



## Howroyd Group of Companies 401(k) Retirement Savings Plan Hourly Associate Contract: 51797 Plan 2

The following is for your information only. To enroll, make changes or if you have 401(k) questions, please call 1-800-872-2677 ext. 995016.

### **Hourly Employees Eligibility and Entry**

You are eligible to join the plan if you are:

- At least age 18
- Not defined by the IRS as a highly compensated employee

Once you meet the eligibility requirements, you may enter the plan effective the first of each month.

### **Pay**

In general, pay is total compensation from Howroyd Group of Companies. This includes commissions and any other taxable income. Your employer can provide more detailed information.

### **Salary Deferral Contributions**

You may choose to contribute up to 50% of your pay each pay period.

Your taxable income is reduced by the amount you contribute through salary deferral. This lets you reduce your current income taxes. Your total salary deferral in 2012 may not be more than \$17,000. Your maximum deferral percentage and/or dollar amount may also be limited by IRS regulations.

If you reach 50 anytime during the calendar year or are over 50, you may make additional pre-tax contributions above and beyond the normal plan limits. For 2012, you can make up to \$5,500 in additional contributions.

### **Salary Deferral Changes**

You may stop making salary deferral contributions at any time. Once enrolled into the plan, you may change your percentage deferral quarterly effective January 1, April 1, July 1 and October 1.

### **Vesting**

You are always 100% vested in the contributions YOU choose to defer. You cannot forfeit these contributions.

### **Account Information**

You may obtain account information through:

- Retirement Plan Statement (Quarterly)
- Website, The Journey<sup>SM</sup>
- Toll free telephone number

### **Investments**

The plan offers a variety of carefully selected quality investment options in which to invest your contributions, including:

- Guaranteed Interest Account (GIA)
- Select PIMCO Total Return Fund
- Cullen Value (Pioneer)
- Select Indexed Equity (Northern Trust)
- Growth Investors (American Century)
- Mid Cap Value (Perkins)
- Mid Cap Index (Northern)
- Select Mid Cap Growth II (TRP/Frontier)
- Allianz NFJ Small Cap Value Fund
- Small Cap Growth (Invesco Van Kampen)
- EuroPacific Growth Fund (American Funds)
- Adv Dow Jones Target Fund Options (Wells Fargo)

### **Investment Mix Changes**

You may change your investment mix anytime. Changes can be made through the website, The Journey<sup>SM</sup> or 1-800-74FLASH (35274).

### **When You Receive Benefits**

You may receive money from your account at:

- Retirement (age 65)
- Age 59 1/2 and still working
- Early retirement (age 55)
- Death
- Disability
- Separation of Employment

### **Financial Hardship**

You may withdraw all or part of your vested account (not earnings) if you can prove financial hardship\*.

The plan defines hardship as an “immediate and severe financial need” and includes college education, purchase of a primary residence, prevention of eviction or foreclosure, medical expenses, burial and funeral expenses, and expenses for repair of damage to primary residence.

Salary deferral Contributions will be suspended for six months after your withdrawal.

### **Loans**

You may borrow up to a maximum of 50% of your vested account balance or \$50,000 (whichever is less). The minimum loan amount is \$1,000. You may take 1 loan in a 12-month period. The interest rate will be determined when you apply for your loan. You pay back both the principal and interest directly to your account through payroll deduction. You also pay a loan origination and record-keeping fee. The loan must be repaid within a 5-year period. A loan term of greater than 5 years may be available for the purchase of a primary residence. The term will be determined by the loan administrator when you apply for your loan. If you don't pay back your loan, you will pay additional taxes. See your loan administrator for additional details.

### **Other Information**

Your salary deferral contributions do not affect your Social Security taxes or any of your other group benefits.

This is a brief summary of your plan. If there are any discrepancies between this summary and the plan document, the plan document will govern. Contact your employer if you would like to see the plan document.

\*Most withdrawals/distributions are subject to taxation and required withholding. Check with your financial/tax advisor on how this may affect you.

Mass Mutual is required by the IRS to withhold 20% of any distribution eligible for rollover if it is not directly rolled over to another qualified retirement plan, an IRA, or used to purchase an annuity to be paid over a minimum period of the lesser of 10 years or the participant's life expectancy. This withholding will offset a portion of federal income taxes you owe on the distribution.

The retirement account may be affected differently by individual state taxation rules. Contact your tax advisor with questions.