

Safe Harbor Notice

456098-01 Walpole, Inc. 401(K) Profit Sharing Plan empowermyretirement.com

The Walpole, Inc. 401(K) Profit Sharing Plan (the "Plan") allows both the participants and Walpole, Inc. (your "Employer") to make contributions to the Plan. In order to allow you to make an informed decision on the level of your own contributions, if any, and to meet certain Internal Revenue Code nondiscrimination requirements, your Employer must inform you of the type of contribution it will make to your Plan account. These contributions to your account are called "safe harbor" contributions. This notice is intended to meet that requirement for the Plan Year ending December 31, 2018.

Paycheck Contributions

As explained more fully in the Summary Plan Description (SPD), you can contribute a portion of your eligible pay to your Plan on a before-tax or after-tax Roth basis. Your total paycheck contributions may not exceed the annual dollar limit set by the Internal Revenue Service (IRS).

If you are age 50 or older, you may be eligible to make before-tax or after-tax Roth "catch-up" contributions beyond the limits described above, up to the maximum annual "catch up" contribution amount.

Check your SPD for more information on the types and amounts of other paycheck contributions that can be made to your plan (if any), on the limits and the types of compensation included in eligible pay. If your Employer/Plan utilizes an Automatic Contribution Arrangement, you will receive a separate notice regarding these provisions from your Plan.

You may begin making paycheck contributions or change the amount of your paycheck contributions by contacting your Employer.

Safe Harbor Employer Contribution

To help you make an informed decision about your paycheck contributions, it is important to know about the safe harbor employer contributions your Employer will make to your account.

Your Employer will make the following safe harbor matching contribution: 100% of deferrals up to 3% of compensation plus 50% of deferrals on 3 to 5% of compensation. Your Employer's safe harbor matching contribution depends on the amount you contribute out of your eligible pay.

Your Employer may amend the plan during the year to reduce or suspend the safe harbor employer contributions. If your Employer chooses to do so, you will receive a notice explaining the reduction or suspension at least 30 days before the change is effective. Your Employer will make any safe harbor contributions you have earned up to that point.

Other Plan Contributions

In addition to the contributions described above, your Plan may allow for other contributions to be made. Check your SPD for other types of contributions allowed in the Plan, if any.

Vesting Provisions

Vesting means the portion of your accounts in the Plan that you are entitled to receive if you no longer are employed by your Employer. Your paycheck contributions to the Plan and the safe harbor contributions made by your Employer (together with any investment gain or loss) are always fully vested.

You will also be fully vested in your plan accounts if you leave employment after reaching the Plan's normal retirement age, or upon becoming disabled, or as a result of death. If you leave your employment for any other reason, you will be entitled to receive only the vested portion of your Employer contribution accounts under the following schedule or schedules:

VESTING SCHEDULE		
Money Type	Years of Service	Vested Percentage
EMPLOYER MATCH	0 - 2	0%
	2 - 3	20%
	3 - 4	40%
	4 - 5	60%
	5 - 6	80%
	6 - 99	100%
EMPLOYER PROFIT SHARING	0 - 2	0%
	2 - 3	20%

VESTING SCHEDULE

Money Type	Years of Service	Vested Percentage
	3 - 4	40%
	4 - 5	60%
	5 - 6	80%
	6 - 99	100%
SAFE HARBOR MATCH	0 - 99	100%
EMPLOYER QUALIFIED NONELECTIVE	0 - 99	100%
EMPLOYER QUALIFIED MATCH	0 - 99	100%

Withdrawal Provisions

Even if you are vested in your Plan account, Plan provisions dictate when you may withdraw your funds. These Plan provisions may be important to you in deciding how much, if any, to contribute to the Plan.

In general, amounts accumulated in your Plan account are available after you leave employment with your Employer. Your beneficiary may withdraw any vested amount remaining in your Plan account after you die. You may also withdraw certain vested amounts from specified eligible money sources in your Plan account under the following circumstances (note that additional conditions may need to be satisfied):

- when you reach age 59½.
- if you become disabled.
- if you have a financial hardship. Hardship withdrawals are only allowed for qualifying reasons. Check your SPD for what is considered a qualifying reason. A hardship withdrawal is allowed only after you have taken other withdrawals and loans from your Employer's qualifying retirement plans. If you take a hardship withdrawal, you may have to suspend your paycheck contributions to the Plan for a minimum of 6 months.

There may be certain money sources that are available for withdrawal at any time. You can also borrow certain amounts from your vested Plan account.

There is generally a 10% early withdrawal penalty on taxable withdrawals taken before age 59½ unless another exception applies. You can also learn more about taxation and the early withdrawal penalty in the Internal Revenue Service (IRS) Publication 575, "Pension and Annuity Income" or by seeking guidance from a financial expert.

Check your SPD for more information on your Plan's withdrawal provisions.

Additional Information

If you have additional questions after reading this notice and the Summary Plan Description (or to obtain a copy of the SPD), please contact Empower Retirement at 1-800-338-4015.

If there is a conflict between contents of this Safe Harbor notice and the Plan Document, the terms of the Plan Document will govern.

Core securities, when offered, are offered through GWFS Equities, Inc. and/or other broker dealers.

GWFS Equities, Inc., Member FINRA/SIPC, is a wholly owned subsidiary of Great-West Life & Annuity Insurance Company.

Empower Retirement refers to the products and services offered in the retirement markets by Great-West Life & Annuity Insurance Company, Corporate Headquarters: Greenwood Village, CO; Great-West Life & Annuity Insurance Company of New York, Home Office: NY, NY; and their subsidiaries and affiliates. The trademarks, logos, service marks, and design elements used are owned by their respective owners and are used by permission.