

# **\*Eagle Horizon Group 401k\***

## **Summary of Major Plan Provisions**

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<b>Effective Date</b>	1/1/18
<b>Plan Year</b>	January 1 through December 31
<b>Eligibility Requirements</b>	To participate in this Plan, you must be at least 21+ years of age, a W-2 employee, and have completed (3) months of service.
<b>Excluded Groups</b>	<p>This Plan will exclude the following groups of employees from participating:</p> <p>Union Employees Non-Resident Aliens Independent Contractors</p>
<b>Entry Dates</b>	You may enter the plan on the first day of the month coinciding with or following the eligibility requirement as above.
<b>Employee Contributions</b>	<p>In 2018, you may defer up to \$18,500 of your compensation. Your deferral % may be modified or reinstated monthly effective the 1<sup>st</sup> of the month and you may stop deferrals at any time. Deferral changes will be effective for payrolls the first of following month, and thereafter. Participants may save into the Traditional (pre-tax) or Roth (after-tax) 401k.</p> <p>Individuals who are at least age 50 before the end of the Plan Year, may make an additional catch-up contribution to the Plan up to \$6,000 (in addition to the \$18,500 deferral).</p>
<b>Qualified Automatic Contribution Arrangement</b>	<p>Under the rules of our Plan, an employee is automatically enrolled as a participant in the Plan once he or she has met the age and service eligibility requirements for participation in the Plan, unless an affirmative election has been made by the Participant to contribute a specified percentage or elects not to participate. A participant is assumed to have authorized the company to withhold a fixed amount of 6% from each paycheck on a pre-tax basis. Automatic payroll withholding at the above rate will continue until you, as a participant, advise the Plan Administrator in writing to either increase or decrease the amount of withholding or to stop payroll withholding.</p> <p>The default investment option for participants who have not made a selection (via their enrollment form) will be the following fund:</p> <p>Vanguard Target Date Retirement Series</p>

## Employer Contributions

The employer will make a Safe Harbor matching contribution at this time. The match is based on income reportable on Form W-2 with all pre-tax contributions added. The match will be calculated as follows:

100% of the first 1% of deferrals, and 50% of the next 5%.

Therefore, if an employee elects to save 10% of their salary to the 401k, the employer will contribute an additional 3.5%, for a total of 13.5% to account.

The plan has a flexible Profit Sharing provision for contributions at the discretion of the company. Profit Sharing contributions, if any, would be based on income reportable on Form W-2 with all pre-tax contributions added. Only employees who are employed on the last day of the plan year (12/31) would receive a Profit Sharing contribution. Profit Sharing contributions would be calculated using the Pro-Rata method.

## Vesting

Employee contributions are always immediately 100% vested. Safe Harbor matching contributions are subject to the following vesting schedule:

<u>Years of Service</u>	<u>Vested %</u>
1 but less than 2	0%
2+	100%

Profit sharing contributions are subject to the following vesting schedule:

<u>Years of Service</u>	<u>Vested %</u>
1 but less than 2	0%
2 but less than 3	20%
3 but less than 4	40%
4 but less than 5	60%
5 but less than 6	80%
6+	100%

## Investment Accounts

The 401k offers multiple professionally managed funds covering a broad range of risk. A prospectus and brochure including performances will be provided during the annual enrollment meeting. At any time that you complete an exchange of existing funds, it is important to read a prospectus (as the exchange represents new funds invested in your account).

## Transfers on Investment Account

You may reallocate existing or future deposits between the investment accounts on a daily basis, subject to SEC market-timing rules as implemented by each mutual fund family, detailed per prospectus.

## Loans

Loans are permitted under the plan (once you have an account balance of \$2,000). You may borrow 50% of your vested account value not to exceed \$50,000. There is an initial set up fee of \$100 and \$50 annual fee for each year the loan remains outstanding. Only one loan may be outstanding at a time.

## Hardship Withdrawals

Hardship withdrawals are available on request per government regulations.

## Death and Disability

Death and Disability benefits will be paid according to government regulations under ERISA rules. Should you die before retirement, your designated beneficiary will receive the total value in your account without regard to vesting.

## Normal Retirement Age

As stated in the plan document, the normal retirement age is 65. [The plan also includes an early retirement age of 55, according to the terms of the document.]

**Forfeitures**

As stated in the plan document, non-vested account balances known as forfeitures, will be dispersed of using the following methods:

Restoration of participant forfeitures  
Offset plan expenses  
Reduce future contributions

**Rollovers**

Eligible employees are permitted to complete a rollover from any pre-tax retirement account into the new plan. If you would like to complete a rollover, please E Mail a copy of your statement to [jmnovak@financialguide.com](mailto:jmnovak@financialguide.com). You may also inquire as to a secure upload via cloud through *Box*.

**Retirement or Separation from Employment**

At retirement or separation from employment you may rollover your account to an IRA with MML Investors Services, LLC or to an IRA of your choice, transfer to another qualified plan, or you may receive a distribution minus mandatory income tax withholding, applicable penalty, and processing fees.

**Account Information**

1. Go to: <http://www.pbhbenefits.com>
2. Click on "Log In"
3. Enter User Name and Password as follows:

**User Name:** Full SSN without dashes.

**Password:** Last four of SSN

For assistance with logging on to your account, please contact the participant service number: (888) 629 2363.

For assistance with investment allocation or other investment guidance questions, please contact the Plan Representative as listed.

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*Plan Representative  
for Investment Education, Asset Allocation Assistance and Rollovers:*

**John M. Novak, AIF®, CRPS®**  
Tel (610) 766 3014  
Fax (610) 664 1220  
[jmnovak@financialguide.com](mailto:jmnovak@financialguide.com)

*MassMutual Greater Philadelphia  
2 Bala Plaza Suite 901  
Bala Cynwyd, PA 19004-1501*

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*This brief interpretation of the SPD (Summary Plan Description) had been prepared for you by the Record Keeper and Plan Representatives. This document does not replace the SPD. This summary has been prepared from information obtained from your Record Keeper and In-house Administrator, and is deemed to be reliable; however, no representation or guarantee is made regarding the accuracy or completeness of this information. You should rely on the Summary Plan Description as the official record for your Plan.*

*Registered Representative Information:*

*Insurance Representative of MassMutual. Registered Representative of and offers securities, investment advisory and financial planning services through MML Investors Services, LLC, a member of the MassMutual Financial Group. OSJ 2 Bala Plaza Suite 901 Bala Cynwyd, PA 19004-1501 (610) 660-9922 MassMutual Financial Group is a marketing name for Massachusetts Mutual Life Insurance Company (MassMutual) and its affiliated companies and sales representatives, Springfield, MA 01111-0001. Local sales agencies are not subsidiaries of MassMutual or its affiliated companies.*

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