

FOSTER & WOOD

Santé Operations LLC

► 401(k)

Profit Sharing Plan and Trust

Summary Guide 2024

Investment Return Information as of 06/30/2024

Welcome to the Santé Operations 401(k) Plan

- ▶ Congratulations on taking your first steps towards a secure life when you retire!
- ▶ Foster & Wood bring over 46 years of combined experience in managing retirement plans.
- ▶ Because they do not allow commissions or any other conflicts of interest in the plans they manage you can confidently ask them questions or seek their advice without worrying about “what’s in it for them.”

Investment Questions

- ▶ Tim Wood | 971-266-3134 | tim@fosterandwood.com

Form, Distributions, Password Resets, Etc.

- ▶ Jeremy Six | 971-366-3513 | jeremy@fosterandwood.com

Plan Highlights – Basic Rules

- ▶ Contribution Maximums
 - ▶ Maximum annual contribution is \$23,000, not to exceed 95% of pay
 - ▶ A catch-up contribution of \$7,500 is available to those over 50 years old
 - ▶ **For employees earning in excess of \$150k, please contact F&W for advice on eligible contribution levels.**
- ▶ Eligibility
 - ▶ Age 18 or over
 - ▶ 2 months of service for salary deferrals. 1 year of service for profit sharing
 - ▶ Plan entry is 1st of the calendar quarter after service requirement is met
- ▶ Rollovers of previous 401k plan balances are allowed at any time
 - ▶ Don't need to wait for the eligibility listed on the left
 - ▶ Call Foster & Wood if you have questions
- ▶ Loans are available
 - ▶ Under federal rules, the minimum loan balances is \$1,000 and the maximum is \$50,000
 - ▶ Can't exceed 50% of your vested balance

In service distributions are available to employees who are at least 59 ½

Plan Highlights

Portability

- ▶ You don't lose your account balance if you leave.
- ▶ You keep 100% of your contributions, plus or minus investment gain or loss.
- ▶ If you spend the money before age 59 ½, you pay a 10% penalty, plus income tax.
- ▶ No penalty to move the money as long as it stays in retirement accounts.

Investments

- ▶ All mutual funds are low cost, no commission funds.
- ▶ Four Ways to Invest in the Plan
 - ▶ Five risk-based model portfolios are available.
 - ▶ Age-based Target Date Funds from Vanguard are available.
 - ▶ MyTotalRetirement – a customized strategy predicated on your situation.
 - ▶ Choose your own mix of the asset class mutual funds available.

Is Time Running Out on Social Security?

- ▶ Signed into law in 1935 – Intended to provide supplemental income to those 65 and older.
- ▶ FRA – Born after 1960 – 67 and some months.
- ▶ Planet's only legal Ponzi scheme.
- ▶ 1983 – on the cusp of bankruptcy.
- ▶ Increased FRA and started taxing benefits, prior to that benefits were tax-free.
- ▶ Program became “cash negative” in 2010.
- ▶ Great recession and the lockdowns have accelerated the deterioration of the “fund.”
- ▶ Disability insurance could be depleted by the end of the administration's first term.
- ▶ Projected to be broke by 2028 elections ~ 70% of promised benefits.

What Does This Mean For Future Retirees?

- ▶ Current beneficiaries will likely not be affected. It will affect future beneficiaries.
- ▶ Unfortunately, we all must save more today than we were previously considering.
- ▶ Generally, most people should save about 10% of their pay their entire working life.
- ▶ If you have questions about how much you should be saving, please reach out to Foster & Wood.

Automatic Enrollment

Once you are eligible, if you do nothing, you will be automatically enrolled

1% of your pay (pre-tax) and your savings will be invested for you in the Qualified Default Investment Alternative.

It is your right to request not to be enrolled

You have 45 days after a contribution has been made to request a distribution.

AFTER THIS PERIOD, ANY INVESTED FUNDS MUST REMAIN IN THE PLAN UNTIL RETIREMENT OR YOU CHANGE EMPLOYERS UNDER FEDERAL LAW.

