

Transition
Individual (k) Recordkeeping Service Agreement



This Agreement is made between Ascensus, LLC (“Ascensus”) and _____ (“Employer”) and sets forth the terms and conditions pursuant to which Ascensus will provide services to the retirement plan known as _____ (“Plan”), which is sponsored by Employer.

1. **EFFECTIVE DATE AND TERM.** The term of this Agreement will begin on _____ (the “Effective Date”) and will continue in effect until terminated pursuant to Section 5.

2. **SERVICES.**

2.01 **General –**

- (a) Ascensus will provide to the Plan the services (“Services”) set forth on Schedule A to this Agreement. Any additional services, such as technical consulting, must be mutually agreed to in writing by the parties. Unless otherwise agreed to in writing, Ascensus will perform the Services only for the Plan and only using data with respect to the Plan, even if there are other benefit plans related to the Plan. It is within Ascensus’ sole discretion to reasonably modify Schedule A from time to time upon written notice to Employer of such modifications. The Services are made available exclusively for individuals who are considered owners of the Employer and their spouses. Plans covering non-owners and non-spouses require additional services not included in the Services Schedule, and non-owners are not eligible to receive the Services. Any service or task not set forth on Schedule A to this Agreement or in the description of responsibilities provided to Employer is Employer’s responsibility. Ascensus will maintain records regarding the allocation of assets and liabilities to participants and beneficiaries, and will be responsible for the balancing and reconciliation of Plan assets. Ascensus will maintain appropriate balancing and reconciliation procedures for the Plan and will maintain accurate records of Plan assets, including balancing, reconciliation and allocation of all assets and liabilities of the Plan.
- (b) Ascensus will act only upon the instructions of Employer, the plan administrator (“Plan Administrator”) appointed by Employer or a Plan participant that are provided to Ascensus either in writing, or by mutually agreed upon electronic means, or via Ascensus’ voice response system or via a website designated by Ascensus. Ascensus will have neither access to Plan assets nor discretionary authority or control over the management of the Plan or Plan assets. Employer is responsible for establishing the Plan, reviewing the Plan document, maintaining the qualified status of the Plan under the Employee Retirement Income Security Act as amended, (“ERISA”) and federal tax law, and performing all other Employer duties set forth in this Agreement. Employer acknowledges that Ascensus cannot properly provide the Services without Employer properly forwarding the prescribed information to Ascensus, and Employer agrees to provide complete, accurate, and timely information and approvals in the manner and within the time frames reasonably requested by Ascensus.

2.02 **Plan Document Services –** Ascensus will provide recordkeeping services to the Employer using an Ascensus pre-approved plan document under the IRS mass submitter program. Employer expressly acknowledges that Employer is responsible for choosing a plan document that is appropriate for Employer and taking all necessary actions to adopt the plan (e.g., adopting a board resolution if necessary, etc.). Employer acknowledges that Ascensus has provided no advice regarding the document used by Employer. Employer acknowledges that if it is using an Ascensus pre-approved plan document for which Ascensus is acts as provider as that term is defined in applicable Revenue Procedures, Ascensus’ responsibilities as pre-approved document provider will automatically end upon the termination of this Agreement.

