

**SUMMARY PLAN DESCRIPTION  
FOR  
CORPORATE MANAGEMENT GROUP, INC. 401(k) PLAN**

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**INTRODUCTION**

Effective January 1, 2016, Corporate Management Group, Inc. established the Corporate Management Group, Inc. 401(k) Plan for the exclusive benefit of all eligible employees and their beneficiaries with the intention to provide a measure of retirement security for your future.

This Summary Plan Description reflects the plan options as of January 1, 2016. The salary deferral portion of the Plan is effective as of May 1, 2016.

This Summary Plan Description is a brief description of your plan and your rights and benefits under the plan and is not intended to cover every plan provision. This Summary Plan Description is not meant to interpret or change the provisions of your plan. A copy of your plan is on file at your employer's office and may be read by you, your beneficiaries, or your legal representatives at any reasonable time. This plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). If you have any questions regarding either your plan or this Summary Plan Description, you should ask your plan administrator. If any discrepancies exist between this Summary Plan Description and the actual provisions of the plan, the plan shall govern.

## GENERAL INFORMATION

**Plan Name:** Corporate Management Group, Inc. 401(k) Plan

**Employer:** Corporate Management Group, Inc.  
12000 N. Washington St., Suite 350  
Thornton, CO 80241  
(303) 920-1425

**Employer Tax ID:** 20-1535646

**Three Digit Plan Number:** 002

**Type of Plan:** Cash or Deferred Profit Sharing Plan

**Administration Type:** Self-Administered

**Plan Administrator:** Corporate Management Group, Inc.  
12000 N. Washington St., Suite 350  
Thornton, CO 80241  
(303) 920-1425

**Plan Administrator ID Number:** 20-1535646

**Legal Agent:** Corporate Management Group, Inc.  
12000 N. Washington St., Suite 350  
Thornton, CO 80241  
(303) 920-1425

Service of legal process may also be made upon a plan trustee or the plan administrator as listed herein.

**Trustees:** Matt Forss

**Funding Arrangement:** Trust

**Plan Year:** January 1st to December 31st

**Limitation Year:** January 1st to December 31st

**Anniversary Date:** December 31st

**Valuation Date:** Daily

## **PARTICIPATION IN YOUR PLAN**

In order to take advantage of the opportunities provided by your plan you must participate in the plan. There may be certain restrictions to your eligibility and participation. The following is information about how you can participate in the plan.

### **Who may participate?**

As an employee of Corporate Management Group, Inc. you may participate in the plan, once you have met the eligibility requirements.

### **Who is considered an employee?**

An employee is an individual who performs services for the employer as a common law employee, a self-employed individual who is treated as an employee, or a leased employee.

### **Are any employee groups ineligible to participate?**

The following individuals are not eligible for participation in the plan:

1. Members of a collective bargaining unit where retirement benefits were the subject of good faith bargaining;
2. Non-resident aliens with no U.S. source income;
3. Employees acquired through the purchase of another company or line of business will be excluded until the last day of the plan year following the year in which the transaction occurred;
4. Leased Employees; and
5. Employees leased to other entities.

### **What types of contributions are available in the plan?**

There are 5 different contribution types available in the plan:

1. Employer Non-Elective: This is also known as a profit sharing contribution. Your employer may, at its discretion, make a profit sharing contribution to the plan.
2. Elective Deferrals: This type of contribution is also known as a 401(k) contribution or a salary deferral contribution. Roth salary deferrals are after-tax elective deferrals.
3. Safe Harbor: The employer may make a required contribution to the plan. Each plan year you will receive a notice regarding the safe harbor contribution.
4. Additional ACP Test Safe-Harbor Matching Contribution: The employer may also make a discretionary matching contribution to participants who make salary deferrals.
5. Rollovers: You may make rollovers to this plan as described in the question "Does the plan accept rollovers?" in the "Contributions" section.

Also your employer may make additional employer contributions in order to pass certain nondiscrimination tests.

### **What are the requirements to be eligible to make salary deferrals?**

To be eligible to make a salary deferral contribution you must have attained age 21 and completed one (1) year of service. One year of service requires working 1,000 hours during a consecutive 12-month period and is not satisfied until the last day of the 12-month period. You will enter the plan January 1st or July 1st coincident with or next following satisfaction of the eligibility requirements. If you are employed on May 1, 2016 and have met the age and service requirements you are eligible to enter the plan on May 1, 2016.