Automatic Escalation

Every January 1 your contribution increases by 1% of your pay

Maxes out at up to 10% of your pay

It is your right to request not to be enrolled if you prefer and you have 45 days after a contribution has been made to request a distribution. AFTER THIS PERIOD, ANY INVESTED FUNDS MUST REMAIN IN THE PLAN UNTIL RETIREMENT OR YOU CHANGE EMPLOYERS UNDER FEDERAL LAW.

Plan Highlights – Roth 401(k)

- ▶ Traditional 401(k)
 - ▶ Tax deduction when you contribute
 - ▶ Reduces the tax you pay every pay period
 - ▶ In the future, withdrawals are taxed as income
- ▶ Roth 401(k)
 - ▶ No tax deduction when you contribute
 - ▶ Money comes out tax free
 - ▶ “Seasoning Requirement” Account must be established for 5 years prior to distribution without penalty.
- ▶ Company contributions are never Roth. Matching and Profit Sharing are always counted as Traditional, even if your contributions are Roth contributions
- ▶ You can make traditional contributions, Roth contributions, or a mixture of both, subject to the maximums

Plan Highlights – Company Matching!!

- ▶ Sante will match 25% on the first 4% you contribute.
- ▶ Accelerated vesting schedule:
- ▶ Year One or less – 0%
- ▶ Year 2 – 40%
- ▶ Year 3 – 60%
- ▶ Year 4 – 80%
- ▶ Year 5 and more – 100%
- ▶ Vesting begins the day you start employment with Sante, not the day you enter the plan.

Can I Save Even More On Taxes?

2023 Saver's Credit

Credit Rate	Married Filing Jointly	Head of Household	All Other Filers*
50% of your contribution	AGI not more than \$43,500	AGI not more than \$32,625	AGI not more than \$21,750
20% of your contribution	\$43,501 - \$47,500	\$32,626 - \$35,625	\$21,751 - \$23,750
10% of your contribution	\$47,501 - \$73,000	\$35,626 - \$54,750	\$23,751 - \$36,500
0% of your contribution	more than \$73,000	more than \$54,750	more than \$36,500

To receive the credit, taxpayers must file form 8880 with their tax return. Most federal free filing offers will file the additional schedule.

