



Sustainability in Action

401(k) Enrollment

Fidelity emails/mailed enrollment packets to participants

Immediate Eligibility – weekly demographic files to Fidelity every Thursday and accounts are updated overnight and viewable in accounts on Friday

If no action is taken, employees are automatically enrolled approximately 91 days from account establishment.

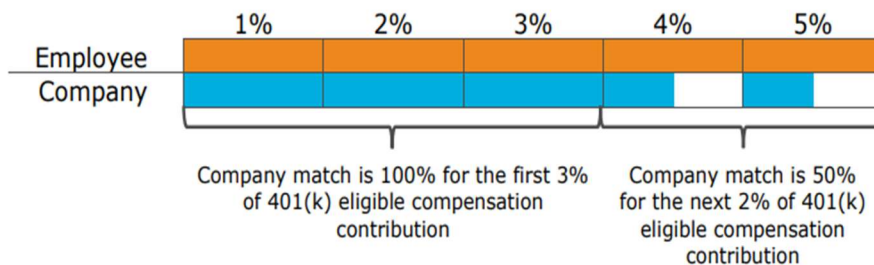
401(k) Match

The match begins as soon as the deferrals start. However, although deferrals are funded each payroll period, the company match is funded quarterly.

The Match is validated the month following the close of the quarter (Q4 January, Q1 April, Q2 July & Q3 October) with funding to Fidelity no later than the end of the validation month, sooner if possible.

Our match formula is

100% at 3% of 401(k) eligible compensation, plus
\$0.50 for the next 2% of 401(k) eligible compensation



To receive the full match an employee would need to defer 5%. At 5% deferral or above, the effective match rate is 4% – since we only match .5 of the next 2% $(.2 \times .5) = .1 + .3 = .4$

The company match is with pretax dollars regardless of whether you contribute on a pretax or Roth basis.

After 1 year of service, matching contributions become 100% vested.

Access to 401k Funds

An active participant can stop contributing to the plan and/or move money into other fund(s) within the plan but are not allowed to withdraw funds unless they meet the requirements for distribution or have a hardship. The restrictions on withdrawals are imposed on all qualified retirement plans by the IRS/DOL. Withdrawals are subject to tax and possible penalties, so participants should use caution and seek individual tax advice.

A hardship is available under the following circumstances:

Medical care expenses for the employee, the employee's spouse, dependents, or beneficiary.

Costs directly related to the purchase of an employee's principal residence (excluding mortgage payments).



Sustainability in Action

Hardship Continued

Tuition related educational fees and room and board expenses for the next 12 months of postsecondary education for the employee or the employee's spouse, children, dependents, or beneficiary.

Payments necessary to prevent the eviction of the employee from the employee's principal residence or foreclosure on the mortgage on that residence.

Funeral expenses for the employee, the employee's spouse, children, dependents, or beneficiary.

Certain expenses to repair damage to the employee's principal residence.

By law, **non-hardship** distributions are only allowed for the following circumstances:

Attainment of age 59.5

Death

Disability

Termination of employment

A change in union status does not qualify as an allowable circumstance for a distributable event.

Participants also can take a **loan** from their account. The funds are paid back to the account through payroll deduction and additional payments may be made by the participant outside of payroll. This option is not taxable unless they do not pay the money back.

Retirement timing

401k the retirement age is 65, years of service are not considered. A participant is also eligible for a withdrawal without penalty at age 59 ½. Participants will contact Fidelity 800-835-5095 to request distribution paperwork.

Regardless of the above, participants are always eligible for a distribution upon termination of employment, death or disability.