

MEMORANDUM

To: All Employees

From: Jason Persan, Human Resources Director for Employee Services

Date: December 6, 2024

Re: **IMPORTANT RETIREMENT PLAN CHANGE IMPACTING ALL EMPLOYEES**

If you are not currently deferring at least 3% of your pay to your retirement plan, then changes to our Plan will impact you beginning January 1, 2025. It is very important that you take a moment to review the information below.

We are pleased to announce two important changes to our retirement plan effective January 1, 2025, that will help employees save for retirement – *Auto-enrollment* and *Auto-increases* of deferrals. You now can start saving for retirement and increase your retirement savings by doing nothing!

These changes are designed to make it even easier to start saving for retirement and to gradually increase your tax-free contributions to help you prepare for retirement. It is important to remember that 100% of the money you defer from your pay to your retirement account is yours from the day you defer it – There is no vesting period for money that you defer.

WHAT IS CHANGING? Effective January 1, 2025, the following changes will be in effect:

Current Employees

- If you are *not* currently enrolled in our 403(b) Retirement Plan, you will be **automatically enrolled in the Plan** and will defer 3% of your pay to the Plan each pay period unless you opt-out before 11:59 pm on Wednesday, January 1, 2025.
- If you are currently enrolled in our 403(b) Retirement Plan and *deferring less than 3%* of your pay to the Plan, then your deferral amount will be **automatically increased to 3%** of your pay each pay period unless you opt-out before 11:59 pm on Wednesday, January 1, 2025.
- On January 1st, 2026, all employees who have been automatically enrolled at 3% will have their deferral amount automatically increased by 1% to a deferral rate of 4%. This will continue to occur every January 1st thereafter until your deferral amount is 6%. No automatic increases will occur after your deferral amount reaches 6%, though employees may choose to increase their deferral rate beyond 6% and may opt out of automatic increases at any time.

Newly Hired Employees

- After the first 30 days of employment, newly hired employees will be automatically enrolled in the Plan with an initial deferral amount of 3% if they do not make an election to the contrary.

HOW DO I OPT-OUT?

If you do not want to be automatically enrolled in the Retirement Plan, please follow the steps listed under one of the options below before 11:59 pm on Wednesday, January 1, 2025.

Option 1: Log in to your EMPOWER account at www.empowermyretirement.com

(Note that all employees have accounts on EMPOWER even if you are not deferring any pay currently.)

1. If not already registered, you will be prompted to register and create a username and password the first time you log in.
2. Depending on the browser you are using, you may need to click on your plan name – *Associated Employers for the Help of the Developmentally Disabled 403 (b) Plan*.
3. On the first screen, select the **decline participation** option.

Option 2: Call EMPOWER at 844-465-4455.

NOTE: Once you opt-out, you will not be auto-enrolled in 2025 or in future years. It is not necessary to opt-out each year. If you opt-out now, you still can choose to enroll in the Plan at any time.

WHAT IF I DON'T OPT-OUT BY JANUARY 1, 2025?

- If you miss the deadline to opt-out, you will see 3% of your pay deferred from your next pay statement and this will continue each pay period if you do nothing.
- If you miss the deadline but want to opt-out, simply call EMPOWER at 844-465-4455 or log into your EMPOWER account at www.empowermyretirement.com within **90 days after the first automatic deferral** and request to opt out of automatic enrollment. If you submit this request within 90 days, the money you automatically deferred during that period will be returned to you.
- If you do *not* opt-out within 90 days after your first automatic deferral, you still can contact EMPOWER to opt-out, your deferrals will stop or be changed to any other amount you choose. However, the money you automatically deferred cannot be returned to you and will remain in your retirement account.

WHAT IF I HAVE QUESTIONS OR WANT HELP?

If you have any questions about these changes or want help with the options offered, please don't hesitate to contact our Compensation Analyst & Retirement Plans Manager, Manpreet Rattu, at (516) 293-2016, x5139, or mrattu@ahrc.org, or myself at (516) 293-2016, x5363, or jpersan@ahrc.org.

We hope this change will make it easier for you to start saving more for retirement sooner!