

Key Plan Feature and Administrative Updates

Our goal is to make your plan transition from Accrue 401k to Vestwell as simple and straightforward as possible, while giving you and your employees an elevated savings experience. Your overall plan design and plan structure will remain the same as part of the transition. However, there are a few minor administrative and plan feature differences and enhancements you may notice in day-to-day operations. The table below summarizes these key updates so you can easily see what's changing, how Vestwell handles each feature, and what this means for you and your employees.

FEATURE	HOW THIS WORKED AT ACCRUE 401K (FORMERLY SERVICED BY GUIDELINE)	HOW THIS WORKS AT VESTWELL
Additional Withdrawal Types <ul style="list-style-type: none"> • Qualified birth or adoption distribution • Domestic abuse • Qualified disaster recovery distributions 	Not offered	Your plan will automatically include these withdrawal types if you make withdrawals available
Hardship Withdrawals <ul style="list-style-type: none"> • Dollar minimums • Limit per plan year • Self-certification (ability for participants to self-certify a hardship reason) 	<ul style="list-style-type: none"> • Minimum of \$1,000 per hardship withdrawal • No more than two hardship withdrawals permitted per plan year • May allow for self-certification 	<ul style="list-style-type: none"> • No minimum dollar amount requirements per hardship withdrawal • No limit on number of hardship withdrawals per plan year • Self-certification is required
Cash-Out Distributions <ul style="list-style-type: none"> • Cash-out distributions for terminated participants with a vested balance under a certain threshold • Maximum amount increase from \$5,000 to \$7,000 per Secure Act 2.0 • Participant consent 	<ul style="list-style-type: none"> • Plans can elect not to permit cash-outs • Variable cash-out thresholds may apply (i.e., plans allow force out of only balances under \$1,000 or \$5,000) • Differing cash-out vs. rollover thresholds are permitted (i.e., vested balances under \$1,000 are cashed out, vested balances of \$1,000 and up are rolled over to an IRA) • Plans may require participant consent 	<ul style="list-style-type: none"> • Cash-outs will be turned on for your plan • Your plan will have a cash-out threshold of \$7,000 (vested balance) • All cash-out distributions will be rolled over to an IRA • No participant consent required
Rollover Contributions into the Plan <ul style="list-style-type: none"> • Eligibility status for rollovers into the plan • Rollover contributions from a terminated SIMPLE IRA Plan 	<ul style="list-style-type: none"> • Allows for eligible and terminated participants to roll money into the plan (e.g., ineligible active plan participants cannot roll money into the plan) • Rollovers from terminated SIMPLE IRA plans are not allowed 	<ul style="list-style-type: none"> • Allows for ineligible active plan participants and eligible participants to roll money into the plan (e.g., terminated participants will not be able to roll money into the plan) • Rollovers from terminated SIMPLE IRA plans are allowed
Loans <ul style="list-style-type: none"> • Participant money sources for loans • Money source restrictions 	<ul style="list-style-type: none"> • Participants can elect which sources of money to withdraw from for their loans • Certain money sources, such as QNEC and QMAC, are restricted from being used for loans 	<ul style="list-style-type: none"> • Loans are taken pro rata from the participants' existing money sources • All vested money sources are eligible for loans, including QNECs and QMACs
Deferrals <ul style="list-style-type: none"> • Percent deferrals and dollar deferrals in whole numbers vs. decimals 	<ul style="list-style-type: none"> • Allows both percent and dollar deferrals to be in decimals (i.e., 3.5% and \$350.50) 	<ul style="list-style-type: none"> • Vestwell allows whole percentages or dollars for deferrals • Vestwell will round down deferral elections transferred from Accrue 401k (i.e., 3.5% changes to 3%, and \$100.50 per paycheck changes to \$100)
Military Personnel Benefits <ul style="list-style-type: none"> • Benefit accrual for military personnel 	<ul style="list-style-type: none"> • Does not allow continued accrual of benefits under the plan for active military personnel 	<ul style="list-style-type: none"> • Allows active military personnel to continue to accrue benefits under the plan