

# Retirement Plan Analysis

April 2021



## Retirement Program:

ThedaCare Retirement and 403(b) Savings Plan

ThedaCare, Inc. Pension Plan

ThedaCare, Inc. NQ Deferred Compensation Plans (457)

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## ThedaCare, Inc. Retirement Program

At ThedaCare, Inc. you sponsor a 403(b), defined benefit, and 457 plans for a select group of employees. In reviewing your Form 5500 filing history, you have been consolidating the number of plans you sponsor. This consolidation not only simplifies your fiduciary responsibilities but also helps to ensure your retirement program continues to meet your overall goals and objectives. This review focuses on plan design ideas of your 403(b) plan and benchmarking for overall plan health.



To assist in the determination of ongoing 403(b) plan provisions, we have provided the following considerations:

- **Benchmarking**– outlines the common provisions utilized by other Healthcare not for profit organizations. The benchmarking is from the 2021 PLANSPONSOR Defined Contribution (DC) Survey<sup>1</sup> reflecting an industry of Healthcare Organization (Not For Profit).
- **Plan Design Best Practices** – this section helps you determine if you should make any changes to your ongoing plan design. This will give you options for consideration.
- **Key Provision Plan Review**– reviews the key provisions of the plans to help you determine potential design changes you may wish to consider making to your 403(b) plan.

The goal of this analysis is to stimulate a discussion regarding your current retirement program, give options for your consideration and ultimately end up with a design that will fit your goals and objectives going forward.

If you should have any questions about this information, please do not hesitate to call us. Thanks again for letting us help meet your retirement needs.

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<sup>1</sup>Source: 2021 PLANSPONSOR Defined Contribution (DC) Survey – reflecting 2020 plan year experience. Industry: Healthcare Organizations (Not For Profit) 142 plans overall/ 50 plans in the \$200M+category.

# Benchmarking comparison research

## Plan types sponsored

<b>403(b)</b> PLANSponsor (Healthcare Overall): 73% of organizations sponsor a 403(b).	<b>457</b> PLANSponsor (Healthcare Overall): 54% of organizations sponsor a 457.	<b>Defined Benefit/Cash Balance (DB)</b> PLANSponsor (Healthcare Overall): 42% of organizations sponsor a DB.
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## Plan stats

<b>Your plan's participation</b>	<b>96.7%</b>		<b>Your plan's average deferral rate</b>	<b>8.6%</b>	
<b>Industry average</b>	PLANSponsor (Healthcare Overall): 77.6% PLANSponsor (Healthcare Large): 87.0%			PLANSponsor (Healthcare Overall): 5.9% PLANSponsor (Healthcare Large): 6.5%	

## Key plan provisions

Safe harbor (SH)		Automatic deferral features	
Your plan is not designed as ACP (actual contribution test) safe harbor which means matching contributions are tested.		Your plan offers a 4% automatic enrollment (AE) with automatic increase (AI) of 1% up to 10%.	
<b>Industry</b>	PLANSponsor (Healthcare Overall): 44.1% are SH. PLANSponsor (Healthcare Large): 28.9% are SH.	<b>Industry</b>	PLANSponsor (Healthcare Overall): 55.1% offer AE. 35.7% offer a 3% default and 18.6% offer a 4% default. PLANSponsor (Healthcare Large): 63.2% offer AE. 32.5% offer a 3% default and 22.6% offer a 4% default. Of those that offer AE, 31.2% offer AI.
Vesting		Eligibility	
Your plan's vesting schedule is 100% immediate for Matching contributions and 3-year cliff for Discretionary Nonelective contributions.		Participants are immediately eligible upon hire for Employee (EE) deferrals and Matching contributions. Discretionary Nonelective contributions require participants to be active on the last day with 975 hours of service.	
<b>Industry</b>	PLANSponsor (Healthcare Overall): 30.4% have 100% immediate vesting (most common). PLANSponsor (Healthcare Large): 28.7% have 100% immediate vesting. 70.8% use a cliff schedule.	<b>Industry</b>	PLANSponsor (Healthcare Overall): 70.5% offer immediate eligibility for deferrals. PLANSponsor (Healthcare Large): Of those that offer a match, 62.6% allow participants to immediately receive a match once eligible for deferrals.