2.03 **Other Responsibilities –**

- (a) Employer acknowledges and agrees that Ascensus is not a “plan administrator” or “fiduciary,” as those terms are defined in ERISA, and that nothing in this Agreement is intended to confer upon Ascensus the status of plan administrator or fiduciary to the Plan. Ascensus Trust Company (“Ascensus Trust”), an Ascensus subsidiary, will provide such trust and/or custodial services as Employer may elect in a separate agreement between Employer and Ascensus Trust. If Ascensus Trust acts as a custodian (and not as trustee) to the Plan, Ascensus Trust is not a fiduciary to the Plan. Fees for Ascensus Trust’s services are set forth on Schedule B to this Agreement. The parties further acknowledge and agree that Ascensus will not be deemed to be providing legal or tax advice to Employer pursuant to this Agreement, and Employer agrees to obtain from third parties such legal and tax advice as the Plan may require. Ascensus will not be responsible for payment of any federal, state or other taxes or penalties which may be charged against the Plan, Employer or other parties to the Plan. Except as expressly set forth in this Agreement, Ascensus will not be responsible for filing notices of any taxable or otherwise reportable events as defined under applicable law, nor will Ascensus be liable in any manner for any failure by Employer to file accurate reports with the IRS or DOL in a timely manner, or for Employer’s responsibility to distribute any other required notices and materials, including but not limited to, if applicable, proxy materials, prospectuses and other investment information.
- (b) Ascensus may release any information or documentation related to Employer, the Plan and Plan participants as requested by the company that markets and sells Employer’s plan product, the providers mutual funds or other investments (or their designees) invested in the Plan or Plan participants, the Plan’s trustee and custodian, the IRS, the DOL, or any other regulatory or judicial authority.
- (c) The employer acknowledges that it will follow the procedures set forth by Ascensus.

The Employer acknowledges that it will monitor and is responsible for compliance with all statutory and regulatory limits on contributions and benefits.

2.04 Incomplete or Inaccurate Information; Imputed Knowledge – Employer acknowledges and agrees that Ascensus may rely upon the completeness and accuracy of all information provided to Ascensus by Employer or by Vanguard. Employer acknowledges that Ascensus will not be responsible for any errors, delays, or additional costs resulting from the receipt of incomplete, inaccurate, or untimely information from Employer. No information with respect to the Plan known by a parent, subsidiary or affiliate of Ascensus will be attributed to Ascensus or considered imputed knowledge of Ascensus.

2.05 Agency Relationship – Employer acknowledges and agrees that Ascensus will serve as the agent and authorized representative of Employer solely for purposes of providing orders, instructions and other communications to the Plans' trustee or custodian.

2.06 Use of Ascensus' Website and Other Media –

- (a) Ascensus will provide Employer with access to the Plan's information via an Ascensus website, FTP site, email or other Media (collectively, the "Ascensus Media"). Employer and Plan participants are each responsible for installing the necessary hardware and software, as determined by Ascensus from time to time, to access and use Ascensus Media. Employer is responsible for determining who will have access to Ascensus Media and for providing access codes and/or passwords to participants and other parties authorized by Employer to use Ascensus Media.
- (b) **Beneficiary Designation Services** – Ascensus will make available to participants, to the extent permitted by law, an electronic beneficiary designation and signature process. Employer agrees that Ascensus is under no obligation to obtain a beneficiary designation from each participant in the Plan. Employer understands that Ascensus will not accept or convert prior beneficiary designations, data or data files for the Plan from the Employer or other party. Each participant that provides beneficiary designation information to Ascensus is responsible for retaining copies of such designation records. Ascensus will retain only the most recent beneficiary designation provided by the participant using the Ascensus beneficiary designation process. All prior designations will be deleted after the participant provides a new beneficiary designation. The Employer or Plan Administrator retains the responsibility to identify and authenticate the beneficiary of participant Plan accounts and to direct distributions from the Plan accordingly. Ascensus will not make any determination regarding the validity of the beneficiary designations and any related issues, (e.g., validity of the marriage, estate planning issues, probate issues like simultaneous death or slayer statutes, and protective actions like powers of attorney, conservatorships, and guardianships). Employer hereby authorizes and directs Ascensus to process a distribution upon receipt of a Distribution Due to Death Form executed by all necessary parties, which includes the Employer or Plan Administrator. In the event no beneficiary information has been provided to Ascensus on the Distribution Due to Death Form or a conflict arises with a beneficiary designation, Ascensus will request Employer direction. Upon termination of the Agreement, Ascensus will provide Employer with a report of all current beneficiary designations for participants in the Plan. Ascensus will have no further obligation to retain beneficiary designation records beyond the Agreement termination date, or to return these records to any participant. Upon termination of the Agreement, Ascensus will no longer be responsible for any technological updates or changes associated with the electronic signature associated with beneficiary designations.
- (c) Employer acknowledges that Ascensus will not be responsible for any damages that may result from Employer's failure to follow all instructions and procedures posted on the Ascensus Media, nor is Ascensus responsible in any manner for the actions of any authorized or unauthorized user of the Ascensus Media. Ascensus will in no way be responsible for any damages resulting from improper, inadequate, or unauthorized use of the Ascensus Media. All applicable rights to patents, copyrights, trademarks, trade secrets and intellectual property rights of whatsoever kind in the Ascensus Media are and will remain Ascensus' property.