### **What are the requirements to be eligible for employer profit sharing contributions?**

To be eligible to enter the plan for purposes of the employer profit sharing contribution you must have attained age 21 and have completed one (1) Year of Service. One year of service requires working 1,000 hours during a consecutive 12-month period and is not satisfied until the last day of the 12-month period. You will enter the plan January 1st or July 1st coincident with or next following satisfaction of the eligibility requirements.

**How do I start contributing salary deferrals?**

To contribute to your plan, your employer will ask you to complete a salary deferral agreement. It is here that you tell your employer how much of your income you wish to defer to your plan. These contributions will be deducted from your paycheck on a pre-tax or after-tax basis. You do not have to complete a salary deferral agreement to receive an employer profit sharing contribution.

**What compensation will be used for contributions to the plan?**

The compensation used to calculate contributions will be based on your W-2 wages, including compensation due to SEP deferrals (section 402(h)(1)(B)), cafeteria plan deferrals under section 125, deemed section 125 compensation, transportation compensation (section 132(f)(4)), 401(k) and 403(b) deferrals (section 402(e)), 457(b) deferrals, and 402 (k) deferrals (section 408(p)).

If you enter the plan on a day other than the first day of the plan year the plan will only consider your compensation from the date that you entered the plan.

**Is there a limit on compensation for plan purposes?**

The IRS limits the amount of compensation that may be taken into account for each participant for each plan year. For 2016, that limit is \$265,000. For future years, the limit is subject to cost-of-living increases as published by the IRS.

**Does plan compensation include monies paid to me during an absence or after my employment ends?**

Usually, only the amounts paid to you while you are an employee are considered plan compensation (described above). However, the plan may consider certain types of pay as plan compensation, though paid during an absence or after you leave employment.

If you are totally and permanently disabled, compensation under your plan will not include disability-related salary continuation payments.

If you are not actively working for the employer due to military service, but are receiving compensation as if you were working for Corporate Management Group, Inc., those payments are included as compensation under your plan. However, only such compensation for qualified military service of more than 30 days (also known as "differential wage payments") is included in plan compensation.

Payments you receive after terminating employment might be considered plan compensation, if they meet the definition of "post-severance compensation." To be considered post-severance compensation, the payment must be one that you would have received had employment continued, such as your salary or wages. Post-severance compensation does not include severance pay, or other amounts you receive only because your employment ended. To be included in plan compensation, post-severance compensation must be paid to you by the later of the end of the limitation year in which your employment ends, or within 2-1/2 months after the date your employment ends.

Payments for unused accrued sick, vacation, or other leave that you would have been able to use if your employment had continued are included in your plan's post-severance compensation.

**How are hours of service determined?**

You are credited with the actual hours you work, and for hours for which you are paid but not at work, such as paid vacation or paid sick leave. However, if records of your hours are not maintained, you are credited with 45 hours for each week in which you work at least one hour, as a backup method of crediting you with hours of service.

**What is a year of service for eligibility purposes?**

You will earn a year of service for eligibility purposes if you are credited with 1000 hours. The "eligibility computation period" is the 12-month period that begins with the date you were hired. Thereafter the eligibility computation period becomes the plan year and begins the first day of the plan year that began in your initial eligibility computation period. Each subsequent period is the plan year.

**What is a break in service for eligibility purposes?**

When you fail to complete more than 500 hours during the eligibility computation period, you incur a break in service. However, in certain circumstances, your plan is required to credit you with 500 hours, even though you didn't actually work 500 hours. This is primarily if you take time off to have, adopt or care for a child for a period immediately following the birth or adoption. You will receive this credit only for the purpose of determining whether you have incurred a break in service and not for receiving additional credit for a contribution or for vesting.

## CONTRIBUTIONS

As a plan participant, you can contribute your pay on a tax-deferred basis (that is, before federal income taxes are deducted) or on an after-tax basis (that is, after federal income taxes are deducted). Your employer may also make contributions to the plan.

### **YOUR CONTRIBUTIONS TO THE PLAN:**

When you enroll in the plan, you may make your salary deferrals on a pre-tax basis, an after-tax basis or a combination of the two. You will also select the percentage or dollar amount of your pay to be deducted as a pre-tax or an after-tax salary deferral. Your employer will deduct the amount you've elected from your paycheck in accordance with procedures established by your employer.

#### **What are pre-tax salary deferrals?**

Pre-tax salary deferrals are deducted from your pay before federal income taxes are calculated. This reduces your taxable income by the amount you have elected to save under the plan. Since your taxable income is reduced, you pay less in current federal income taxes. This money is accumulated on a tax deferred basis until it is distributed from the plan. You should consult your plan administrator or tax advisor regarding treatment of salary deferrals for purposes of state and local taxes. See "Distributions" for additional information on tax consequences when you withdraw your money from the plan.

