

# *Xenium 401(k) Retirement Savings Plan*

## *Adopting Employer: The Embarcadero Hospitality Group*

### **Eligibility requirements**

You are eligible to participate after you have completed **1 hour of service and are 18 years of age**. Once you've met these requirements, you may join the plan on the **first day of any quarter**. **Modifications to your enrollment can be made any time after your initial eligibility and will become effective as soon as administratively feasible.**

### **Your contributions**

You may contribute any amount up to **100%** of your pay on a pre-tax or post-tax basis (Roth provision), with a 2020 calendar year maximum of \$19,500.00. You may change the amount you save quarterly or stop saving at any time. If you reach age 50 or more in 2020, you may contribute an additional \$6,500.00.

You can change your investment option allocations and future contribution allocations 24 hours a day, 7 days a week through TeleTouch® at (800) 547-7754 or www.principal.com.

### **Employer contributions**

Your employer may make a discretionary profit sharing contribution. You must be employed on the last day of the Plan Year to receive this discretionary contribution. Your employer may make a discretionary matching contribution of 100% up to 4% of your elective deferral on your compensation.

### **Your vesting schedule**

Your contributions and earnings are 100% vested. Your employer's discretionary contributions and earnings are 100% vested. Please refer to your summary plan description for vesting schedule details.

### **Rollovers**

**Xenium** will accept rollover contributions from any other eligible plan (401(k), 403(b), governmental 457(b), IRA, profit sharing, pension) with proof that the contribution has been in such a plan. Rollovers are permitted prior to meeting the eligibility requirements and are 100% vested.

### **Fees and expenses**

Each investment option charges an annual fee to fund operating expenses which varies depending on the options you choose. For more detailed information on the plan fees and expenses you may request a copy of the Plan's Annual Fee Disclosure Notice from Xenium or visit the Principal website.

**Participant distributions:** A \$40 fee will be incurred each time a participant takes a lump sum or rollover distribution. This fee will apply to defined contribution (DC), defined benefit (DB) and some employee stock ownership (ESOP) plans. An annual \$40 fee (collected quarterly) will apply to new installment elections, if available, under the DC plan. DC fees will be deducted from the participant's account, unless another collection method has been established by the plan sponsor.

**Loan setup/quarterly maintenance:** The set-up fee for a loan is \$50.00. A \$12 per quarter maintenance fee will also apply.

**Enhanced hardship withdrawal service:** A \$40 distribution fee will apply.

**Qualified Domestic Relations Order (QDRO) processing:** Participants will be charged \$350 for each QDRO processed. Fees will be deducted from the impacted participant & alternate payee's account equally, unless another collection method has been requested in the QDRO, or established with the plan sponsor.

### **Loans**

Loans are available with minimum loan amount of \$1,000. The maximum is 50% of your vested account balance or \$50,000 whichever is less. The interest rate, which is credited to your account, is the prime rate as published in *The Wall Street Journal* on the day of the loan request, plus 1%. Loan payments are made through payroll deductions and must be paid back within 5 years. Loans for a principal residence may be paid back over as many as 20 years, but not beyond your normal retirement age.

*If you terminate without completing the payments on a loan, the outstanding balance may be taxed (and penalized if under age 59½).*

### **Withdrawals<sup>1</sup>**

Plan contributions may be withdrawn only in the event of:

- Retirement
- Death
- Termination of employment (*options at termination*):
  - Rollover to IRA
  - Rollover to another eligible plan
  - Personal check to you<sup>1</sup>
- Financial hardship (*limited to your contributions*)
  - Medical expenses
  - Purchase of a principal residence
  - Certain expenses related to repair of principal residence
  - Payment of necessary amount to prevent eviction
  - College tuition
  - Funeral Expenses of a Parent, Spouse, Child or Dependent

*Because of Federal Treasury regulations, you can only withdraw money from a 401(k) plan for one of the reasons listed above. Please see your Plan administrator with questions.*

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<sup>1</sup> Withdrawals are subject to ordinary income tax. A 10% federal tax penalty may apply to withdrawals made prior to age 59½.