2.07 Administrative Fees; No Investment Advice or Recommendations – Ascensus makes investment options and other services available to the Plan through its recordkeeping platform. Ascensus is not intended to be, and is not, acting as: (i) a fiduciary, as defined in ERISA or otherwise, with respect to a plan fiduciary, Employer, Plan, plan participants or beneficiaries; or (ii) a registered investment adviser or broker-dealer. Employer acknowledges that it has the exclusive authority, discretion and responsibility to select the investment options available for investment under the Plan. The Employer will notify Ascensus and the trustee in writing of the selection of the investment options available for the investment under the Plan, including a default fund, and any changes to such investment options. Employer will provide to Ascensus in writing all instructions related to the investment options. If there is a closing of an investment option or other event that requires investment of Plan assets and Employer, after notification, fails to timely provide written instructions regarding such investment, Employer hereby directs Ascensus to instruct the trustee to invest Plan assets in the Plan's default investment option.

3. FEES AND EXPENSES.

3.01 Fees Payable by Employer – Ascensus will receive the fees ("Fees") set forth on Schedule B to this Agreement. In addition, Ascensus will, on behalf of the Plan's trustee and/or custodian, collect fees for trustee and/or custodial services, as applicable. Ascensus reserves the right to modify the Fees upon not less than 90 days written notice to Employer. In addition, upon written notice and on no more than an annual basis, Ascensus may raise the base fee as set forth in Schedule B by the greater of the Consumer Price Index or 2 Annual Service fees are payable annually. Ascensus will debit Plan assets for Annual Service fees.

Employer acknowledges and agrees that the Fees are based upon Employer's compliance with all reasonable practices and procedures set forth by Ascensus, and that Employer may be responsible for the payment of additional fees to Ascensus if Employer deviates from Ascensus' practices and procedures.

3.02 Nonpayment of Fees by Employer – Employer expressly acknowledges and agrees that if Employer does not pay an invoice in full when due, and does not provide Ascensus with written notification of its reasons for not paying such invoice in full within 60 days after Ascensus sends such invoice, Employer directs Ascensus to request that the trustee or custodian of the Plan pay all unpaid Fees and trust/custody fees from the Plan's assets. Employer further authorizes Ascensus to continue to request that the trustee or custodian pay from the Plan's assets all unpaid Fees due thereafter unless and until Employer delivers written direction to the contrary to Ascensus and pays to Ascensus all unpaid fees. Regardless of any different election by Employer for payment of fees in Schedule B to this Agreement, all such Fees and trust/custody fees will be allocated prorata based on account balance among all remaining participants. In the event that Employer fails to pay Fees or trust/custody fees when due, and Ascensus pursues a collection against Employer, Employer will pay Ascensus' reasonable attorney's fees and expenses for such collection. Ascensus will be entitled to charge reasonable interest on any past-due Fees. Ascensus reserves the right to discontinue providing any or all of the Services in the event Employer fails to pay all Fees when due.

3.03 Bankruptcy/Dissolution – In the event Employer becomes the debtor in a voluntary or involuntary bankruptcy or insolvency proceeding, the parties agree that upon the filing of such proceeding this Agreement will be considered an executory contract under 11 U.S.C. Section 365 and that any pre-petition arrearage under this Agreement must be paid in full if the Agreement is to be assumed. However, Ascensus reserves the right to withhold its consent to such assumption of the executory contract. In the event of a dissolution by Employer under state law, the parties agree Ascensus will not provide any Services without first receiving payment for such Services. The parties agree that Ascensus is entitled to recover Ascensus' reasonable attorneys fees and expenses associated with representing Ascensus in a bankruptcy or dissolution proceeding.

