

**HIGHMARK COMPANIES**  
**401(k) Profit Sharing Plan & Trust - 2019**  
1255 Crescent Green • Suite 120 • Cary, NC 27518 • 919-779-3055

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**ELIGIBILITY REQUIREMENTS**

- **Age:** 21
- **Service:** 250 hours of service within the 3-month measurement period following the date of hire. If the requirement is not met, then 1,000 hours within the first 12-month period; after that, 1,000 hours in a plan year.
- **Entry Date:** The first day of the month following the end of the measurement period in which the eligibility requirement is met.

**CONTRIBUTIONS**

- **Elective Deferrals:** You may defer between 1% and 90% of compensation, not to exceed \$19,000 in 2019.
- **Roth Deferrals:** You may irrevocably designate all or part of your elective deferrals to the plan as Roth 401(k) deferrals.
- **Bonuses:** Elective deferrals will be withheld from bonuses.
- **Catch-up Contributions:** An additional \$6,000 may be deferred in 2019 by participants age 50+.
- **Rollovers:** You may roll over balances from other qualified plans. Conduit IRAs are the only type of IRA that may be rolled into the plan.
- **Deferral Percentage Amendment:** First day of each quarter.
- **Safe Harbor Basic Matching Contribution:** The Company will match a percentage of your deferrals each pay period. The matching formula is 100% of deferrals up to the first 3% of compensation and 50% of deferrals on the next 2% of compensation. If you defer 5% of compensation, you will receive the maximum match of 4% of compensation.
- **Employer Discretionary Contributions:** The company retains the right to make a discretionary profit sharing contribution each year.

**VESTING**

- **Employee Contributions:** Fully vested at all times.
- **Safe Harbor Matching Contributions:** Fully vested at all times.
- **Employer Discretionary Contributions:** 0% (1<sup>st</sup> Yr), 0% (2<sup>nd</sup>), 100% (3<sup>rd</sup>)

**INVESTMENTS**

- **Loans:** Participants may borrow up to 50% of their vested balance. The minimum loan amount is \$1,000; the maximum is \$50,000. The maximum number of loans outstanding at any one time is three.
- **Insurance Policies:** Not Permitted.
- **Investment Direction:** Accounts are participant-directed. Changes may be made daily via the Internet. Log on to [www.yourplanaccess.net/nwps](http://www.yourplanaccess.net/nwps) to begin. Contact CDM's Participant Service Center toll free (888-700-0808) if you have any questions about your account or the website.
- **Investment Assistance:** John Gansman, your Davenport & Company advisor, is available to help you choose the investment options that are right for you. Please call 888-337-2805 for assistance.

**RETIREMENT AGE**

- **Normal Retirement Age:** Age 65. You will become 100% vested in your account and may take a taxable distribution without a withdrawal penalty when you reach age 65.

**DISTRIBUTIONS**

- **Hardship Withdrawals:** Withdrawals prior to age 59½ are available for the following reasons: 1) Purchase of your primary residence, 2) Prevent eviction from your primary residence, 3) Post-secondary education for you, your spouse, or your dependents, 4) Deductible medical expenses for you, your spouse, or your dependents, 5) Payment of funeral expenses for you, your parents, spouse or dependents, and 6) Expenses related to the repair of damage to the your primary residence that would qualify for a casualty deduction on your federal tax return. *Documentation must be provided.*
- **In-Service Withdrawals:** Withdrawals are permitted for any reason upon attainment of age 59 ½.
- **Upon Termination:** Benefits paid in a lump sum following request for distribution.

*Please review your Summary Plan Description for more detailed information.*