

Plan Sponsor Enrollment Guide

Online Enrollment is a quick and easy way for employees to enroll in your Retirement Plan using the Internet. During the Online Enrollment process, the employee will be asked to verify personal information, make specific elections pertaining to the amount of his or her deferral, choose investment elections from the funds offered in your Plan, and designate a beneficiary. This enrollment process should take approximately 15 minutes.

Individuals designated with full access to the Plan Sponsor website will be able to access details of employee elections from Plan Sponsor web reports, in conjunction with email confirmations when elections or changes are made by the employee. You should establish in-house procedures for obtaining, utilizing and storing this enrollment information on a periodic basis to ensure that all employees are properly enrolled in the Plan.

The Online Enrollment Process

1.

Determine newly eligible employees (30 to 45 days prior to entry dates)

An Eligible Employee can begin participating in the Plan on the Entry Date following completion of the eligibility conditions established under the Plan.

The Service Provider posts a Projected Eligibility Report and Eligibility Determination Report to the Plan Sponsor website on the first of each month based on our system's assumptions. This report should be compared to your records to verify eligibility. Notify your assigned Account Manager of discrepancies.



It is important to include employee census information on each contribution file upload in order for entry dates to be projected before employees log in to enroll.

2.

Notify employees of their eligibility

Employees must be notified of their eligibility to participate in the Retirement Plan timely. ERISA law requires all employees also be furnished with a Summary Plan Description (SPD) no later than 90 days after they become a participant, along with the Plan's annual notice. The SPD provides information about the material provisions of the Plan, how participants make a claim for benefits, and what the participants' rights are under ERISA. The Summary Plan Description and Annual Participant Notices can be accessed from the Forms menu of the website.

In order to document that you offered participation in the Plan to individuals, one option would be to send an email (for those with a company email address) to the applicable employee becoming eligible announcing his/her eligibility into the 401(k) Plan. Attach the Participant Online Enrollment Guide, Annual Participant Notices, and the most current Summary Plan Description, and provide a deadline date to enroll online. Keep a copy of the email in your permanent Plan files for documentation. The email should also offer paper copies upon request.

3.

Employees enroll online

The Participant Online Enrollment Guide provides step-by-step instructions to walk them through the entire online enrollment process.

Employees should complete the enrollment steps to add/verify personal information, designate a beneficiary, make a salary deferral election to withhold from their paycheck, and select investment allocations from the specific funds or model portfolios available under the Plan.

Important Note: If a Participant does not enroll online by the established due date, the Plan's Automatic Contribution provision applies, including any annual escalation provisions, if applicable to your Plan. The established automatic contribution rate should be entered as the Participant's payroll deferral rate.



Each employee has the following default login established prior to entry in the Plan:

- **Username:** their social security number (no dashes)
- **Password:** the last 4 digits of their Social Security Number

4.

Review web confirmations and/or enrollment reports

The employee's online enrollment steps are stored in the Service Provider's records. Both the employee and Plan Sponsor will receive email confirmations for each enrollment step within 24 hours.

Prior to the Plan's next entry date, the Plan Sponsor can generate the following reports through the Plan Sponsor website.

Enrollment Summary

- Verify the newly eligible participants who completed their enrollment steps.
- For those who did not enroll during the period, they should be auto enrolled at the Plan's Automatic Contribution Rate with annual increases, if applicable.

Contribution Rate Changes

- Review this report for both Automatic enrollment defaults and Participant web employee deferral changes.
- Automatic enrollment acceleration increases are also reflected on this report after they have occurred. The Deferral Acceleration report can be generated to determine those with scheduled increases.

5.

Payroll Notification

Inform the person or company responsible for your payroll processing of employee deferral and escalation elections, including the automatic deferral amounts for those who did not enroll and were defaulted according to your Plan's automatic contribution/escalation provisions.



Want more information? See the next page to determine if online enrollment is right for you and get answers to some frequently asked questions.

Will Online Enrollment Benefit You?

Online enrollment is not suitable for all plans, as each company has different employee dynamics and particular needs. If you can answer “yes” to the questions below, the online enrollment option may be a useful tool.

1. Do you report all new hires on your payroll upload files?
2. Do all employees have computer access available to them during the work day?
3. English is currently the only language available on the website. The Service Provider will still accept paper enrollment forms (English or Spanish) if an employee requests this option. Paper forms should be returned to your Human Resources contact and a copy forwarded to the Service Provider to update our records.
4. Are you able to store electronic Plan records that can be easily accessed in the event of an audit in lieu of paper forms?
5. Will your payroll company/contact accept electronic records in lieu of paper forms as confirmation of employee deferral elections?

Frequently Asked Questions

Who should an employee contact if they have questions or problems enrolling online?

The employee should contact Retirement Services at 1-888-755-3039.

What if an employee fails to enroll?

The employee will be automatically enrolled at the Plan’s automatic contribution rate with annual escalations, in accordance with your plan document provisions. The Participant can discontinue these elections at any time. Timing of other deferral modifications are governed by the terms of the plan document.

Can an employee review an enrollment kit in advance of the online enrollment selections?

During the online enrollment experience, an enrollment kit is available on the My Enrollment Kit menu. Once the online enrollment experience has been completed, a participant can access an enrollment kit on the Forms menu of the website for employees to review if they so choose.

How do employees receive the required annual notices?

When an employee logs in to the online enrollment experience, a green bar will be visible at the top of the screen if annual notices are available. Annual notices can also be accessed under the My Enrollment Kit menu or on the Confirmation page when completing online enrollment.

How does a participant make a change after the initial enrollment?

A participant logs into the Participant website using the Username and Password they established during the enrollment process. Once logged in, they can change their personal information, beneficiary, contribution rate, escalation percentage, and investment selections. They can contact Retirement Services at 1-888-755-3039 if they have questions.

How do I know when employees enroll?

Email confirmations will be sent to the designated Employer contact assigned to receive web transaction notifications. There are also reports with the enrollment information available on the web that may be downloaded at any time.

Can a participant designate a non-spouse primary beneficiary if he or she is married?

If a Participant does not list their spouse as the sole primary beneficiary, the spouse must sign the Spousal Consent portion of the Beneficiary Designation Form and the spouse’s signature must be witnessed by a notary public or Plan Representative. The Beneficiary Designation form can be accessed during the online enrollment experience when designating beneficiaries. This form is also located on the Forms menu of the website.

What if a participant does not complete the enrollment process and designate a beneficiary?

Every effort should be made to encourage participants to designate a beneficiary online or by completing the Beneficiary Designation Form. If no beneficiary is designated, the death benefit will generally be paid in the following

order: to the participant's surviving spouse, the participant's children, the participant's surviving parents, or the participant's estate.

What documentation does the Plan Sponsor need to retain in order to prove enrollment in the Plan?

In the event of an audit, you should have documentation that you provided newly eligible employees enrollment instructions and a Summary Plan Description. Also retain records documenting their deferral elections, including automatic contribution amounts.

What if an employee is re-hired?

Notify your Account Manager promptly when an employee is rehired. The Service Provider will review the employee's records to determine if they are eligible to participate on their rehire date. We will update the employee status accordingly so that he/she is able to re-enroll in the Plan through the Participant website.

What if an eligible employee was mistakenly left out of the Plan?

This is treated as an operational failure that can generally be self-corrected under one of the IRS correction programs. The Employer may contribute a Qualified Non-Elective Contribution (QNEC) contribution to the affected Participant's account to make up for the missed deferral opportunity, along with any applicable matching contributions. Please contact your Account Manager promptly if this occurs.