4. INDEMNIFICATION AND LIMITATION OF LIABILITY.

4.01 Indemnification – Employer will be liable for and indemnify Ascensus, its officers, directors, shareholders, employees, parents, subsidiaries, affiliates and agents (collectively, the "Indemnitees") against, any and all expenses, costs (including defense costs and reasonable attorneys fees), liabilities, damages, claims and losses (collectively, "Damages") suffered or incurred by an Indemnitee to the extent based on or arising out of a breach of any of Employer's representations, warranties or covenants set forth in this Agreement, or Employer's negligence or willful misconduct, or any claim or action with respect to the Investment Services.

4.02 Consequential Damages – NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, ASCENSUS WILL NOT BE LIABLE TO EMPLOYER FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR SIMILAR DAMAGES, INCLUDING LOST REVENUE, LOST PROFITS AND LOST OR DAMAGED DATA, EVEN IF ASCENSUS WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

4.03 Limitation on Damages – NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, IN NO EVENT WILL ASCENSUS' AGGREGATE LIABILITY UNDER THIS AGREEMENT FOR ALL DAMAGES PERMITTED UNDER THIS AGREEMENT EXCEED THE ANNUAL SERVICE FEE PAID BY EMPLOYER TO ASCENSUS DURING THE 12 MONTHS BEFORE ASCENSUS RECEIVES WRITTEN NOTICE OF THE FIRST DAMAGES CLAIM. THIS LIMITATION ON ASCENSUS' LIABILITY FOR PERMITTED DAMAGES WILL NOT APPLY TO PERMITTED DAMAGES CAUSED BY ASCENSUS' FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

4.04 Third Party Beneficiaries – Employer acknowledges and agrees that the Plan's investment providers (e.g., the companies that sponsor, administer, sell, market or provide the investments available to Plan participants) and Ascensus' parents, affiliates and subsidiaries are intended third party beneficiaries of this Agreement and are entitled to the benefit of, and may enforce, this Agreement, including this Article 4, to the same extent as such provisions apply to Ascensus. This Agreement shall not be construed to grant any rights or benefits to any other third party, including, for example, participants, employees, independent contractors, consultants or other agents of the parties.

4.05 Reports and Communications – Upon Employer's receipt of any reports or written communications from Ascensus or a third party acting on Ascensus' behalf (other than as set forth in Subsection 4.06 of this Agreement), Employer must notify Ascensus in writing of all inaccuracies and errors reflected in such reports or communications, with a complete description of the inaccuracies or errors, within 30 days after Employer's receipt of such report or communication. After 30 days, the information provided in such reports and communications will be deemed correct, and Ascensus will have no responsibility for any inaccuracies or errors that may exist, including any responsibility to correct any records or to make the Plan or the affected participants whole for any investment losses or any other consequences resulting from such inaccuracies or errors.

4.06 ACH – If the Automatic Clearing House ("ACH") process is offered by Employer's investment provider for payment of Ascensus' fees, submission of payroll contributions, or other transactions (collectively the "transactions"), and Employer elects to use ACH for any of such transactions, the following terms and conditions will apply:

- (a) Employer appoints and authorizes Ascensus to transmit Employer's ACH instructions to one or more clearing brokers or similar parties selected by Ascensus and to take such other actions as are necessary to effect ACH transactions for the Plan.