#### **What are Roth salary deferrals?**

All employees who are eligible to make pre-tax salary deferrals can also make after-tax salary deferrals. These contributions are also known as Roth deferral contributions. This means that you will be taxed on the money when it is withheld from your paycheck. You can contribute all or a portion of salary deferrals as a Roth deferral. There are certain withdrawal restrictions for Roth deferral contributions. See "May I take a distribution of my Roth deferrals?" in the distribution section of this SPD.

#### **Are there limits to how much I can contribute?**

There are no plan imposed limits on the amount you may defer. The IRS limits the maximum amounts that can be contributed on a pre-tax or after-tax salary deferral basis. For 2016 that limit is \$18,000. For future years the limit is subject to cost-of-living adjustments as published by the IRS. If you are age 50 or older you may be able to contribute in excess of this limit. See "What are catch-up contributions?" below.

#### **What are catch-up contributions?**

All employees who are eligible to make salary deferrals under this plan and who are age 50 or older before the close of a plan year are eligible to make catch-up contributions. The catch-up contributions are in addition to the regular salary deferrals mentioned above. The IRS limits the amount that can be contributed as a catch-up contribution. For the 2016 tax year, that limit is \$6,000. For future tax years, the limit is subject to cost-of-living increases as published by the IRS.

#### **When can I expect my salary deferrals to be deposited?**

Salary deferrals are deposited in the trust as soon as reasonably possible, following guidelines issued by the Department of Labor.

#### **When can I change my salary deferral election?**

You may make an election, or change an election based on the policy set by your employer which can be found in the current deferral/change election form.

You may revoke your salary deferral election at any time.

#### **What happens if I am contributing to another plan from a different employer?**

If you participate in two or more deferred compensation plans (which include 401(k), Simplified Employee Pensions and 403(b) plans), your total deferrals to all plans could exceed IRS limits for the year. To avoid paying excise taxes if excess contributions have to be returned, you may want to designate which plan is to return any excess contributions to you.

If you elect to have this plan return any excess, you should notify the plan administrator so that the excess can be returned to you, along with any earnings, before April 15th following the year in which the deferrals were withheld.

**Does the plan accept rollovers?**

Rollovers are permitted even if you are not yet a participant. You may directly rollover from another eligible retirement plan or you may elect to rollover a distribution that is made payable to you (as long as certain requirements are met).

Direct transfer rollovers are permitted from a qualified plan described in Code sections 401(a) or 403(a), excluding after-tax employee contributions, an annuity contract described in Code sections 403(b), excluding after-tax employee contributions, an eligible plan under Code section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state, a Roth deferral account in a qualified plan described in Code sections 401(a) or 403(a), and an Individual Retirement Account or Annuity described in Code sections 408(a) or (b) or 408A that is eligible to be rolled over, limited to amounts that would otherwise be includible in gross income.

You may rollover an eligible distribution from a qualified plan described in Code sections 401(a) or 403(a), excluding after-tax employee contributions, an annuity contract described in Code sections 403(b), excluding after-tax employee contributions, an eligible plan under Code section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state, an Individual Retirement Account or Annuity described in Code sections 408(a) or (b) that is eligible to be rolled over, limited to amounts that would otherwise be includible in gross income.

In-kind rollovers are not permitted.

**YOUR COMPANY CONTRIBUTIONS TO THE PLAN:**

In addition to your salary deferrals, your employer may make other types of contributions to the plan, such as a profit sharing contribution, or a safe harbor contribution.

**What are profit sharing contributions?**

The company may make a profit sharing contribution to the plan each year and in such amount, if any, as it may determine.

**Are there requirements to receive a profit sharing contribution?**

You will be eligible to receive an allocation of the employer's discretionary profit sharing contributions regardless of the hours you work during the plan year.

**How is the profit sharing contribution determined?**

Your share of the discretionary contribution is determined each year as a percentage of compensation or a dollar amount per participant. Your plan creates a separate employee classification group for each eligible employee.

**When can I expect the employer profit sharing contributions to be allocated?**

The profit sharing contributions made by your employer will be allocated to your profit sharing account as of the last day of the plan year.

**When can I expect the employer contributions to be deposited?**

The employer contributions to the trust are normally paid by the company directly to the Trust either during the plan year or after the close of the plan year (within the time during which the Company has to file its federal tax return).

**When is a plan top heavy?**

The plan becomes top heavy if more than 60% of the account balances are attributable to "key employees". Key employees are certain highly compensated officers or owner/shareholders. Each year, the plan administrator will make a top heavy determination.

