

Notice of Reduction or Elimination of 401(k) Safe Harbor Contributions

IMPORTANT: This notice may be used to satisfy the notice requirement for the reduction or elimination of safe harbor or qualified automatic contribution arrangement (QACA) safe harbor matching or nonelective contributions.

PLAN INFORMATION

Employer Name _____

Plan Name _____

Plan Sequence Number _____

Plan Year End (mm/dd/yyyy) _____

Plan ID Number _____

EFFECTIVE DATE OF MODIFICATIONS

The modified contribution formulas, as described below, will be effective on _____ (must be at least 30 days after the date this notice is provided to participants).

ADP SAFE HARBOR OR QACA ADP SAFE HARBOR CONTRIBUTION REDUCTION OR ELIMINATION

If this section is complete, your employer has chosen to reduce or eliminate the safe harbor matching or nonelective contributions that are currently being made to your plan. This means that as of the effective date specified above, your employer will reduce or eliminate the safe harbor matching or nonelective contributions that will be made to your plan to the formula specified below. Please refer to your prior Summary Plan Description (SPD) for a description of the ADP safe harbor or QACA ADP safe harbor contribution that is being made to your plan. Any contributions that may be made will generally be based on your compensation through the amendment effective date. If this section is left blank, your plan's ADP safe harbor or QACA ADP safe harbor contributions have not changed.

Part 1. Modified ADP Safe Harbor Contributions – As of the effective date, your employer will make the following contributions to each participant entitled to receive ADP safe harbor contributions as described below.

- Option 1.** A matching contribution in an amount equal to the sum of 100% of the portion of your elective deferrals which do not exceed 3% of your compensation plus 50% of the portion of your elective deferrals between 3% and 5% of your compensation.
- Option 2.** A matching contribution in an amount equal to the sum of _____% of the portion of your elective deferrals which do not exceed _____% of your compensation plus _____% of the portion of your elective deferrals between _____% and _____% of your compensation.
- Option 3.** A matching contribution in an amount equal to _____.
- Option 4.** A nonelective contribution in an amount equal to _____% of your compensation.
- Option 5.** Neither a matching nor a nonelective contribution will be made to the plan.

As a result of the reduction or elimination of safe harbor contributions, the plan will be subject to nondiscrimination tests. If the plan fails the tests, some participants may have to remove certain contributions from the plan.

Part 2. Modified QACA ADP Safe Harbor Contributions – As of the effective date, your employer will make the following contributions to each participant entitled to receive QACA ADP safe harbor contributions as described below.

- Option 1.** A matching contribution in an amount equal to the sum of 100% of the portion of your elective deferrals which do not exceed 1% of your compensation plus 50% of the portion of your elective deferrals between 1% and 5% of your compensation.
- Option 2.** A matching contribution in an amount equal to the sum of _____% of the portion of your elective deferrals which do not exceed _____% of your compensation plus _____% of the portion of your elective deferrals between _____% and _____% of your compensation.
- Option 3.** A matching contribution in an amount equal to _____.
- Option 4.** A nonelective contribution in an amount equal to _____% of your compensation.
- Option 5.** Neither a matching nor a nonelective contribution will be made to the plan.

ACP SAFE HARBOR CONTRIBUTION REDUCTION OR ELIMINATION

In addition to the contributions specified above, your employer may have chosen to make ACP safe harbor or QACA ACP safe harbor matching contributions to the plan. If this section is complete, your employer has chosen to reduce or eliminate such contributions. This means that as of the effective date specified above, your employer will reduce or eliminate the safe harbor matching contributions that will be made to your retirement plan to the formula specified below. Please refer to your prior SPD for a description of any ACP safe harbor or QACA ACP safe harbor matching contributions that are being made to your plan. If this section is left blank, your plan's ACP safe harbor or QACA ACP safe harbor matching contributions, if any, have not changed.

Part 1. Modified ACP Safe Harbor Contributions – As of the effective date, your employer will make the following contributions to each participant entitled to receive ACP safe harbor contributions as described below.

- Option 1.** A matching contribution in an amount equal to _____.
- Option 2.** No additional contributions will be made to the plan.

Part 2. Modified QACA ACP Safe Harbor Matching Contributions – Your employer will make contributions to each participant entitled to receive QACA ACP safe harbor contributions as described below.

- Option 1.** A matching contribution in an amount equal to _____.
- Option 2.** No additional contributions will be made to the plan.

ELECTIVE DEFERRAL CHANGES

If you wish to modify your salary reduction agreement prospectively to increase or decrease elective deferrals because of these changes, you must provide a completed salary reduction agreement to your plan administrator by _____ (specify a date at least 30 days from the date this notice is provided).

PLAN ADMINISTRATOR INFORMATION

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

Name of Plan Administrator: _____

Business Address: _____

Business City: _____ State: _____ Zip: _____

Business Telephone Number: _____

ADDITIONAL INFORMATION