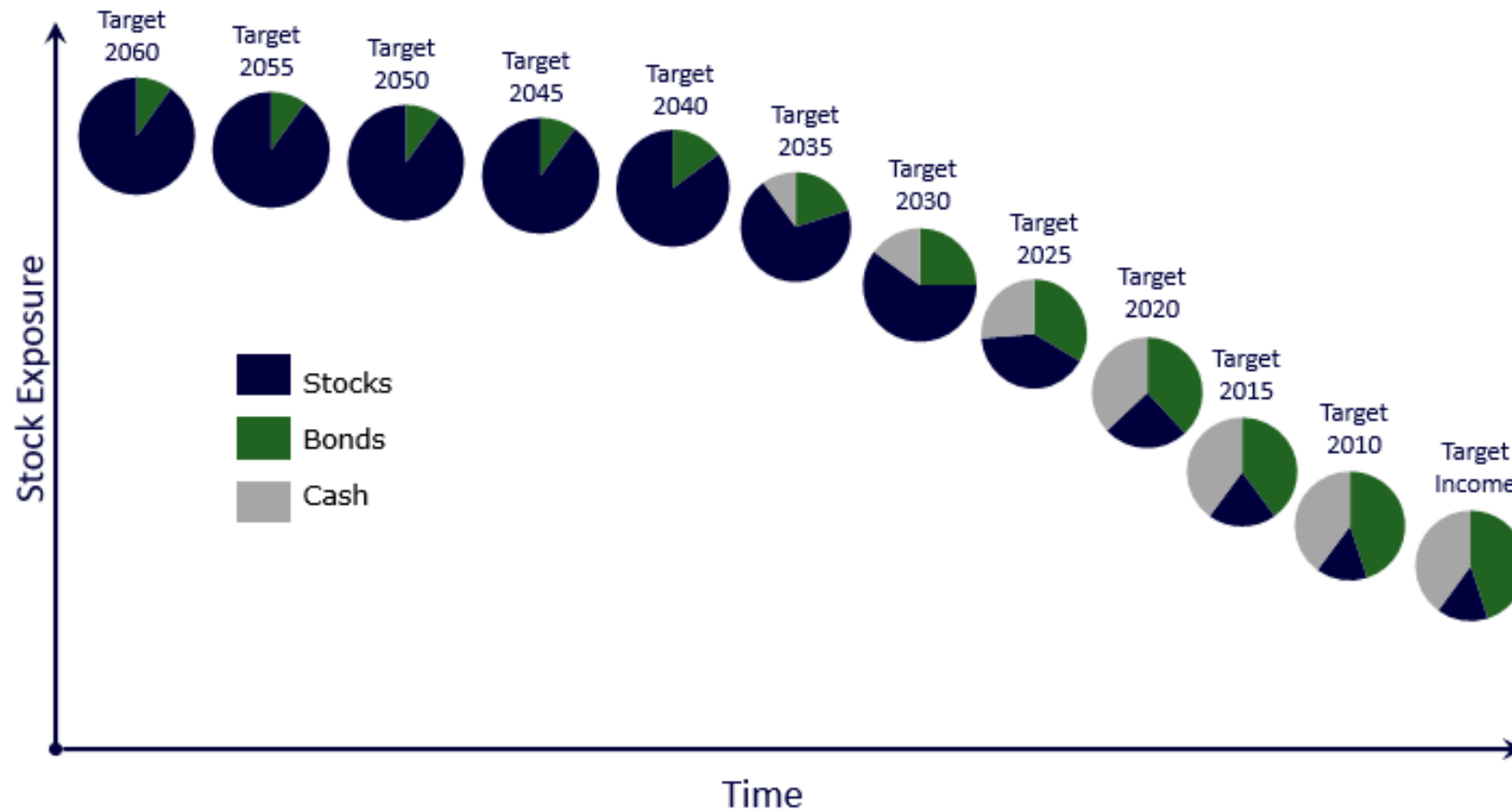
What is a QDIA?

- ▶ A Qualified Default Investment Alternative (QDIA) is the default fund for the plan and is only used when an employee does not make an affirmative investment selection. If you end up in the QDIA, you can change it any time.
- ▶ The QDIA for the Santé Operations 401(k) Plan for those under 50 is the Vanguard Target Date Funds
- ▶ For employees 50 or older, the QDIA is Empower's My Total Retirement – **a managed account that charges an additional 0.49% annually.**

My Total Retirement™

- ▶ Sante employees 50 and over will automatically default into DRM™, yet anyone can choose the service.
- ▶ Predicated on your age, income, years to retire, and other factors, My Total Retirement will create a unique actively managed account for you.
- ▶ Empower charges all MTR™ investors 0.49% annually with a 90-day free “test drive.”
- ▶ You can choose to either adopt or decline My Total Retirement at any time.
- ▶ Those 50 and over will receive program specific information via the USPS about the program. It may look like a solicitation, but it is information about your participation in the program, we encourage you to read it and call F&W with any questions.
- ▶ Those under 50 will default into a Vanguard Target Date fund which corresponds to their anticipated retirement date.

Target Date Funds



Target date funds become more conservative as you age by reducing your exposure to stock market investments.

