

SUMMARY OF MATERIAL MODIFICATIONS FOR THE Consolidated Federal Credit Union 401(k) Profit Sharing Plan (“PLAN”)

Due to the recent enactment of several laws, including the Coronavirus Aid, Relief, and Economic Security Act, the Setting Every Community Up for Retirement Enhancement Act, the Bipartisan American Miners Act of 2019, and several other laws, we have made changes that may affect your rights under the Plan. This Summary of Material Modifications (“SMM”) describes how those changes may affect you. This SMM overrides any inconsistent information included in the Plan’s Summary Plan Description (SPD) or other Plan forms.

- **Required minimum distributions.**

- If you attain age 70½ after December 31, 2019, your required beginning date for receiving required minimum distributions will be based on your attainment of age 72 rather than age 70½.
- The rules for when your designated beneficiary(ies) must receive minimum distributions after your death are modified. Generally, your designated beneficiary(ies) must receive your (the Participant’s) entire benefit by the end of the tenth calendar year following the year of your death. Exceptions to this rule may apply if your designated beneficiary is (1) your surviving spouse, (2) disabled, (3) chronically ill, (4) not more than 10 years younger than you, or (5) your child who has not reached age 21.

Contact the Plan Administrator for more information on how you are affected by the new required minimum distribution rules.

- **Disaster-related distributions.** Special rules related to certain federally-declared natural disasters may have applied for distributions under the Plan. If you received a disaster-related distribution from the Plan, you may be able to recontribute the amount of the distribution to the Plan. Please contact the Plan Administrator for more information.
- **Repayment of Coronavirus-Related Distributions.** Special Coronavirus-Related rules may have applied for distributions under the Plan. If you received a Coronavirus-Related Distribution from the Plan, you may be able to recontribute the amount of the distribution to the Plan. Please contact the Plan Administrator for more information.
- **Distribution of lifetime income investment.** The Plan may allow a distribution of certain lifetime income investments, provided such distribution is made within the 90-day period ending on the date when the lifetime income investment is no longer authorized to be held as an investment option under the Plan. The Plan Administrator will notify you if you are eligible for this type of distribution.
- **Qualified Birth or Adoption Distribution (QBAD).** A QBAD is a distribution from the Plan to you that is made during the one-year period beginning on the date on which your child is born or on which you legally adopt a child. If eligible, you may withdraw up to \$5,000 as a QBAD. A QBAD is subject to income tax, but not the 10% early withdrawal penalty tax. Any or all of the amount withdrawn also may be contributed back at a later date to (1) this Plan, (2) any other plan for which you are eligible to roll money into, or (3) an IRA.
 - A QBAD is available from all available sources under the Plan.
 - A QBAD is not available to terminated participants.
 - A QBAD will only be permitted if you are 100% vested in the source from which the withdrawal is taken.
- **Participation of Long-Term, Part-Time Employees.** A long-term, part-time (LTPT) employee generally is an employee who completes at least 500 hours of service with the employer during three-consecutive years starting in the 2021 Plan Year. If you are a LTPT employee, you may be eligible to make Salary Deferrals into the Plan. As a LTPT employee, if you are also eligible for Employer Contributions or Matching Contributions under the Plan, you will receive vesting credit for any year in which you complete at least 500 hours of service.

- The following special rules apply to LTPT employees:
 - Collectively Bargained Employees are excluded from eligibility as LTPT Employees.
 - Non-resident aliens who receive no compensation from the Employer that constitutes U.S. source income are excluded from eligibility as LTPT Employees.
 - Employees who are otherwise considered Excluded Employees under the Plan will also be excluded from eligibility as LTPT Employees.
 - To the extent the following provisions or options apply to Eligible Employees who are not LTPT Employees, such provisions do not apply to LTPT Employees:
 - The automatic contribution arrangement provisions under the Plan

ADDITIONAL INFORMATION

If you have any questions about the changes described in this SMM or about the Plan in general, you may contact the Plan Administrator:

Consolidated Federal Credit Union
1033 NE 6th Ave.
Portland, OR 97232
503-238-5897