



Southeastern Minnesota Center for Independent Living, Inc. (SEMCIL)

403(b) RETIREMENT PLAN NOTICE

We would like to welcome you to the SEMCIL 403(b) Retirement Savings Plan. The 403(b) Plan is a valuable benefit program offered to you as an employee of SEMCIL to assist you in saving money for retirement.

This notice will outline eligibility requirements, employer match amount, vesting schedule, and the plan administrator/representative.

Eligibility for Participation in the 403(b) Plan

- All employees are eligible to participate and make a salary deferral in the 403(b) Retirement Savings Plan, regardless of the number of hours he/she works.

- To be eligible for the employer match contribution, you must meet the following criteria:
 - 1) Have completed a minimum of 1 year of service,
 - 2) Worked 1000 hours in the Plan year,
 - 3) Be employed on the last day of the Plan year, and
 - 4) Be age 21 or older.

Eligible employees may participate in the 403(b) Plan upon the first day of employment.

Employee contributions are voluntary and are limited to a maximum contribution of \$17,500 (\$23,000 if age 50 or older).

Auto Enrollment Feature

All eligible employees will be automatically enrolled in the 403(b) Plan in a default fund at 2% of their annual wages/salary. To opt out of this automatic enrollment, the employee will need to complete the appropriate paperwork. This paperwork is in the 403(b) materials provided to you, but can also be obtained from the Finance Director.

Employer match contribution

If you meet the above criteria for the employer match contribution and you contribute to an established 403(b) Plan, for the 2013 Plan year, the employer will match \$1.00 on each dollar you contribute to your 403(b) Plan up to 5% of your annual wages or salary.

Vesting schedule

The vesting schedule shows what percentage of the employer match contribution employees will receive upon termination of employment. A key benefit of our plan is that SEMCIL will

recognize the time employees have been employed with our agency when determining vested years of service. Example: If an employee has completed 3 years with the agency at the time of separation of employment, he/she would receive 40% of the employer match contribution.

<i>Years of Service</i>	<i>Vesting Portion</i>
2	20%
3	40%
4	60%
5	80%
6 +	100%

How to establish a 403(b) Plan account

If you are interested in setting up an account in the default fund option, you can simply contact Malinda Moua, Finance Director, at 507.285.3914. To speak with the Plan Representative to discuss the different investment options, contact Joe Ledesma at 515.991.6209 or via e-mail at joeledesma@mchsi.com.

Note: The above highlights are only a brief overview of the Plan's eligibility requirements and feature. It is not a legally binding document. A more detailed Summary Plan Description (SPD) will be provided to you by the plan representative.

403(b) PLAN ACKNOWLEDGEMENT FORM

The agency 403(b) Plan has been reviewed with me. I understand the eligibility requirements and Plan function.

I understand that if I do not complete the 403(b) Enrollment/Change Investment Election Form and officially opt in or opt out of the 403(b) plan, I will be automatically enrolled in the agency 403(b) at 2% of my wage or salary.

Employee Signature

Date