**How will the plan operate in top heavy years?**

If your plan is top heavy, all participants except those who are key employees must receive a minimum contribution for such plan year. This amount is based on the amount of contribution that the key employees receive and may be zero.

**What is a safe harbor contribution?**

This 401(k) plan takes advantage of certain rules that provide alternative methods to pass the non-discrimination tests required of 401(k) plans. Under these rules, your employer has elected to provide a contribution to each participant who has a deferral election on file.

**How is the safe harbor contribution determined?**

The safe harbor contribution will be a match of 100% of the first 3% of salary deferral plus 50% of the next 2% of salary deferral.

The Employer's safe harbor contribution is based on your eligible pay or Compensation, as defined above in the section **What compensation will be used for contributions to the plan?**

This safe harbor contribution is allocated to your account each payroll period.

**Additional ACP Safe-Harbor Matching Contributions**

The Company may also make an additional contribution to each participant who is eligible to make salary deferrals. This is called an Additional ACP test Safe-Harbor matching contribution. The Additional ACP test Safe-Harbor matching contribution is a discretionary percentage each year of salary deferrals that do not exceed 6% of compensation so that the total additional contribution does not exceed 4% of your compensation. These contributions are subject to the vesting schedule described below.

The Additional ACP Safe Harbor Matching Contributions are allocated to your account annually.

**Will my employer make any other types of contributions?**

In order to pass certain nondiscrimination tests, your employer may make additional employer contributions. These are called qualified non-elective contributions. If made, qualified non-elective contributions are 100% vested and will be allocated in proportion to compensation to non-highly compensated participants as needed to pass the tests.

Qualified matching contributions, if made, are 100% vested and will be allocated as the same percentage of salary deferrals to non-highly compensated participants as needed to pass the tests.

## VESTING

Vesting is the non-forfeitable balance of your employer contribution account(s) that you will be entitled to receive after your employment with the company ends. If you terminate employment before you meet the requirements for retirement, the distribution from your employer contribution account(s) will be limited to the vested portion. Your vesting percentage grows with your years of vesting service.

### *What is a year of service for vesting purposes?*

You are credited with the actual hours you work, and for hours for which you are paid but not at work, such as paid vacation or paid sick leave. You will earn a year of service for purposes of vesting if you are credited with 1000 hours of service during the plan year. You cannot earn more than one year of vesting service during the plan year.

### *What is a break in service for vesting purposes?*

When you fail to complete more than 500 hours during the plan year, you incur a break in service. If you have incurred a break in service, your vesting percentage will not increase for the period in which the break occurs.

However, in certain circumstances, your plan is required to credit you with 500 hours, even though you didn't actually work that number of hours. This is primarily if you take time off to have, adopt or care for a child for a period immediately following the birth or adoption. You will receive this credit only for the purpose of determining whether you have incurred a break in service and not for receiving additional credit for a contribution or for vesting.

### *Is any of my service excluded for vesting purposes?*

For purposes of vesting, all years of vesting service will be counted except:

- 1) Years excluded by the break in service rules.
- 2) Years prior to the original effective date of this plan.

### *How is my vested percentage calculated?*

If you leave employment due to termination, you are entitled to your employer accounts along with earnings, based on the following schedule for employer profit sharing and ACP safe harbor matching contributions:

<u>Years of Vesting Service</u>	<u>Percent Vested</u>
Less than 2	0%
2 but less than 3	20%
3 but less than 4	40%
4 but less than 5	60%
5 but less than 6	80%
6 or more	100%

### *What vesting schedule applies to my employee contribution account(s)?*

Salary deferrals (including catch-up contributions and Roth contributions) and rollovers along with the earnings associated with these accounts are always 100% vested.

### *Does my vested percentage change if I die?*

If you die while still an employee, your employer profit sharing account, and ACP safe harbor matching account will become 100% vested. Your beneficiary will be entitled to receive 100% of your accounts.

### *What is my vested percentage if I become disabled?*

If you are disabled while still an employee, you will be entitled to 100% of your employer profit sharing account, and ACP safe harbor matching account.

**What happens if I terminate employment before I am fully vested?**

The non-vested portion of your account will be forfeited and used to offset plan expenses or may be used to reduce the employer profit sharing or ACP safe harbor matching contribution. The forfeiture takes place as of the end of the plan year in which you receive the final (complete) distribution of your distributable benefit. However, the forfeiture can occur earlier, as of the end of the plan year in which the later of the following occurs:

- 1) You incur five (5) consecutive breaks-in-service; or
- 2) You receive the final (complete) distribution of your distributable benefit.

