

RHODE ISLAND SCHOOL OF DESIGN RETIREMENT PLAN

SECURE ACT 2.0

PARTICIPANT NOTICE

The purpose of this notice is to inform you that, as a result of enactment of the "SECURE Act 2.0" of 2022, changes have been made in 2023 to some of the provisions of the Rhode Island School of Design Retirement Plan (the "Plan").

1. CHANGE TO BEGINNING DATE FOR REQUIRED MINIMUM DISTRIBUTIONS (RMDs)

The required age to start taking RMDs from employer sponsored retirement plans, which was previously set at age 72, is increased to age 73 (or, if later, termination of employment) for non-owners born after December 31, 1950, and for greater than 5% owners born after December 31, 1950, even if still employed.

2. DISTRIBUTIONS FROM QUALIFIED PLANS FOR INDIVIDUALS WITH A TERMINAL ILLNESS

The SECURE Act 2.0 eliminates the 10% early withdrawal penalty for distributions to participants with a terminal illness where a physician certifies that the participant has an illness or condition that is reasonably expected to result in death within 84 months or less.

3. REPAYMENT OF PENALTY-FREE WITHDRAWALS FOR BIRTH OR ADOPTION

As you were previously notified, in-service withdrawals (up to \$5,000) are allowed for birth or adoption expenses with an exemption from the 10% early withdrawal penalty, and repayment was permitted to be treated as a rollover. The SECURE Act 2.0 clarifies that repayment (if made) must be made within the 3-year period immediately following the distribution to be treated as a rollover. For distributions prior to 2023, the repayment period ends on December 31, 2025.

Please contact the Plan Administrator if you have any questions about this information.

The SECURE Act 2.0 also provides additional changes that are effective in future years. You will be informed of any additional changes that may affect you.