CAPITAL GROUP® | AMERICAN FUNDS®

RecordkeeperDirect® administration guide

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1. Welcome to RecordkeeperDirect

Capital Group, home of American Funds, is pleased to play a role in helping your employees plan and save for retirement through our RecordkeeperDirect retirement plan program. Capital Group manages the investments and/or provides the recordkeeping services for your plan while an authorized third-party administrator (TPA) is responsible for plan administration.

Overview of RecordkeeperDirect services

Your *Recordkeeping Services Agreement* fully outlines the services you, as the plan sponsor, can expect from us. As part of the RecordkeeperDirect program, we will perform the following services:

- Receive, process and store information and electronic data on our recordkeeping system, including:
  - Census data (e.g., participant name, date of birth, Social Security number, address, employment status, marital status and date of hire)
  - Participant investment allocations
  - Summary of plan assets by participant, contribution type and investment option
  - Beneficiary and deferral elections, if applicable
  - Participant eligibility information, if applicable
  - Information on outstanding participant loans
  - Participant vested percentages
- Process distributions and loans, if applicable
  - Issue checks or transmit electronic payment for distributions from participant accounts when we receive a request approved by an authorized signer
  - Withhold federal and state income tax, as applicable
- Issue 1099-R forms, if applicable
  - Create and submit 1099-R forms for all distributions that we process (we will not report distributions processed by another recordkeeper)
- Generate reports

Services Capital Group does not provide

As disclosed in the *Recordkeeping Services Agreement*, some of the services we do *not* provide include:

- Legal, tax and consulting advice
- Creation of a prototype plan document
- Plan compliance testing
- Maintenance of salary information on our recordkeeping system. Your TPA will collect and maintain this information for discrimination and limit testing purposes.

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Roles and responsibilities checklist

The tables below identify those responsible for selected tasks. This list may not include all plan requirements. As plan sponsor, you should consult with your financial professional regarding plan administration duties not addressed in this chart.

Responsibilities	Capital Group	TPA	Plan sponsor	Financial professional
Plan setup				
Finalize plan design		•	•	
Prepare plan document		•		
Execute document			•	
Produce summary plan description		•		
Complete installation paperwork		•	•	•
Process installation paperwork	•			
Prepare enrollment kits	•			
Conduct enrollment meeting (optional)			•	•
Collect/retain enrollment forms			•	
Plan conversion				
Gather historical data			•	
Coordinate transfer of assets	•		•	
Provide final valuation of participant records	•			
Gather and establish participant data and investment allocations			•	•
Recordkeeping and administration				
Provide census data for current year's contributing participants			•	
Provide year-end census data			•	
Review census/identify new entrants		•	•	
Track allocations (recordkeeping): ▪ Employee contributions ▪ Employer contributions ▪ Plan-Level Accounts	•			
Collect beneficiary designations	•		•	
Collect deferral designations	•		•	
Remit contributions and hours worked data (as applicable)			•	
Perform 401(k) and 401(m) nondiscrimination testing		•		
Perform top-heavy testing		•		

Note: This table only lists primary plan responsibilities and is not intended to be all-inclusive. Some services in the TPA column may be provided by the plan's legal or other financial professional.

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Responsibilities	Capital Group	TPA	Plan sponsor	Financial professional
Reporting and disclosure				
Create and send quarterly statements of vested benefits	•			
File Form 5500 and schedules or attachments		•	•	
Provide summary annual report		•		
Provide annual trust report	•			
Reconcile plan data, if needed	•			
Create blackout notice, if needed	•			
Distribute blackout notice, if needed			•	
Create participant fee disclosure document	•		•	
Distribute participant fee disclosure document			•	
Consulting				
Offer compliance consulting		•		
Identify plan amendments/develop summary of material modifications		•	•	
Distributions				
Calculate vested benefits		•		
Calculate and authorize plan distributions		•	•	
Perform loan administration	•	•		
Prepare loan amortization schedule	•	•		
Track loan repayments	•			
Distribute 402(f) notice			•	
Issue checks	•			
Send tax withholding/remittance to IRS and state, where applicable	•			
Prepare and submit Form 1099-R	•			
Prepare and submit Form 945	•			

Note: This table only lists primary plan responsibilities and is not intended to be all-inclusive. Some services in the TPA column may be provided by the plan's legal or other financial professional.

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Service standards for transactions and reports

The table below shows standard turnaround times for completing transactions and generating reports. These are estimated response times; the actual response time may be longer if requests are not received in good order or if the request is received during times of unusually high volume.

Transactions	Expected turnaround*
Plan setup	
New plan setup	4 to 8 weeks
Conversion plan setup	8 to 12 weeks
Other transactions	
Rollover contributions	2 business days
New participant enrollment (via internet)	Same day
Census file submitted for upload	5 business days
Exchanges (via voice response system /internet/mobile app)	Same day if received before 1 p.m. Pacific time (4 p.m. Eastern time)
Allocation changes (via voice response system/internet/mobile app)	Same day
Address changes (via internet/mobile app)	Same day
Adding a new investment option to the plan	30+ days (due to fee disclosure requirements)
Adding a contribution type to the plan	5 business days
Plan provision changes	5 business days
Plan trustee changes	5 business days
Loans and all other distributions • Process transactions • Issue payment	 • 2 business days • 2 to 5 business days
Reports	**Time frame for report delivery***
Conversion trial balance	Available on the plan sponsor website the day after the conversion is processed
Loan amortization schedule	Made available on the plan sponsor website the same day the payment is issued
Monthly plan trust report and other plan reports	Available on the plan sponsor website 10 business days after the end of each month
Payroll change notification report	A new report is generated each business day and reflects any deferral or loan-related changes since the prior report
Quarterly participant statements	Provided to participants 10 business days after calendar quarter end
Form 1099-R	Mailed to participants (and posted to website) by 1/31

* Refer to "Special issues" below.

Special issues

- Turnaround times are contingent on our receiving the request and all required data in good order (refer to the following sections for detailed requirements for various transactions, reports and definition of "in good order.").

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- We will process transactions at the trade date price based on the date and time the request is received by Capital Group.
- Capital Group will process contributions, loans and other distributions at the current day's price provided the request is received in good order prior to the close of regular trading on the New York Stock Exchange (generally 4 p.m. Eastern time). Requests received after the close of regular trading on the New York Stock Exchange will be processed at the following business day's prices.

RecordkeeperDirect service fees

For information about the fees associated with your RecordkeeperDirect retirement plan, please reference the *Recordkeeping Services Agreement* in the Forms section of the plan sponsor website.

RecordkeeperDirect invoices can be reviewed and paid online, through the online billing center. This service can be accessed by logging into the plan sponsor website and navigating to the Online Billing Portal tab. A hyperlink from this tab will open the online billing center in a new browser tab/window.

Upon accessing the online billing center for the first time, users will be required to enroll by agreeing to terms and conditions for the service. Authorized signers will then be prompted to provide an email address, which will be used for ongoing communication needs.

After initial enrollment, authorized signers will be able to set up one or more bank accounts for payment purposes and select from optional features such as Auto Pay and SMS alerts. Note that only authorized signers will have full access to features within the online billing center; other users will have view-only access. As such, they will only be able to review invoices but not initiate payments.

In addition to the Online Billing Center, invoices can also be paid from plan assets, if requested, by:

- **Debit from participant accounts.** One-time or recurring payments can be requested via the *Fee Payment Authorization* form.

Debit from plan-level accounts. One-time payments can be requested via the *Fee Payment Authorization* form.

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2. Accessing plan information

Your client service team at Capital Group, home of American Funds, includes:

- A dedicated **implementation coordinator** assigned to process initial paperwork and install your plan.
- An ongoing **client service team** that services your plan following implementation.

How to contact us

- **Mail**
  - **Regular mail:**
    American Funds RecordkeeperDirect
    P.O. Box 6040
    Indianapolis, IN 46206-6040
  - **Overnight delivery ONLY:**
    American Funds RecordkeeperDirect
    12711 N. Meridian St
    Carmel, IN 46032-9181
- **Fax**
  - Address your fax to the attention of American Funds RecordkeeperDirect and send to **(855) 521-9952**.
- **Telephone** (8 a.m. to 7 p.m. Eastern time, Monday through Friday – customer service is available in English and Spanish)
  - **Plan sponsors, TPAs and financial professionals: (800) 421-6019**
  - **Plan participants: (800) 421-4120**
- **Email**
  - **General inquiries:**
    - Email us at RKDirect@capitalgroup.com
  - **Secure messaging service:**
    - Use Capital Group Secure Message Center at **https://capitalgroup.secureemailportal.com/** for messages containing sensitive participant or plan data.

How to access plan and account information

Plan sponsors and **financial professionals** can access plan and participant information by using the plan sponsor website: **americanfunds.com/retiresponsor**.

TPAs can access plan and participant information by using the TPA website: **capitalgroup.com/TPA**.

Plan participants can review account balances and quarterly statements, change investment allocations, update deferral elections, update beneficiary designations, initiate certain distributions and make exchanges online. Account information can be accessed in the following ways:

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- **Participant mobile app** – participants can download the **American Funds RKDirect 401k** app from the Apple App Store or the Google Play Store.
- **Participant website** – participants can use our participant website at **americanfunds.com/retire**. In addition to providing account information, the website and mobile app also provide educational content and calculators to help participants with retirement planning.
- **Voice response system (VRS)** – participants also can access account information, process exchanges, change future allocations, request quarterly statements and obtain fund information by calling the toll-free VRS at **(877) 833-9322** and following the prompts. The participant's default PIN is their date of birth in a "MMDDYYYY" format.

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3. Plan implementation

When Capital Group receives the completed implementation paperwork for your plan, an implementation coordinator (IC) will contact you, your TPA, your financial professional and your prior service provider (if applicable) to initiate plan implementation.

Your IC will provide you with options on how to establish participant accounts. This includes establishing participant accounts yourself on the plan sponsor website or completing a participant census file (i.e., spreadsheet template) to send to Capital Group.

After the participant accounts have been established, your IC will confirm when you're able to begin remitting payroll contributions via the plan sponsor website.

Conversion plans

For conversion plans, your IC will assist in initiating and coordinating the transfer of assets and plan data from the prior service provider to Capital Group.

During the conversion process, there will be a transition (i.e., blackout) period during which participants will not be able to access their accounts to make exchanges or perform other transactions. The length of this transition period is determined primarily by the extent of the account reconciliation activities performed by your prior service provider and Capital Group. Your IC will work with you, your TPA and your prior service provider when determining the length of the blackout period.

For any blackout period lasting more than three consecutive business days, the Sarbanes-Oxley Act requires plan sponsors to disclose to all participants the anticipated length and transaction restrictions of the blackout period. Participants must receive the notice no less than 30 days before the blackout period begins. You may want to consult with legal counsel or other financial professionals to ensure you follow regulatory disclosure requirements and do not allow prohibited transactions to occur during this transition period. To help you comply with disclosure obligations, Capital Group will provide you with the *Blackout Notice* for you to distribute to your participants.

The start of the blackout period depends on your schedule of service termination with your prior service provider. After all conversion data have been received and reconciled, the blackout period will end. At that time, the interactive voice response system, participant website and mobile app will be activated to allow participants access to their accounts.

Estimated implementation timelines

The timing of plan implementation depends on many factors, including when all required paperwork and information is received, the length of the blackout period (if applicable), the plan's enrollment process, etc. The implementation period may also be extended during periods of high seasonal demand (typically November through January).

Transfer of conversion assets and rollovers into the plan

Early in the implementation process, you must instruct the prior provider to transfer plan assets to Capital Group. Because the prior provider can take instructions only from a plan-

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authorized signer or trustee, the direction must come from the plan sponsor. Your IC will draft a letter of instruction and email it to you for you to sign and send to your prior provider.

Participants who want to roll over assets from other plans or retirement accounts to their new retirement plan account with Capital Group must contact their prior provider(s) to confirm their requirements for initiating a rollover. If requested, we can provide a letter of acceptance that notifies their prior provider that a participant account has been established that can receive rollovers.

Capital Group must receive plan sponsor approval to accept individual rollovers into the plan. By submitting the appropriate authorization form in a timely manner, you can help expedite the process and facilitate the investment of rollover assets when they are received. Once assets have been received from the prior provider, they will be invested in accordance with the participant investment elections on file.

Sample employee and service provider notifications

We provide several templates that you can customize for communicating with employees, plan participants and prior providers, including:

- **Sample termination letter** – this letter is sent to the previous provider when a plan is transitioning to Capital Group.
- **Sample employee notice for startup plans** – if you are just starting your company retirement plan, you can modify this notice to introduce your employees to the features and benefits of the program.
- **Sample transition letter and transition extension notice** – these sample notices are for use with existing plans transitioning to Capital Group. When a plan changes retirement plan provider, or conducts a plan re-enrollment, a transition period, also known as a blackout period, is often initiated. During a transition period, participant access to account information and transactions may be limited or restricted. More details about the transition period are provided below.
- **Participant fee disclosure document** – Capital Group provides a fee disclosure document that can be distributed by the plan sponsor to plan participants. The document is customized based on the plan's provisions and investment lineup. This document is updated on at least a quarterly basis and can also be accessed online.

In general, plans must give employees and beneficiaries 30 days' advance notice of any transition period that will last more than three consecutive business days. We'll provide a template populated with information you have provided that you can use to prepare your transition notice for employees and beneficiaries. Or, if you'd prefer to complete your own, you can use our sample transition notice. The notice includes:

- The reason for the transition period
- The expected time frame for the transition period
- A list of the restricted transactions during the transition period
- How existing investment balances are moved into the new funds
- A reminder for participants to review their contributions, allocations and options before the transition period begins

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If you determine that the transition period will last longer than first announced, a supplemental notice of the blackout extension must be given to employees and beneficiaries.

When the transition period is over, your participants and beneficiaries may appreciate receiving an end-of-transition notice to let them know they can access their accounts again.

We also offer qualified default investment alternative (QDIA) notice templates:

- **Sample participant notice: automatic enrollment and qualified default investment alternative notice (for plans with automatic enrollment)** – if your plan has automatic enrollment and you use the American Funds Target Date Retirement Series® as your default investment option, you or your TPA can modify this letter to provide the required notification to participants.
- **Sample participant notice: qualified default investment alternative notice (for plans without automatic enrollment) –** if your plan does not have automatic enrollment and you use the American Funds Target Date Retirement Series as your default investment option, you or your TPA can modify this letter to provide the required notification to your participants.

To access these templates, click the Forms tab on the plan sponsor website.

Our plan notice delivery service is available to mail notices easily and conveniently to your plan participants. Access the Notices & Fee Disclosure section of this website for more information about this service. Please note there is a fee of $2 per participant for each mailed notice.

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4. Enrollment

Participant enrollment

To enable participants to gain the maximum benefit from their retirement plan, you and your financial professional should work together to develop strong communications with employees, including scheduled enrollment meetings to explain the features and benefits of the retirement plan and answer any questions.

A customized enrollment education site for your plan

To educate your employees on the benefits of enrolling in your company retirement plan, we create a customized enrollment education site specifically for your plan with its own unique URL. This site hosts a motivational video, educational content, important plan information and disclosures, and is one of the primary tools you have for educating your employees about the features and benefits of your retirement plan. This site will be active and available as long as your plan is with Capital Group.

Plan notices

Certain regulatory notices need to be provided to employees prior to enrollment. Confirm with your third-party administrator which notices you need to provide for your plan.

Our plan notice delivery service is available to mail notices easily and conveniently to your plan participants. Access the Notices & Fee Disclosure section of this website for more information about this service. Please note there is a fee of $2 per participant for each mailed notice.

Methods of enrollment

RecordkeeperDirect offers two options for plan enrollment – online enrollment and traditional paper-based enrollment. Both are offered as standard services in the RecordkeeperDirect program for no additional fee, but individual plans can choose the enrollment method that is best suited to their situation and employee base.

For plans with an automatic enrollment provision, we also offer services to facilitate auto enrollment and ease your administrative burden. Plans with automatic enrollment are required to use online enrollment services.

The following sections describe how each enrollment method works and provide key information to keep in mind as you go through the process.

