



401K PLAN ADMINISTRATOR
MANUAL

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401K CONTACT INFORMATION

ISOLVED FULL SERVICE 401(K) GENERAL SUPPORT

By Phone: 888-505-4484

Option 1 – Participant Support

Option 2 – Plan Sponsor Support

By Email: 401kservice@isolvedhcm.com

Fax: 608-826-1101

Participant/Plan Sponsor Website: www.my401kdata.com

401K OPERATIONS MANAGER: Lynn Sheehan

Email: lsheehan@isolvedhcm.com

COMPLIANCE MANAGER: Karen Knockel, QKA

Email: kknockel@isolvedhcm.com

401K CONTRIBUTION SUBMISSION PROCESS

ISOLVED - PAYROLL SERVICE CLIENTS

If iSolved provides payroll services for your company, this service will be integrated with the 401k service. This means that all employee deferral elections initiated via the 401k Participant Website are automatically updated in the payroll system. iSolved will also prepare and submit the file for the 401k contributions each pay period.

NON-PAYROLL CLIENTS

An email notification will be sent to the designated payroll contact for each employee deferral election or update initiated via the 401k Participant Website. This contact will be responsible for ensuring the election is updated in the payroll system.

Step 1: Each pay period the Modified Payroll excel template you were provided will need to be completed to include the following fields for all employees:

- **Social Security Number** (standard format, with dashes)
- First Name
- Middle Initial
- Last Name
- Date of Birth (MM/DD/YYYY)
- Date of Hire (MM/DD/YYYY)
- Date of Termination (MM/DD/YYYY)
- Email Address
- Phone Number
- Address (Street, Apt./Suite, City, State, Zip)
- Hours credited for the pay period (general format)
- Salary/Earnings for the pay period (general format)
- 401k Contributions (entered in designated columns, general format)

Other important notes regarding completion of this file:

- Be sure to include all employees on this file each pay period, adding new employees as they are hired.
- When an employee terminates, the date of termination should be entered on the spreadsheet. The terminated employee can be removed from the template after the file is sent with the termination date.

401K CONTRIBUTION SUBMISSION PROCESS (CONT.)

- Include any employee address changes on the template.
- Do not leave any blank rows following the header row or in between employee data.

Step 2: Each pay period you will need to upload your completed contribution file as instructed in the Contribution File Upload Instructions which were provided during the plan set up. If you need a copy of this document resent, please request via our General Support contact noted on page 3 above.

Step 3: Once the file is submitted for processing, as instructed above, we will request an ACH debit from the bank account on file. This will be requested within 48 hours of receipt of the file, however, no earlier than the check date.

Important Note Regarding Timing: Per DOL Regulations, your contribution file must be submitted and funded within 7 business days from the check date each pay period.

NEWLY ELIGIBLE EMPLOYEES

We will populate projected eligibility reports to the Plan Sponsor Website monthly and notify you by email when these reports become available. These reports will be based on information that has been loaded through payroll files. You will be responsible for reviewing these reports, confirming which employees will become eligible during the next 30-60 days, and providing them with the enrollment materials listed below at least 30 days before they are eligible to enter the Plan.

The following documents/notices should be provided to newly eligible employees(**ensure the versions being provided are for the current year**):

- Enrollment Booklet (contains the Employee Enrollment Guide & Plan Highlights, Participant Rollover Form, Beneficiary Designation Form and Summary Plan Description)
 - NOTE:** beneficiary information should be provided via the website. The Beneficiary Form is only required if a non-spousal beneficiary is being named as the primary beneficiary for a married participant
- Regulatory Notices Booklet – if the Booklet is not available the following should be provided:
 - Initial QDIA Notice/Attachment
 - Safe Harbor Notice (if applicable)
 - Automatic Enrollment Notice (if applicable)
 - Fee Disclosure (404(a)(5))
- Participant Web User Manual

A copy of these items can be obtained via the Plan Sponsor Web under the Forms link. If you have any trouble locating these forms please contact Sponsor Support.

Newly eligible employees can begin enrollment via the Participant Website up to 30 days prior to their projected entry date. Instructions for logging onto the website are included in the Enrollment Guide. Employees may also contact the Investment Advisor or Participant Support for any questions they may have.

When an employee enrolls via the Participant Website an email notification is generated and sent to the Plan Administrator. It is the responsibility of the Plan Administrator to then notify the payroll provider to begin the payroll deduction. If iSolved is your payroll provider this step occurs automatically.

If an existing employee makes a deferral change via the Participant Website an email notification is generated and sent to the Plan Administrator. It is the responsibility of the Plan Administrator to then notify the payroll provider to change the payroll deduction amount. If iSolved is your payroll provider this step occurs automatically.

Rehires: In the event a participant is rehired, please notify us via our General Support contact noted on page 3 above.

AUTOMATIC ENROLLMENT

ISOLVED - PAYROLL SERVICE CLIENTS

If you have elected in your Adoption Agreement to use an automatic enrollment provision under which, in absence of an election by the Participant, he or she is considered to have made a deferral election equal to a default percentage, iSolved will review the payroll information to ensure that the automatic enrollment takes place as required.