Loans		Contributions	
Your plan allows for loans.		Your plan currently allows for Roth contributions and provides a discretionary Nonelective contribution as well as a discretionary match historically being 75% up to 4% of pay.	
<i>Industry</i>	<p><b>PLANSPONSOR (Healthcare Overall):</b> 81.7% allow for loans.</p> <p><b>PLANSPONSOR (Healthcare Large):</b> 93.8% allow for loans. Of those that offer loans, 56.8% allow for one loan at a time.</p>	<i>Industry</i>	<p><b>PLANSPONSOR (Healthcare Overall):</b> 75.0% allow for Roth.</p> <p><b>PLANSPONSOR (Healthcare Large):</b> 81.6% allow for Roth. 82.8% offer a match. 58.7% offer a non-matching contribution (most common being a “Pro-Rata”).</p>

	<p>Industry reflects</p> <p><b>2021 PLANSPONSOR Defined Contribution survey – reflecting 2020 plan year experience</b></p> <p><b>Healthcare Overall:</b> Plan size: Overall Industry: Healthcare (Not for Profit) Number of respondents: 142</p> <p><b>Healthcare Large:</b> Plan size: Large (\$200M+) Industry: Healthcare (Not for Profit) Number of respondents: 50</p>	<p>Your plan reflects</p> <p><b>ThedaCare Retirement and 403(b) Savings Plan</b> As of 09/30/2020</p>	

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<sup>1</sup>Source: 2021 PLANSPONSOR Defined Contribution (DC) Survey – reflecting 2020 plan year experience. Industry: Healthcare Organizations (Not For Profit) 142 plans overall/ 50 plans in the \$200M+category.

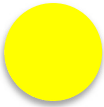
# Plan design best practices

Plan objectives and goals evolve over time due to changes in the needs of your organization and employees, as well as industry trends and changes in legislation. It is important to continuously monitor the correlations of your retirement program's successes with your overall philosophy. To assist you, we have prepared the following to help you determine if you would like to consider making any changes to your 403(b) plan design. The following are some of the options for you to consider as you align your organization's goals and objectives with its plan design. See the "Plan Comparison Key Review" for more details.

## Employer Contributions

- Discretionary match – historically you have made a match of 75% up to 4% contributed on a bi-weekly basis.
- Discretionary non-elective contribution – historically you have provided a flat dollar (e.g., \$1500) amount prorated based on FTE service and/or a % of pay contribution if employed on the last day of the plan year with 975 hours.




If you decide to utilize the Principal drafted 403(b) volume submitter plan document, the nonelective contribution will need to be written with a specific formula(s) and will require a modification to the plan document based on your current design. See the following for consideration:

Evaluation	Best Practice
	<ul style="list-style-type: none"><li>• As a best practice, specify the nonelective formula(s) you would like to utilize in your plan document. Not defining the formula in the document and instead leaving the formula at the discretion of you, the employer, could violate requirements that the benefit is definitely determinable. For example, specify a discretionary flat dollar contribution plus a discretionary percent of pay tied to year end allocation requirements such as active on the last day of the plan year, and 975 hours.</li><li>• As a best practice, in lieu of just waiving the allocation requirements at age 55, consider waiving the allocation requirements if retired, died, or disabled during the plan year.</li><li>• According to the 2021 PLANSPONSOR DC Survey<sup>1</sup>, 58.6% of plans within the \$200+M Healthcare NFP industry offer nonelective contributions and 82.8% offer a matching contribution.<ul style="list-style-type: none"><li>○ In terms of the total nonelective employer contribution, 35.8% of plans in the \$200+M Healthcare segment that offer nonelective contributions provide a nonelective contribution of 3-5% of pay, and 22% less than 3% of pay as the most common contribution tranches.</li><li>○ In terms of total match, the two most common maximum spends as a percent of payroll are 3% of pay (21.9%) and 4% of pay (23.3%).</li></ul></li><li>• When considering both your 2019 discretionary match and nonelective contribution as defined on your Form 5500, you provided a 6% contribution to an employee making \$50,000 and 4.5% to an employee making \$100,000. However, an employee making more than \$150,000 received less than 4% of pay assuming a match of 75% up to 4% and a flat nonelective contribution of \$1500. If you are competing for talent amongst the non-highly compensated employee group of employees your current design is likely working for you. We are giving your employer contribution a yellow as a caution for purposes of higher paid employees.</li><li>• In tandem with potentially increasing the automatic enrollment default from 4% to 6% (see next section), consider stretching the match to 50% up to 6% to allow the plan's match contributions to work harder for you in assisting more employees to save at higher deferral rates and increasing overall plan health.</li></ul>

<sup>1</sup>Source: 2021 PLANSPONSOR Defined Contribution (DC) Survey – reflecting 2020 plan year experience. Industry: Healthcare Organizations (Not For Profit) 142 plans overall/ 50 plans in the \$200M+category.