Employer acknowledges and agrees that such appointment and authorization shall in no way confer upon Ascensus the status of Ascensus as Plan Administrator or other fiduciary for the Plan as those terms are defined in ERISA, as amended, or otherwise. Submission of payroll or other data to Ascensus constitutes the Employer's representation and warranty that: (i) there are sufficient funds in the appropriate account to complete the ACH transaction, and (ii) the data submitted to Ascensus is accurate. Employer must notify Ascensus promptly after its receipt of an automated funding request ("AFR") or other communication related to ACH if the AFR or other communication contains an error in accordance with this Section 4.06. Employer assumes all responsibility and liability for any delays or failures to process an ACH transaction, or any incorrect processing, which may occur as a result of its submission of untimely, incorrect or incomplete data, or as a result of the lack of sufficient funds in the account specified by Employer to be used for ACH processing.

- (b) **Error Resolution Procedures** – If Employer believes there is an error related to an ACH transaction initiated from the Employer's bank account, Employer must notify Ascensus immediately by contacting the client service team at 833-688-0086 and/or ikservice@ascensus.com. Employer may also visit <https://secure.ascensus.com/login/sponsor> for further instructions. Employer must provide Ascensus with relevant details of the error, including the transaction date, amount, and description of the error. Please note that Employer must notify Ascensus of any errors within sixty (60) days from the date the transaction appeared on the Employer's bank account statement. Once notified, Ascensus will investigate the error and work to resolve it as quickly as possible. Employer has the right to revoke the authorization for ACH transactions at any time. To do so, notify Ascensus of your decision to revoke the authorization by contacting the client service team at 833-688-0086 and/or ikservice@ascensus.com. Revoking the authorization will be effective for future ACH transactions, but it will not affect transactions that have already been processed. To prevent further transactions, provide notice at least fifteen (15) days before the next scheduled transaction. Ascensus will retain Plan records related to ACH transactions and the Employer's authorization for the duration required by this Agreement. Employer may request copies of these records by contacting client services.

5. TERMINATION.

5.01 Events of Termination – This Agreement may be terminated:

- (a) By either party upon at least 60 days prior written notice to the other party;
- (b) By either party immediately if the other party commits a material breach of this Agreement and does not cure such breach within 30 days after receiving written notice of the breach from the non-breaching party; or
- (c) By Ascensus immediately upon notice if Employer is administering or operating the Plan in a manner inconsistent with the plan documents, or if Employer engages in activities which Ascensus reasonably believes to be illegal or a violation of Ascensus' intellectual property rights.
- (d) By Employer following a complete liquidation of Plan assets and failure to inform Ascensus of its intent to continue to maintain the Plan.

6. OTHER PROVISIONS.

6.01 Confidential Information –

- (a) Any confidential information provided by the Employer, Plan Administrator or any Plan participant to Ascensus for use in connection with Ascensus' performance of its obligations pursuant to this Agreement (the "Confidential Information") shall be deemed to be the confidential and proprietary information of such disclosing party. Ascensus will use the same degree of care in its handling of the Confidential Information as it uses with regard to its own proprietary information to prevent the unauthorized or inadvertent disclosure, use or publication of the Confidential Information. Except as otherwise permitted by this Agreement, the Confidential Information will only be divulged to and used by Ascensus' employees, agents and subcontractors with a need to know, and may be disclosed as required or permitted by law, regulation, order of a court or regulatory authority. Ascensus will instruct its employees, agents or subcontractors not to divulge, use or publish any Confidential Information except in accordance with the terms of this Section 6.01.
- (b) **Privacy** – In the event Ascensus is directed by Employer and/or Plan Administrator to provide Plan participant data (including, but not limited to, Social Security or other identification number, home address and telephone number, date of birth or other personally identifiable information) to third parties, Employer and/or Plan Administrator shall be solely responsible for: (i) notifying Plan participants of intended uses by such third parties of the Plan participant data; and (ii) obtaining and maintaining consents from all Plan participants to share such Plan participant data with the specified third party. Ascensus does not contract directly with Plan participants, and therefore relies upon the Employer and/or Plan Administrator to determine what constitutes the proper consent necessary from Plan participants; and to obtain any such consents. Accordingly, Ascensus will not be liable for, and Employer will indemnify and hold Ascensus harmless from any and all Plan participant data privacy claims, complaints or grievances arising from or related to Ascensus disclosing, sharing or transmitting Plan participant data at the direction of either Employer or Plan Administrator, pursuant to this Agreement.