If you have elected in your Adoption Agreement to use an automatic increase provisions under which a Participant's deferral election is to automatically increase each year unless an alternate election is made, iSolved will review the payroll information at the appropriate time of the year to confirm that such increases take place as required.

NON-PAYROLL CLIENTS

If you have elected in your Adoption Agreement to use an automatic enrollment provision under which, in absence of an election by the Participant, he or she is considered to have made a deferral election equal to a default percentage, iSolved will provide a monthly report notifying you of who should be automatically enrolled, based on the data we have on file. It will be your responsibility to review this information and begin payroll deductions as appropriate.

If you have elected in your Adoption Agreement to use an automatic increase provisions under which a Participant's deferral election is to automatically increase each year unless an alternate election is made, iSolved will provide a monthly report notifying you of who should be automatically increased, based on the data we have on file. It will be your responsibility to review this information and update payroll deductions as appropriate.

ROLLOVER INTO THE PLAN

If a participant has funds in a prior retirement plan that they would like to roll into their account within your plan, this can be done at any time regardless of eligibility. The participant will need to complete a Rollover In Form to be provided to iSolved. This form also includes the information they will need to provide to their prior plan recordkeeper instructing them how to make the check payable as well as the remittance information. If the participant rolls their funds over prior to being eligible for the plan, they will also need to provide iSolved with their allocation elections for the rollover funds. If no allocations are provided, the rollover balance will be invested in the default investment.

The Rollover In Form can be found on the Plan Sponsor Website under the Forms link. If the participant is eligible or within 30 days of eligibility, they can also find the form on the Participant Website also under the Forms link. If you have any trouble locating these forms please contact Sponsor Support.

WITHDRAWALS

WITHDRAWAL REQUESTS

Participants may request an in-service withdrawal from the Plan upon attainment of Normal Retirement Age, or upon meeting criteria outlined in the Protected Benefits Addendum of the Adoption Agreement. To request this type of withdrawal, the Participant should contact iSolved Full Service 401(k) for the appropriate paperwork. The completed withdrawal form can be scanned and emailed or faxed to our General Support contact. All withdrawal checks will be mailed directly to the participant. They will receive the check approximately 10 business days after the appropriate paperwork is submitted and we have all necessary information to process.

HARDSHIP WITHDRAWAL REQUESTS

Participants may request a hardship withdrawal from Employee Contributions for any of the following reasons:

- Extraordinary medical expenses incurred for participant, spouse, or dependents.
- Purchase of Primary residence.
- Payment of tuition for the next semester or quarter of post-secondary education for participant, spouse, or dependents.
- Expenditures to prevent eviction from residence or foreclosure of mortgage on primary residence.
- Funeral expenses of parents, spouse, children or dependents.
- Certain expenses relating to the repair of damage to the principal residence that would qualify for the casualty deduction, such as those resulting from hurricane or flood damage.

To request this type of withdrawal the Participant should contact iSolved Full Service 401(k) for the appropriate paperwork. The completed withdrawal form can be scanned and emailed or faxed to our General Support contact. All withdrawal checks will be mailed directly to the participant. They will receive the check approximately 10 business days after the appropriate paperwork is submitted and we have all necessary information to process.

LOANS

If you have elected in your Adoption Agreement to allow participant loans, requests may be initiated over the Participant Website. The participant can model a loan request under the “Transactions” option, selecting the desired amount and repayment period. All loan checks will be mailed directly to the participant. They will receive the check approximately 10 business days after the appropriate paperwork is submitted and we have all necessary information to process.

ISOLVED - PAYROLL SERVICE CLIENTS

If you use iSolved’s Payroll Administration Services, the Loan Amortization Schedule will be provided to iSolved and they will set up the repayment of the loan through payroll withholding. We will determine when the loan is in default, whether it is a deemed distribution or a loan offset, and prepare proper notifications to the participant and the AE, as well as any relevant tax forms.

NON-PAYROLL CLIENTS

We will advise when a participant has taken a new loan and provide you with a copy of the Loan Amortization Schedule so you can set up the repayment of the loan through payroll withholding. We will determine when the loan is in default, whether it is a deemed distribution or a loan offset, and prepare proper notifications to the participant and the AE, as well as any relevant tax forms.

DISTRIBUTIONS

DISTRIBUTIONS UPON TERMINATION

When a Participant separates from service, he/she may request a distribution from their account. To request the distribution, the Participant should contact iSolved Full Service 401(k) for the appropriate paperwork (these documents are also available on the Plan Sponsor and Participant Websites under the Forms link). The completed distribution form can be scanned and emailed or faxed to our General Support contact. All withdrawal checks will be mailed directly to the payee. They will receive the check approximately 10 business days after the appropriate paperwork is submitted and we have all necessary information to process.

REQUIRED MINIMUM DISTRIBUTIONS (RMD)

Upon reaching age 70 ½, participants are required to take a minimum distribution from their account. Any participant who is not a 5% owner must begin receiving these mandatory distributions by April 1 of the year following the later of either the year in which they turned 70 ½, or the year in which they retire. We will calculate the amount of the necessary distribution annually. However if the participant has determined the amount needed and would like to request the funds be distributed prior to us calculating it, or would like to request additional funds, they would need to be provided with the above distribution form and special tax notice.