Online enrollment

Online enrollment provides a modern, digital enrollment experience that reduces paperwork and eliminates many manual steps that would otherwise fall on plan administrators. At a high-level, the steps in this process include the following:

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1. Establish a shell account for each employee who is eligible to participate in the plan now *or* is expected to become eligible in the future. You can accomplish this in one of two ways:
    a. **Online account establishment:** Log in to the plan sponsor website (americanfunds.com/retiresponsor) and add each employee online. This can be done by navigating to the Plan Administration section of the site, then selecting the submenu option for Participants and then clicking Add New Participant. The following data points will be needed:
        i. Full name
        ii. Social Security number
        iii. Address
        iv. Date of birth
        v. Date of hire
        vi. Participant status (e.g., eligible, not eligible, etc.)
        vii. Employee plan entry date (required if not using our Employee Deferral Eligibility Tracking Services)
        viii. Participant email address (encouraged, but optional)
        ix. Participant phone number (optional)
    b. **Census spreadsheet:** A participant census file can be downloaded from the Forms section of the website. Your employee information (as indicated in Option A above) can then be inputted into the spreadsheet. Once completed, the file can be emailed to Capital Group, who will upload the file into the system to establish the shell accounts.
2. Work with your financial professional to set a date for an enrollment meeting.
3. Get the word out about your upcoming enrollment meeting. Your financial professional can access our meeting poster and email invite templates on the financial professional website, or you can make your own.
4. Hold your enrollment meeting and invite employees to enroll online. Employees will access your customized enrollment education site and click the "Enroll" button to register for an online account and begin their enrollment process. Employees can then choose between a quick enrollment or a custom enrollment process. Quick enrollment is for eligible employees who have a valid beneficiary designation (e.g., prior designation) on file and are looking to enroll in a streamlined manner, make pre-tax contributions and invest in the plan's default investment. Custom enrollment is for eligible employees who want to designate and/or update their beneficiaries and are looking to enroll using the most customizable experience, make pre-tax, Roth and/or after-tax contributions and select investments from the plan's investment menu.
5. After employees enroll and reach their plan entry date, you will receive an email notification that a new Payroll Change Notification Report is available. The Payroll Change Notification Report will indicate the contribution rates/amounts to withhold from participant paychecks – and subsequently contribute into their retirement accounts – for employees that have enrolled in the plan. Note that you are responsible for determining when requested contribution changes should become effective – please verify with your third-party administrator if there are any

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plan limitations that you should be mindful of when establishing or updating deferral amounts for plan participants (e.g., plan entry dates, frequency of when changes can be made, etc.).

Note: Refer to the "Deferral Designation Services" section for more information about the timing and recipients of email notifications.

Traditional paper-based enrollment

Plans that prefer a traditional enrollment process involving paper forms will still be provided with a custom enrollment education site to help educate their employee base. But employees who click "Enroll" on this site will be directed to forms that can be completed online, printed and signed. These will later be returned to the plan sponsor to complete the account setup process, as described below.

RecordkeeperDirect can also provide printed enrollment guides, if desired, that contain information and illustrations to help employees understand the benefits of participating in the plan. This guide also includes the *Retirement Plan Enrollment/Change* form, *Beneficiary Designation* form and an *Incoming Rollover Request* form (if applicable). At a high level, the steps in the paper-based enrollment process include the following:

1. Work with your financial professional to set a date for an enrollment meeting. As part of your planning, determine if the meeting will center around the enrollment education site as the primary method for educating meeting attendees or if you will require printed enrollment guides. These guides can be ordered, if desired.
2. Get the word out about your upcoming enrollment meeting. Your financial professional can access our meeting poster and email invite templates on the financial professional website, or you can make your own.
3. Hold your enrollment meeting and invite employees to enroll by completing paper forms. Employees can also access these forms by accessing your customized enrollment education site and clicking the "Enroll" button. If you ordered printed enrollment guides, these forms will also be found at the back of the guide.
4. Gather all enrollment and beneficiary forms from employees.
5. The enrollment and beneficiary forms will give you the information you need to establish their accounts in one of two ways:
    a. **Online account establishment:** Log in to the plan sponsor website (americanfunds.com/retiresponsor) and add each employee online. This can be done by navigating to the Plan Administration section of the site, then selecting the submenu option for Participants and then clicking Add New Participant. The following data points will be needed:
        i. Full name
        ii. Social Security number
        iii. Address
        iv. Date of birth
        v. Date of hire
        vi. Participant status (e.g., eligible, not eligible, etc.)
        vii. Employee plan entry date (required if not using our Employee Deferral Eligibility Tracking Services)

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viii. Participant email address (encouraged, but optional)
ix. Participant phone number (optional)
x. Investment elections
xi. Contribution elections
xii. Beneficiary information

b. **Census spreadsheet:** A participant census file can be downloaded from the Forms section of the website. Your employee information (as indicated in Option A above) can then be inputted into the spreadsheet (Note: If investment elections are missing, contributions will be placed in the default investment identified on Part 1 of 2 of your *Retirement Plan Specifications* form). Once completed, the file can be emailed to Capital Group, who will upload the file into the system to establish the shell accounts.

Automatic enrollment

Capital Group offers services to help facilitate your plan's automatic enrollment provision and ease your administrative burden. We offer the flexibility to support you in one of two ways — either with or without our Employee Deferral Eligibility Tracking Services.

For plans with automatic enrollment, employees who decline enrollment or wish to make their own affirmative elections can do so using online enrollment via the participant website or mobile app.

Automatic enrollment with Employee Deferral Eligibility Tracking Services

When Capital Group tracks eligibility, the following key steps are involved in the automatic enrollment service:

1. The plan sponsor establishes an account for new employees (at the time of hire) with a "not eligible" status and <u>without</u> a plan entry date. The Employee Deferral Eligibility Tracking Services will determine the plan entry date at a later point.
2. If using an hours-based eligibility method, the plan sponsor must include hours worked for each employee with each payroll contribution roster.
3. A notification is sent to the plan sponsor alerting them when a new Employee Eligibility Projection Report is available online. The report identifies employees who are projected to become eligible to participate in the plan soon. The report runs on the 15th and last day of each month and includes employees who are anticipated to be eligible to participate in the plan within the next 60 days.
4. Approximately 30 days prior to the projected plan entry date, an invitation will be sent to the employee (by email or mail) inviting them to enroll in the plan (or decline enrollment).
5. Once the employee has met all eligibility requirements (including entry date requirements), the participant's status will be updated to "eligible" and a notification will be sent to the plan sponsor alerting them to a new Payroll Change Notification Report, which will indicate the participant's deferral rate. The report will show participants who made an affirmative election, were auto enrolled or declined enrollment. The plan sponsor will use this information to update their payroll withholding and plan contribution rosters.

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6. When the date arrives for auto-enrolled participants to be auto-increased (if applicable), an additional notification will be sent to the plan sponsor and the Payroll Change Notification Report will indicate each participant's new deferral rate.

Automatic enrollment without Employee Deferral Eligibility Tracking Services

When Capital Group is not tracking eligibility, the plan sponsor works with the third-party administrator to track eligibility outside of the recordkeeping system. The following key steps are involved in this automatic enrollment process:

1. The plan sponsor establishes an account for new employees (at the time of hire) with a "not eligible" status and with the anticipated plan entry date.
2. The plan sponsor and TPA monitor the employee's progress toward meeting the plan's eligibility requirements and update the plan entry date, as needed.
3. The plan sponsor or TPA must manually update the participant's status to "eligible". Once the participant's status is updated to "eligible" and the plan entry date is within 30 days, we will send an invitation to the employee (by email or mail) inviting them to enroll in the plan (or decline enrollment).
4. After the participant's status is updated to "eligible," a notification will be sent to the plan sponsor alerting them to a new Payroll Change Notification Report, which will indicate the participant's deferral rate. The report will show participants who made an affirmative election, were auto enrolled or declined enrollment. The plan sponsor will use this information to update their payroll withholding and plan contribution rosters.
5. When the date arrives for auto-enrolled participants to be auto-increased, an additional notification will be sent to the plan sponsor and the Payroll Change Notification Report will indicate each participants' new deferral rate.

Automatic delivery of enrollment materials to newly eligible employees

If employee plan entry dates are calculated using our Employee Deferral Eligibility Tracking Services for employees who are not yet eligible but will become eligible in the future, we'll send enrollment materials to employees up to 30 days before their plan entry or projected eligibility date. For plans with an automatic enrollment provision, these materials will include an invitation to enroll in the plan (sent by email or mail).

For plans that do not use our Employee Eligibility Tracking Services or do not have automatic enrollment, these notices are only sent to employees whom you have updated to an eligible status. This update must occur within 30 days before or after the employee plan entry date, otherwise no enrollment communication will be sent.

Enrollment communications will be sent via paper unless a work email has been provided for the employee on the recordkeeping system. You can elect to have all enrollment communications delivered via paper, even if an email is provided. Please allow up to 10 days for mail delivery. For undeliverable emails, enrollment communication will be sent via mail to the employee's address of record. For paper mail, the employer's address will be used for the return address.

We'll email you a weekly report that notifies you of any employees who were sent enrollment materials during the previous week.

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Meeting electronic delivery safe harbor requirements

Plan sponsors are required to send participants certain material, including reports, statements, notices and other documents (e.g., summary plan descriptions, participant fee disclosure, etc.). Under some circumstances, these documents may be sent to participants electronically – for example, by emailing a PDF or a link. For more information, contact your plan's TPA.

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5. Adding/updating participant accounts

Adding new participants to an active plan

When you hire new employees who are eligible or expected to become eligible to participate in the plan, you can establish accounts for them through the plan sponsor website.

If your plan is NOT utilizing our Employee Deferral Eligibility Tracking Services, be sure to input the employee's plan entry date. If your plan IS utilizing our Employee Deferral Eligibility Tracking Services, do NOT input the employee's anticipated plan entry date as the system will calculate and fill this field later.

Be sure to select the appropriate status (refer to the table below for all options).

Requirements to enroll in the plan are specified in your plan document. Refer to the Enrollment section of this guide for information about the participant enrollment experience that would occur once all eligibility requirements have been met.

To review step-by-step instructions on how to add a new participant or update an existing participant's information, access the Help Center on the plan sponsor website.

Participant status update

The plan sponsor is responsible for promptly updating participant statuses as necessary. These updates may include, for example, updating participants who have become eligible to participate in the plan from "Not Eligible" to "Eligible" status, and/or updating participants who are no longer employed by the plan sponsor to a "Terminated" or "Retired" status. These updates can be made through the plan sponsor website.

The following participant statuses are available:

Participant Status	Description
Active	An employee who is both eligible and actively participating in the plan.
Beneficiary	A person (may or may not be an employee) or trust inheriting assets from a deceased participant in the plan.
Deceased	A former employee who has died.
Disabled	A former employee who has separated from service due to becoming disabled.
Eligible	An employee who is eligible to participate in at least one money source in the plan but has not yet begun contributing.
Inactive	An employee who is no longer actively participating in the plan.
Not Eligible	An employee who is not eligible to participate in any money source in the plan.
QDRO	A person (may or may not be an employee) who is the alternate payee of a Qualified Domestic Relations Order for some other participant in the plan.
Retired	A former employee who has reached retirement age and chosen to retire.

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Terminated	A former employee who has separated from service before reaching retirement age, becoming disabled or dying.

Participant address changes

Either the plan sponsor or participant can update a participant address:

- **Plan sponsor** – use the plan sponsor website to process a participant's address change.
- **Participant** – participants can update their address on the participant website or on the participant mobile app.

Address changes submitted electronically via the plan sponsor, participant website or participant mobile app are updated immediately. We will send the participant a written confirmation of the address change within five days of the change.

Participant addresses must be kept current to help ensure that participants receive all mailings regarding their retirement plan accounts, including quarterly statements, any distributions and Form 1099-R, if applicable.

Exchanges

An exchange is the transfer of all or part of an existing balance from one investment option to another. As plan sponsor, you should notify participants of any restrictions the plan places on exchanges. Exchanges will be processed across all contribution types and may not be requested for specific contribution types. The exchange privilege can be terminated or changed at any time upon 60 days' notice.

Exchange requests will affect currently invested assets only and will not change the investment allocation of future contributions. Changes to the allocation of future contributions must be specifically requested, as described below. Exchanges are subject to excessive trading restrictions.

The plan sponsor or participant can initiate an exchange of assets between investment options.

- **Plan sponsor** – the plan sponsor website does not allow you to exchange assets held in a participant's account. To request an exchange based on the participant's instructions, call a client service team member at **(800) 421-6019** or send us a letter of instruction. RecordkeeperDirect was created as a participant-directed program. In most 401(k) and 403(b) plans, only the participant may direct investment of the accounts. Therefore, RecordkeeperDirect will not accept a plan-level investment instruction that is meant to apply to all participants identically.

- **Participant** – the participant can exchange assets between funds by using the participant website, participant mobile app or the voice response system (VRS).

- A *Retirement Plan Enrollment/Change* form cannot be used to make exchanges.

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- In order to mitigate the risks to financial professionals, broker-dealers and plan sponsors associated with financial professionals potentially being deemed a fiduciary, RecordkeeperDirect has implemented a policy to restrict financial professional transactions. Financial representatives, including registered investment professionals, are not authorized to request exchanges without having the participant on the telephone line.

Exchanges made via the participant website, participant mobile app or VRS are processed as of the next market close. Exchanges made after the close of regular trading on the New York Stock Exchange (generally 4 p.m. Eastern time) receive the next business day's prices.

If we need additional information, a client service team member will contact the individual requesting the exchange. We will mail the participant a written confirmation of the exchange on the first business day after it is processed.

A client service team member can answer any questions you may have about the exchange process, or you can call **(800) 421-6019** between 8 a.m. and 7 p.m. Eastern time, Monday through Friday.

Note: To help maintain their desired investment mix and minimize the need to exchange between investment options, participants can set up automatic rebalancing on the participant website or participant mobile app. When this option is selected, participants' accounts will automatically be rebalanced using their designated allocation percentages on the periodic basis selected; quarterly, semiannually or annually.

Allocation changes

The allocation percentages selected by the participant direct how his or her contributions are invested among the available investment options. An allocation change will impact future contributions only and will not rebalance assets currently held in the account. Allocation changes will be applied across all contribution types.

The plan sponsor or participant can initiate a change in the allocation of future contributions.

- **Plan sponsor** – use the plan sponsor website to change contribution allocations based on the participant's instructions indicated on their *Retirement Plan Enrollment/Change* form.
- **Participant** – the participant can change allocation percentages by using the participant website, participant mobile app or voice response system (VRS).

Allocation changes made via the websites, participant mobile app or the VRS are updated immediately but will not impact contributions submitted prior to the allocation change transaction, including contributions processed earlier in the day the request is made.

A client service team member can answer any questions you may have about changing allocation percentages, or you can call **(800) 421-6019** between 8 a.m. and 7 p.m. Eastern time, Monday through Friday, for additional information.

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Fiduciary responsibilities for missing plan participants

The plan fiduciary has a responsibility to maintain accurate participant information and to take steps to help ensure retirement benefits and required documents are successfully provided to your plan's participants. Failure to take appropriate steps to locate missing participants can result in penalties, risk of plan audits and, potentially, a breach of fiduciary duty.

Best practices for managing missing participants

In January 2021, the Department of Labor issued guidance in the form of best practices for maintaining participant information and locating missing participants and beneficiaries. We've summarized some of these best practices below to help you fulfill your fiduciary obligations.

Keep in mind, not every practice is appropriate for every plan. You should consider the size of a participant's account balance as well as the cost of any search efforts when determining which steps may be appropriate.

Maintain accurate participant information:

- Contact participants, both active and retired, on a regular basis to confirm or update their contact information (including beneficiary and emergency contact information if applicable).
- Audit the participant information periodically and correct any errors.

Conduct thorough participant searches:

- Attempt to contact the participant via all phone numbers and email addresses that you have on file.
- Use free online search tools, public records databases and social media to look for additional contact information.
- Check with the participant's designated beneficiaries and emergency contacts; if they have privacy concerns, you can ask them to forward a letter to the participant.

Document your procedures and actions:

- Develop clear procedures and put them in writing to help ensure consistent practices.
- Document the decisions and actions that you've taken to implement procedures and efforts to locate missing participants.

Identifying and preventing missing participants

We send participant statements and other plan information to participants on your behalf. Be sure to provide us with complete and up-to-date participant data. When participant data is incorrect, we receive returned mail and are unable to mail information to participants.