6.02 Force Majeure – Ascensus will not be liable for, nor will Ascensus be considered in breach of this Agreement due to, any failure or delay in performance of its obligations under this Agreement as a result of a cause beyond its reasonable control including, but not limited to, any act of God or public enemy, act of any military, civil or regulatory authority, any act of terrorism, change in any law

or regulation, fire, flood, tornado, earthquake, storm or other like event, disruption or outage of computers or communications, equipment failure, power or other utility failure, labor strikes, exchange action, unusual trading activity or the suspension or disruption of trading on any exchange.

6.03 Copyrighted Works – Employer acknowledges that Ascensus is the sole copyright owner of all Ascensus guides, the operations forms, all content on the Ascensus Media and all other materials provided under the terms of this Agreement (“Ascensus Materials”). Ascensus grants Employer a nonexclusive, nontransferable right to copy the operations forms as needed for the sole purpose of collecting and processing participant information. Except as provided in this Section 6.03, none of the Ascensus Materials will be copied, reproduced or distributed by Employer without Ascensus’ prior written consent.

6.04 Communications and Notices –

- (a) Employer agrees to provide a working email address or, if accepted by Ascensus as a means of communication, text message number, to receive communications, notices, reports, materials, disclosures and other information related to this Agreement and the Plan, and to promptly notify Ascensus of any changes to such address or number. Employer consents to receiving any and all communications, notices, reports, materials, disclosures and other information related to this Agreement (including amendments or changes to this Agreement) and the Plan, including all notices that must be given in writing, at the then-current email address and/or text message number for Employer in Ascensus’ records and/or via a website designated by Ascensus, and Employer agrees to periodically check such website for new or updated information. Ascensus may deliver such communications and other information by hard copy, email, text message or other method at Ascensus’ option. By agreeing to the receipt of such electronic communications and other information, Employer agrees to allow emails and text messages from Ascensus and the Third Party Providers to pass through Employer’s filters. Ascensus (including the Indemnitees) will not be liable for any Damages arising from non-delivery of any such electronic communication due to factors beyond Ascensus’ control, including, but not limited to, system failures, misdirected delivery or failed delivery due to SPAM or other filters.
- (b) Employer hereby authorizes Ascensus to deliver communications, statements, transaction confirmations and updates, notices, alerts, reports, materials, disclosures and other information to eligible employees, participants and beneficiaries electronically (which may include email, text message and other electronic media or methods) pursuant to applicable regulations. Ascensus may deliver such communications and other information by hard copy, email, text message or other method at Ascensus’ option. Employer is responsible for ensuring compliance with applicable regulations, including, if applicable: obtaining a working email address or text message number for each recipient, ensuring that each recipient has the ability to receive communications and information in an electronic format, and obtaining consent of the recipient.
- (c) Any notice with respect to this Agreement sent by Employer must be in writing and must be given by either certified mail, return receipt requested, or by overnight mail sent with a nationally recognized courier service, and must be addressed to Ascensus at:

Ascensus, LLC
200 Dryden Road
Dresher, PA 19025
Attention: President

6.05 Record Retention – Employer acknowledges and agrees that it is expressly responsible for the retention of all records related to the Plan other than copies of IRS required reports. Ascensus agrees to retain IRS required reports for 3 years after each such report has been filed.

6.06 Amendment and Modification; Handwritten Changes – Employer may not amend or modify this Agreement except in a written agreement signed by both parties. Ascensus may amend and modify this Agreement from time to time by providing written notice to Employer; provided, however, that if Employer objects to any such amendment or modification, it may exercise its termination rights under this Agreement. Any handwritten changes, markings, or other alterations to this Agreement as initially provided to Employer will be binding upon Ascensus only if initialed by a duly authorized officer of Ascensus.

6.07 Waiver – In the event any provision of this Agreement is not enforceable in any jurisdiction, the remainder of this Agreement will not be affected thereby.