**What happens to my forfeited amounts, if I am rehired into a position covered by the plan?**

If you were not vested (that is, 0% vested), when you severed employment, and you rejoin the plan before incurring a 5-year break in service, the amounts you forfeited will be restored as of your rehire date.

If you were partially vested (more than 0% but less than 100%), and received a distribution of your vested amounts, the forfeited amount may be restored. However, to restore the forfeiture, you must repay the full amount of your distribution by the earlier of:

- \* five (5) years after your rehire date, or
- \* the date you incur a 5-year break following the date of the distribution

If you are entitled to a restoration of your account balance that was forfeited, the plan will first use any forfeitures arising in the year of restoration. If that amount is not enough, the employer will make an additional contribution specifically allocated to your account.

**If I am rehired into a position covered by the plan, how is my vesting service calculated?**

If you were fully (100%) vested at the time your employment ended, you will resume participation and be 100% vested immediately, on your rehire date. This means that the vesting service you earned prior to severing employment (pre-break) will be added to the vesting service you earn after reemployment (post-break).

If you were not fully vested when your employment ended, the length of your break in service determines how your vesting service will be calculated, when you resume participation in the plan.

If your break in service is less than 5 years, your pre-break vesting service will be added to your post-break vesting service. Thus, your total years of vesting service are counted toward vesting in:

- \* the employer contributions credited to your account after you return, and
- \* the pre-break non-vested employer account remaining in the plan, if you did not receive a distribution.

However, if you received a distribution from your employer account, and you would like to have your total years of vesting service (pre-break plus post-break) count toward vesting in your pre-break non-vested employer account, you must repay the full amount of your distribution by the earlier of:

- \* five (5) years after your rehire date, or
- \* the date you incur a 5-year break following the date of the distribution. If your break in service is five years or more and you were not fully vested (less than 100%) when you ended your employment, when you are reemployed you will no longer have a vested interest in any pre-break non-vested employer account balance.

However, all your service (pre-break plus post-break) counts toward vesting in employer contributions credited after you are reemployed.

## **INVESTMENT ACCOUNTS**

Under the Corporate Management Group, Inc. 401(k) Plan, the money you deposit and any employer contributions are held in a trust, and placed into investment accounts, which are credited with gains and losses at each valuation date.

Separate accounts are set up for each different type of money, for example: 401(k) deposits, matching, discretionary, rollover, employer contributions (if any) and qualified non-elective contributions because there are different plan and IRS rules for each type of contribution.

### **What is the value of my account?**

The value of each of your accounts is established as of the valuation date under your plan. The valuation date is daily.

As of the valuation date:

- \* Contributions may be added to your accounts (see "Contributions")
- \* Distributions you have received since the prior valuation date will be subtracted from your accounts
- \* Plan expenses may be subtracted from your accounts
- \* Interest and/or dividends, if any, will be added to your accounts

Also, current market values will be reflected in your accounts as of the valuation date. Depending on stock and/or bond market conditions, the value of your accounts may increase or decrease from one valuation date to the next.

### **How are my accounts invested?**

You may direct the investment of all of your accounts. It is intended that your plan meet the requirements of ERISA section 404(c) by providing you with sufficient information for you to make informed investment choices. This information will be provided by the financial institutions managing the investment options. This means that you exercise control over the investments in your plan account, and you can modify those investment choices as your needs change or as you otherwise see fit. This allows you to invest in the way that best meets your personal goals. Therefore, the plan fiduciaries may be relieved of liability for losses that your account may experience as a result of your investment elections.

Please note that the trustee is considered the owner of all the assets held in the trust. The trustee, as owner of the securities and other trust property, has the exclusive right to vote the stock in the trust and exercise any other rights of ownership. As a plan participant, you merely have a beneficial interest in the trust and may not exercise the rights of ownership, as can the trustee.

### **Does my plan offer life insurance as an investment?**

No. Life insurance policies are not available as a plan investment.

### **May I take a loan from my accounts?**

Your plan does not permit loans from any source.

### **Where can I learn about the plan expenses?**

Reasonable administrative expenses of the plan and trust may be paid by the plan to the extent not paid by the employer. For more information on plan expenses, please contact the plan administrator.

## **DISTRIBUTIONS**

### **Does my plan allow hardship distributions?**

Hardship distributions of your pre-tax salary deferrals and Roth deferrals are permitted.