You can help identify participants with incorrect addresses by regularly auditing your plan's participant information. The sooner you identify incorrect data, the easier it's likely to be to locate the participant's correct contact information.

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6. Beneficiary Designation Services

Beneficiary Designation Services are offered as a standard product feature for RecordkeeperDirect plans at no additional fee. This service allows plan participants to make/update their beneficiary designations online – either during online enrollment, or post-enrollment through the participant website or mobile app. This information can then be accessed by the plan sponsor through the plan sponsor website, or by the TPA through the third-party administrator website.

Married participants cannot designate someone other than their spouse as the primary beneficiary online. For such requests, the participant must complete a paper beneficiary form and return it to the plan sponsor.

You are responsible for updating beneficiary information on the plan sponsor website for participants that do not provide beneficiary information online (e.g., make beneficiary designation via paper form or do not enroll) and for retaining paper beneficiary designation forms.

Note that beneficiary information does not display on quarterly statements and a notice is not generated when a participant's beneficiary is updated.

The recordkeeping system does not require participants to enter beneficiary information online. You are responsible for determining the beneficiary for a participant in the event of a beneficiary transfer of ownership.

To find out more about an online beneficiary designation, including the date it was entered and by whom (e.g., participant or employer), contact a Retirement Plan Services representative for assistance.

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7. Deferral Designation Services

Deferral Designation Services are offered as a standard product feature for RecordkeeperDirect clients at no additional fee. This service allows plan participants to make their deferral election requests (i.e., contribution elections) online – either during online enrollment, or post-enrollment through the participant website or mobile app. This information can then be accessed by the plan sponsor through the plan sponsor website, or by the TPA through the third-party administrator website.

When a participant makes a deferral election request, the plan sponsor will be notified that a new Payroll Change Notification Report is available online. This email notification is sent to 1–3 plan contacts designated by the plan sponsor. This report will show new deferral elections.

```
REPORT NUMBER:  R13151                          PAYROLL CHANGE NOTIFICATION                                   PAGE:          1
SOURCE PROGRAM: B25195                          EMPLOYEE CONTRIBUTION ELECTIONS                   SUPER SHEET DATE:  05/11/2021
JOB:            MBZTR230                         01/01/2021 TO 05/01/2021                            CURRENT DATE:  05/12/2021
                                                                                                          TIME:    06:02:58
SPONSORING COMPANY ID/NAME: 77-7777776  / SAMPLE PLAN 2-2
PLAN ID/NAME: TEST401K1 / ABC PLAN
LOCATION: 000000001 / TRP SAMPLE PLAN
                                                                                                                 9          10
      1                                                 4                                                                
  PARTICIPANT NAME          2 SSN      3 STATUS        REQUEST    EFFECTIVE  CONTRIBUTION     CONTRIB     CONTRIB CHANGE
                                                       DATE       DATE   6   TYPE       7     AMOUNT   8  PERCENT REASON
                            EMPLOYEE ID                5 ELECTION
                                                         TYPE

JUNE, MATT                  000-16-4151 ACTIVE         04/16/2021 04/16/2021 401(K)   PRE-TAX              3.00% UC
                                                           NEW              401(K)   PST-TAX              1.00%
                                                                            401(K)   ROTH                 1.00%

JUNE, MATT                  000-16-4151 ACTIVE         04/19/2021 04/19/2021 401(K)   PRE-TAX              4.00% PI
                                                          CHANGE            401(K)   PST-TAX              2.00%
                                                                            401(K)   ROTH                 2.00%

MARCH, JOE                  000-14-4151 ACTIVE         04/16/2021 04/16/2021 401(K)   PRE-TAX              3.00% UC
                                                           NEW
```

The Payroll Change Notification Report contains the following columns:

1. **Participant name:** Last name, first name of the participant
2. **SSN:** Participant's Social Security number (disregard employee ID)
3. **Status:** Participant's status in the plan
4. **Request date:** The date the enrollment or deferral change was requested in the system.
5. **Election type:** Differentiating between new enrollees vs existing participants
   - "New" for new enrollees
   - "Change" for updates to existing participants
6. **Effective date:** Not applicable as we don't use this field.
7. **Contribution type:** Type of deferral the participant has elected
   - "Pre-tax" for elective deferrals
   - "Pst-tax" for voluntary after-tax
   - "Roth" for Roth deferrals
8. **Contrib amount:** If a dollar amount was elected it will show here.
9. **Contrib percent:** If a percentage was elected it will be under this column.
10. **Change reason:** Indicates how the change was submitted.
    - AE – Automatically enrolled at the specific amount outlined in the Automatic Contribution Arrangement (ACA) provision (ACA)

- AI – Automatic increase, participant was auto escalated as outlined in the Automatic Contribution Arrangement (ACA) provision
- AR – Automatic Contribution Arrangement (ACA) rehire
- DE – Declined enrollment (proactively opted out of the plan)
- EE – Automatically enrolled at the specific amount outlined in the Eligible Automatic Enrollment (EACA) provision
- EI – Automatic increase, participant was auto escalated as outlined in the Eligible Automatic Contribution Arrangement (EACA) provision
- ER – Eligible Automatic Contribution Arrangement (EACA) rehire
- EX – Exclusion eligibility
- ME – Participant's enrollment election(s) modified through Mobile Enrollment
- PI – The participant's enrollment election(s) were increased as a result of the participant-elected automatic contribution increase
- PR – Participant's election(s) were modified based on data from payroll provider
- QE – Automatically enrolled at the specific amount outlined in the Qualified Automatic Contribution Arrangement (QACA) provision
- QI – Automatic increase, participant was auto escalated as outlined in the Qualified Automatic Contribution Arrangement (QACA) provision
- QR – Qualified Automatic Contribution Arrangement (QACA) rehire
- RE – Participant's election(s) were modified due to a plan re-enrollment event
- RH – Participant was rehired and re-enrolled into a plan with the affirmative elections they made prior to separation of service when the plan has an automatic contribution arrangement (ACA, EACA or QACA)
- RM – Participant chose to maintain their current enrollment elections or continued to decline enrollment during a plan re-enrollment event
- SE – Participant's enrollment election(s) modified through Quick Enrollment
- SS – Separated from service
- UC – User Change (participant updated)
- ZZ – Unknown

Notifications for requests made prior to a participant's entry date will be sent on the employee's entry date. If no entry date is provided, employees will be treated as having entered the plan immediately. The Service Provider will notify the Employer if a notification cannot be delivered (i.e., an email is returned or is undeliverable).

The Payroll Change Notification report produces daily on the plan sponsor website – whether or not changes were submitted that day, and each report will be available online for 90 days. To determine if a report contains a deferral update, review only reports that are available in PDF format.

To generate a comprehensive report showing all participant deferral elections submitted online, follow these steps:

1. Navigate to the Reports & Analysis > Advanced Reports tab
2. The subtab will automatically load on the Saved Participant Reports tab
3. Click the "Request a Custom Participant Report" button
4. On the pop-up window, click the purple drop-down arrow next to "Census"

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5. Under the "Show" column, check the boxes next to the following data (note: Roth and Voluntary After-Tax values only appear if those money types are active on the plan):
    a. Pretax Contribution %
    b. Pretax Contribution Dollar Amount
    c. Roth Contribution %
    d. Roth Contribution Dollar Amount
    e. Voluntary After-Tax %
    f. Voluntary After-Tax Dollar Amount
6. Click the "Run Report" button in the bottom right corner
7. You may download the report as a CSV file or review the data on screen

If participants submit a paper enrollment/change form to the plan sponsor with a new or updated deferral election, the plan sponsor is responsible for inputting this election for the participant through the plan sponsor website. The plan sponsor should retain the paper form with their plan records.

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8. Vesting

Vesting schedules

A plan's vesting schedules are specified in the plan document. As directed by the plan, Capital Group can support various vesting schedules, including graded schedules and full-and-immediate setups. If needed, a separate vesting schedule can be implemented for each money source.

Automatic vesting

The system may automatically update participants to 100% vesting when certain automatic vesting conditions are established in the recordkeeping system:

- **Normal retirement:** The participant's account is updated to 100% vesting upon reaching the normal retirement age listed in the recordkeeping system.
- **Early retirement:** The participant's account is updated to 100% vesting upon reaching the early retirement age listed in the recordkeeping system.
- **Disability:** The participant's account is updated to 100% vesting upon being updated to a "disabled" status in the recordkeeping system.
- **Death:** The participant's account is updated to 100% vesting upon being updated to a "deceased" status in the recordkeeping system.

Tracking participant vesting

The system uses the following data to track participant vesting:

- **Vesting method** (described below)
- **Computation period** (described below)

Vesting is tracked using the computation period and vesting methods established for the plan.

Vesting method

- **Elapsed time:** This method calculates vesting using the total time that has elapsed since the participant began service. It begins on the Vesting Determination (i.e., hire) date and ends on the anniversary date (i.e., participant hire date).
- **Hours of service:** This method calculates vesting based on the number of hours per vesting computation period. It includes two sub-options:
    - **Manual method:** Requires participant hours to be uploaded at least annually via the website by the plan sponsor or TPA. Vesting advances one year of service when participant hours of service reach threshold dictated by plan document (usually 1,000 hours).
    - **Automated method:** Vesting advances one year of service automatically following 181 days after the anniversary date or plan-year end (depending on the plan's computation period).

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Vesting computation period

- **Anniversary year:** A year ending on each anniversary of the participant's hire date.
- **Plan year:** A year ending with the plan's year-end date.

When vesting advances (by selected method and computation period)

Method	Computation period (i.e., year)	When vesting updates
Elapsed time	Anniversary	On each anniversary of the participant's hire date
Hours of service (automated)	Anniversary year	After 181 days of service in the current anniversary year
	Plan year	After 181 days of service in the current plan year
Hours of service (manual)	Anniversary year	After 1,000 hours of service is reached in the current anniversary year (hours submitted via payroll)
	Plan year	After 1,000 hours of service is reached in the current plan year (hours submitted via payroll)

How to update participant vesting

Vesting changes for participants should be made by submitting a payroll batch (either by importing an Excel spreadsheet or by creating a manual batch). After initiating the payroll batch, do not select any money types under the Available Contribution Types section. Rather, select the appropriate action option (depending on how your plan determines vesting) under the Vesting Items section:

- **Replace plan hours:** Allows the participant hours of service totals currently on file to be replaced by another value for the current year. To be used only by plans utilizing an **hours of service** vesting method and **plan year-end** anniversary date.
- **Replace anniversary hours:** Allows participant hours of service totals currently on file to be replaced by another value for the current year. To be used only by plans utilizing an **hours of service** vesting method and participant **date of hire** anniversary date.
- **Replace plan years:** Allows participant years of service totals to be replaced by another value. To be used only by plans utilizing an **elapsed time** vesting method and **plan year-end** anniversary date.
- **Replace anniversary years:** Allows participant years of service totals to be replaced by another value. To be used only by plans utilizing an **elapsed time** vesting method and participant **date of hire** anniversary date.
- **Add to plan/anniversary hours:** Allows cumulative changes to participant hours of service totals periodically throughout the year. To be used only by plans utilizing an **hours of service** vesting method for current-year changes.

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- **Add to plan/anniversary years:** Allows participant years of service totals to be increased in one transaction. To be used only by plans utilizing an **hours of service** vesting method, where the plan makes participant vesting updates once annually.

Single participant – hours of service: For plans that use an **hours of service** vesting method, there is an alternative process to changing a participant's vesting. Instead of submitting a payroll batch, a manual update can be made in real time. Access the participant's profile via the Plan Administration/Participant tab and select the Participant Information link within the drop-down menu associated with the participant's name. Click the Next button at the first Personal Information screen and enter hours of service information for the appropriate plan year on the Vesting Hours screen.

Vesting verification in distribution process

Although we can maintain vesting percentages for participants, we rely upon the TPA and/or plan sponsor to verify the vesting held on the system at the time of any distribution.

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9. Employee Deferral Eligibility Tracking Services

Capital Group offers Employee Deferral Eligibility Tracking Services as optional services to help ease administrative burdens associated with tracking eligibility. These services are available to plans with an eligibility requirement for deferrals of at least 60 days.

When the services are established for your plan, keep in mind the following important considerations:

1. **Establishing employee accounts.** When a new employee is hired who may become eligible to participate in the plan, the plan sponsor should establish an account for the employee as soon as possible in a "not eligible" status. When establishing this account, the "plan entry date" should be left blank, as the system will calculate this date at a later point in time.
2. **Providing hours worked.** If using an hour-based method for determining eligibility, hours must be input with each payroll contribution roster by following these steps:
    a. When selecting the "Status" criteria for your payroll contribution roster, be sure to include all relevant employee statuses – including "not eligible" employees.
    b. Before leaving the criteria selection screen, check the box for "Add to Plan and Anniversary Hours." This will add a column with this header to your contribution roster.
    c. Once you have selected all relevant statuses, contribution types and additional column headers for your roster, click "Continue."
    d. Complete the relevant details for your roster, including the hours worked for the period for all employees.
    e. Complete the rest of the roster submission process, including inputting contribution information, confirming the bank account to fund contributions, and submitting your roster.

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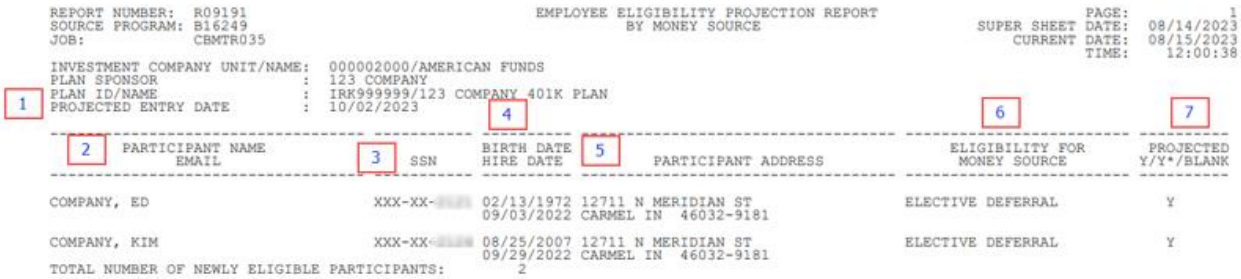
3. **Employee Eligibility Projection Report.** A notification is sent to the plan sponsor alerting them when a new Employee Eligibility Projection Report is available online. The report identifies employees who are projected to become eligible soon. The report runs on the 15th and last day of each month and includes employees who are anticipated to be eligible to enroll in the plan within the next 60 days. This report should be reviewed for accuracy and can also serve as a reminder to prepare and distribute any required regulatory notices.



```
REPORT NUMBER:  R09191                          EMPLOYEE ELIGIBILITY PROJECTION REPORT                    PAGE:          1
SOURCE PROGRAM: B16249                                   BY MONEY SOURCE                     SUPER SHEET DATE:  08/14/2023
JOB:            CBMTR035                                                                        CURRENT DATE:  08/15/2023
                                                                                                        TIME:    12:00:38
INVESTMENT COMPANY UNIT/NAME:  000002000/AMERICAN FUNDS
PLAN SPONSOR                 :  123 COMPANY
PLAN ID/NAME                 :  IRK999999/123 COMPANY 401K PLAN
PROJECTED ENTRY DATE         :  10/02/2023
1                                4                                                   6                      7
2  PARTICIPANT NAME              3                  BIRTH DATE  5                    ELIGIBILITY FOR        PROJECTED
       EMAIL                     SSN               HIRE DATE        PARTICIPANT ADDRESS   MONEY SOURCE        Y/Y*/BLANK

COMPANY, ED                     XXX-XX-[illegible]  02/13/1972 12711 N MERIDIAN ST      ELECTIVE DEFERRAL          Y
                                                    09/03/2022 CARMEL IN  46032-9181
COMPANY, KIM                    XXX-XX-[illegible]  08/25/2007 12711 N MERIDIAN ST      ELECTIVE DEFERRAL          Y
                                                    09/29/2022 CARMEL IN  46032-9181
TOTAL NUMBER OF NEWLY ELIGIBLE PARTICIPANTS:          2
```

The report contains the following columns (refer to image above):

1. **Projected entry date:** The date the participant(s) listed on the report will be eligible to enter the plan and start contributing.
2. **Participant name:** Last name, first name of the participant
3. **SSN:** Participant's Social Security number
4. **Birth date:** Participant's date of birth
5. **Hire date:** Participant's date of hire, used to calculate the entry date
6. **Eligibility for money source:** Will list the employee deferral money type(s) for which the participant is eligible to start receiving contributions.
7. **Projected Y/Y*/Blank:**
   - "Y" – Indicates the participant has met the eligibility requirements and will enter the plan on the projected entry date listed in item #1 at the top left-hand corner of the report.
   - "Y*" – This status isn't used for our service.
   - "Blank" – Indicates the participant has not met eligibility requirements but is projected to meet them soon and will enter the plan on the projected entry date listed on the top left-hand corner of the report.