## Elective Deferral Features

ThedaCare does have an automatic enrollment provision and annual escalation feature. In addition, the participation and average employee deferral rates for the plan are strong (i.e., 96.7% and 8.6%, respectively, per the RFP as of 9/30/2020). To continue the momentum, ThedaCare may want to consider an automatic enrollment default rate increase. The trend is to set the default at the 6% rate. If concerned about the potential increase in match, we can assist with illustrating the cost of design changes (i.e., a change in match, implementing automatic features, etc.).



Evaluation	Best Practice
          	<ul style="list-style-type: none"><li>• ThedaCare has a participation rate of 96.7.4% which is above the average participation rate (87%) and according to the \$200M+ Healthcare NFP PLANSPONSOR DC Survey<sup>1</sup>.</li><li>• You have made several recent enhancements to your automatic enrollment provisions that will increase your plan's overall plan health. For example, you recently added an annual automatic sweep of 1% for non-participants. Has ThedaCare considered an automatic sweep of all participants deferring less than the plan's new hire default rate (4%) to help expedite the savings process of undersavers?<ul style="list-style-type: none"><li>○ If the annual sweep is increased to 4%, thereafter, the remaining auto-enrollment default can continue to be 4% universally.</li><li>○ ThedaCare could consider also increasing the 1% escalation cap to both automatic enrollment and affirmative elections from 10% to 15% and allow the power of inertia to help participants save more to have more in retirement.</li></ul></li><li>• If the discretionary match is stretched to a higher deferral rate than 4%, you may want to consider defaulting auto-enroll at that rate to encourage employees to earn the full match. For example, if the match is stretched to 50% up to 6% then set the default at 6%.<ul style="list-style-type: none"><li>○ A strong participation rate does not always translate into an adequate savings rate. If employees are not deferring at least 6%, they may not be on track for retirement. As a best practice, you may want to consider the adoption of at least a 6% automatic enrollment default with an automatic increase of 1% per year until the employee reaches 10%. In addition, consider a sweep to employees not deferring at 6% or more to maximize plan design and to better enable employees to have optimal outcomes in retirement.</li></ul></li><li>• You may want to consider removing the special 15-year catch up provision if this is not widely utilized as it may be difficult to track 15 years of full-time service to determine who is truly eligible for this provision. If not properly tracked, it could pose a compliance risk by allowing participants to defer more than they are allowed by the IRS to contribute.</li></ul>
	<ul style="list-style-type: none"><li>• ThedaCare allows for Roth contributions which is in line with 81.5% of plans according to the \$200M+ Healthcare NFP PLANSPONSOR DC Survey<sup>1</sup>.</li><li>• ThedaCare does not offer in plan Roth in-plan conversions to your employees. You want to consider making this option available to your employees to offer additional tax strategies.</li></ul>

<sup>1</sup>Source: 2021 PLANSPONSOR Defined Contribution (DC) Survey – reflecting 2020 plan year experience. Industry: Healthcare Organizations (Not For Profit) 142 plans overall/ 50 plans in the \$200M+category.



## Eligible Employee and Entry Requirements


Your plan has immediate eligibility for deferrals and matching contributions. However, part-time, seasonal and temps are excluded from non-elective contributions until they have earned 975 hours in a 12-month period and are 19 years of age or older.

