

## 401(k) SAFE HARBOR CONTRIBUTION NOTICE

*IMPORTANT: Carefully read and consider the following information before you decide whether to start making Elective Deferrals or decide to continue or change the amount of your employee 401(k) contributions. To the extent that there are conflicting provisions between your Summary Plan Description (SPD) and this Notice, this Notice will control. See your plan administrator if you need an additional copy of the SPD.*

### SECTION A. PLAN INFORMATION

Employer Name \_\_\_\_\_  
Plan Name \_\_\_\_\_  
Plan Sequence Number \_\_\_\_\_ Plan Year End \_\_\_\_\_  
Plan ID Number \_\_\_\_\_

### SECTION B. PLAN CONTRIBUTIONS

*The contributions described below will be made to the plan identified in Section A, above, unless your employer indicates otherwise, and will be determined based on the definition of compensation described in the SPD your employer has provided to you. However, if your employer has indicated in your SPD that there is a limit on the amount of compensation which is taken into account under the plan, and such limit is lower than the limit imposed by federal law of \$200,000 (indexed for cost-of-living) your employer's limit will not apply for purposes of this notice.*

**Part I. Elective Deferrals** - By completing a salary reduction agreement, you agree to make elective deferrals to this plan. Your compensation will be reduced each pay period by an amount based upon the formula described in your SPD.

You must complete a salary reduction agreement to make or change your election by \_\_\_\_\_ (specify a date at least 30 days from the date of this notice).

In addition, the following timing rules apply to your ability to make elective deferrals:

You may revoke a salary reduction agreement to stop making elective deferrals by giving proper notice to the plan administrator. Your deferrals will stop the first day of the next (select one):  Plan year or, if earlier, the first day of the seventh month of the plan year;  Quarter;  Month;  Entry date;  Other (specify): \_\_\_\_\_.

You may resume your elective deferrals after revoking a salary reduction agreement. Your election will become effective the first day of the next (select one):  Plan year;  Plan year or, if earlier, the first day of the seventh month of the plan year;  Quarter;  Month;  Entry date;  Other (specify): \_\_\_\_\_.

You may modify your salary reduction agreement prospectively to increase or decrease elective deferrals. Your election shall become effective the first day of the next (select one):  Plan year or, if earlier, the first day of the seventh month of the plan year;  Quarter;  Month;  Entry date;  Other (specify): \_\_\_\_\_.

**Part II. Safe Harbor Employer Contributions** - Your employer will make contributions to each participant eligible to make elective deferrals as described below.

- Option 1.** A matching contribution in an amount equal to the sum of 100 percent of the portion of your elective deferrals which do not exceed three percent of your compensation plus 50 percent of the portion of your elective deferrals between three percent and five percent of your compensation.
- Option 2.** A matching contribution in an amount equal to \_\_\_\_\_.
- Option 3.** A nonelective contribution in an amount equal to \_\_\_\_\_% (at least three percent) of your compensation if you are eligible to make elective deferrals.
- Option 4.** A nonelective contribution in the amount of \_\_\_\_\_% (at least three percent) of your compensation for the plan year if you are eligible to make elective deferrals, and this option is supplemental notice informing you that your employer has amended the 401(k) plan to provide this nonelective contribution for the current plan year.

**Part III. Other Contributions** - In addition to the contributions identified above, your employer may be permitted to make additional contributions to the plan. Refer to your SPD to determine if additional contributions will be made and, if so, whether you are entitled to make or receive a portion of such contributions.

### SECTION C. VESTING AND DISTRIBUTIONS

You are 100 percent vested in safe harbor matching contributions and safe harbor nonelective contributions at all times. Your vested percentage in additional matching contributions, if any, will be determined according to the vesting provisions described in your SPD.

Safe harbor matching contributions and safe harbor nonelective contributions are generally treated as elective deferrals for purposes of determining when you may take a distribution of such contributions. However, safe harbor contributions may not be distributed on account of hardship. Refer to your SPD to determine when elective deferrals and, therefore, safe harbor matching contributions and nonelective contributions may generally be withdrawn.

### SECTION D. ADDITIONAL INFORMATION

If you wish to obtain additional information about the plan (including an additional copy of the SPD), you may contact the plan administrator at the following address or telephone number.

Name of Plan Administrator \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Telephone \_\_\_\_\_

## INSTRUCTIONS FOR COMPLETION

This Notice may be used to satisfy the notice requirements applicable to 401(k) safe harbor plans. It must be completed and delivered to each participant in the plan eligible to make or receive a contribution. The timeframes within which this form must be provided to participants varies depending upon a number of factors related to the plan and are described below.

1. New plan—If the 401(k) plan is a new plan, this Notice must be provided no earlier than 90 days and no later than the day prior to the first day of the plan year or, if later, the effective date of the 401(k) portion of the plan.
2. Existing plan—If an existing 401(k) or profit sharing plan will be amended to add safe harbor 401(k) provisions for the following plan year, this Notice must be provided no earlier than 90 days and no later than 30 days prior to the beginning of such plan year.
3. Existing plan—If an existing 401(k) plan in which participants were previously notified that the Plan may be amended during the plan year to provide a safe harbor nonelective contribution, this Notice must be provided at least 30 days prior to the last day of the current plan year.
4. Existing plan—If an existing profit sharing plan will be amended to add a new 401(k) arrangement with safe harbor 401(k) provisions during the current plan year, this Notice must be provided no earlier than 90 days and no later than the day prior to the first day of the effective date of the 401(k) portion of the plan.

Complete the 401(k) Safe Harbor Contribution Notice by following the directions set forth below.

**SECTION A.** Enter the employer name, plan name, plan sequence number (e.g. 001, 002, etc.), plan year end (month and day) and plan ID number (if applicable).

**SECTION B. Part I.**

Enter the date by which participants must make or change their election by completing a salary reduction agreement.

Enter the time period during which participants may revoke a salary reduction agreement.\*

Enter the time period during which participants may resume making elective deferrals after revoking a salary reduction agreement.\*

Enter the time period during which participants may prospectively increase or decrease elective deferrals.\*

*\*Note: These must correspond to the features in the plan documents.*

**Part II.**

Select the appropriate option to describe the safe harbor employer contribution.

**SECTION C.** *There is nothing to complete in Section C.*

**SECTION D.** List the name, mailing address and telephone number of the plan administrator that participants may contact to obtain additional information about the plan.