6.08 Applicable Law and Venue – The validity, construction and interpretation of this Agreement will be governed by the laws of the State of New York, without regard to New York’s conflicts of laws principles. The State of New York will have exclusive jurisdiction and venue over any claim or other action pertaining to or arising out of this Agreement.

6.09 Time Limit for Bringing Claim or Action – Any claim made or action brought under this Agreement must be commenced within 24 months after the act which caused the error or inaccuracy occurred. If this time limitation is prohibited by New York law, the 24 month period will be deemed amended to conform with the minimum period permitted by New York law.

6.10 Authority of Employer – Employer warrants it is legally authorized to enter into this Agreement on behalf of the Plan.

6.11 Entire Agreement – This Agreement supersedes all prior agreements and understandings, either written, electronic or oral, between the parties with respect to the subject matter of this Agreement, and this Agreement constitutes the entire agreement between the parties with respect to its subject matter.

- 6.12 Successors and Assigns** – Employer may not assign its rights or delegate its duties under this Agreement without Ascensus’ prior written consent. This Agreement will be binding upon each party’s successors and permitted assigns.
- 6.13 Third Party Providers** – Ascensus may make available to the Employer certain optional services provided by various third parties that are not affiliated with Ascensus (collectively, the “Third Party Providers”). Ascensus makes no representations or warranties with respect to any Third Party Provider and Ascensus will have no liability related to any Third Party Provider or services provided by any Third Party Provider.
- 6.14 Gain/Loss Policy** — If there are any delays, errors or omissions in connection with processing investment transactions attributable to the Plan, Ascensus will use reasonable efforts to correct the transactions by making the Plan and affected participants whole (i.e., to restore Plan and participant accounts to the position they would have been in had the delay, error or omission not occurred). These corrections may generate certain transaction losses or gains. If there are losses to the Plan, correction will include funding a loss from Ascensus’ resources to the extent due to an Ascensus delay, error or omission, or seeking funding from a responsible third party. Ascensus generally will retain any gains that result from corrections of delays, errors and omissions as part of its compensation for services to the Plan, which services include Ascensus’ agreement to fund losses to the Plan to the extent due to an Ascensus delay, error or omission. In general, the amounts of individual gains and losses are small, and during the past five years gains across our business have not materially exceeded losses. Please note that Ascensus processes many investment transactions on an “omnibus” or aggregated basis and because of this, we may not be able to determine whether a gain or loss is attributable to a particular plan.
- 7. RESPONSIBLE PLAN FIDUCIARY REPRESENTATION.** Employer represents and warrants that reasonably in advance of the execution of this Agreement by Employer, a responsible Plan fiduciary has: (a) received and reviewed information with respect to the services and fees of Ascensus and its affiliates; (b) determined that the services and fees of Ascensus and its affiliates, as well as the terms and condition of this Agreement and any other agreements with Ascensus or its affiliates, are reasonable and prudent; and (c) determined that the entering into this Agreement and any other agreements with Ascensus or its affiliates does not result in a prohibited transaction under ERISA or other violation of applicable law.
- 8. INDEPENDENT FIDUCIARY CONFIRMATION.** Employer represents and warrants that Employer, and/or one or more of its officers, directors, shareholders, employees, parents, subsidiaries, affiliates, agents, or Employer’s financial advisor or broker of record is (x) an independent fiduciary with financial expertise (as defined in 29 CFR 2510.3-21) with respect to the Plan; (y) responsible for exercising independent judgment with respect to the transactions contemplated by this Agreement; and (z) capable of evaluating investment risk independently, both in general and with regard to particular transactions and investment strategies. Employer acknowledges that Ascensus (i) does not intend to be a fiduciary under either section 3(21) of ERISA or section 4975 of the Internal Revenue Code; (ii) is not undertaking to provide impartial investment advice or to give advice in a fiduciary capacity; and (iii) does not receive any compensation for providing investment advice. Ascensus has a financial interest in the transactions contemplated by this Agreement, and Ascensus will receive compensation for certain recordkeeping and administrative services provided to the Plan. Ascensus will rely on the representations and warranties in this paragraph in treating Employer, and/or one or more of its officers, directors, shareholders, employees, parents, subsidiaries, affiliates, agents, or Employer’s financial advisor or broker of record as an independent fiduciary with financial expertise to the Plan until such time as the Employer provides Ascensus with written notice that such representations and warranties are no longer true and accurate. The terms of this Section 8 shall apply in accordance with 29 CFR 2510.3-21, as amended, and will remain in effect so long as the operative provisions of 29 CFR 2510.3-21 are not materially modified, rescinded, revoked, delayed or otherwise superseded by law or regulation.