Evaluation	Best Practice
	<ul style="list-style-type: none"><li>Ranking 5<sup>th</sup> out of 48 industries, according to the DC PLANSPONSOR Survey<sup>1</sup>, 70.5% of plans allow full-time employees to participate in the plan immediately upon hire. Not surprising given many DC plans for NFP healthcare are 403(b) plans and cannot have a service requirement tied to elective deferrals. For purposes of matching contributions, 62.6% of plans align match eligibility with the ability to defer in the plan.</li></ul>
	<ul style="list-style-type: none"><li>Because there is a 975-hour requirement to receive the nonelective contribution (allocation requirement) consider removing this provision from the eligibility/eligible employee definition for purposes of nonelective contributions and continue to only tie the 975-hour requirement to the actual allocation of the nonelective contribution and vesting schedule for part-time, seasonal and temporary employees. Doing so aligns with the Principal drafted plan document and simplifies eligibility. If you would prefer, we can accommodate the 975 hours for just the nonelective contributions (not the match) on the Principal drafted 403(b) volume submitter plan document as a modification.</li></ul>

If using a Principal-drafted 403(b) volume submitter plan document, the plan document can be modified to reflect your current eligibility provisions.

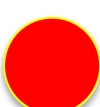
## Vesting Schedule

Your plan has 100% immediate vesting for match and a 6-year graded vesting schedule for nonelective contributions.

Evaluation	Best Practice
	<ul style="list-style-type: none"><li>The trend is for match contributions to be 100% immediately vested. According to the \$200M+ Healthcare NFP PLANSPONSOR DC Survey, 7% of plans immediately vest the match.</li><li>Overall, vesting periods are beginning to shorten. For purposes of the nonelective, you want to consider shortening the vesting schedule to recruit in the changing workforce. Before making a change to your vesting formula, you should consider when turnover occurs within the organization along with what approach makes the most sense from a retention standpoint.</li></ul>

## Compensation

Your plan utilizes W-2 for contribution purposes but 415 for ACP testing purposes.

Evaluation	Best Practice
	<ul style="list-style-type: none"><li>The definition of compensation is listed amongst the top ten failures found in the voluntary correction program (VCP) according to the IRS. Per the IRS, "This failure can result in participants receiving allocations to their accounts that are either greater than or less than the amount they should have received." For simplicity it is encouraged to have a streamlined definition of compensation with little or no pay exclusions.</li><li>To streamline administration, you may want to consider utilizing the same base definition of pay for all purposes within the plan (W-2). The plan document can then specify pay exclusions that apply for certain reasons such pay prior to entry for purposes of ACP testing, and matching contributions.</li><li>As a best practice consider excluding pay prior to entry for purposes of all employer contributions. It does not appear the plan excludes pay prior to entry for purposes of the nonelective contribution calculation. Is it your intent to include pay prior to entry for purposes of a nonelective contribution? For example, the .85% of pay contribution in 2018.</li></ul>

<sup>1</sup>Source: 2021 PLANSPONSOR Defined Contribution (DC) Survey – reflecting 2020 plan year experience. Industry: Healthcare Organizations (Not For Profit) 142 plans overall/ 50 plans in the \$200M+category.



## In-Service Withdrawals

Your plan allows hardship withdrawals of elective deferral and employer contribution sources, and age 59 ½ withdrawals of specified employee and employer contribution sources are allowed.

For plan years beginning after December 31, 2018, the Bipartisan Budget Act removes the requirement to take a loan before taking a hardship withdrawal and the six-month suspension of elective deferrals when requesting a hardship withdrawal.

Also, the Bipartisan Budget Act expanded money sources available for withdrawal for hardship purposes (including plans in an annuity- 403(b)(1) account). However, in a 403(b) plan where accounts are held in a 403(b)(7) custodial account (i.e., plans funded with mutual funds), employer contributions are ineligible for hardship withdrawal. Because hardship withdrawals are not a protected benefit, consider removing employer contribution money sources from hardship withdrawals altogether.