You may request a hardship distribution while employed for one of the following reasons:

- \* **Medical Care** - Expenses for or necessary to obtain medical care for yourself, your spouse, dependents, or named primary beneficiaries.
- \* **Principal Residence** - Costs directly related to the purchase of your principal residence (not including mortgage payments).
- \* **Eviction and/or Foreclosure** - Payment to prevent eviction from your principal residence and/or foreclosure on the mortgage of your principal residence.
- \* **Tuition** - Payment of tuition for the next 12 months of post-secondary school education for yourself, your spouse, dependents, or named primary beneficiaries.
- \* **Funeral Expenses** - Payments for burial or funeral expenses for your parents, spouse, children, dependents, or named primary beneficiaries.
- \* **Principal Residence Repair** - Expenses for repair of damage to your principal residence that qualify for the casualty deduction (as defined in IRC 165, determined without regard to whether the loss exceeds 10% of adjusted gross income).

The Hardship distribution cannot exceed the amount necessary to meet your financial hardship. The plan administrator may request proof that the amount requested does not exceed the financial hardship, including evidence that you have received all other available distributions and/or loan proceeds from other plans (including those of other employers).

A distribution on account of hardship is limited to the Maximum Distributable Amount. The Maximum Distributable Amount is equal to the total elective contributions as of the date of distribution, reduced by the amount of previous distributions of elective contributions and does not include earnings.

If you receive a hardship distribution, you will not be allowed to make salary deferrals to this plan or any other retirement plan for six (6) months following the date of your hardship distribution.

### **Does the plan allow for in-service distributions?**

An In-Service Distribution is one that you receive while you are actively employed. The primary purpose of the Plan is to provide benefits to you upon your retirement; however, you may request an In-Service Distribution of all or a portion of your Elective Deferral account and your 100% vested Employer Contribution accounts after you have reached age 59-1/2.

In addition, an In-Service distribution may be made from your 100% vested Employer Contribution accounts on account of Hardship based on the plan's Hardship provisions. Hardship distribution from Safe-Harbor, QMAC, and QNEC accounts is not permitted.

Finally, you may receive an In-Service Distribution of amounts attributable to rollover contributions at any time, without restriction.

### **May I take a distribution of my Roth deferrals?**

There are certain restrictions that apply to receiving a distribution from your Roth deferral account. If any deferral contribution designated as a Roth deferral is withdrawn prior to the five (5) taxable year period beginning with the taxable year in which the Roth account is first established or prior to age 59-1/2 your distribution will consist of a pro-rata share of Roth earnings and Roth deferral. The earnings will be included in your gross income. To avoid a tax on the earnings of Roth deferral accumulated amounts, the withdrawal must be made after the fifth taxable year that your Roth account is first established and after age 59-1/2 or on account of your death or disability.

### **What are my normal retirement benefits?**

You will reach the plan's normal retirement age when you reach age 65. Your normal retirement date is the date you reach normal retirement age. At your normal retirement age, you will be fully vested in your employer contribution account.

**When will I receive my normal retirement benefits?**

Payment of your benefits will begin as soon as practicable following your retirement based on your account value on the preceding valuation date.

**When will my beneficiary receive my benefits if I die?**

Payment of your benefits will begin as soon as practicable following your death based on your account value on the preceding valuation date.

**Does the plan have disability benefits?**

Yes, disability is defined in the plan document. A determination of disability will be made by the Plan Administrator in a uniform, nondiscriminatory manner on the basis of medical evidence. If it is determined you are disabled, your payments will begin as soon as practicable following your disability retirement.

**What benefits will I receive upon termination?**

If your employment is terminated for any reason other than those set out above, you will be entitled to that portion of your employer accounts in which you are vested.

"Vesting" refers to the percentage of your account balance you are entitled to at any point in time. For each year you remain a participant in the plan, you may become vested with a higher percentage of your employer account balance. See the "Vesting" section for more information.

Payment of your benefits will begin as soon as practicable following your termination of employment based on your account value on the preceding valuation date.

**How might divorce or a Qualified Domestic Relations Order affect my benefits?**

Because your spouse has certain rights under your plan, you should immediately inform the plan administrator of any changes in your marital status.

In general, contributions made by you or your employer to this plan are not subject to alienation. This means they cannot be sold, used as collateral for a loan, given away or otherwise transferred. They are not subject to the claims of your creditors. However, they may be subject to claims under a Qualified Domestic Relations Order (QDRO).

A Domestic Relations Order is court-issued decree or order that allocates all or any portion of your plan benefits to your (former) spouse, your child, or other dependent. It is the plan administrator's responsibility to determine if a Domestic Relations Order is qualified (is a QDRO), as defined by law.