9. SIGNATURES.

Name of Company (the “Employer”)

Name _____

Title _____

Signature _____

Date _____

Ascensus, LLC

Name Michael Douglas

Title Vice President

Signature 

Schedule A – Services

1. Annual Services

- A. Daily valuation of participant accounts
- B. Contribution processing for deferrals, rollovers and discretionary contributions
- C. Quarterly Participant Statements

2. Distribution Services

- A. Prepare and file IRS Form 1099-R
- B. Process permissible distributions as directed
- C. Calculate and process required minimum distributions

3. Plan Termination and Service Termination Services

- A. Service Termination: Provide one copy of plan document upon Employer's request, reports for most recent quarter in paper format, and transfer plan assets to one investment provider

SAMPLE

Schedule B – Fees

1. PAYMENT METHOD FOR FEES

Fees will be debited from Plan Assets.

2. FEES PAYABLE BY EACH PARTICIPANT ACCOUNT

A. Annual Trust and/or Custody Fee*: \$20 per participant account, pro rata based on account balance

B. Annual Recordkeeping Service Fee*: \$20 for each fund with a balance per participant account

* Fees will be deducted annually in quarter four regardless of the Plan's effective date.

C. Full account liquidation:** \$25 for each full liquidation per participant account

** Full account liquidation fees are waived for the 2024 calendar year.

Ascensus reserves the right to impose additional fees in the future for certain transactions a) submitted by paper form for those transactions that can be requested on the employee website b) paper requests when electronic delivery is available and c) ad-hoc reporting, including but not limited to: copy of current and/or past reports.

NOTE: Sales tax may be applicable, either now or in the future, to the products and/or services provided by Ascensus under this Agreement. All applicable sales tax will be in addition to the fees set forth in this Agreement.

3. COMPENSATION ASCENSUS OR ITS AFFILIATES MAY RECEIVE FROM PARTIES OTHER THAN EMPLOYER OR THE PLAN (INDIRECT COMPENSATION)

A. Float – As part of the compensation it receives for trustee and/or custodial services provided to the Plan, Ascensus Trust Company, an Ascensus subsidiary, retains any interest earned on the amounts used to fund disbursements that have not yet been presented for payment and amounts to be invested in any investments where the appropriate data or investment direction has not been timely provided to the Ascensus Trust Company of Ascensus (i.e., Ascensus Trust Company has received the funds to be invested but has not received the corresponding investment data). Amounts to be invested will generally be invested within one business day of receipt of funds and the correct corresponding investment data.

As additional compensation for its services, Ascensus Trust Company retains any interest earned on amounts to be invested pending receipt of investment instructions and the amounts in its disbursement account until disbursements are presented for payment, and interest earned in its contribution account until the amounts are invested. This interest is commonly known as "float" and is paid by the financial institutions at which Ascensus Trust Company maintains such accounts and/or the investments in which Ascensus Trust Company invests such accounts. Employer agrees that while assets are held in these accounts, the assets shall not be considered plan assets. Generally, funds are distributed the same day as the distribution request is received or when the distribution data is in good order. The assets on which float is earned are invested in a privately managed account that may include stable value fund(s) and various overnight deposits with next day availability. The upcoming month's expected rate of return and historical actual rates of return for the assets on which float is earned are disclosed at www.ascensus.com/trust/trust-disclosures.