Institute on Aging 403(b) Plan
Plan Highlights

Institute on Aging is pleased to help its employees achieve a secure retirement by providing them with a 403(b) retirement savings program, *Institute on Aging 403(b) Plan* (the "Plan"). In this Plan, you can save through payroll deductions, and your savings may be supplemented with contributions by the Institute. The following are highlights of the Plan.

Eligibility

As an employee of the Institute, you are eligible to participate in the Plan after satisfying the eligibility requirements for each portion of the Plan.

Contributions to the Plan

<u>Employee Contributions</u>

You begin participating in this portion of the Plan as soon as administratively feasible after your date of hire. You can elect to contribute to the Plan through payroll deduction as pre-tax or Roth salary deferrals, or a combination of both. Your deferrals can be a percentage of pay or a flat dollar amount but cannot exceed the annual IRS limit in a calendar year ($23,500 in 2025).

If you are at least age 50 at the end of a calendar year, you can make additional "catch-up" contributions to the Plan above the regular limit for that year, up to the annual IRS limit on catch-up contributions in a calendar year ($7,500 in 2025).

Pre-tax salary deferrals You receive current tax savings by reducing your current taxable income. Earnings accumulate on a tax-deferred basis, but when you ultimately take a distribution of these monies from your Plan account, you will pay taxes on your distribution at the then-applicable income tax rates.

Roth salary deferrals You do not receive a current tax benefit, but earnings accumulate on a tax-deferred basis and can be distributed tax-free, but only if your distribution is a "qualified distribution" that is made after age 59½, death or disability <u>and</u> after you have completed a 5-year Roth participation period.

Automatic Enrollment This will apply to employees hired on or after April 1, 2024 who are not covered in any collective bargaining unit or are a member of SEIU 2015.

If automatic enrollment applies to you, unless you have made an alternative deferral election, including an election not to defer, you will be automatically enrolled into the Plan at the deferral rate of 3% of your Plan Compensation on a pre-tax basis. You have 90 days from the date you are automatically enrolled to withdraw your deferrals, and you can change your deferral rate at any time.

Automatic Increase If your 401(k) contributions are started by automatic enrollment, and you do not make an alternative deferral election, your deferral rate will be automatically increased by 1% every year on January 1st until it reaches 8%.

<u>Company Contributions</u>

Employer Matching Contributions The Institute may match your salary deferrals each year. The match is allocated on an annual basis. You begin participating in this portion of the Plan on the first day of the month on or following your completion of 1 year of service in which you have 1,000 or more hours of service credit if you are age 21 or older. To qualify for these contributions, you must have at least 1,000 hours of service credit in the year and employed by the Institute on the last day of the year.

Rollover Contributions: You can roll over your account balance in your prior employer's qualified retirement plan or IRA to this Plan, subject to approval by the Plan Administrator. Earnings on Rollover Contributions accumulate on a tax-deferred basis.

Plan Compensation

Plan Compensation is your annual W-2 wages, excluding certain allowances and reimbursements. Plan Compensation cannot be more than the annual IRS limit ($350,000 in 2025). In the year you begin participating, your Plan Compensation starts from your entry date for each portion of the Plan.

Vesting

Vesting refers to the percentage of your Plan account that you are entitled to receive when you take a distribution from the Plan.

Your Employee and Rollover Contributions are always 100% vested.

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Your employer Matching Contributions and Employer Discretionary Contributions will also be 100% vested if you reach your Normal Retirement Age while in employment or if your employment ends due to your death or becoming disabled. Otherwise, these contributions are subject to the following vesting schedule:

Year of Service	Vesting %
1 to 2	25%
2 to 3	50%
3 or more	100%

Normal Retirement Age is age 65.

Distributions Upon Severance of Employment

After your employment with the Institute ends, your account balance in the Plan will be distributed to you in a single lump sum as soon as administratively practicable. You can leave your account in the Plan if your account balance is more than $7,000, but you are required by law to begin distribution no later than April 1st of the year following the calendar year in which you are age 73.

Distributions Prior to Severance from Employment

The Plan is intended to help you save for retirement. Therefore, generally you cannot withdraw from your Plan account while you are an employee, except:

- You can withdraw your Rollover Contributions at any time
- You can withdraw your Employee Contributions and fully vested Company Contributions if you are at least age 59½
- You can withdraw your Employee Contributions and fully vested Company Contributions if you become disabled
- You can withdraw your Employee Contributions and fully vested Company Contributions if you have a financial hardship and qualify for a hardship distribution
- You can withdraw up to $5,000 of your Employee Contributions within 12 months of having a child by birth or adoption

Loans

You may take a loan from your Plan account. If you are interested in taking a loan, see the Plan Administrator for policies established by the Fund that follow IRS guidelines.

Investment of Your Plan Account

You can invest your Plan account in investment options offered in the Plan and make changes daily.

Other Information

You may change your deferral election at any time. You can also change your contributions between pre-tax and Roth at any time.

When you take a distribution from the Plan, your account balance will be paid to you in a single lump sum. Your distribution will be subject to income taxes, except for Roth contributions that meet certain criteria (see “Roth salary deferrals”). Your distribution may also be subject to premature distribution penalty taxes, depending on your age and other criteria at the time of distribution.

Unless your distribution is directly rolled over to an IRA or another employer’s qualified retirement plan, it will be subject to mandatory 20% Federal tax withholding and possible state tax withholding, depending on your state.

Annual IRS limits applicable to the Plan are adjusted annually for cost-of-living increases.