

## 401(K) REI RETIREMENT PLAN



Saving for retirement is one of the most important things you can do to provide for your financial future. That is why REI is pleased to offer you an easy, convenient and powerful way to help you prepare for a more secure retirement. REI encourages its employees to save for retirement through pre-tax payroll deductions. **You will be automatically enrolled at 2% payroll contribution** which will be invested in the age-appropriate Target Date fund unless you contact Empower to decline or change your investment election.

You can choose to contribute up to 30% of your salary or can decline participation. If you are 50 or older, you can also make catch-up contributions to help you make up for missed years.

**Company Contributions – You are not alone! REI adds to your contributions so you can save adequately for the future!**

- REI matches 50 cents on the dollar up to 10% of Plan Compensation: If you contribute 10%, REI will add 5% more
- REI may make an annual discretionary profit-sharing contribution to the account of all employees eligible to participate in the 401(k) Plan provided they are employed on December 31st

Company contributions become vested as listed below:

- 25% of the employer contribution after 2 years of service
- 50% of the employer contribution after 3 years of service
- 75% of the employer contribution after 4 years of service
- 100% of the employer contribution after 5 years of service

**Rollovers:** Don't forget that if you want to consolidate all your retirement savings in one place, rollovers are accepted from previous employer's qualified plans. Contact Empower to learn more about this option.

**Withdrawals:** A loan or a hardship distribution can be taken. Contact Empower to get more information.

### GOOD NEWS!...

**REI's retirement plan offers Pre-tax and Roth 401(k) after-tax contribution options.**



**Pre-tax contributions:** Regular retirement plan contributions are “pre-tax.” That means the money you contribute goes into your account before your payroll taxes are taken out. This lowers your taxable income for the year, so you'll enjoy a tax benefit today. Then, you'll need to pay the taxes when the money is taken out, generally during retirement.

**Roth 401(k) contributions:** Roth after-tax contributions go into your account after your money is taxed, so the withdrawals will be federal income tax-free at retirement (assuming you follow the withdrawal rules).

**IMPORTANT: Update your 401(k) Beneficiaries, anytime on the Empower website.**

Questions about your 401(k) plan: Call Empower (formerly Prudential Retirement) at 877-PRU-2100. Representatives are available weekdays from 8 a.m. to 9 p.m. ET.