Distributions pursuant to a Qualified Domestic Relations Order are permitted on or after the date a Domestic Relations Order is determined to be a Qualified Domestic Relations Order, even if you are employed and have not attained the "earliest possible retirement age" (as defined below).

For QDRO purposes the "earliest possible retirement age" under the plan means the earlier of: (a) the date on which the participant is entitled to a distribution under the plan, or (b) the later of the date the participant attains age 50, or the earliest date on which the participant could begin receiving benefits under the plan if the participant separated from service.

Participants and beneficiaries can obtain, from the plan administrator, without charge, a copy of the plan's procedures governing Qualified Domestic Relations Orders.

**How will I receive my distribution?**

Your plan provides for a lump sum distribution.

**Will the plan automatically distribute any of my benefit?**

If you fail to provide consent to your distribution within the appropriate time period, the plan will make a mandatory distribution if your vested account balance is \$5,000 or less. The plan will make the mandatory distribution as a direct rollover to an IRA for any vested account balances that are greater than \$1,000. If your vested account balance is \$1,000 or less, the Plan will make a

distribution directly to you.

The automatic rollover will be invested in an investment product designed to preserve principal and provide a reasonable rate of return, whether or not such return is guaranteed, consistent with liquidity.

**What is a Required Minimum Distribution?**

Under certain circumstances, the law requires that your distributions begin no later than April 1 of the year following the date you reach age 70-1/2 (the date six months after your 70th birthday) if you are an owner of the company. All participants that still have a vested account balance after reaching 70-1/2 and are terminated are required to take these distributions. You or your beneficiaries may elect the 5 year rule for distributions if you die before the required distributions begin. Your plan administrator will contact you if you are affected by this requirement.

**How will my distributions be taxed?**

The benefits you receive from the plan will be subject to ordinary income tax in the year in which you receive the payment, unless you defer taxation by a "rollover" of your distribution into another qualified plan or an IRA. Also, in certain situations, your tax may be reduced by special tax treatment such as "10-year forward averaging."

VERY IMPORTANT NOTE: Under most circumstances, if you receive a distribution from this plan, twenty percent (20%) of your distribution will be withheld for federal income tax purposes, unless you instruct the trustees of this plan to transfer your distribution DIRECTLY into another qualified plan or an IRA. You must give these instructions to the trustees no more than 180 days before the date you receive the payment. Also, the trustees must wait at least 30 days after receiving your instructions before making the payment, to allow you time to change your decision, unless you waive the waiting period in writing.

In addition to ordinary income tax, you may be subject to a 10% tax penalty if you receive a "premature" distribution. If you receive a distribution upon terminating employment before age 55 and you don't receive the payment as a life annuity, you will be subject to the 10% penalty unless you roll over your payment. If you take a hardship withdrawal before age 59-1/2, the withdrawal will usually be subject to the 10% penalty. But, there is no penalty for payments due to your death or disability.

As the rules concerning "rollovers" and the taxation of benefits are complex, please consult your tax advisor before making a withdrawal or requesting a distribution from the plan. As required by law, the plan administrator will provide you with a brief explanation of the rules concerning "rollovers."

**Who may I name as my beneficiary?**

The plan requires that your spouse be your beneficiary and receive 100% of your account balance on your death (see vesting section). You may name someone other than your spouse as your beneficiary only if your spouse gives written consent to your choice of beneficiary. A notary public or Plan representative must witness your spouse's signature on the consent form. You have a right to designate your beneficiary or beneficiaries at any time. If you fail to designate a beneficiary or if your beneficiary designation is not valid, or if your beneficiary fails to survive you, then your benefits will be paid in the following order to: your surviving spouse, or if none, your surviving children, equally, or if none, such other heirs, or the executor or administrator of your estate, as the Plan Administrator selects. You can designate your beneficiary by completing a beneficiary form that is provided to you or is acceptable to the Plan Administrator.

## **OTHER IMPORTANT INFORMATION**

### **Are my benefits protected?**

Except for the requirements of a Qualified Domestic Relations Order, your plan benefits are not subject to claims, indebtedness, execution, garnishment or other similar legal or equitable process. Also, you cannot voluntarily (or involuntarily) assign your benefits under this plan.

### **USERRA and Your Benefits:**

If you are an employee of the Employer who will be starting a Uniformed Services Leave as defined by the Uniformed Services Employment and Reemployment Rights Acts of 1996 ("USERRA"), you must notify your Human Resources representative as promptly as possible of your upcoming leave.

If you qualify for a USERRA leave and are a participant in the 401(k) Plan, you should contact the Plan Administrator to determine what rights you have to make up pre-tax contributions with respect to the period of absence. Please contact the Plan Administrator if you have questions about whether or not you would qualify for a USERRA leave.