4. **Invitation to enroll.** Approximately 30 days prior to the projected eligibility date, an invitation will be sent to the employee (by email or mail) inviting them to enroll in the plan (or decline enrollment).
5. **Eligibility status update.** Once the employee has met all eligibility requirements (including entry date requirements), the participant's status will be updated to "eligible."

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10. Contributions

Contribution transactions consist of periodic deposits to participant accounts from the contribution sources defined by the provisions in plan documents. Contributions also may be made in the form of loan repayments or rollovers from other qualified sources (if allowed by your plan document).

Remit contributions only after your implementation coordinator (IC) has notified you that your plan has been set up on the system and is able to accept contributions.

If remitting contributions for participants in a specific location, such as a particular office, you can use the location as a criteria when creating the contribution roster in order to add only participants from that location.

You can also enable our payroll integration service, described below, to have your payroll provider transmit data directly to us. Once payroll integration is set up, you will only need to review and approve the transmitted file so the deferrals can be funded.

How to submit required data elements

- **Payroll deferrals, employer contributions and loan repayments.** These contributions must be initiated, edited and submitted electronically via the RecordkeeperDirect plan sponsor website. All accompanying contributions must be transmitted using the Automated Clearing House (ACH) system.
- **Conversion assets.** To ensure that conversion assets are coded correctly, they cannot be processed online. Once we have received the conversion assets, we will notify all parties and provide a sample file for the breakdown of assets. The file will be specific to the type of conversion requested (i.e., mapping, target date fund conversion, etc.). We will invest the conversion assets into individual participant accounts on receipt of the conversion file in good order from the current TPA or client.
- **Rollover assets.** If your plan accepts rollover assets, participants should initiate the rollover request by using the form provided by their former investment manager. We do not provide a form to initiate the transfer of rollover assets, but upon request we can provide a letter of acceptance to inform the prior investment manager that we have established a qualified plan account for the individual and are able to accept rollover assets.

Please note that we cannot accept a participant's personal check for any contributions, including rollovers. Rollover assets should be transmitted to us in one of the two following ways:

- The prior trustee or custodian makes the check payable to your plan and sends it to you to deposit into the plan's account. You then will transfer the rollover assets to the participant's account by using the sponsor website and ACH to process the contribution and transfer the funds.

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- The prior trustee or custodian makes the rollover check payable to Capital Bank and Trust, FBO [participant's name], and sends the check directly to us. The participant's Social Security number, the plan name and the plan ID number (BRK or IRK number) must be clearly indicated on the check. Upon receipt of the check, we will deposit it into the participant's account.

Please ensure that your plan documents instruct participants or their financial professionals to inform you when they intend to send rollover assets. Once you have been notified, you can expedite the rollover process by completing the appropriate incoming rollover paperwork (available in the Forms section of the plan sponsor website) and faxing or mailing it to Capital Group (refer to Section 2 of this guide for contact information). If we receive a check without prior notification, we will contact you to verify that your plan will accept the rollover assets, which may delay investment of the assets.

How to submit contributions

Contributions (including payroll deferrals, loan repayments and employer contributions) must be remitted on the plan sponsor website. All contributions are to be funded by ACH. **Please note that we cannot accept a participant's personal check for contributions or loan payments. Rollover checks made payable to Capital Bank and Trust Company can be mailed along with a completed form acknowledging the plan's acceptance of the rollover.**

- **ACH submissions:** Payroll contributions will be funded with the selected bank account after submitting the payroll and selecting ACH as the payment type.

Your unique user ID gives you secure access to ACH contribution processing on the plan sponsor website, ensuring that ACH transfers are initiated only when you have completed and submitted the payroll contribution. You have total control over when you schedule the contribution processing and ACH bank draft. Capital Group will not initiate any ACH transfer.

Prior to submitting your first ACH contribution, you must provide your bank account information via the *Retirement Plan Specifications* paperwork (completed during the implementation process) or the *Bank Draft Authorization Change Request*. If you have not already sent us this information, download a copy of the *Bank Draft Authorization Change Request* by clicking on the Forms tab of the plan sponsor website, and complete, sign and return it to Capital Group. We can accept this form by fax.

If you decide to change the bank account you will use for ACH transactions, submit an updated *Bank Draft Authorization Change Request*. You have the option of using multiple bank accounts to fund payroll contributions.

- **Wire payments:** Regular payroll or employer contributions cannot be made via wire payment. Payment by wire is accepted only for conversion assets during plan implementation.

To wire conversion assets, provide the prior provider with the address and instructions below. You must include the RecordkeeperDirect Plan ID (BRK or IRK number) as part of your wire instructions so we can correctly identify the receiving plan.

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Wells Fargo Bank
707 Wilshire Boulevard, 13th Floor
Los Angeles, CA 90017

ABA #121000248
Account #4121-883698

For credit to the account of:
Capital Bank and Trust
Plan ID: (BRK or IRK number)

Conversion assets will remain in the plan's holding account until the reconciliation is complete.

Payroll contribution processing

Contributions processed via the plan sponsor website are entered into the RecordkeeperDirect system immediately. Contributions processed after the close of regular trading on the New York Stock Exchange (generally 4 p.m. Eastern time) receive the next business day's prices. We track contributions by the payroll date and process them by the trade date. We rely on you, the payroll provider or the TPA to provide the payroll date.

Payroll contributions with a future payroll date will not be processed until the payroll date.

Contributions that are not processed on the website (e.g., conversion assets or rollovers) are entered into the recordkeeping system within two business days of our receipt of the data in good order.

If we find errors in or have questions about a payroll contribution, a client service team member will contact the individual who submitted the payroll contribution to resolve the issues. We will delay processing the contribution data for three business days, pending resolution. If we do not resolve the issue within three business days, we will return the contribution.

It is important to ensure that the correct contribution type (i.e., money type) is selected when processing a contribution. If you find an error in contribution data that you have sent, please notify us as soon as you discover the error. A client service team member will assist you in determining the appropriate corrective procedure. For more details about corrective procedures, refer to the following page.

Payroll integration service

Our payroll integration service allows a plan's payroll provider to submit payroll files to Capital Group directly and electronically. Once this service is set up, the plan sponsor's role in the contribution remittance process is simplified to reviewing and approving the transmitted file so it can be funded.

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To be a suitable fit for the payroll integration service, consider the following:

- The plan must be using a supported payroll provider. At this time, payroll software integration, such as Intuit QuickBooks®, is not supported.
- Payroll integration must be a service that that payroll provider offers as part of their arrangement with the plan sponsor.
- While there is no additional charge from Capital Group for this service, some payroll providers do charge a fee. Check with your payroll provider to confirm.
- The required lead time to implement payroll integration will vary based on seasonal shifts in work volumes and the responsiveness of the payroll provider.

Information that can be transmitted through the integration process includes employee and employer contributions, loan payments, vesting updates and census updates. If interested in this service, contact a Retirement Plan Services representative for more information and an onboarding overview.

Corrective contributions

If the plan uses an IRS correction program that requires a corrective contribution to be made, you must provide a client service team member with advance notice of the corrective contribution, along with allocation instructions, at least five business days before your deadline for making the corrective contribution.

Department of Labor (DOL) requirements for 401(k) plans and plans that offer loans

Employee contributions and loan repayments

On January 14, 2010, the Department of Labor finalized a proposed safe harbor rule that helps plans with fewer than 100 participants meet the plan asset rule (often referred to as the "timely remittance" requirement). Under the rule, small plans will meet the requirement if they submit employee contributions to the plan's trust account within seven business days of being withheld from participant paychecks. This guideline also applies to participant loan repayments.

The general rule for timely remittance is the earliest date that the contributions "can reasonably be segregated from the employer's general assets, but in no event later than the 15th business day after the end of the month in which the money was withheld." This somewhat vague wording has led to misinterpretation, as well as penalties and other legal consequences for sponsors. The safe harbor rule is more specific, but as with any safe harbor provision, compliance is voluntary. A small plan that does not meet the safe harbor, however, must comply with the general rule.

Employer contributions

For an employer's profit sharing, profit sharing/401(k) or money purchase plan contribution to be deductible, the contribution must be made by the employer's tax-filing deadline (including extensions). In addition, the employer must make money purchase plan contributions within 8½ months after the close of the plan year to avoid the funding deficiency penalty of 10%.

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Lost earnings

If lost earnings must be made up due to untimely deposit of contributions or loan repayments, the earnings are calculated as the greater of:

- The rate of return earned by the investment alternative under the plan, or
- The interest rate required to be paid under IRC Section 6621(a)(2) for underpayment of taxes

Capital Group must receive instructions relative to lost earnings at least five business days in advance to ensure they are posted on the correct earnings end date.

Please refer any questions you may have regarding DOL requirements to your legal counsel.

Special considerations for Roth 401(k) contributions

If your plan offers Roth contributions, any employer matching contributions that you make on account of the Roth contributions will accumulate on a tax-deferred basis and are taxable when withdrawn. Only the Roth contributions (and attributable earnings) are eligible for the special tax-free withdrawal treatment.

In the event a participant's combined pretax salary deferrals and Roth contributions exceed the 402(g) limit, the participant may choose which money type their excess refund should be taken from, unless your plan describes an ordering rule. As plan sponsor, you are responsible for letting us know which money type to use when an excess refund is requested.

If your plan allows for partial distributions from Roth assets, we will treat the Roth portion of all such distributions as partially taxable and partially non-taxable.

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11. Distributions and loans

Introduction

As the recordkeeper, we process all transactions, including distributions, in accordance with instructions we receive in good order from you or your TPA. Distributions and loans must be initiated using one of the following applicable methods:

- Online
  - Most common distribution types can be initiated on the plan sponsor, participant and TPA websites, or through the participant mobile app.
  - Plan sponsors can initiate and approve these distributions by accessing the Withdrawals tab on the plan sponsor website.
  - TPAs can initiate and approve these distributions by accessing the "Withdrawals to Review" link on the TPA website. As the default process, online distributions must be approved by the TPA and plan sponsor. Plans can switch the order of approvals or remove the sponsor or TPA from the process. For the TPA to act as the sole distribution approver, the plan sponsor must provide written authorization.
  - Payment can be made by check (regular mail or expedited delivery) or ACH.
  - New American Funds IRAs can be established to receive rollovers without the need to submit a paper IRA account application.
- Paper
  - Distribution forms can be found in the Forms section of the plan sponsor website.

Before submitting your distribution request, please verify with your TPA that your plan document provisions permit the requested distribution type, that the request complies with all applicable regulations and plan rules, and that the participant's vested balance is sufficient to allow the requested distribution amount.

With the exception of distributions due to death or qualified domestic relations orders (QDROs), a distribution can be made payable to either the participant or a successor trustee or financial institution. To process a distribution request, Capital Group must receive:

- A distribution request (submitted online or via paper form) with all required information. The participant's current vested percentage may be required.
- The approval of an authorized signer (provided online or by signing the form).
- Any other supporting information/documentation needed to complete the request.

Most common distribution types may be submitted electronically on the plan sponsor website for secure, efficient and paperless processing.

Distribution requests received in good order prior to the close of regular trading on the New York Stock Exchange (generally 4 p.m. Eastern time) are processed the same day. Distribution requests received after the close of regular trading are processed at the next business day's prices.

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Special considerations for Roth 401(k) distributions

Roth contributions (and earnings) are eligible for tax-free withdrawal after attainment of age 59½, death or disability AND a date that is five years or more after the Roth account was established. We rely on you and your TPA to advise us if a distribution is qualified.

In the event a participant's combined pretax salary deferrals and Roth contributions exceed the 402(g) limit, the participant may choose which money type their excess refund should be taken from, unless your plan describes an ordering rule. As a plan sponsor, you are responsible for notifying us of which money type to use when an excess refund is requested.

If your plan allows for partial distributions from Roth assets, we will treat the Roth portion of all such distributions as partially taxable and partially non-taxable.

Distributions due to separation from service, including disability and retirement

A participant is generally entitled to receive the vested portion of their account balance on separation from employment, disability or retirement. (If the participant is not fully vested, refer to "Special instructions on forfeitures" later in this section.)

The participant may elect to roll over eligible amounts into a traditional or Roth IRA, a SIMPLE IRA, an individual retirement annuity, a 403(b) plan, a 457(b) plan or another retirement plan that accepts rollover contributions.

The participant also may elect to receive the distribution in a single payment. However, any amounts that would be "eligible rollover distributions" that were not previously taxed are subject to mandatory 20% federal income tax withholding and may be subject to mandatory state income tax withholding. (After-tax contributions, including Roth after-tax contributions, however, would not be subject to withholding.) Please ask your Capital Group client service team or your financial professional for a supply of the Capital Group brochure titled *What to consider when leaving your employer* to help your employees learn about their options.

Separation from service distributions: Required information

- A distribution request (submitted online or via paper form) with all required information. The participant's current vested percentage may be required.
- The approval of an authorized signer (provided online or by signing the form).
- Any other supporting information/documentation needed to complete the request

Separation from service distributions: Transaction processing

A distribution request received in good order with all necessary approvals will be processed as of the next market close of the New York Stock Exchange (generally 4 p.m. Eastern time).

Your request is considered in good order if:

- All required information to complete the distribution is provided, including the participant's current vested percentage, and
- The request has been approved by a plan authorized signer (provided online or by signing the form).

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If you request a separation-of-service distribution for the trustee of the plan or the owner of the company, your request is considered in good order only if the above criteria are met *and* one of the following is provided:

- Documentation naming a new trustee for the plan
  OR
- Notification of the plan's intent to terminate (note that some preliminary steps are required before distributions can be processed in the event of a plan termination)

Distribution proceeds will be sent on the next business day after the request was processed (via ACH or check). Any unvested employer monies will be automatically swept to the forfeiture account.

Separation from service distributions: Resolving data issues, correcting errors or making changes

A client service team member will contact you or the TPA to resolve any outstanding issues with your request. In some cases, the representative will direct you to submit a new request (online or via paper form) to address the issue.

We will pend the distribution request for two business days to allow time for open questions/issues to be resolved. If we do not receive resolution in this time frame, the request will not be processed and will need to be resubmitted at a later time.

You, or the TPA, must request in writing any necessary corrections to previously processed distribution requests. For more details about corrective procedures, please refer to Section 10 of this guide.

Separation from service distributions: Special instructions for an automatic rollover to an American Funds Rollover IRA

The Department of Labor allows for terminated participant account balances valued between $1,000 and $5,000 to be rolled over into an individual retirement account (IRA) if the participant doesn't provide their own distribution instructions. Check with your TPA to determine if your plan document includes an automatic rollover provision. If it does, you can establish an automatic rollover account for a terminated participant who has not responded to requests for distribution elections as follows:

- Complete, sign and return an *Automatic Rollover IRA Employer Agreement* to Capital Group. You can access this document in the Forms section of the plan sponsor website.
- Once you have signed and submitted the *Automatic Rollover IRA Employer Agreement*, you can send a letter of instruction listing the participants' name(s), Social Security number(s) and other information specified in the agreement to rollover their vested balances into automatic rollover IRAs.

More information about automatic rollover IRAs and detailed processing instructions are provided in the *Automatic Rollover IRA Employer Agreement*.

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Separation from service distributions: Special instructions for non-resident aliens

Capital Group will need the form W-8BEN completed and submitted with an original signature in order to process a distribution for individuals who are non-resident aliens. The W-8BEN form is available on the IRS website at irs.gov or from capitalgroup.com. The definitions of resident alien and non-resident alien are also available on the IRS website, irs.gov and in IRS Publication 519.

