

Participant Force Outs

Choose the approach that's right for you.

As a plan sponsor, you're tasked with trying to minimize administrative costs, keep plan expenses low for participants, and ensure you're adhering to your plan document. So, when plan participants separate from employment with balances left in their retirement plans, plan administration costs may be adversely impacted. It's important to have a process in place to help distribute remaining participant balances.

The good news? You have options. With our automated offering, we'll administer force outs for your plan, removing you almost completely from the process.¹ With our self-service option, you have more autonomy to manage progress each step of the way.



Automated force outs

We'll do the heavy lifting—from generating and mailing eligible participant termination packages through distributing their plan funds. You'll just need to review a census report we provide and we'll handle the rest.²

With this service, we will:

- Identify participants who are eligible to be forced out on an annual basis.
- Mail termination packages to participants eligible to be forced out of the plan.
- Monitor participant force out status along the way. If a participant's status changes and they are no longer eligible for a force out, we'll remove them from the process.
- Process force out distributions for participants who do not take a voluntary distribution.

To qualify for this service, your plan must:

- Adhere to either the \$1,000 or \$7,000 force out limit.
- Make an election to pay out funds or roll over funds to an IRA (for small account balances, regulations allow pay outs).
- Elect the Ascensus Trust Automatic Rollover IRA program as your IRA rollover trustee.

You can elect automated force out services for a fee of \$20 per participant mailing³—so you can focus on other plan management tasks. Contact Client Services for more information or to add this feature.

¹Restrictions may apply.

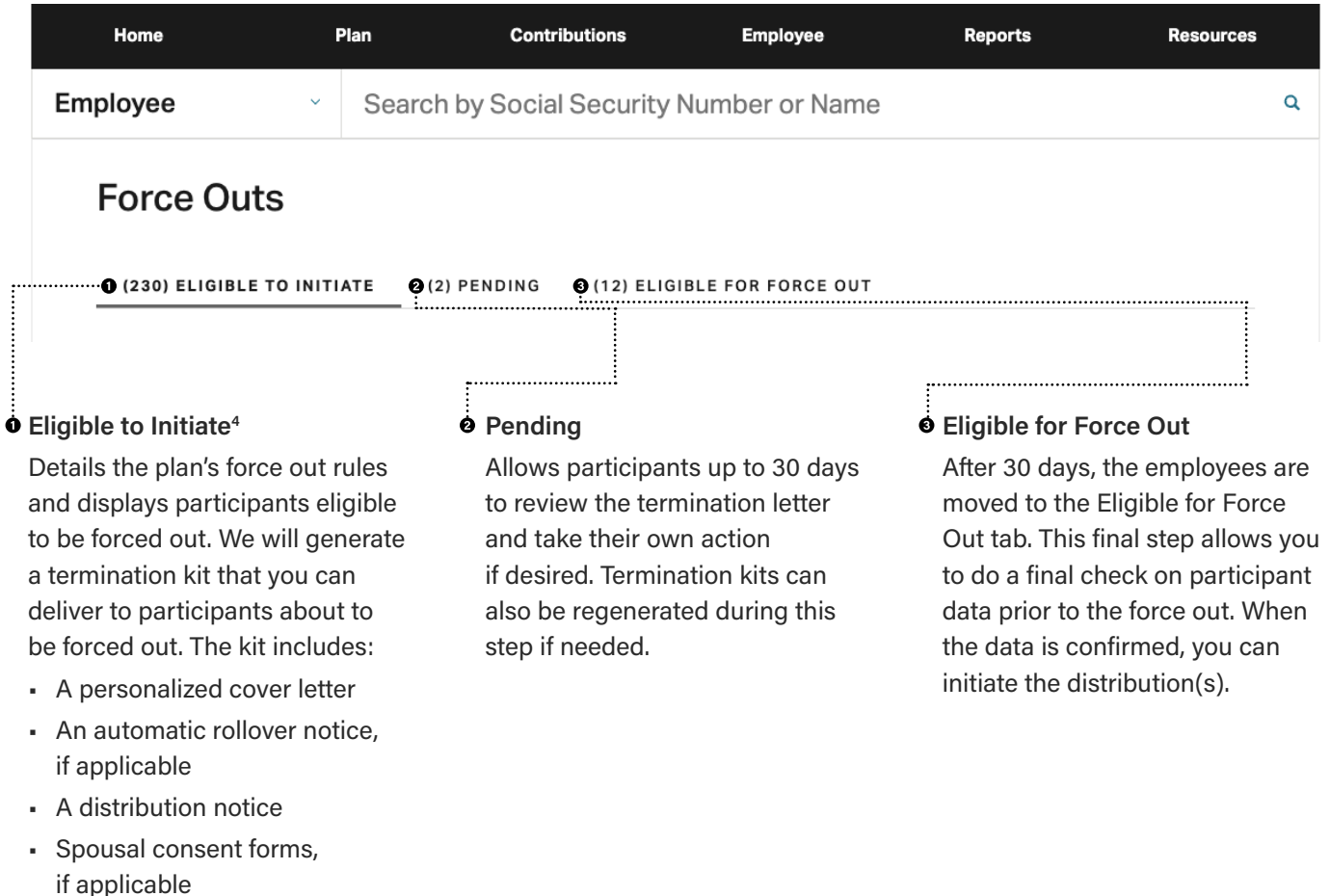
²Ensuring accurate census information for all plan participants is imperative for easier plan administration.

³\$20 fee will be deducted from the participant's retirement account. Sponsors who want this fee to be covered by the plan should contact Client Services.

Self-service force outs

The self-service force out option on the plan website helps ease administration for plan sponsors, providing quick visibility into participant eligibility, status, and tracking throughout the process.

Three tabs on the force outs page of the plan website help you step through the process—from start to finish—simplifying the tasks needed to initiate, track, and process force out distributions.



The screenshot shows a web interface for "Force Outs" with a navigation bar (Home, Plan, Contributions, Employee, Reports, Resources) and a search bar. Below the search bar, there are three tabs: "1 (230) ELIGIBLE TO INITIATE", "2 (2) PENDING", and "3 (12) ELIGIBLE FOR FORCE OUT".

1 Eligible to Initiate⁴
Details the plan's force out rules and displays participants eligible to be forced out. We will generate a termination kit that you can deliver to participants about to be forced out. The kit includes:

- A personalized cover letter
- An automatic rollover notice, if applicable
- A distribution notice
- Spousal consent forms, if applicable

2 Pending
Allows participants up to 30 days to review the termination letter and take their own action if desired. Termination kits can also be regenerated during this step if needed.

3 Eligible for Force Out
After 30 days, the employees are moved to the Eligible for Force Out tab. This final step allows you to do a final check on participant data prior to the force out. When the data is confirmed, you can initiate the distribution(s).

⁴Participants who are not forced out after 180 days (from the date the termination kit is generated) will be moved back to **Eligible to Initiate** status