If you are returning from a USERRA Leave, have received a not less than an honorable discharge, and have returned from leave to your employment with the Employer within the time period required by USERRA after your Uniform Services Leave terminates, you will be eligible for all benefits provided by USERRA. You must provide documentation as to the duration of your Uniformed Services Leave and your discharge status.

### **Can the Plan be amended or terminated?**

The employer has reserved the right to amend or terminate the plan. However, no amendment can take away any benefits you have already earned. If your plan is terminated, you will be entitled to the full amount in your account as of the date of termination, regardless of the percent you are vested at the time of termination.

### **Does Pension Benefit Guaranty Corporation Insurance apply to this plan?**

The benefits provided by this plan are not insured by the Pension Benefit Guaranty Corporation (PBGC). Such insurance is only required under Title IV of the Employee Retirement Income Security Act (ERISA) for defined benefit pension plans.

### **What are the claims for benefits procedures under this plan?**

When you request a distribution of all or any part of your account, you will contact the plan administrator who will provide you with the proper forms to make your claim for benefits.

Your claim for benefits will be given a full and fair review. However, if your claim is denied, in whole or in part, the plan administrator will notify you of the denial within 90 days of the date your claim for benefits was received, unless special circumstances delay the notification. If a delay occurs, you will be given a written notice of the reason for the delay and a date by which a final decision will be given (not more than 180 days after the receipt of your claim.)

There is an exception to the above rules if your claim is for disability benefits. The plan administrator shall notify you or your beneficiary within a reasonable period of time, but not later than 45 days after the date your claim was received.

The plan administrator may extend this deadline by up to 30 days if there are special circumstances beyond the control of the plan that require additional time to process the claim. If a delay occurs, you will be notified in writing before the end of the initial 45-day period.

If, prior to the end of the first 30-day extension period, the plan administrator determines that, due to matters beyond the control of the plan, a decision cannot be made within that extension period, the period for making the determination may be extended for up to an additional 30 days, provided that the plan administrator notifies you or your beneficiary, prior to the expiration of the first 30-day extension period, of the circumstances requiring the extension and the date as of which the plan expects to render a decision.

In the case of any extension under a claim for disability benefits, the notice of extension will specifically explain the standards on which entitlement to a benefit is based, the unresolved issues that prevent a decision on your claim, and the additional information needed to resolve those issues. Further, you will be given at least 45 days within which to provide the specified information.

Notification of a denial of claims will include: the specific reason(s) for the denial, reference(s) to the Plan provision(s) on which the denial is based, a description of any additional material necessary to correct your claim and an explanation of why the material is necessary, and an explanation of the steps to follow to appeal the denial, including notification that you (or your beneficiary) must file your appeal within 60 days of the date you receive the denial notice.

If you or your beneficiary do not file an appeal within the 60-day period, the denial will stand. If you do file an appeal within the 60 days, your employer will review the facts and hold hearings, if necessary, in order to reach a final decision. Your employer's decision will be made within 60 days of receipt of the notice of your appeal, unless an extension is needed due to special circumstances. In any event, your employer will make a decision within 120 days of the receipt of your appeal.

## **PARTICIPANT RIGHTS UNDER ERISA**

As a participant in the Corporate Management Group, Inc. 401(k) Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA).

### **Receive information about your Plan and your benefits:**

ERISA provides that all plan participants shall be entitled to:

- \* Examine, without charge, at the plan administrator's office all documents governing the plan and a copy of the latest annual report filed by the plan with the U.S. Department of Labor.
- \* Obtain copies of all plan documents and other plan information upon written request to the plan administrator (the administrator may make a reasonable charge for the copies),
- \* Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.
- \* Obtain a statement telling you whether you have a right to receive a benefit at normal retirement age and if so, what your benefits would be at normal retirement age if you stop working under the plan now. If you do not have a right to a benefit, the statement will tell you how many more years you have to work to get a right to a benefit. This statement must be requested in writing and is not required to be given more than once a year. The plan must provide the statement free of charge.

### **Actions by Plan Fiduciaries:**

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries.

No one, including your employer may fire you or otherwise discriminate against you in any way to prevent you from obtaining a retirement benefit or exercising your rights under ERISA.

### **Enforcing your rights:**

If your claim for a benefit is denied in whole or in part, you have the right to know why this was done and to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request written materials from the plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator.

### **Assistance with your questions:**

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court.

If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have questions about your plan, you should contact the plan administrator. If you have any questions about this statement or your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.