Loans

Participant loans provide a way for participants to access money from their accounts. The provisions in the plan documents or separate written loan program typically specify:

- How the interest rate is determined
- Whether loans are limited to "general purpose" or can be used to purchase a "principal residence"
- Other limitations on use of loan proceeds, such as "hardship reasons"
- Minimum and maximum loan amounts
- The number of outstanding loans permitted per participant

Loans: Required information

A completed *Loan Request* form is required to initiate loan processing. The *Loan Request* form can be faxed, emailed or submitted via mail. Loans cannot currently be initiated online.

Please make sure the loan conforms to the guidelines required by your plan and any applicable retirement plan regulations. Also, please inform participants who request loans that they will be charged a loan origination fee of $85 and an annual loan maintenance fee of $50. Loan fees will be deducted directly from the participant's account. These loan fees are separate from any charges your TPA may impose.

Loans: Transaction processing

A loan request received in good order with all necessary approvals will be processed as of the next market close of the New York Stock Exchange (generally 4 p.m. Eastern time).

Your request is considered in good order if:

- The *Loan Request* form is complete and
- The form contains the signature of an authorized signer

Loan proceeds will be sent on the next business day after the request was processed (via ACH or check).

You can access the amortization schedule on the plan sponsor website via the Loans screen.

Loans: Loan repayments

Participants are required to repay loans taken against their retirement plan accounts. Loan repayments from payroll deductions must be submitted via the Automated Clearing House (ACH) as part of the payroll contribution process. Additional loan payments or loan payoffs should also be made through the sponsor website and ACH. Extra payments or amounts will

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be applied to future payments on the amortization schedule. Due to system limitations, we are unable to accept loan payments solely for the purpose of reducing the principal loan balance.

A payoff of the entire outstanding loan balance must be processed on the plan sponsor website. To prevent the payoff amount from being applied to future payments, the loan must be frozen and the payoff, referencing the loan freeze date as the payroll date, must be processed within the freeze period. **Please note that we cannot accept a participant's personal check for any contributions, including loan payments or loan payoffs.**

We provide loan monitoring and tracking services to plans offering loans to their participants. Detailed loan information can be reviewed by going to the Loans tab in the Plan Administration area of the plan sponsor website. This detailed loan information includes, but is not limited to, outstanding balances, payment frequency, expected payment amounts, loan activity, amortization details, at-risk loans, defaulted loans and the ability to calculate and freeze loans.

We will provide quarterly at-risk notifications to plan sponsors and TPAs for loans considered at risk of defaulting. These notifications will be emailed approximately 61 to 65 calendar days in advance of the cure period end date. Participants will be mailed notifications approximately 30 calendar days in advance of the cure period end date. If the missed loan payments due are not received by the last business day of the cure period, we will automatically default the loan, and a 1099-R will be generated for tax purposes. The defaulted loan will continue to accrue interest until the loan is fully repaid or offset. Any additional loan payments made to a defaulted loan will be treated as after-tax contributions.

Unless we are notified otherwise, we use the cure period calculation as set forth by the IRS guidelines. It is defined as the last day of the calendar quarter following the calendar quarter in which the missed payment occurred. However, the plan's loan policy may stipulate a shorter cure period.

Please notify us in writing as soon as possible if you determine that a participant loan is in default. If the participant is still employed, the letter should include instructions on whether we are to treat the default as a distribution or offset the participant's balance. A 1099-R will be generated.

If your plan requires that a participant repay any outstanding loans immediately upon termination of employment or within a reasonable period following termination, and the participant fails to do so, you can instruct us to offset the outstanding loan balance. A 1099-R will be issued for the amount of the offset. If the participant takes a distribution of the balance of the account, withholding will consider the amount of the offset.

Loans: Resolving data issues, correcting errors or making changes

A client service team member will contact you or the TPA to resolve any outstanding issues with your request. In some cases, the representative will direct you to submit a new request (online or via paper form) to address the issue.

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We will pend the loan request for two business days to allow time for open questions/issues to be resolved. If we do not receive resolution in this time frame, the request will not be processed and will need to be resubmitted at a later time.

You, or the TPA, must submit in writing any changes or corrections pertaining to previously processed distribution requests. For more details about corrective procedures, please refer to Section 10 of this guide.

Refund of excess/mistake of fact distributions

Return of excess

You should consult your legal counsel or your TPA before requesting a corrective distribution or return of excess.

Mistake of fact

The IRS has issued limited guidance with respect to the circumstances under which a contribution is determined to be made as a mistake of fact, and the limited guidance provides a very narrow definition of "mistake of fact." If this request is found not to meet the IRS standard for mistake of fact, the contribution returned may potentially jeopardize the plan's qualification status, which can result in adverse tax consequences to the plan sponsor and plan participants. You are strongly encouraged to consult your legal professional before making a decision. The contribution amount requested cannot be increased for earnings and must be decreased by losses, if any.

Excess distributions: Required information

A completed distribution form, including the signature of an authorized signer on the form, is required to initiate excess distribution processing. Excess distributions cannot currently be initiated online.

Excess distributions: Transaction processing

An excess distribution request received in good order with all necessary approvals will be processed as of the next market close of the New York Stock Exchange (generally 4 p.m. Eastern time).

- The distribution form is complete and
- The form contains the signature of an authorized signer

Excess distributions: Resolving data issues, correcting errors or making changes

A client service team member will contact you or the TPA to resolve any outstanding issues with your request. In some cases, the representative will direct you to submit a new request (online or via paper form) to address the issue.

We will pend the excess distribution request for two business days to allow time for open questions/issues to be resolved. If we do not receive resolution in this time frame, the request will not be processed and will need to be resubmitted at a later time.

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You, or the TPA, must submit in writing any changes or corrections pertaining to previously processed distribution requests. For more details about corrective procedures, please refer to Section 10 of this guide.

In-service and hardship withdrawals

If allowed under the provisions of the plan, a participant may make an in-service withdrawal of plan benefits or a hardship withdrawal if there is an immediate and heavy financial need.

Hardship withdrawals are exempt from the mandatory 20% federal withholding as these distributions are not eligible for rollover (or comparable mandatory state withholding). The taxable portion of the withdrawal will be subject to a 10% withholding fee unless the participant elects not to have withholding apply or elects a different amount. For detailed instructions on standard withholding rules, contact your TPA or tax professional.

In-service and hardship withdrawals: Required information

- A distribution request (submitted online or via paper form) with all required information. The participant's current vested percentage may be required.
- The approval of an authorized signer (provided online or by signing the form).
- Any other supporting information/documentation needed to complete the request.

Either the plan sponsor or TPA must identify the contribution types (e.g., elective deferral, profit sharing, matching contributions) that may fund an in-service or hardship withdrawal, as dictated by the plan document. This information is typically provided when the plan is implemented.

Effective for plan years beginning on and after January 1, 2019, a 401(k) plan document may allow earnings on elective deferrals to be included in a hardship withdrawal. If earnings on elective deferrals are not eligible for hardship withdrawal, historical data for any period prior to the plan's conversion to Capital Group must be provided in order to determine the amount available for hardship withdrawal. Please note that for hardship withdrawals where earnings are excluded, we must have complete historical information (specifically, pre-1988 earnings) at the time of plan conversion for our system to process the withdrawal amount correctly.

NOTE: 403(b) accounts held by RecordkeeperDirect are Custodial Accounts which are not eligible for distributions from employer contributions.

In-service and hardship withdrawals: Transaction processing

A distribution request received in good order with all necessary approvals will be processed as of the next market close of the New York Stock Exchange (generally 4 p.m. Eastern time).

Your request is considered in good order if:

- All required information to complete the distribution is provided, including the participant's current vested percentage, and
- The request has been approved by a plan authorized signer (provided online or by signing the form).

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Distribution proceeds will be sent on the next business day after the request was processed (via ACH or check).

In-service and hardship withdrawals: Resolving data issues, correcting errors or making changes

A client service team member will contact you or the TPA to resolve any outstanding issues with your request. In some cases, the representative will direct you to submit a new request (online or via paper form) to address the issue.

We will pend the distribution request for two business days to allow time for open questions/issues to be resolved. If we do not receive resolution in this time frame, the request will not be processed and will need to be resubmitted at a later time.

You, or the TPA, must request in writing any necessary corrections to previously processed distribution requests. For more details about corrective procedures, please refer to Section 10 of this guide.

Qualified domestic relations orders (QDROs)

QDROs are used to award a portion of a participant's qualified plan benefit to an alternate payee (such as the participant's spouse, former spouse, child or other dependent) for purposes of child support, alimony payments or marital property rights.

The alternate payee may elect to leave the QDRO award in a segregated account in the plan or the spouse or former spouse can roll over the amount into one of the following:

- An individual retirement account (IRA)
- An individual retirement annuity
- Another plan that accepts rollovers

The alternate payee also may elect to receive the distribution as a lump-sum payment subject to the plan provisions covering the forms of benefit options and timing of distributions. If the alternate payee is a spouse or former spouse of the participant, mandatory 20% federal withholding will apply, and the distribution may be subject to mandatory state income tax withholding. Alternate payees should consult their tax advisers or financial professionals before requesting a distribution.

If the QDRO specifies a date for when assets are to be segregated or distributed, please request a participant statement as of that date. This will assist you, as plan sponsor, in determining the amount to be segregated or distributed. Statements can be requested on the sponsor website, or you can call a client service team member.

QDRO: Required information

Once you accept the QDRO, you will need to provide Capital Group with the completed transfer and distribution forms, including the signature of an authorized signer on the forms. If a direct rollover to a new American Funds IRA is being requested, you may also need to submit a *Traditional/Roth IRA Application*.

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Capital Group will process the distribution according to the distribution sequence (i.e., money type limitations and sequencing) established on the RecordkeeperDirect system at plan setup.

QDRO: Transaction processing

A distribution request received in good order with all necessary approvals will be processed as of the next market close of the New York Stock Exchange (generally 4 p.m. Eastern time).

Your request is considered in good order if:

- The distribution form is complete, including the participant's current vested percentage,
- The form contains the signature of an authorized signer,
- The participant's vested account balance is sufficient to pay the amount listed, and
- If a direct rollover to a new American Funds IRA is elected, a completed *Traditional/Roth IRA Application* is included with appropriate signatures.

Distribution proceeds will be sent on the next business day after the request was processed (via ACH or check).

QDRO: Resolving data issues, correcting errors or making changes

A client service team member will contact you or the TPA to resolve any outstanding issues with your request. In some cases, the representative will direct you to submit a new request (online or via paper form) to address the issue.

We will pend the distribution request for two business days to allow time for open questions/issues to be resolved. If we do not receive resolution in this time frame, the request will not be processed and will need to be resubmitted at a later time.

You, or the TPA, must request in writing any necessary corrections to previously processed distribution requests. For more details about corrective procedures, please refer to Section 10 of this guide.

Required minimum distribution (RMDs)

IRS rules require that a participant begin receiving RMDs by April 1 following the later of the calendar year in which they reach RMD age or retire*. RMD age is defined based on when the participant was born:

- Before July 1, 1949: The RMD age is 70 ½
- Between July 1, 1949, and December 31, 1950: The RMD age is 72
- On or after January 1, 1951: The RMD age is 73

** If a participant owns more than 5% of the business sponsoring the plan, they must begin receiving distributions by April 1 of the year after the calendar year in which they reach RMD age,* ***regardless of whether they retire by the end of that year.***

RMD notes:

- The ability to defer the RMD until retirement depends on plan provisions and any associated administrative requirements.

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- The plan sponsor or TPA is responsible for informing Capital Group when a participant is required to begin receiving his or her RMD and instructing us to make the required distribution.

RMDs: Required information

A completed distribution form, including the signature of an authorized signer on the form, is required to initiate distribution processing. You also must provide written instructions if you use an RMD calculation method other than the methods specified on the form.

RMDs: Transaction processing

A distribution request received in good order with all necessary approvals will be processed as of the next market close of the New York Stock Exchange (generally 4 p.m. Eastern time).

Your request is considered in good order if:

- All required information to complete the distribution is provided, including the participant's current vested percentage, and
- The request has been approved by a plan authorized signer (provided online or by signing the form).

Additionally, if the method used to calculate the RMD is different from methods specified on the form, this instruction must be provided in writing.

We will distribute the RMD proceeds to the participant the following business day. Capital Group must receive RMD requests at least five business days prior to the IRC deadlines (applicable April 1 or December 31) to ensure we have adequate time to enter requests into our recordkeeping system and to process them in a timely manner.

RMDs: Resolving data issues, correcting errors or making changes

A client service team member will contact you or the TPA to resolve any outstanding issues with your request. In some cases, the representative will direct you to submit a new request (online or via paper form) to address the issue.

We will pend the distribution request for two business days to allow time for open questions/issues to be resolved. If we do not receive resolution in this time frame, the request will not be processed and will need to be resubmitted at a later time.

You, or the TPA, must request in writing any necessary corrections to previously processed distribution requests. For more details about corrective procedures, please refer to Section 10 of this guide.

Distributions due to death

In the event of a participant's death, the account balance will become fully vested if provided for under the plan and may be paid to the participant's beneficiary. (If the plan does not provide for immediate vesting, refer to "Special instructions on forfeitures" later in this section.)

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The beneficiary may elect to roll over the amounts into an IRA, an individual retirement annuity, or a spouse beneficiary may elect to roll over the amounts into his or her retirement plan account. Non-spouse beneficiaries must use an "inherited" IRA for the rollover.

Any beneficiary may elect to receive the distribution in a single payment. If a beneficiary receives a distribution, the amount will be subject to mandatory 20% federal income tax withholding (within certain limitations) and may be subject to mandatory state income tax withholding.

Distributions due to death: Required information

A completed transfer and distribution forms, including the signature of an authorized signer on the forms, are required to initiate distribution processing.

If requesting a direct rollover to a new American Funds IRA, including an inherited IRA, include a completed *Traditional/Roth IRA Application* or an *Inherited Traditional or Roth IRA Application*.

Loans that are unpaid at the time of distribution will become due and payable from the deceased participant's vested account balance; the deceased participant's account balance will be offset. Check your loan policy regarding whether you allow the beneficiary to repay an outstanding loan before taking a distribution.

Distributions due to death: Transaction processing

A distribution request received in good order with all necessary approvals will be processed as of the next market close of the New York Stock Exchange (generally 4 p.m. Eastern time).

Your request is considered in good order if:

- All required information to complete the distribution is provided, including the participant's current vested percentage, and
- The request has been approved by a plan authorized signer (provided online or by signing the form).
- If a direct rollover to a new American Funds IRA is elected, a completed *Traditional/Roth IRA Application* is included, with appropriate signatures.

Distribution proceeds will be sent on the next business day after the request was processed (via ACH or check).

Distributions due to death: Resolving data issues, correcting errors or making changes

A client service team member will contact you or the TPA to resolve any outstanding issues with your request. In some cases, the representative will direct you to submit a new request (online or via paper form) to address the issue.

We will pend the distribution request for two business days to allow time for open questions/issues to be resolved. If we do not receive resolution in this time frame, the request will not be processed and will need to be resubmitted at a later time.

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You, or the TPA, must request in writing any necessary corrections to previously processed distribution requests. For more details about corrective procedures, please refer to Section 10 of this guide.

Special instructions on forfeitures

When you request a distribution from a participant's account, any non-vested portion of a distribution will remain in the plan. Forfeitures will be transferred from the participant's account to a separate forfeiture account in the name of the plan (for separation-from-service and other relevant distribution types). All forfeitures, regardless of source (e.g., matching contributions, profit-sharing contributions, etc.), are held in the one forfeiture account. Your instructions must include specific amounts if your plan requires, for example, that forfeitures from matching contributions be used only for those employees who are eligible for matching contributions.

We will hold forfeitures in the investment named on the *Retirement Plan Specifications* form submitted when your plan was first established with RecordkeeperDirect.

The forfeiture amounts will remain in this investment until an authorized signer instructs Capital Group to distribute the funds.

Distributions from forfeiture account: Required information

Before Capital Group can act on the forfeiture account, you must send us instructions for the disposition of the forfeiture amounts by contribution type in one of the following ways:

- By letter, including the signature of an authorized signer.
- By email from an authorized signer.

Unless we are instructed otherwise, the assets distributed from the forfeiture account will be payable to the name of the plan and will be mailed to the plan sponsor.

With instruction from an authorized signer, we can issue a check from the forfeiture account to be payable and/or mailed to a third party, including the third-party administrator.

