Participant Social Security Number	
Street Address (number and street)		Phone Number		Date of Birth (MM DD YYYY)	
City		State	Zip Code	List your SSN and DOB as shown on your Tax Return.	

Loan Request Amount	Requested Loan Amount:	If amount requested exceeds the amount available, would you like to process your loan request for the maximum available amount?	
	\$6,000.00	<input checked="" type="checkbox"/> Yes, process for maximum available (I understand final loan payment details will differ from below).	
Loan Payment Details	Number of Payments (cannot exceed 60 months)	Pay Frequency (based on payroll frequency)	Interest Rate
	110	Bi-Weekly	4.2500%
	Payment Amount (per pay period)	Estimated Total of All Payments	Your last payment may differ slightly from your monthly payment, causing your Est. Total of All Payments to differ. See your full amortization schedule for payment details.
	\$59.64	\$6,560.40	

Delay Repayment Option

The CARES Act allows for qualifying loans to delay repayment for up to a year. Would you like to delay repayment, or begin repayment on the standard repayment schedule (beginning on your first pay period approximately 14 days following your loan being processed)?

Delay repayment for one (1) year
(If you select this option your loan will be processed and set to begin approximately 365 days from the processed date).

Begin repayment on the standard repayment schedule
(If you select this option your first payment will occur on your first pay period approximately 14 days following your loan being processed)

Payment Check (Please allow 5-7 business days from issuance) Overnight

Loan Application Approval:

- Upon completion of the loan application, the participant should return it to the Plan's Authorized Representative for review.
- Review the request for completeness and accuracy -- employee name, DOB, ID, and address information.
 - **RISK CHECK:** It's strongly recommended you follow a consistent and prudent process at the Plan Sponsor to verify the authenticity of this request.
- To approve, execute the document in the **Trustee/Plan Sponsor Authorization** section and return it to your Sentinel Benefits Plan Consultant for processing.
 - Example approval section of the form:

Participant Certification Complete and return to your Plan Sponsor/Trustee for Review	By signing you are requesting a loan to be processed based on the amount and payment details above. You are consenting to repay the loan through payroll deductions according to the terms above and detailed in the Amortization Schedule available within your account. The payment of this loan is secured by your vested and non-forfeitable interest in the Plan. You understand and agree that if your loan repayment is not made in accordance with your agreed upon terms, and the terms of the plan, your loan may be deemed in default and the outstanding balance may become taxable. By signing below, you hereby self-certify that your request for a new loan under the provisions of the CARES Act satisfies that you are an individual: <ul style="list-style-type: none">a) who is diagnosed with COVID-19, orb) whose spouse or dependent is diagnosed with COVID-19, orc) who experiences adverse financial consequences as a result of myself being quarantined, furloughed, laid off, had hours reduced, or other factors as determined by the Secretary of the Treasury during the COVID-19 pandemic.d) that is not taking more than the \$100,000 limit across all retirement plans.
Participant Signature	Date
Trustee/Plan Sponsor Authorization <small>This Section for Authorized Plan Rep Use Only</small>	Please note your signature below: <ul style="list-style-type: none">- Constitutes your authorization to process a new loan for the above mentioned participant for the amount requested on page one of this form.- Confirms you are satisfied, based on reasonable written representation by the participant, that the amount requested is equal to or less than the CARES Act provision of \$100,000 or 100% of their account balance.
Authorized Trustee/Sponsor Signature	Date
Once reviewed and approved, please return directly to your Sentinel Benefits Plan Consultant for processing.	