### Evaluation | Best Practice

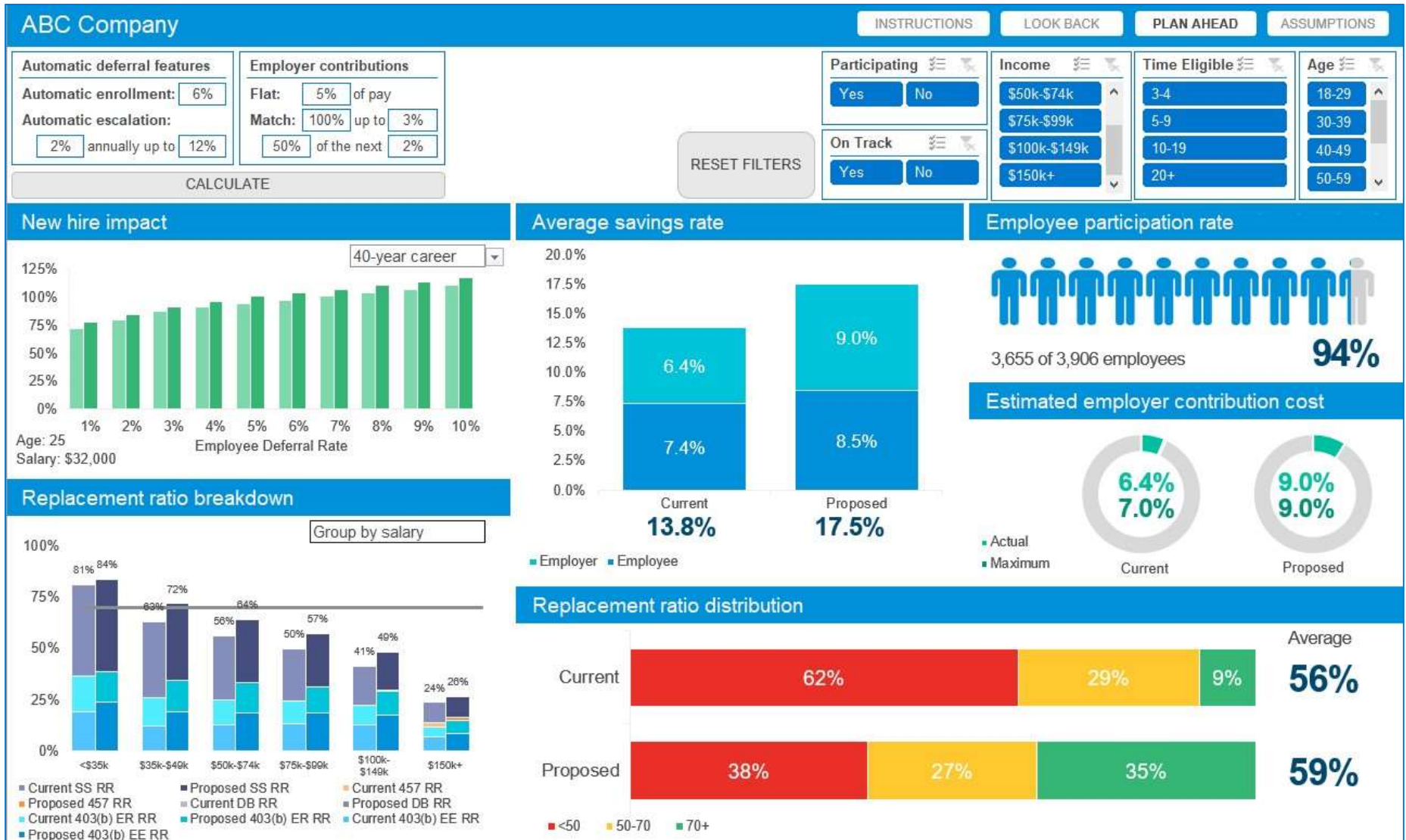


- 93.5% of the \$200M+ Healthcare NFP PLANSPONSOR DC Survey plans<sup>1</sup> allow for hardship withdrawals.
- If you are not doing so already, consider the removal of the loan requirement before requesting a hardship withdrawal as requiring a loan may cause further hardship to a participant.
- To prevent leakage of assets, as a best practice and to align with the rules of 403(b)(7), limit hardship withdrawals to elective deferrals only (excluding earnings).
- 89% of the \$200M+ Healthcare NFP PLANSPONSOR DC Survey plans<sup>1</sup> allow for age specific (59 ½) withdrawals. You offer 59 ½ withdrawals of the vested account balances today.

<sup>1</sup>Source: 2021 PLANSPONSOR Defined Contribution (DC) Survey – reflecting 2020 plan year experience. Industry: Healthcare Organizations (Not For Profit) 142 plans overall/ 50 plans in the \$200M+category.