Distributions from forfeiture account: Using the forfeiture account for contributions

You may use forfeiture assets to fund contributions. Please note that forfeiture assets can only be used to offset employer contributions. They cannot be used to fund employee elective deferral contributions, rollover contributions or loan payments. Specific steps must be taken to fund a contribution using forfeiture assets. You must manually enter the dollar amount to be taken from the forfeiture account on the Funding screen during processing. Please contact a client services team member with questions.

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12. Third-party administrator (TPA) information

Capital Group recognizes that a successful retirement plan requires the coordinated teamwork of all entities: the recordkeeper, the plan sponsor, the plan's financial professional and the third-party administrator (TPA). Plan sponsors must work with a TPA that is authorized for the RecordkeeperDirect program. We have established relationships with a large number of local TPAs, enabling you to select a TPA best suited to your individual needs.

TPA responsibilities

Your TPA can assist you with a variety of services needed for the effective operation of your plan. The TPA will facilitate the transmittal of data between the plan sponsor and Capital Group by accumulating the data from your organization in a format acceptable to Capital Group. Additionally, the TPA will provide:

- Plan document and design services
- Participant distribution and withholding verification
- Compliance testing
- Form 5500 preparation
- Eligibility tracking
- Approval of distributions initiated online

Services vary among TPAs, and your legal counsel or other plan professional(s) may provide some of these services. The list below is not meant to be exhaustive, but here are some of the services for which you may contract with your TPA:

- **Plan documents:** RecordkeeperDirect does not provide a prototype document, so your TPA or other plan professional will provide your plan documents. Document services may include:
    - Preparation of an adoption agreement showing the plan's terms
    - Preparation of plan amendments as needed
    - Preparation of a summary plan description
    - Assistance with IRS submission filings
    - Preparation of employee announcements

Your TPA can help ensure the plan specifications established on RecordkeeperDirect are consistent with your plan's terms and are updated for amendments.

- **Compliance testing:** Defined contribution plans that do not cover all employees may need coverage testing on an annual basis. Also, 401(k) plans require ADP and ACP testing unless the plan elects to be treated as a safe harbor 401(k). Some plans also have annual top-heavy testing requirements. Depending on your plan provisions, there may be additional testing requirements, such as nondiscrimination testing for the plan's definition of compensation.
- **Corrective action:** Your TPA may provide assistance in developing the proper corrective action needed to pass a failed ADP or ACP test. If your TPA offers such services and if your TPA is an authorized signer for the plan, Capital Group can take direction directly from the TPA.

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- **Reporting and disclosure:** TPAs may offer assistance with the preparation and filing of the plan's annual Form 5500. If your TPA provides Form 5500 services, the TPA may also prepare the plan's summary annual report.
- **Distribution assistance:** Your TPA may provide assistance with:
    - Calculating the amount available for hardship withdrawals
    - Calculating the amount available and determining the interest rate for loans
    - Calculating vested percentages
    - Developing an explanation of the qualified joint and survivor annuity distribution option (if applicable)
    - Preparing tax notices for terminating employees
    - Initiating and approving online distributions
- **Required minimum distributions:** Your TPA also may be able to help with required minimum distributions for employees approaching RMD age. Your TPA can provide distribution instructions directly to Capital Group if the TPA is an authorized signer for the plan.

Investment option payments to TPAs

The American Funds Retirement Plan Share Class Series (R shares), and Unit Classes in RecordkeeperDirect-Multifund, are designed especially for the employer-sponsored retirement plan market. For RecordkeeperDirect plans using Class R-2, R-3 or R-4 shares, and RecordkeeperDirect-Multifund plans using Unit Classes 1–7, TPAs will receive asset-based payments from the investments in which the plan invests that may be used to offset some of the plan administration expenses.

- Fund payments will be made to TPAs on plans using R-2, R-3 or R-4 shares, or Unit Classes 1–7 in RecordkeeperDirect-Multifund. No payments are made on plans using R-5E or R-6 shares, or Unit Class 8.
- There are no securities licensing requirements to receive these fund payments, as they are not commissions or finders' fees.
- The fund payments to TPAs will be made quarterly (for quarters ending January, April, July and October) on the basis of average assets during the prior quarter as detailed in Exhibit C of the *Recordkeeping Services Agreement*. A current version of the *Recordkeeping Services Agreement* can be found in the Forms section of the plan sponsor website.
- Fund payments will be made systematically for plans using R-2, R-3 or R-4 shares, or Unit Classes 1–7. No action is required on the part of the TPA or plan sponsor to initiate fund payments, and TPAs will not have to submit an invoice to Capital Group in order to receive payment.
- TPAs will not receive a payment for any quarter in which the combined payment for all eligible plans they administer is less than $10.
- A separate agreement between the TPA and Capital Group is not required to receive these asset-based payments. Capital Group's service agreement with plan sponsors discloses the payment schedule and provides authorization to make payments directly to the TPA.

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- If desired, a TPA can choose to refuse these investment option payments, in which case they will be deposited into a plan expense account. The plan sponsor can then use these amounts to pay reasonable plan expenses or reallocate to plan participants.

TPA fee recovery – Transactional fees

- Third-party administration fees may be directly deducted from most distributions (excluding distributions due to death, QDROs, mistake of fact or corrections for failed discrimination and/or limits testing) and in addition to new loan transactions.
- Loan and distribution fees will be paid to TPAs via Automated Clearing House bank transfers on a daily basis. A plan analysis reporting tool can be used to track these fees online.
- The following forms must be completed to utilize the fee payment feature:
    - *Fee Remittance Instructions* form to be completed by the third-party administrator (this form is only required once per TPA firm)
    - *RecordkeeperDirect Fee Payment Authorization* form to be signed by the plan sponsor
- TPA fee payment instructions will be entered into the RecordkeeperDirect system the day the request is received in good order and will be effective the following business day. Loan and distribution requests received and processed the same day that the fee recovery feature is added to a plan will not have fees deducted.

TPA fee recovery – Administrative fees

Administrative fees may be deducted from participant accounts on a quarterly basis using one of the following methods:

- **Flat-dollar amount per participant:** The amount specified will be taken from each participant within the plan.
- **Percentage of participant assets:** The percentage (or basis points) specified will be deducted from the account balance of each participant.
- **Amount per plan per capita:** The fee specified will be divided equally among participants with an account balance.
- **Amount per plan pro rata:** The fee is assessed based on a fixed amount for the plan and is divided proportionally among the participants with an account balance.

Fee payment reconciliation

- Plan sponsors may review fee activity by using the plan analysis tools available on the plan sponsor website.
- TPAs may review fee activity by navigating to the provider-level fees section of the TPA website. TPAs may perform custom searches for fee activity and may print or download the results.
- Participants can review fee deductions on their respective quarterly statements. These payments will also be visible through their online transaction history.

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13. Plan sponsor reports

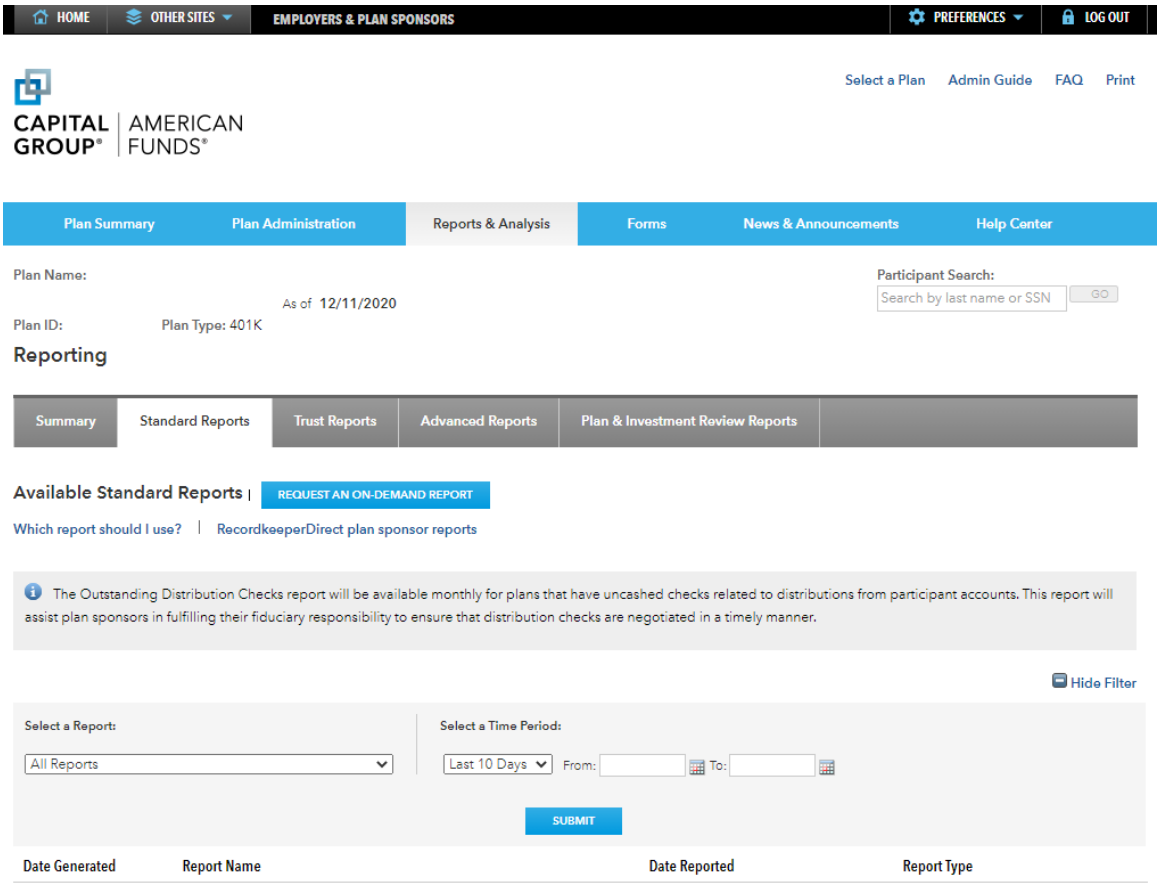
Capital Group provides you and your TPA with monthly and annual reports that give you valuable information about your plan. A brief description of these reports is found in the *RecordkeeperDirect Plan Sponsor Reports* document, which you can access on the Reports and Analysis section of the plan sponsor website.

Many of these reports are made available to you and your TPA electronically on the plan sponsor website each month, with an annual summary provided at your plan's year-end.

Please review these reports carefully each month. As disclosed in your *Recordkeeping Services Agreement*, you must notify us of any discrepancies within 30 days of delivery of the reports.

Plan sponsor reports: Reviewing standard reports

This screen allows you to retrieve all reports or one or more specific reports. The default view shows reports that have become available within the last 10 days, but you also can review reports that became available within the last 30 or 90 days or within a specific time period during the past 90 days. Use the Select a Time Period option to choose the time period, select the report(s) you want from the drop-down menu and then click on **Submit.**



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These standard reports can be retrieved from the Reports subtab for 90 days after they first become available (approximately 10 business days after the end of the month). The Date Generated column shows the date the report became available online, and the Date Reported column shows the date range of the available reports.

Under the Report Type column, click on the format of the report that you would like to review to open the report. When the report appears on the screen, you then can print the report and/or save the file on your computer for future access.

Although reports are no longer available on this screen after 90 days, you can re-create an older report by using the Request an On-Demand Report screen described on the next page (note that older plan data may have been purged in some cases).

Plan sponsor reports: Request an on-demand report

On the Standard Reports subtab, click on the **Request an On-Demand Report** button to generate reports for time periods beyond 90 days – when they are no longer listed in the Standard Reports report listing. Simply select the report(s) you want, enter the date range, and then click on **Submit Request.**

Once the request has been submitted, you will receive confirmation of your request and a request number. Please make note of the request number, as you will use it to identify the report if any follow-up is needed on your request. A one-time report will be available for seven days after delivery. These custom on-demand reports are marked with an asterisk (*) on the Reports screen to distinguish them from the standard reports.

On-demand reports generally are available on the Standard Reports screen within a few hours of the request, although they may take longer during periods of high usage. Please contact a client service team member if your report is not available within 24 hours of your request.

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14. Trust reports

Reports: Trust reports

You can request and download trust reports for custom date ranges directly from the plan sponsor website. **Detail, Summary** and **Contribution type** reports are available. If you want to download data into a spreadsheet, such as a Microsoft Excel spreadsheet, you must request the **Detail** or **Contribution type** report.

Report types and formats

Report	Available format (descriptions below)			
	Comma delimited	Fixed space	Text	PDF (print report)
Detail	X	X	X	X
Summary			X	X
Contribution type*	X	X		

- **Comma-delimited file.** The ASCII comma-delimited file can be opened in most spreadsheet and database software applications. Because of the relative ease of downloading the comma-delimited file, we recommend using this format if you want to create spreadsheets. (Instructions on how to download a comma-delimited file into a spreadsheet are provided later in this section.)
- **Fixed-space file.** Although the ASCII fixed-space file can be opened in most spreadsheet and database software applications, this file format needs additional manual manipulation. We recommend using the comma-delimited file format if you want to create a spreadsheet from the trust report file.
- **Text file.** The text report file can be opened in most word processing and text editing software applications but does require additional formatting.
- **Print report.** This option allows you to print a pre-formatted copy of the report, including appropriate column headings.

* The Contribution type report facilitates creating and importing spreadsheets for plan administration and testing purposes. This report does not impact your ability to access and print the Detail or Summary trust reports.

Plan reporting: Trust reports

To request a trust report, click on the **Request a Trust Report** link on the Trust Reports subtab. From the Request Trust Report screen, you will need to:

- Enter the beginning and ending dates for the report period.
- Select desired criteria from the drop-down menus.
- Click on the **Submit Request** button.

If you want to download results into Microsoft Excel or other spreadsheet applications, select either Detail or Contribution Type as the Report Format. The Summary report will be available in text format only.

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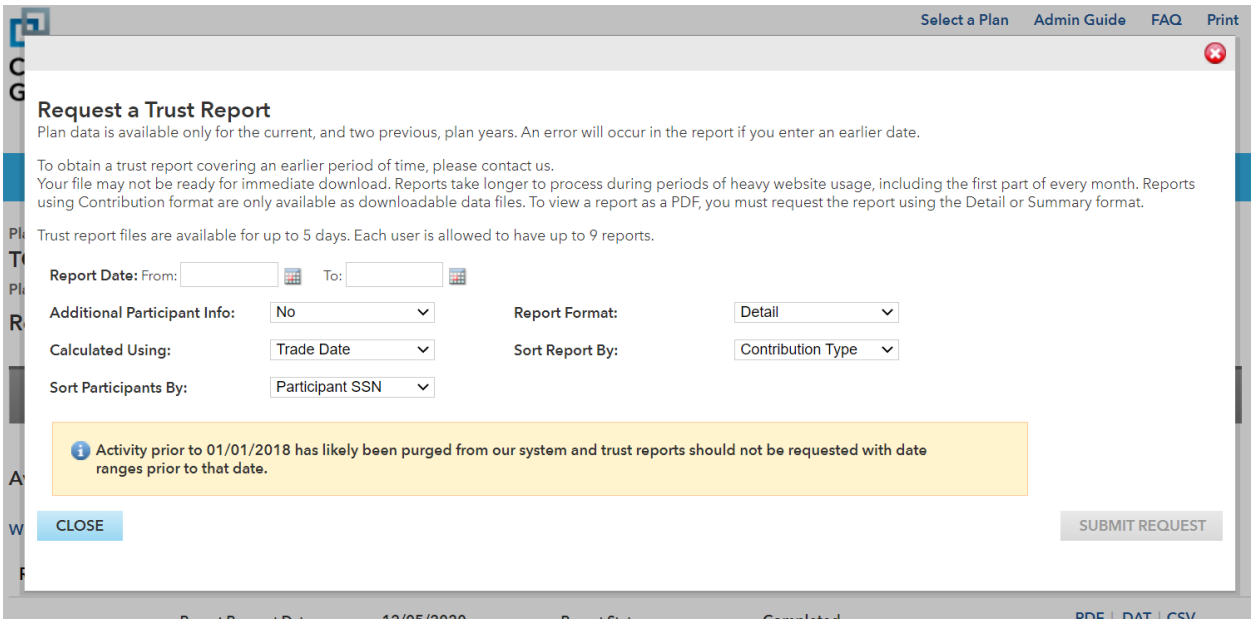

After you submit your request, you will be directed back to the Trust Reports screen and a request number will appear. Be sure to take note of the request number, as you'll need to refer to it to identify and retrieve the trust report.

