

**AMES CONSTRUCTION, INC.  
RETIREMENT SAVINGS PLAN**

**COMMON QUESTIONS ABOUT OUR RETIREMENT PLAN**

**Introduction**

The following questions and answers highlight some of the important parts of our Plan. Remember, these are only highlights. The Summary Plan Description ("SPD") describes the Plan in much greater detail. If you have any questions about these highlights, the SPD, or the Plan, you should ask the Administrator.

**Q.** Why is your Employer sponsoring a 401(k) Plan?

**A.** Your Employer is sponsoring this Plan so that you may save for retirement. This Plan is a type of qualified retirement plan commonly referred to as a 401(k) Plan. As a Participant under the Plan, you may elect to contribute a portion of your compensation to the Plan. In addition, your Employer may make contributions to the Plan on your behalf.

**Q.** How do I participate in the Plan?

**A.** Provided you are not an Excluded Employee, you may begin participating under the Plan once you have satisfied the eligibility requirements and reached your Entry Date. The following describes the eligibility requirements and Entry Dates that apply.

**Salary Deferrals**

**Excluded Employees.** If you are a member of a class of employees identified below, you are an Excluded Employee and you are not entitled to participate in the Plan for purposes of salary deferrals. The Excluded Employees are:

- union employees whose employment is governed by a collective bargaining agreement under which retirement benefits were the subject of good faith bargaining, unless the collective bargaining agreement requires the employee to be included within the Plan
- certain nonresident aliens who have no earned income from sources within the United States
- leased employees
- interns

**Eligibility Conditions.** You will be eligible to participate for purposes of salary deferrals when you have completed three (3) months of service and have attained age 18. However, you will actually enter the Plan once you reach the Entry Date as described below.

**Entry Date.** For purposes of salary deferrals, your Entry Date will be the first day of the month coinciding with or next following the date you satisfy the eligibility requirements.

**Matching Contributions**

**Excluded Employees.** If you are a member of a class of employees identified below, you are an Excluded Employee and you are not entitled to participate in the Plan for purposes of matching contributions. The Excluded Employees are:

- union employees whose employment is governed by a collective bargaining agreement under which retirement benefits were the subject of good faith bargaining, unless the collective bargaining agreement requires the employee to be included within the Plan
- certain nonresident aliens who have no earned income from sources within the United States
- leased employees
- Interns

**Eligibility Conditions.** You will be eligible to participate for purposes of matching contributions when you have completed three (3) months of service and have attained age 18. However, you will actually enter the Plan once you reach the Entry Date as described below.

**Entry Date.** For purposes of matching contributions your Entry Date will be the first day of the month coinciding with or next following the date you satisfy the eligibility requirements.

## Profit Sharing Contributions

**Excluded Employees.** If you are a member of a class of employees identified below, you are an Excluded Employee and you are not entitled to participate in the Plan for purposes of profit sharing contributions. The Excluded Employees are:

- union employees whose employment is governed by a collective bargaining agreement under which retirement benefits were the subject of good faith bargaining, unless the collective bargaining agreement requires the employee to be included within the Plan
- certain nonresident aliens who have no earned income from sources within the United States
- leased employees
- Ames Percheron Farms Employees
- Interns

**Eligibility Conditions.** You will be eligible to participate for purposes of profit sharing contributions when you have completed one (1) Year of Service and have attained age 18. However, you will actually enter the Plan once you reach the Entry Date as described below.

**Entry Date.** For purposes of profit sharing contributions, your Entry Date will be the date on which you satisfy the eligibility requirements.

## Long-Term Part-Time Employees

You will be considered to be a Long-Term Part-Time (LTPT) Employee if you are a part-time employee who has not entered the Plan as a regular participant, but who is credited with at least three consecutive years beginning after December 31, 2020, with at least 500 Hours of Service in each year, and you have attained age 21. As a Long-Term Part-Time Participant, you will be eligible to defer including Roth 401(k) deferrals. Please see the Section in the SPD entitled "Long-Term Part-Time Employees" for additional information.

## Prevailing Wage Contribution

If you perform work that is covered under a prevailing wage contract, then for purposes of receiving any prevailing wage contribution made to the Plan, you are eligible to participate on your date of hire and will enter the Plan on that date.

**Q.** What are salary deferrals and how do I contribute them to the Plan?

**A. Salary Deferrals.** As a Participant under the Plan, you may elect to reduce your compensation by a specific percentage or dollar amount and have that amount contributed to the Plan. This amount is referred to as a salary deferral. There are two types of salary deferrals: Pre-Tax 401(k) deferrals and Roth 401(k) deferrals. For purposes of this SPD, "salary deferrals" generally means both Pre-Tax 401(k) deferrals and Roth 401(k) deferrals. Regardless of the type of deferral you make, the amount you defer is counted as compensation for purposes of Social Security taxes.

**Pre-Tax 401(k) Deferrals.** If you elect to make Pre-Tax 401(k) deferrals, then your taxable income is reduced by the deferral contributions so you pay less in federal income taxes. Later, when the Plan distributes the deferrals and earnings, you will pay the taxes on those deferrals and the earnings. Therefore, with a Pre-Tax 401(k) deferral, federal income taxes on the deferral contributions and on the earnings are only postponed. Eventually, you will have to pay taxes on these amounts.

