



The Coronavirus Aid, Relief, and Economic Security (CARES) Act permits qualifying participants to delay loan repayments that are due between March 27, 2020 (the date of CARES Act enactment) and December 31, 2020.

To help you and your participants during this time, we're offering plan sponsors the option to enable loan deferment for participants impacted by the coronavirus (COVID-19). **Your action is required by April 21, 2020** (see instructions below). Please review [detailed information](#) about the CARES Act and loans for your Fidelity plans.

PERMIT LOAN PAYMENT DEFERMENT: As [previously shared](#), the CARES Act is unclear when loan repayments must begin following the delay. Regulatory guidance has not yet been provided. However, based on feedback from plan sponsors and participants on the need for a solution, we have developed the following **loan deferment service**:

- Qualifying participants may contact Fidelity by phone to request deferment of their loan(s).
- Deferment of all payments will begin with the first payment due or as soon as administratively feasible after the participant self-certifies their qualification and will end on December 31, 2020.
- As participants certify their eligibility to defer their loan payments, Fidelity will provide a report to you or your payroll provider to stop payroll deductions. [Review a sample report](#) and consult with your payroll provider.
- Participants that make payments via ACH will be notified to restart their payments if applicable.
- All loans deferred will be re-amortized in January 2021. Information will be sent to your payroll provider to restart payroll deduction payments.
- A plan amendment will be required and must be executed by the last day of the plan year that begins in 2022.

You must direct Fidelity to enable the loan deferment service for your plan(s) by April 21, 2020 (see instructions below). If you do not wish to enable this provision, we will proceed to default any delinquent loans beginning on May 1, 2020.

HOW TO ENABLE LOAN OPTION: To add loan deferment service to your plan(s), **complete the [Client Election Form](#) by April 21, 2020**. Direction must be provided to Fidelity to enable these solutions.

Plan Name	Plan Number
Plan Name	Plan Number
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We appreciate your partnership as we quickly move to make the new CARES Act provisions available to you and your participants during this stressful time.

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