Typically, you will be able to retrieve and download the report within an hour or two; however, some delays may occur during periods of high volume. Please note that the page must be manually refreshed – you can do this by clicking on the Trust Report tab. If your report request number does not appear on the Available Trust Reports screen (shown on the following page) by the morning after you request it, call a client service team member at **(800) 421-6019** for assistance.

Plan reporting: Trust reports – Downloading trust reports

You will be able to download or print your report when the Report Status field indicates that the report is Completed on the Available Trust Reports screen. The Report Status field will indicate that the report is Pending while the report is being generated. Once the report is available, click on one of the download options on the right side of the request.

If you requested the Detail report, you can download the data into comma-delimited, fixed-space or text files, or you can print a copy of the report. If you requested the Summary report, you will be able to download the text file or print a formatted report. A Contribution Type report is available as a comma-delimited or fixed-space file and facilitates creating spreadsheets for plan administration and testing purposes.

The PDF option launches a print-ready version of the trust report that can be reviewed and printed in Adobe Acrobat® Reader, eliminating the need to format the file for printing. If you don't have Acrobat Reader installed on your computer, you can download it from Adobe's website. This option is available for Summary and Detail reports but not for Contribution Type reports.

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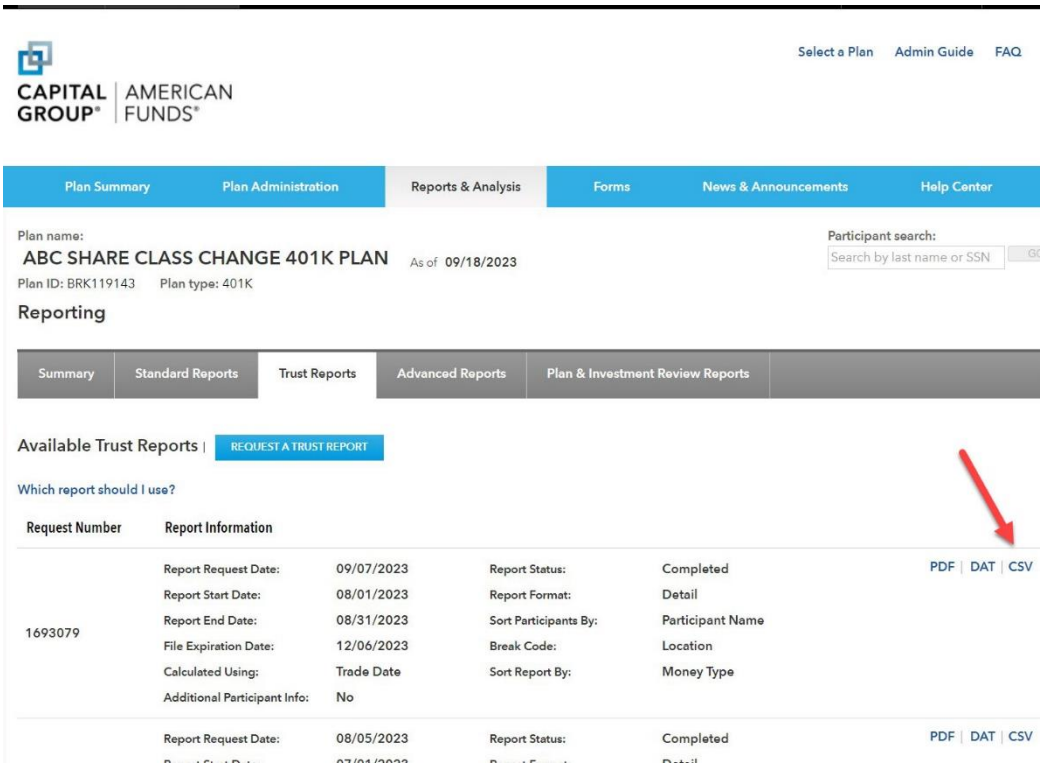
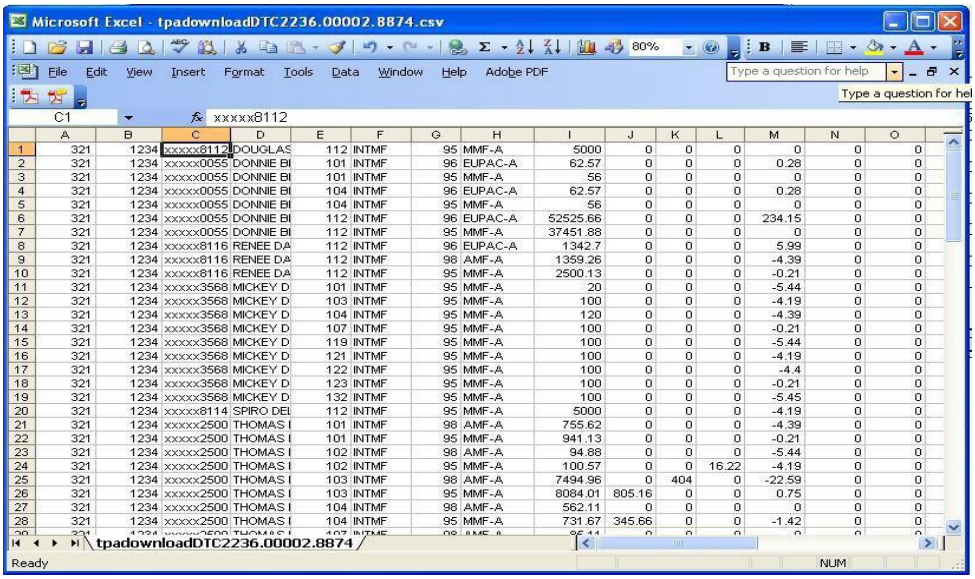


To download the file into a spreadsheet such as Microsoft Excel, click on the "CSV" option for the desired report request number. On the dialog box that appears, click on the **Open** button to review the file in the spreadsheet format shown on the next page. You can then work on the file and/or save it on your computer.

The example below shows the file in Microsoft Excel format. Please note that column headings are not included and will have to be entered manually if you want headings to appear on your spreadsheet. (Keys to identifying the column headings and money type codes appear on the following pages.) You also may have to reformat columns and cells to achieve the appearance you want.



Column values for trust report download files (comma-delimited and fixed-length formats)

Column	Description (detail level report)	Description (summary level report)
A	Investment company unit (ICU)	Investment company unit (ICU)
B	Plan ID	Plan ID
C	Participant Social Security Number (SSN)	Participant Social Security Number (SSN)
D	Participant name	Participant name
E	Contribution money type code (refer to separate money type code conversion table)	Contribution money type code (refer to separate money type code conversion table)
F	Investment vehicle type code	Will show "Loan" if participant had an outstanding loan
G	Investment code (numeric value)	N/A (investment codes are not applicable in the summary)
H	External investment vehicle code (alpha value)	Will show "Loan" if participant had an outstanding loan
I	Opening balance	Opening balance
J	Conversions	Conversions
K	Contributions	Contributions
L	Dividends	Dividends
M	Gain / Loss	Gain / Loss
N	Exchanges	Exchanges
O	CDSC charges	CDSC charges
P	Forfeitures	Forfeitures
Q	Distributions	Distributions
R	Mistake of fact and administrative error distributions	Mistake of fact and administrative error distributions
S	Transfers in	Transfers in
T	Transfers out	Transfers out
U	Loan transfers in	Loan transfers in
V	Loan transfers out	Loan transfers out
W	Loan interest	Loan interest
X	Insurance premiums	Insurance premiums
Y	Closing balance	Closing balance
Z	Report range beginning date	Report range beginning date
AA	Report range ending date	Report range ending date
AB	Date range code ("P"ayroll, "T"rade or "C"onfirm)	Date Range Code ("P"ayroll, "T"rade or "C"onfirm)
AC	Loan closeouts	Loan closeouts
AD	Unallocated earnings amount	Unallocated earnings amount

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Money type code conversion table for trust report download files (comma-delimited and fixed-length formats)

Code	Definition	Description
101	ELECT DEF	Employee elective deferral
102	VOL-CONT	Employee voluntary after tax
103	DISCRETN	Employer discretionary
104	MATCH	Employer matching
105	QNEC	Qualified non-elective
106	QMAC	Qualified employer matching
107	FOR-DISC	Reallocated discretionary forfeiture
108	FOR-MATCH	Reallocated matching forfeiture
109	FOR-415	Reallocated 415 suspense forfeiture
110	MONEY-P	Money purchase contribution
111	FOR-MNYP	Reallocated money purchase forfeiture
112	ROLLOVER	Rollover into plan
113	FOR-EX-A	Reallocated excess aggregate forfeiture
114	TRUSTEE	Trustee transfer
115	DEDUCT	Deductible contribution
116	NON-DUCT	Non-deductible contribution
117	ELECT DE2	Employee elective deferral 2
118	VOLCONT2	Voluntary contribution 2
119	DISC/PS2	Discretionary/Profit sharing 2
120	MATCH2	Match 2
121	SH NOVEL	Safe harbor non-elective
122	SH MATCH	Safe harbor match
123	MONEY-P2	Money purchase 2
124	EMPLYER3	Employer contribution 3
125	EMPLYER4	Employer contribution 4
126	EMPLYER5	Employer contribution 5
127	ELEC DE3	Elective deferral 3
128	ROLLOVR2	Rollover into plan 2
129	ROLLOVR3	Rollover into plan 3
130	ROLLOVR4	Rollover into plan 4
154	ROTH ED	Roth elective deferral
155	ROTH ROL	Roth rollover
157	Deem Ln	Deemed loan repayment
182	Roth CNV	Roth conversion
381	Iprt Ed	Iprt Elec Def
382	Iprt Vc	Iprt Vol-Cont
383	Iprt Di	Iprt Disc/Ps
384	Iprt Mc	Iprt Match
385	Iprt Qn	Iprt Qnec
386	Iprt Qm	Iprt Qmac
387	Iprt Ro	Iprt Rollover
388	Iprt Tt	Iprt Trustee
389	Iprt Sn	Iprt Sh Nonel

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390	Iprt Sm	Iprt Sh Match
391	Iprt Vr	Iprt Volroll
392	Iprt Qa	Iprt Qacamtch
393	Iprt Qe	Iprt Qacanelc
401	Iprt Ed2	Iprt Elect Def2
402	Iprt Vc2	Iprt Vol-Cont2
403	Iprt D3	Iprt Discretionary 3
404	Iprt Mc2	Iprt Match2
407	Iprt Rl2	Iprt Rollover 2
411	Iprt Ed3	Iprt Elective Deferral 3
412	Iprt Vc3	Iprt Vol Contribution 3
413	Iprt D4	Iprt Discretionary 4
414	Iprt M3	Iprt Match 3
417	Iprt Rl3	Iprt Rollover 3
421	Iprt Ed4	Iprt Elec Deferral 4
423	Iprt D5	Iprt Discretionary 5
427	Iprt Rl4	Iprt Rollover 4
431	Iprt Ed5	Iprt Elec Deferral 5
433	Iprt Di2	Iprt Disc/Ps2
443	Iprt E3	Iprt Employer 3
453	Iprt E4	Iprt Employer 4
463	Iprt E5	Iprt Employer 5
470	Iprt Fd	Iprt Reall Disc
471	Iprt Fm	Iprt Reall Matching
472	Iprt 415	Iprt Reall 415 Suspense
473	Iprt Mp	Iprt Money Purchase
474	Iprt Rmp	Iprt Reall Money Purchase
475	Iprt Rem	Iprt Reall Excess Match
476	Iprt Dc	Iprt Deduct Contrib
477	Iprt Ndc	Iprt Non-Deduct Contrib
478	Iprt Mp2	Iprt Money Purch 2
479	Iprt Mp3	Iprt Money Purc 3
480	Iprt Mp4	Iprt Money Purc 4
482	Iprt Dl	Iprt Deemed Loan Repay

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Fund abbreviations

Fund abbreviation	Fund name
AFMF	American Funds Mortgage Fund®
AFTD10	American Funds 2010 Target Date Retirement Fund®
AFTD15	American Funds 2015 Target Date Retirement Fund®
AFTD20	American Funds 2020 Target Date Retirement Fund®
AFTD25	American Funds 2025 Target Date Retirement Fund®
AFTD30	American Funds 2030 Target Date Retirement Fund®
AFTD35	American Funds 2035 Target Date Retirement Fund®
AFTD40	American Funds 2040 Target Date Retirement Fund®
AFTD45	American Funds 2045 Target Date Retirement Fund®
AFTD50	American Funds 2050 Target Date Retirement Fund®
AFTD55	American Funds 2055 Target Date Retirement Fund®
AFTD60	American Funds 2060 Target Date Retirement Fund®
AFTD65	American Funds 2065 Target Date Retirement Fund
AFTD70	American Funds 2070 Target Date Retirement Fund
AHIT	American High-Income Trust®
AMBAL	American Balanced Fund®
AMCAP	AMCAP Fund®
AMF	American Mutual Fund®
BFA	The Bond Fund of America®
CBF	American Funds Corporate Bond Fund®
CIB	Capital Income Builder®
DWGI	American Funds Developing World Growth and Income Fund
EMBF	American Funds Emerging Markets Bond Fund®
EUPAC	EuroPacific Growth Fund®
FI	Fundamental Investors®
GBAL	American Funds Global Balanced Fund
GFA	The Growth Fund of America®
GIF	American Funds Global Insight Fund
GVT	U.S. Government Securities Fund®
IBFA	Intermediate Bond Fund of America®
ICA	The Investment Company of America®
IFA	The Income Fund of America®
IGI	International Growth and Income Fund
ILBF	American Funds Inflation Linked Bond Fund®
IVE	American Funds International Vantage Fund
MMF	American Funds U.S. Government Money Market Fund
MSI	American Funds Multi-Sector Income Fund
NEF	The New Economy Fund®
NPF	New Perspective Fund®
NWF	New World Fund®
PSCGI	American Funds Conservative Growth and Income Portfolio
PSG	American Funds Growth Portfolio
PSGG	American Funds Global Growth Portfolio

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PSGI	American Funds Growth and Income Portfolio
PSMGI	American Funds Moderate Growth and Income Portfolio
PSP	American Funds Preservation Portfolio
RIC	American Funds Retirement Income Portfolio – Conservative
RIE	American Funds Retirement Income Portfolio – Enhanced
RIM	American Funds Retirement Income Portfolio – Moderate
SBF	American Funds Strategic Bond Fund
SCWF	SMALLCAP World Fund®
STBF	Short-Term Bond Fund of America®
WBF	Capital World Bond Fund®
WGI	Capital World Growth and Income Fund®
WMIF	Washington Mutual Investors Fund

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15. Advanced reports

Reports – Advanced reports

Under the Advanced Reports subtab, you can generate custom reports that allow you to review your plan in a variety of ways, analyze plan activity and manage its operations more effectively. You can create participant-level reports that will include only participants that meet your defined criteria. You also can generate reports at the plan level, such as summaries of transaction activity, assets or payroll contributions within specified date ranges or using other criteria you establish. The reports contain current plan information, reflecting activity and assets as of the close of the prior business day.

You control how much detail you want to include. You select the criteria that will drive the search and identify the information items that you want to review in the final report. You can generate just the high-level summary report, or you can drill down to review more details about the participants or transactions of interest.

In addition to printing the custom reports, you can download them into Microsoft Excel or other spreadsheet applications so you can do additional sorts or calculations on the data.

The Custom Participant Report option can help you better understand how participants are using the plan and can help you determine whether additional education may be needed to enable participants to gain maximum benefit from the plan. The Custom Plan Report option can also be used to generate a summary of plan assets by money type, which may help TPAs prepare reports and conduct required testing for your plan.

