

# 401(k) Plan Implementation Guide to Plan Notices

As the Plan Administrator<sup>1</sup> for your Plan, you will be required to mail to eligible employees, participants and other recipients notices and disclosures about the Plan (unless you elected ADP's Plan Notice Delivery Service on an initial as well as ongoing basis). The chart below provides a basic overview of the primary notifications required during the implementation of your plan and on an on-going basis.

Detailed information regarding ongoing notice and disclosure requirements may be found in the Plan Administration Manual, which will be available to you on the Plan Sponsor Website after your plan is active ([www.mykplan.com/sponsor](http://www.mykplan.com/sponsor)).

| Document                          | What it is                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Who must receive it                                                                                                                                                                                                                                                                                         | When                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Participant Fee Disclosure</b> | Required notice to eligible employees and participants describing general plan information, plan fees, and investment information.                                                                                                                                                                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>Eligible employees</li> <li>Participants (including terminated employees with a vested account balance)</li> <li>Alternate payees under a Qualified Domestic Relation Order (QDRO) with an account balance</li> <li>Beneficiaries with an account balance</li> </ul> | <p><b>During Implementation:</b></p> <ul style="list-style-type: none"> <li>When enrollment materials are furnished</li> </ul> <p><b>Ongoing:</b></p> <ul style="list-style-type: none"> <li>To newly eligible employees before they enroll</li> <li>Annually to all required recipients</li> <li>Updates (as required) if certain information changes during the year (30-90 days before the change is effective)</li> <li>ADP will provide you with sample update letters whenever a change occurs that requires you to send an update notice</li> </ul> |
| <b>Summary Plan Description</b>   | <p>The SPD informs participants about plan features and what to expect of the plan. Among other things, it must include information about:</p> <ul style="list-style-type: none"> <li>when and how employees become eligible to participate in the plan;</li> <li>contributions to the plan;</li> <li>the plan's vesting schedule; when employees are eligible to receive benefits; how to claim benefits;</li> <li>rights and obligations participants have under the plan.</li> </ul> | <ul style="list-style-type: none"> <li>Eligible employees</li> <li>Participants (including terminated employees with a vested account balance)</li> <li>Alternate payees under a QDRO with an account balance</li> <li>Beneficiaries with an account balance</li> </ul>                                     | <p><b>New Plans:</b></p> <ul style="list-style-type: none"> <li>Within 120 days after the plan is first effective<sup>2</sup></li> </ul> <p><b>Ongoing:</b></p> <ul style="list-style-type: none"> <li>Within 90 days of becoming a participant in the plan<sup>2</sup></li> </ul>                                                                                                                                                                                                                                                                         |

<sup>1</sup> ADP, LLC and its affiliates do not offer investment, financial, tax or legal advice or management services.

<sup>2</sup> If your plan includes a 401(k) Safe Harbor feature, the SPD must be provided to newly-eligible participants at the same time as the Safe Harbor Notice.

| Document                                     | What it is                                                                                                                                                                                                                                                                                                       | Who must receive it                                                             | When                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Safe Harbor Notice</b><br>(if applicable) | The notice is required by the IRS for a 401(k) plan that uses a safe harbor structure rather than performing non-discrimination 401(k) contribution testing.                                                                                                                                                     | All eligible employees, whether or not they participate in the plan.            | <b>New Plans:</b> <ul style="list-style-type: none"> <li>No later than plan effective date (start date) but no more than 90 days before that date</li> </ul> <b>Ongoing:</b> <ul style="list-style-type: none"> <li>Annually – 30 to 90 days before beginning of new plan year</li> <li>Newly-eligible employees by the date they become eligible (but no more than 90 days before)</li> <li>Supplemental notices, depending on plan terms</li> </ul>                                                                                                                         |
| <b>EACA Notice</b><br>(if applicable)        | The EACA Notice is required for all 401(k) plans that employ an automatic enrollment plan feature.                                                                                                                                                                                                               | All eligible employees, whether or not they participate in the plan, each year. | <ul style="list-style-type: none"> <li>At least 30 days but no more than 90 days before the beginning of the next plan year.</li> <li>Any employees who become eligible to enter your Plan during the remainder of the current plan year and at any time during the upcoming plan year, on or before the date the employee becomes eligible (but not more than 90 days in advance of such date).</li> <li>Special rules apply to certain rehired employees and employees moving from an ineligible class to an eligible class during the plan.</li> </ul>                     |
| <b>QACA Notice</b><br>(if applicable)        | The QACA Notice is required by the Internal Revenue Service for a 401(k) plan that uses a safe harbor structure rather than performing 401(k) nondiscrimination contribution testing. The Notice informs employees who are eligible to participate in the plan of the safe harbor features and other plan terms. | All eligible employees, whether or not they participate in the plan             | <ul style="list-style-type: none"> <li>You must provide the QACA Notice early enough that an eligible employee has reasonable time to make an election before being defaulted, default deferrals must start by a certain pay date after the Notice is given.</li> <li>To meet IRS deadlines, as early as possible during the pay period immediately before the pay period that contains your Plan's effective date.</li> <li>If your pay periods are longer than monthly, the QACA Notice must be distributed no more than 90 days before the Plan effective date.</li> </ul> |
| <b>QDIA Notice</b><br>(if applicable)        | The QDIA Notice is required by the Department of Labor for plans that have a new default investment for participants who fail to make an affirmative investment election.                                                                                                                                        | All eligible employees, whether or not they participate in the plan.            | <ul style="list-style-type: none"> <li>Distribute the QDIA with your Plan's Participant Fee Disclosure Statement to everyone who receives the new Participant Fee Disclosure Statement.</li> <li>Annually – 30 days before the beginning of each plan year.</li> </ul>                                                                                                                                                                                                                                                                                                        |

**ADP RETIREMENT SERVICES** 71 Hanover Road Florham Park, NJ 07932

Unless otherwise disclosed or agreed to in writing with a client, ADP, LLC and its affiliates do not offer investment, financial, tax or legal advice, and nothing in these materials is intended to be, nor should be construed as, advice or a recommendation for a particular situation or plan. Please consult with your own advisors for such advice.

ADP, the ADP logo and Always Designing for People are trademarks of ADP, LLC. All other trademarks and service marks are the property of their respective owners. 99-5417-PS-0519 ADPBD20190503-0005 Copyright © 2019 ADP, LLC. All Rights Reserved.

FOR PLAN SPONSOR USE ONLY — NOT FOR DISTRIBUTION TO THE PUBLIC.