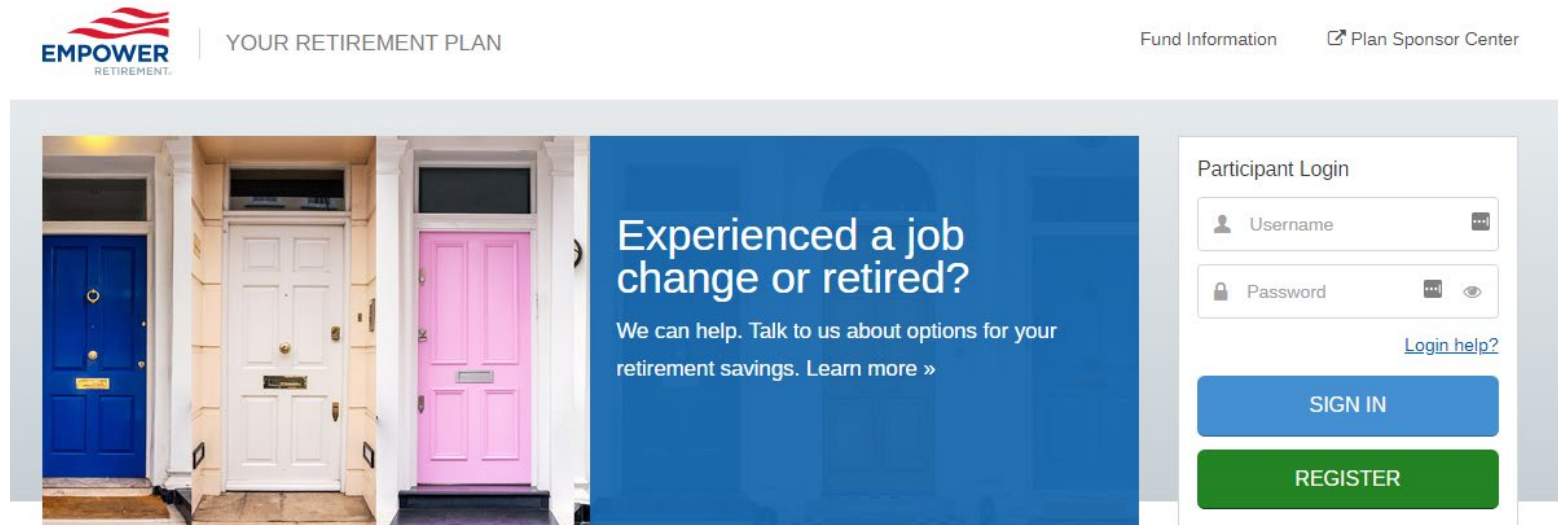
2024 Vanguard Target Date Fund Returns

		Total Return		Total Annualized Return			
	Ticker	3 months	YTD	1 year	3 years	5 years	10 years
Vanguard Target Retirement 2020 Fund	VTWNX	1.05	3.91	9.24	0.94	5.15	5.35
Vanguard Target Retirement 2025 Fund	VTTVX	1.26	5.11	11.02	1.51	6.12	6.03
Vanguard Target Retirement 2030 Fund	VTHRX	1.37	6.00	12.39	2.07	6.95	6.58
Vanguard Target Retirement 2035 Fund	VTTHX	1.55	6.87	13.52	2.65	7.77	7.12
Vanguard Target Retirement 2040 Fund	VFORX	1.73	7.68	14.74	3.23	8.59	7.65
Vanguard Target Retirement 2045 Fund	VTIVX	1.90	8.48	15.81	3.78	9.40	8.12
Vanguard Target Retirement 2050 Fund	VFIFX	2.02	9.05	16.63	4.15	9.68	8.26
Vanguard Target Retirement 2055 Fund	VFFVX	2.02	9.03	16.61	4.15	9.67	8.24
Vanguard Target Retirement 2060 Fund	VTTSX	2.03	9.04	16.60	4.16	9.68	8.23
Vanguard Target Retirement 2065 Fund	VLXVX	2.03	9.05	16.63	4.19	9.66	N/A
Vanguard Target Retirement 2070 Fund	VSVNX	2.01	9.03	16.65	N/A	N/A	N/A
Vanguard Target Retirement Income Fund	VTINX	0.89	3.00	7.96	0.46	3.72	3.95

All returns as of 6/30/2024

Plan Website – First Time Login Set Up

- ▶ sante401k.fosterandwood.com will link to
- ▶ participant.empower-retirement.com Please select “Register”



The screenshot displays the Empower Retirement website interface. At the top left is the Empower Retirement logo, followed by the text "YOUR RETIREMENT PLAN". To the right are links for "Fund Information" and "Plan Sponsor Center". The main content area features a banner with three doors (blue, white, and pink) on the left. The text on the banner reads: "Experienced a job change or retired? We can help. Talk to us about options for your retirement savings. Learn more »". On the right side of the banner is a "Participant Login" section with input fields for "Username" and "Password", a "Login help?" link, and two buttons: "SIGN IN" (blue) and "REGISTER" (green).