# Sample Retirement Readiness Dashboard





# Plan comparison key provisions

Plan Provisions	ThedaCare, Inc. Retirement and 403(b) Plan	Comments
Document Reviewed	Volume Submitter Adoption Agreement, 1/1/2010 restatement and amendments 1-3.	Basic plan and legislative interim amendments are needed to fully review the plan.
Employer	ThedaCare, Inc. EIN: 39-1509362 Plan: 003 Form of business: tax-exempt entity	
Plan Year	January 1 to December 31	
Eligible Employee	<p>For all contributions employee of ThedaCare, Inc., excluding:</p> <ul style="list-style-type: none"> <li>Nonresident aliens without US Source Income</li> <li>Employees eligible for another CODA- 401k/403b</li> </ul> <p>For employer nonelective (discretionary) contributions employee of ThedaCare, Inc. excluding:</p> <ul style="list-style-type: none"> <li>Seasonal, part-time, temporary unless work 975 hours in a 12-month period (the first employment year or any plan year thereafter)</li> <li>Under the age of 19 years</li> </ul>	<p>No change suggested to the nonresident alien and eligible for another CODA plan exclusions.</p> <p>Would ThedaCare consider changing to immediate eligibility for all employees including temporary, seasonal, and part-time employees? The allocation and vesting schedule are both tied to hours.</p> <p>Alternatively: The Principal drafted plan document can be modified to accommodate 975 hours in lieu of the standard 1000 hours and apply it only to nonelective vs. all employer contributions.</p>
Entry Requirement	First day of the payroll period on/after meeting entry	<p>Would ThedaCare consider changing to immediate plan entry? The effective date of the elective deferral and corresponding match in the plan document is operated in the Principal drafted plan document as soon as administratively feasible on or after meeting the eligibility requirements.</p> <p>Options on the Principal drafted 403(b) volume submitter plan document:</p> <ul style="list-style-type: none"> <li>Immediate or monthly plan entry date for deferrals</li> </ul>
Pay Definition	<p>W-2 excluding:</p> <ul style="list-style-type: none"> <li>pay while an individual is not a Participant for match and ACP testing. However, INCLUDE for discretionary profit sharing</li> <li>deemed section 125 pay</li> <li>severance pay, reimbursements, imputed pay</li> </ul> <p>415 definition for ACP testing</p>	<p>Is a discretionary nonelective contribution made? If yes, is it your intent to include all pay for the plan year in the calculation? Pay exclusions for purposes of the nonelective contribution, that are not safe harbor exclusions may require additional nondiscrimination testing to prove its nondiscriminatory. If applicable, we can prepare any additional 414(s) testing for a supplemental fee.</p> <p>For simplicity purposes, consider utilizing the same <i>base</i> definition of pay for the ACP testing as the rest of the plan (i.e., W-2 pay).</p>

Plan Provisions	ThedaCare, Inc. Retirement and 403(b) Plan	Comments
Elective Deferrals	<ul style="list-style-type: none"> <li>Allows pre-tax and Roth to the 402(g) limit</li> <li>Allows catch up contributions age 50 and 15-year</li> <li>Allows for automatic enrollment at 4% (<u>1% for employees not deferring as of 1/1/2021</u>); plus annual escalation to 10% on the first of plan year</li> <li>Annual sweep of non-participants to 1%</li> <li>Allows 1% automatic increase of affirmative elections up to 10% (AIAE) as of 1/1/2021</li> </ul>	<p>You have made several recent enhancements to your automatic enrollment provisions that will increase your plan's overall plan health. For example, you implemented an annual sweep to enroll nonparticipants at 1%. In addition, you increase all elections (automatic and affirmative) until the rate is 10%). Has ThedaCare considered an automatic sweep of all participants deferring less than 4% to help expedite this process?</p> <p><i>Note: The automatic increase of affirmative elections (AIAE) is not a standard provision in the current version of the Principal drafted 403(b) volume submitter plan document. However, it is considered a best practice and something we standardly write as a modification to the plan document.</i></p>
Employer Contributions	<p>Match is discretionary determined each plan year, made on a bi-weekly basis. True-up active any time. (historically 75% up to 4%)</p> <p>Discretionary profit-sharing contribution: A percentage of pay and/or a flat dollar amount based on hours worked prorated for full-time service. In prior years the amounts were .85% of pay and up to \$1500 as the flat dollar contribution and made if meet the allocation requirements of active on the last date with 975 hours (active on last day is waived if age 55 or older) 2019 flat only, 2018 combo of flat and % of pay.</p>	<p>Are all employees paid bi-weekly? If not, consider changing the calculation period to per pay period to accommodate various pay schedules.</p> <p><i>Note: Waiving for age 55 only would a modification on the Principal drafted 403(b) volume submitter plan document. See plan design best practices for other considerations.</i></p>
Normal Retirement <b>Protected benefit</b>	Age 65	Normal retirement age is a protected benefit
Vesting Schedule <b>Protected benefit</b>	<ul style="list-style-type: none"> <li>Match: 100% immediate</li> <li>Nonelective: 3-year cliff</li> </ul> <p>Fully vested upon death, disability, retirement Computation period: Plan year Hours: Actual hours (975) Credit predecessor employers for vesting</p>	Vesting is treated as a protected benefit.
Distribution Options	<ul style="list-style-type: none"> <li>Single sum (default)</li> <li>Installments</li> <li>Life annuities</li> <li>Small amount limit of \$5,000 (including rollovers)- automatically roll mandatory distribution to IRA for balances over \$1,000. Force out balances under \$1,000</li> </ul>	