ISOLVED - PAYROLL SERVICE CLIENTS

To ensure all appropriate participants receive a RMD, it is important to have accurate birth dates and HCE codes on file for all employees. We will review participant information on file with iSolved to identify which participants are required to take a RMD. We will provide necessary information to those participants identified and process the RMDs as appropriate.

NON-PAYROLL CLIENTS

A review of your census information provided at year end will take place to identify participants required to take a RMD. To ensure all appropriate participants receive a RMD, it is important that you provide accurate birth dates and HCE/ownership information when requested for year-end processing. We will provide necessary information to those participants identified and process the RMDs as appropriate.

IMPORTANT NOTES:

- Any participant who is still employed and is not a company owner may postpone their RMDs until April 1 of the year in which they retire.
- Required Minimum Distributions are not eligible for rollover to another account/plan.

QUALIFIED DOMESTIC RELATIONS ORDERS (QDROS)

A domestic relations order (DRO) is a judgment, decree, order or a property settlement that is made related to the provision of child support, alimony payments or marital property.

A qualified domestic relations order (QDRO) is a DRO that deals specifically with the participant's benefits in a qualified retirement plan. The QDRO creates a right for an alternate payee (typically a spouse, former spouse, child or other dependent of the participant) to receive some or all of the participant's retirement plans benefits.

In the event you believe there is a pending QDRO, you should notify us immediately to suspend all account activity related to the affected participant's account. In the event that you do not have a written QDRO policy in place or an ERISA attorney to review DROs for your plan, upon receipt of the DRO, submit to our General Support contact and we will review the DRO to determine if it is a QDRO. We will notify the participant and alternate payee that the order has been received and inform them of the procedures for reviewing the order and that while the order is under review, no payments can be made to the participant. Upon completion of the DRO review and the subsequent account segregation, if applicable, the suspension will be lifted on the participants account.

ANNUAL COMPLIANCE

ANNUAL NOTICES/DISCLOSURES

During 4th quarter of each year, you will be sent the annual participant notices and fee disclosures. You will be responsible for distributing these notices and disclosures to the applicable employees.

ANNUAL COMPLIANCE TESTING

The IRS requires that 401(k) plans be tested to ensure that highly compensated employees are not getting a greater tax break than those who are not highly compensated. The definition of a highly compensated employee is anyone who is more than a 5% owner OR earned a minimum salary in the prior plan year with your company (contact the Compliance Manager for information on the current year minimum salary). The tests include ALL employees with earnings in the prior plan year, even if they did not participate in the 401(k) plan, or were not employed long enough to be eligible.

ISOLVED - PAYROLL SERVICE CLIENTS

In January each year, iSolved will gather employee census data and submit it to us for annual plan discrimination testing. You will be asked to complete a questionnaire providing additional information related to plan ownership, related employees, employer contributions, etc. required to complete your discrimination testing.

NON-PAYROLL CLIENTS

In January each year, you will be asked to gather employee census data and complete a questionnaire providing additional information related to plan ownership, related employees, employer contributions, etc. and submit it to us for annual plan discrimination testing.

The discrimination tests must be completed by March 15th of each year, therefore you must provide the requested documentation by the deadline provided each year. If your plan does NOT pass a test, the plan may have to refund some of the tax deferred money to highly compensated employees as taxable income, you will be notified of the correction options prior to any corrective action being taken. In the event refunds are needed, we will notify the affected participants in writing prior to issuing the refunds.

The information provided will also be used to complete the annual IRS Form 5500 and 5558 filings. We will complete these and send them to you for review. You will then authorize us to file on your behalf. We will then submit these filings to the IRS.

FEES

Fees are assessed in 3 possible ways: 1) Transactional fees (ie: loan fees, distribution fees) are assessed from the account of the participant requesting the transaction at the point the transaction is processed. 2) Annual fees (ie: recordkeeping fees, custody fees, investment management fees, advisor fees) are assessed on a quarterly basis and will either be billed directly to the plan or deducted from plan assets based on your elections. 3) Event fees (ie: amendment fees) are assessed in full on the quarterly invoice following the completion of the service.

Administrative fees that you have elected to have deducted from plan assets will be deducted on a pro-rata basis from accounts after the end of the quarter. Advisor and Fiduciary Investment Manager fees will be deducted or billed, based on your election, in advance of the coming quarter. If you have elected to have these fees billed directly, an invoice will be sent via e-mail following the end of the quarter. You can elect to either remit payment or have fees automatically debited from your account on file with us via ACH. If you elect to remit, payment is due 30 days after the invoice date. If you elect to have fees deducted via ACH, the ACH will be done 7 days after the invoice date.

If you would like to have fees automatically debited via ACH, the Billing ACH Agreement should be completed and returned to our general e-mail or fax number – contact the Operations Manager for a copy of the agreement. Once received we will set up the ACH process prospectively.