EMPOWER RETIREMENT | YOUR RETIREMENT PLAN

Fund Information | Plan Sponsor Center

Experienced a job change or retired?
We can help. Talk to us about options for your retirement savings. [Learn more »](#)

Participant Login

Username

Password

[Login help?](#)

SIGN IN

REGISTER

Empower Retirement

Account verification

Enter the information below to verify your account.

☒ I do not have a PIN ☐ I have a PIN ☐ I have a plan enrollment code

SOCIAL SECURITY NUMBER

ZIP / POSTAL CODE

LAST NAME (GENERALLY INCLUDES SUFFIX: E.G., JR, SR, III)

DATE OF BIRTH MM/DD/YYYY

NUMERIC PORTION OF STREET ADDRESS OR P.O. BOX

CONTINUE

We found you!

Verification codes for enhanced security will be sent to the email address or phone number you provide below.

Provide contact information

PERSONAL EMAIL ADDRESS

PHONE NUMBER

UNITED STATES

▼

+1

(555) 555-5555

Create username and password

USERNAME

PASSWORD

RE-ENTER PASSWORD

REGISTER



WELCOME TO YOUR RETIREMENT DEMO EXPERIENCE

Please enter your Username and Password

Username:

Password:

[Reset Password?](#)

Empower Retirement

If you don't want to participate, you need to enroll and "Decline Participation."

☒ Quick enrollment - Pre-selected enrollment options

CONTRIBUTION RATE

6%

[app.enrollment.planDetails.companyContrib](#)

The estimated Before tax deferral amount to be deducted from your paycheck is based on the salary provided times your contribution rate.

COMPANY MATCH

3%

Investment matches up to:

- 50% on the first 6%.

The estimated match amount is based on your plan terms, subject to eligibility.

INVESTMENT OPTION

XYZ Fund

[View Details](#)

Your plan has chosen a way to help you take the guesswork out of managing your investments with a personalized approach that provides you with a professionally managed account to meet your goals through every stage of your life. [Learn more.](#)

By clicking "I Agree, Enroll Now", you confirm you have reviewed and agree to the [Participation Agreement for Online Enrollment.](#)

☐ Customize enrollment - Choose enrollment options

☐ Decline participation

Empower Mobile Apps

You can not enroll in the app, you must use the plan website on a computer or mobile phone browser to enroll, Once you have enrolled, you can manage your future participation in the plan on the app

Empower®

Empower Retirement, LLC

4.3★
12.4K reviews

1M+
Downloads

E
Everyone

Install

Add to wishlist

Google PlayStore:

https://play.google.com/store/apps/details?id=com.participantmobileapp&hl=en_US&gl=US



Empower® 4+

Retirement accounts

Empower Retirement, LLC

Designed for iPad

#42 in Finance

★★★★★ 4.7 • 138.7K Ratings

Free

Appstore:

<https://apps.apple.com/us/app/empower/id1001257338>

Call or Email Anytime!

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- ▶ Jeremy Six | 971.366.3513
jeremy@fosterandwood.com
 - ▶ General Help
 - ▶ Website assistance
- ▶ Tim Wood | 971-266-3134
tim@fosterandwood.com
 - ▶ Update your retirement plan
 - ▶ Help with your contribution level or Traditional vs. Roth contributions.
 - ▶ Help picking your investment portfolio
 - ▶ Investment Questions





► Foster & Wood, Inc.