Plan Provisions	ThedaCare, Inc. Retirement and 403(b) Plan	Comments
Rollovers	Allowed (excludes after-tax and governmental 457(b))	Consider expanding rollover contributions to include governmental 457(b)
Forfeitures	<ul style="list-style-type: none"> <li>May used to pay plan expenses or used to reduce employer and/or matching contributions</li> <li>Applied for the plan year following the plan year in which the forfeitures occur</li> </ul>	It is important to utilize forfeitures each year. If forfeitures are not utilized annually, the Principal drafted 403(b) volume submitter plan document is written to reallocate any remaining forfeitures on an annual basis on a prorate basis as a nonelective contribution.
Loans	<ul style="list-style-type: none"> <li>Loans allowed</li> <li>Minimum up to \$1000</li> <li>Interest rate prime plus 2%</li> <li>50% of the vested account balance used in the calculation however Transition contributions are not available for withdrawal (see comments)</li> <li>Available for hardship purposes only (10-year primary residence)</li> <li>Spousal consent required unless plan meets spousal annuity plan exception (see comments)</li> </ul>	<p>While not reflected in the 2010 loan policy, it appears you may have limited your loan sources to employee contribution sources only per the 2019 Form 5500 to deferral, Roth and rollover which is a best practice. The trend is to limit to employee sources only.</p> <p>As a best practice, consider a delay of 30-90 days between loans to avoid the churning of loan balances. A more popular design is to allow loans for all purposes (vs. hardship only), however more paternalistic organizations tend to limit loan availability.</p> <p>Please confirm spousal consent is not required. Per page 51 of the adoption agreement it appears to specify the QJSA rules are not applicable and therefore spousal consent for loans does not apply.</p>
In-Service Withdrawals <i><b>Protected benefit</b> if in-service withdrawal provision (other than hardship) is changed to be more restrictive.</i>	<ul style="list-style-type: none"> <li>Age 59.5 (deferrals, match, <i>transition as a protected benefit</i>, nonelective)</li> <li>Hardship (deferrals, match, <i>transition</i>, nonelective)</li> <li>Rollover</li> </ul>	<p>Note: 403(b) plans funded by 403(b)(7) accounts (i.e., plans funded with mutual funds) employer contributions are not available for withdrawal. Because hardship withdrawals are not a protected benefit, we suggest removing employer contribution money sources from hardship withdrawals. See plan best practices for more considerations.</p> <p>The transition benefit will be written as a protected benefit for purposes of 59 ½ withdrawals.</p>
Plan to plan transfers (elected by the participant)	<ul style="list-style-type: none"> <li>Incoming transfers</li> <li>Outgoing transfers to controlled groups or to purchase service credits</li> </ul>	Additional information is requested regarding the potential transfer of accounts to other plans within the controlled group or to purchase service credits. Is this a provision that is utilized today? The Principal drafted volume submitter 403(b) plan document allows incoming but does not allow outgoing transfers to other plans.

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<sup>1</sup>Source: 2021 PLANSPONSOR Defined Contribution (DC) Survey – reflecting 2020 plan year experience. Industry: Healthcare Organizations (Not For Profit) 142 plans overall/ 50 plans in the \$200M+category.