



**ROMAN CATHOLIC ARCHDIOCESE OF BOSTON 401(K) RETIREMENT SAVINGS PLAN  
2023 SAFE HARBOR NOTICE**

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The Roman Catholic Archdiocese of Boston 401(k) Retirement Savings Plan (the “Plan”) is a “design-based safe harbor” plan, meaning that the arrangement is designed to satisfy the Internal Revenue Service’s special nondiscrimination rules for “safe harbor” 401(k) plans. It is important that you consider how the Plan will operate in 2023 before you make your 401(k) savings decision for the 2023 plan year that begins January 1, 2023.

**What This Means to You**

When you are eligible, your employer will make a safe harbor matching contribution each pay period you contribute to the Plan equal to the 100% of the first 3% of Compensation you contribute and 50% of the next 2% of Compensation you contribute. The safe harbor matching contributions are fully vested at all times.

**Safe Harbor Matching Contribution Requirements**

To receive the safe harbor matching contribution, you must make salary deferral (pre-tax and/or Roth after-tax) contributions to the Plan and be an Eligible Employee who has completed one Year of Service.

You are an Eligible Employee if:

- you are not a member of a religious order, an intern, fellow, student teacher, seminarian, a seasonal worker, a student on a temporary work assignment as part of a cooperative education program, or a priest (other than an incardinated priest assigned to a parish or other location within the Archdiocese of Boston (“RCAB”) under the direct control of the Archbishop);
- you are scheduled to work at least twenty (20) Hours of Service per week (twenty-four (24) Hours of Service per week for an Employee who works 10 months during the year) or such other minimum weekly hour threshold established by your Participating Employer as authorized in writing by the Plan Administrator;
- if you are a substitute teacher or other temporary or variable hour employee, you have completed 90 days of continuous work, working at least twenty (20) Hours of Service per week (twenty-four (24) Hours of Service per week for an Employee who works 10 months during the year); and
- are not a member of a union (other than a union that has collectively bargained for eligibility to participate under the Plan).

- You are a priest in good standing incardinated to Boston and paid through the RCAB's specified payroll system. If you are an eligible priest, you are immediately eligible to receive the safe harbor matching contributions upon making salary deferral contributions without regard to the above requirements.

The safe harbor matching contribution is made each pay period you contribute to the Plan after you satisfy the eligibility requirements and is equal to the 100% of the first 3% of Compensation you contribute and 50% of the next 2% of Compensation you contribute. For example, if your bi-weekly Compensation is \$1,500 and you elect to contribute 5% of your Compensation each pay period, your account will be credited with a safe harbor matching contribution each bi-weekly pay period as follows:

	<u>Salary Deferrals</u>	<u>Safe Harbor Matching Contributions</u>
First 3% of Compensation	$3\% \times \$1,500 = \$45$	$100\% \times \$45 = \$45$
Next 2% of Compensation	$2\% \times \$1,500 = \underline{\$30}$	$50\% \times \$30 = \underline{\$15}$
	$\$75$	$\$60$

The RCAB reserves the right to amend the Plan at any time to reduce or suspend the safe harbor matching contribution. If a decision is made to change the contribution, you will receive a supplemental notice that outlines the consequences of the amendment at least 30 days prior to the effective date of the reduction or suspension. Any contributions made prior to the amendment's effective date will not be affected by the amendment.

### **Pre-Tax and Roth (After-Tax) Salary Deferral Contributions**

If you are an Eligible Employee, you may contribute up to a maximum of 100% of your Compensation to the Plan on either a pre-tax or a Roth after-tax basis as early as your first pay date of employment. You do not have to complete one Year of Service to begin making salary deferral contributions. In addition, if you are age 50 or older by the last day of the Plan Year (*i.e.*, December 31, 2023), you can make catch-up contributions. Your salary deferrals can be made either as a percentage of your Compensation or as a flat dollar amount per pay period.

You may make salary deferral contributions in the form of both Pre-tax contributions and Roth (after-tax) contributions so long as you do not exceed the total IRS contribution limit for the applicable year. For 2023, the maximum amount of salary deferral (pre-tax and Roth) contributions is \$22,500; the maximum amount of age 50 catch-up contributions is \$7,500. Both of these limits may be adjusted periodically for inflation in \$500 increments.