Reports: Advanced reports – Participant data

Advanced reports – Saved participant reports/Request a custom participant report

You can use Request a Custom Participant Report queries to search for participants that meet specified criteria, such as:

- Census data (current status, date of hire, date of birth, date of enrollment, etc.)
- Financial data (account balance in total or by investment vehicle or money type)
- Loan data
- Transaction history
- Compliance

The search can be based on a single criterion, such as all participants with an account balance below $5,000. Or you can use multiple criteria, such as all participants with an account balance below $5,000 and terminated status. You also can perform more complex searches. For example, you may want to generate a report of all active participants who work in a specific location and review their total portfolio balances and their balances in a specific investment option. You and your plan's financial professional can then identify participants with a high percentage of assets invested in that specific investment option and invite them to a meeting or send them a brochure that addresses the value of a diversified portfolio.

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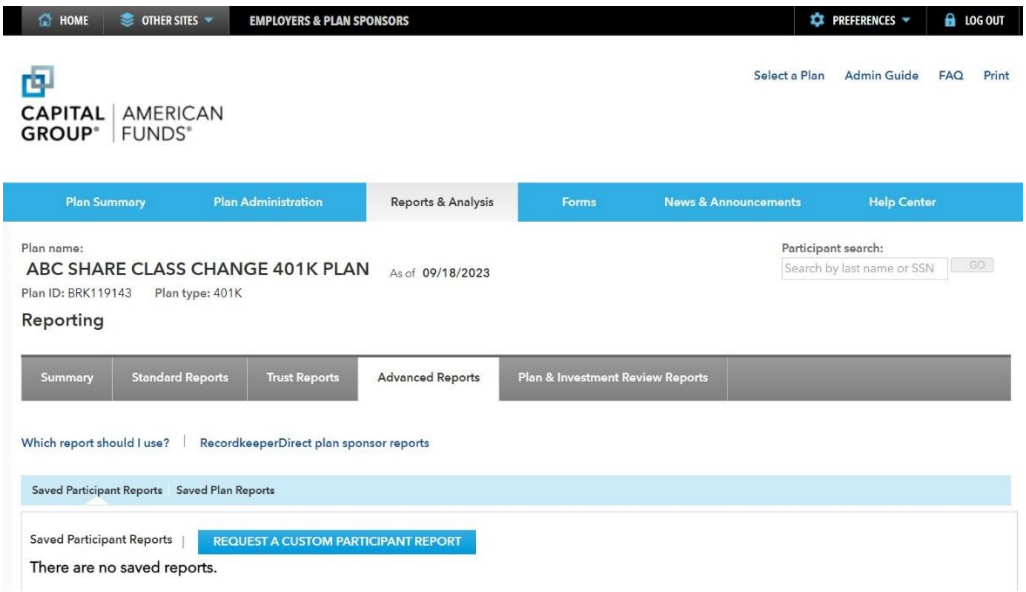
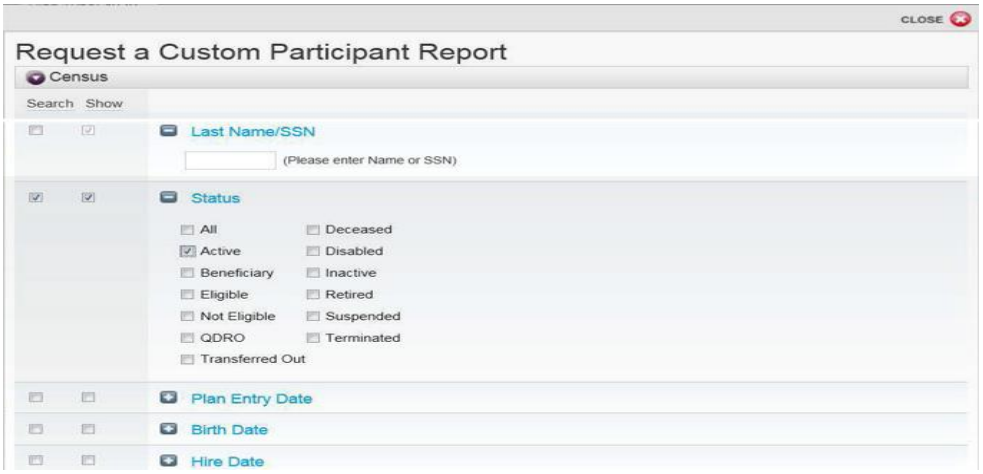
To start a search, simply click the **Request a Custom Participant Report** link while on the Advanced Reports subtab. You can then click on the boxes in the Search column next to the categories of interest. (The screens below show only a few of the available criteria.) When you click on a Search box, a subset of search criteria appear, allowing you to focus the search on a specific subcategory or date range. For example, the subset of criteria in the second screenshot below allows you to identify the specific employee status(es) for inclusion in the search.

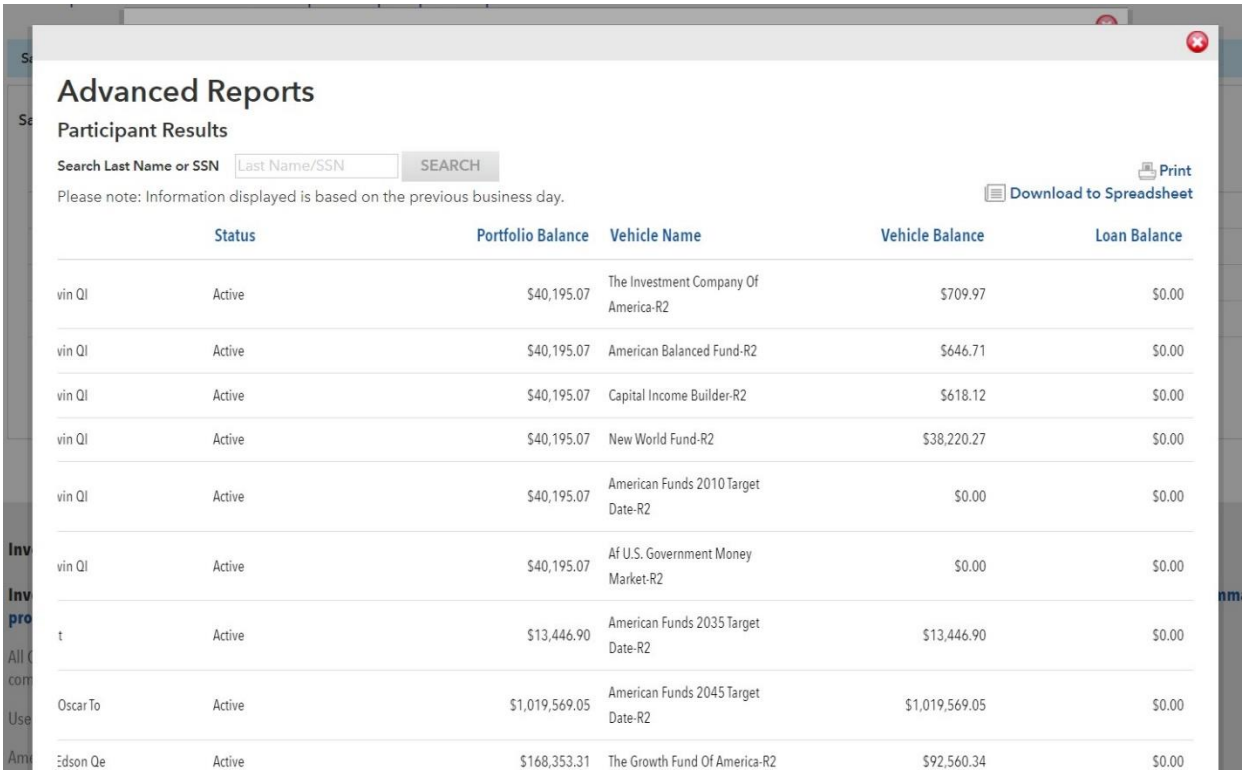
Click on boxes in the Show column to identify the data you want displayed on the report.

After you have identified all of the search criteria and the information you want to display on the report, click on the **Run Report** button that appears at the bottom of the screen to start the query.





The report below shows a portion of the results of a query in which “Active” was selected in the Status section as the Search criteria, and “Portfolio balance,” “Vehicle balance” and “Loan balance” were selected as the Show criteria.



Advanced Reports

Participant Results

Search Last Name or SSN Last Name/SSN SEARCH

Print

Download to Spreadsheet

Please note: Information displayed is based on the previous business day.

	Status	Portfolio Balance	Vehicle Name	Vehicle Balance	Loan Balance
vin Ql	Active	$40,195.07	The Investment Company Of America-R2	$709.97	$0.00
vin Ql	Active	$40,195.07	American Balanced Fund-R2	$646.71	$0.00
vin Ql	Active	$40,195.07	Capital Income Builder-R2	$618.12	$0.00
vin Ql	Active	$40,195.07	New World Fund-R2	$38,220.27	$0.00
vin Ql	Active	$40,195.07	American Funds 2010 Target Date-R2	$0.00	$0.00
vin Ql	Active	$40,195.07	Af U.S. Government Money Market-R2	$0.00	$0.00
t	Active	$13,446.90	American Funds 2035 Target Date-R2	$13,446.90	$0.00
Oscar To	Active	$1,019,569.05	American Funds 2045 Target Date-R2	$1,019,569.05	$0.00
Edson Qe	Active	$168,353.31	The Growth Fund Of America-R2	$92,560.34	$0.00

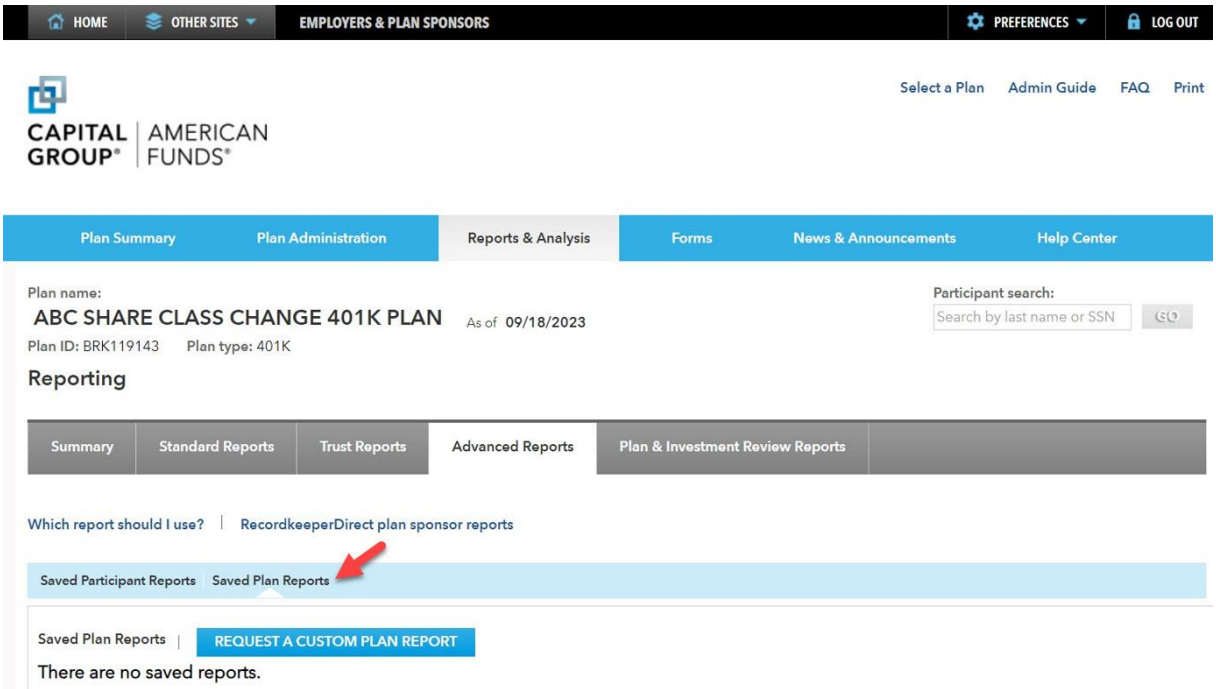
You can use the **Print** link that appears on the top-right-hand side of the screen to print a report. Click on **Download to Spreadsheet** to download search results into a spreadsheet so you can perform additional data sorts and calculations.

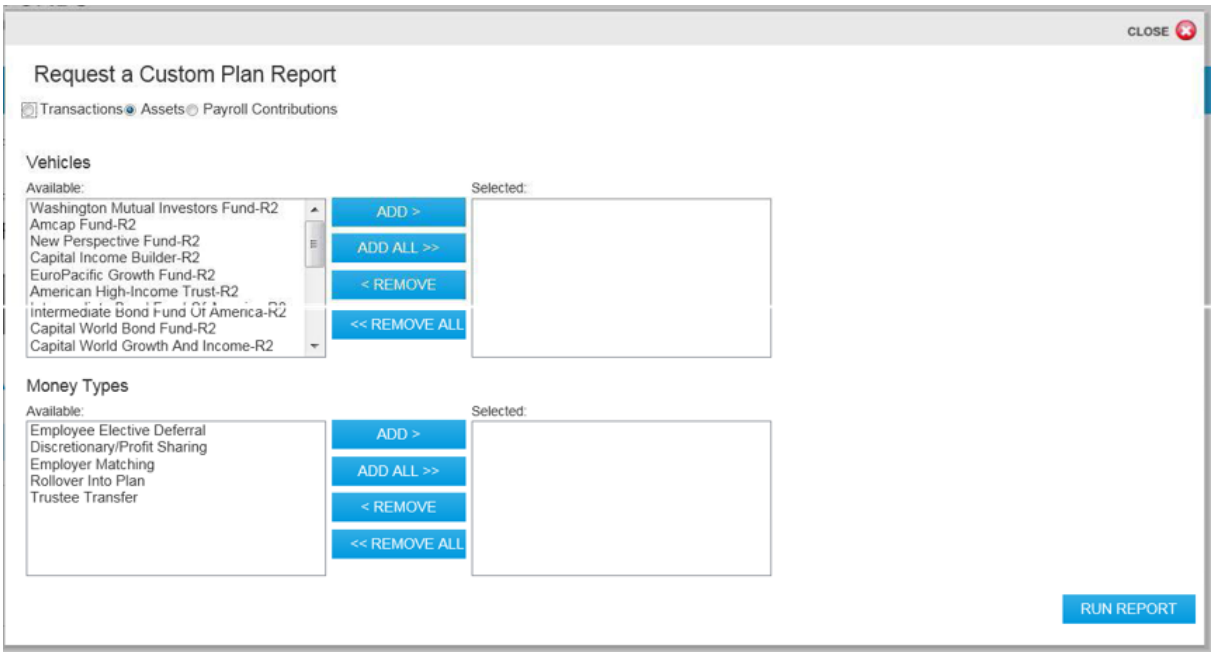
Reports: Advanced reports – Plan data

Advanced reports – Saved plan reports/Request a custom plan report

From the **Request a Custom Plan Report** link, you can perform plan-level searches based on transactions, assets or payroll contributions. You can conduct transaction searches defined by date range and/or transaction type(s). You can review plan assets as of the close of the last business day for selected investment vehicles, money types and/or locations. Payroll contribution searches can be based on payroll or trade dates within a specified date range.

Once you have defined your criteria, simply click on the **Run Report** button.





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The report below shows results of a search for all payroll contributions that were processed with trade dates between January 1, 2012, and August 1, 2014. Clicking on the blue triangle next to the word "View" allows you to drill down to more detail.

CLOSE

Advanced Reports

- Due to technical limitations, this report may not correctly reflect multiple-day transactions that span a month end. Therefore, please refer to the standardized reporting and trust reports sections to obtain information for tax filings and other important plan documents.
- Transaction amounts may fluctuate due to corrective processing.
- Information displayed is based on the previous business day.
- Information may not be available prior to 12/31/2011.

Payroll Date 01/01/2012 To 08/01/2014

Print

Download to Spreadsheet

	Payroll Date	Trade Date	Status	Release Date	Batch Number	Total Amount	Payment Type
View	07/17/2012	07/17/2012	Confirmed	07/17/2012	6627024	$457.00	ACH
View	07/16/2012	07/17/2012	Confirmed	07/17/2012	6859617	$600.00	ACH
View	06/29/2012	07/02/2012	Confirmed	07/02/2012	6436588	$600.00	ACH

Do you want to save this search?

Search Name: SAVE SEARCH

CLOSE

You can use the **Print** link that appears on the top-right-hand side of the screen to print a report. Click on **Download to Spreadsheet** to download search results into a spreadsheet so you can perform additional data sorts and calculations.

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