**Roth 401(k) Deferrals.** If you elect to make Roth 401(k) deferrals, the deferrals are subject to federal income taxes in the year of deferral. However, the deferrals and, in most cases, the earnings on the deferrals are not subject to federal income taxes when distributed to you. In order for the earnings to be tax free, you must meet certain conditions. See "What are my tax consequences when I receive a distribution from the Plan?."

**Automatic Deferral.** Your Employer will automatically withhold a portion of your compensation if you fail to make an affirmative salary deferral election. You may enter a salary deferral agreement at any time to select an alternative deferral amount or to elect not to defer under the Plan. If you have any questions concerning the application of this automatic contribution arrangement, please read the section in the SPD entitled "What are salary deferrals and how do I contribute them to the Plan?."

**Q.** When will I receive payments from the Plan?

**A.** The Plan is designed to encourage you to stay with the Employer until retirement. Payment will generally occur at your Normal Retirement Date, unless you postpone your actual retirement. Your Normal Retirement Date is the date on which you attain your Normal Retirement Age. You will attain your Normal Retirement Age when you reach your 65th birthday.

**Q.** How much will I be paid when I retire?

**A.** The amount you are paid when you retire will be based upon the amount of money your Employer has put into the Plan for you (including your salary deferrals), plus or minus any earnings or losses. You should review the Article in the SPD entitled "Employer Contributions" for an explanation of how your Employer makes contributions to the Plan and how they are shared by eligible employees.

**Q.** How will payments be made when I retire?

**A.** If your vested account balance does not exceed \$5,000, then your vested account balance may only be distributed to you in a single lump-sum payment. In determining whether your vested account balance exceeds the \$5,000 dollar threshold, "rollovers" (and any earnings allocable to "rollover" contributions) will not be taken into account.

In addition, if your vested account balance exceeds \$5,000, you must consent to any distribution before it may be made. If your vested account balance exceeds \$5,000, you may elect to receive a distribution of your vested account balance in:

- a single lump-sum payment
- installments over a period of not more than your assumed life expectancy (or the assumed life expectancies of you and your beneficiary)

You should review the Article in the SPD entitled "Benefits and Distributions Upon Termination of Employment" for a further explanation of the rules associated with the payment of benefits.

**Q.** What if I stop working before I retire?

**A. 100% vested contributions.** You are always 100% vested (which means that you are entitled to all of the amounts) in your accounts attributable to the following contributions:

- salary deferrals
- rollover contributions
- prevailing wage contributions

**Vesting schedules.** Your "vested percentage" for certain Employer contributions is based on vesting Years of Service. This means at the time you stop working, your account balance (attributable to contributions subject to a vesting schedule) is multiplied by your vested percentage. The result, when added to the amounts that are always 100% vested as shown above, is your vested interest in the Plan, which is what you will actually receive from the Plan. You will always, however, be 100% vested if you are employed on or after your Normal Retirement Age, or if you die or become disabled while employed by your Employer.

1	20%
2	40%
3	60%
4	80%
5	100%

**Matching Contributions.** Your "vested percentage" in your account attributable to matching contributions is determined under the following schedule.

Vesting Schedule Matching Contributions	
Years of Service	Percentage
1	25%
2	50%
3	75%
4	100%

**Q.** If I stop working before retirement, when will my vested amount be paid?

**A.** You may elect to have your vested account balance distributed to you as soon as administratively feasible 90 days after termination of employment. However, if the value of your vested account balance does not exceed \$5,000, then a distribution will be made to you regardless of whether you consent to receive it. (See the question entitled "How will my benefits be paid to me?" for additional information.)

**Q.** What if I die before I retire?

**A.** Your beneficiary will be entitled to your vested account balance upon your death. If you are not married, you may name anyone you like to be your beneficiary. If you are married, your spouse is your beneficiary with respect to 100% of your death benefit unless you and your spouse name someone else as your beneficiary. You should review the question entitled "Who is the beneficiary of my death benefit?" in the Article entitled "Benefits and Distributions Upon Death".

**Q.** Can I withdraw money from the Plan while I'm still working?

**A.** You may be eligible to request a distribution from the Plan prior to your termination of employment provided you satisfy the following conditions described earlier in this SPD. See the questions entitled "Can I withdraw money from my account while working?" and "Can I withdraw money from my account in the event of financial hardship?" for an explanation of when these amounts are payable.

NOTE: THESE QUESTIONS AND ANSWERS ARE NOT MEANT TO BE A SUBSTITUTE FOR A THOROUGH READING OF THE SUMMARY PLAN DESCRIPTION. THE PROVISIONS OF THE PLAN ARE VERY COMPLEX. IT IS NOT POSSIBLE TO FULLY EXPLAIN ALL ASPECTS OF THE PLAN IN THESE SHORT QUESTIONS AND ANSWERS. YOU SHOULD ALWAYS CONSULT THE SUMMARY PLAN DESCRIPTION IF YOU HAVE ANY QUESTIONS ABOUT THE PLAN. IF, AFTER READING THE SUMMARY PLAN DESCRIPTION, YOU STILL HAVE QUESTIONS, YOU SHOULD CONTACT THE ADMINISTRATOR.