*If you are an Eligible Employee hired at your location on or after September 1, 2015, or if you were re-hired or became benefit-eligible on or after July 1, 2021, the Plan's automatic enrollment feature applies to you. A separate Automatic Enrollment and Default Investment Notice was mailed to you soon after you were hired that provided extensive information about the automatic enrollment process. As described in that Notice, you will be automatically enrolled in the Plan to contribute 3% of Compensation each pay period on a pre-tax basis. If you wish to decline to be enrolled, you were*

instructed to notify your location's payroll contact of that election within 30 days of your date of hire. Otherwise, the Plan's automatic enrollment feature will apply to you starting with your first paycheck on or after 45 calendar days from your date of hire. Automatic enrollment does not apply if you elect to contribute another percentage or flat dollar amount or elect not to contribute within your initial 30-day enrollment period. Please refer to the Automatic Enrollment and Default Investment Notice for more details on how automatic enrollment applies to you. Effective the week of December 19, 2022, to make changes to your elections, including to disenroll, you must contact the Plan's new recordkeeper, Voya Financial, at (855) 817-1664 or [rcab.voya.com](http://rcab.voya.com).

If you are an Eligible Employee who was hired on or after September 1, 2015 but were not subject to the automatic enrollment feature because you did not meet the eligibility requirements, you will not become subject to the automatic enrollment feature unless you meet the eligibility requirements on or after July 1, 2021.

Automatic enrollment does not apply to Eligible Priests as defined above.

**Your existing election or automatic enrollment will continue to apply unless you make a change, or if your benefit-eligible status changes.** If you want to start, change or resume your salary deferral contributions, you must complete and return a Salary Deferral Form to your location's payroll contact prior to the pay date in which you want the change to take effect (through November 30; after that date, starting the week of December 19, 2022, you must make election deferral changes directly with Voya). If you want to suspend or waive your salary deferral contributions, you must complete and return a Salary Deferral Form to your location's payroll contact prior to the pay date in which you want the suspension will apply (through November 30; after that date, starting the week of December 19, 2022, you must make election deferral changes directly with Voya).

If you transfer to a non-benefits-eligible position, your salary deferral contributions will automatically stop and will not be restarted again until you affirmatively elect to restart your contributions. Your account will remain in the Plan until it may be withdrawn, as described below.

### **Compensation**

Compensation means your wages in your work as an Eligible Employee for federal income tax withholding, which includes all wages, such as regular pay, as well as overtime, bonuses and any salary reductions under Internal Revenue Code Sections 401(k), 125, 457(b), 403(b) and 132(f), but excludes imputed income from excess group life insurance coverage, reimbursements or other expense allowances, fringe benefits (cash and noncash), moving expenses, deferred compensation and welfare benefits, severance benefits, and any income attributable to noncash benefits. Compensation also includes differential pay actually received by an Employee who is called to active duty in the uniformed services. Compensation that may be taken into account for the Plan Year beginning January 1, 2023 is limited by law to \$330,000. Compensation is calculated on a per payroll period basis.

### **Vesting**

*Salary Deferral (Pre-Tax and Roth) and Post-2016 Safe Harbor Matching Contributions.* You are always vested in your salary deferral (pre-tax and Roth) contributions. You are fully vested in your pre-2016 matching and core contribution accounts. You will also be immediately vested in any safe harbor

matching contributions made on your behalf. If you terminate employment at any time during the plan year, you will be entitled to 100% of these accounts.

### **Withdrawals**

You may withdraw your salary deferral (pre-tax or Roth) contributions, safe harbor matching contributions and pre-2016 matching and core contributions accounts when you either separate from service or any time after you reach age 59½. You may also withdraw all or part of your rollover contributions account at any time. Loans are also available from certain pre-tax and rollover contribution accounts.

If you experience a financial hardship, you may withdraw your salary deferral contributions before age 59½. Safe harbor matching contributions, pre-2016 matching contributions and core contributions cannot be withdrawn while you are employed and under age 59½, even on account of hardship.

### **Investment of Your Account**

All contributions will be held in your name in a custodial account with TIAA Trust, FSB (through December 5, 2022) and then with Voya Institutional Trust Company. You choose where your salary deferral contributions and your employer contributions are invested from a group of mutual funds and a variable annuity contract made available to you. If you do not make an investment election, your Plan account will be invested in the Plan's default investment fund, which is the American Funds Target Date Retirement Fund with a target retirement date closest to your 65<sup>th</sup> birthday. You can obtain information about the Plan's investment options by contacting Voya starting the week of December 19, 2022 at (855) 817-1664 or at [rcab.voya.com](http://rcab.voya.com). You can also contact the Plan Administrator using the contact information at the end of this Notice.

### **Notice Requirement**

This Notice is intended to meet the notice requirements of IRS Notice 98-52 and IRS Notice 2000-3, and it is intended to provide a brief overview of certain key aspects of the Plan. If there is a discrepancy between the contents of this Notice and the Plan document, the terms of the Plan shall govern.

### **Any Questions**

If you have any questions about the Plan or your rights and obligations under the Plan, or if you would like a copy of the Plan document, you may contact the Plan Administrator at the address below. You may also access information about the Plan, including a copy of the Plan document, the Plan Highlights summary and a Salary Deferral Form at [catholicbenefits.org/401k/401k.htm](http://catholicbenefits.org/401k/401k.htm).

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