

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500-SF.	OMB Nos. 1210-0110 1210-0089 <div style="border: 1px solid black; text-align: center; padding: 5px; font-weight: bold; font-size: 1.2em;">2018</div> This Form is Open to Public Inspection
---	--	---

Part I Annual Report Identification Information	
For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018	
A This return/report is for:	<input checked="" type="checkbox"/> a single-employer plan <input type="checkbox"/> a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) <input type="checkbox"/> a one-participant plan <input type="checkbox"/> a foreign plan
B This return/report is	<input type="checkbox"/> the first return/report <input type="checkbox"/> the final return/report <input type="checkbox"/> an amended return/report <input type="checkbox"/> a short plan year return/report (less than 12 months)
C Check box if filing under:	<input type="checkbox"/> Form 5558 <input type="checkbox"/> automatic extension <input type="checkbox"/> DFVC program <input type="checkbox"/> special extension (enter description)

Part II Basic Plan Information —enter all requested information	
1a Name of plan SAEG ENGINEERING GROUP 401(K) PLAN	1b Three-digit plan number (PN) ► 001
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) SAEG ENGINEERING GROUP, LLC 8012 NW 68TH STREET MIAMI, FL 33166	1c Effective date of plan 07/01/2012 2b Employer Identification Number (EIN) 65-0972191 2c Sponsor's telephone number 305-718-8146 2d Business code (see instructions) 423800
3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor.	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report. a Sponsor's name c Plan Name	4b EIN 4d PN
5a Total number of participants at the beginning of the plan year	5a 17
b Total number of participants at the end of the plan year	5b 15
c Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	5c 12
d(1) Total number of active participants at the beginning of the plan year	5d(1) 12
d(2) Total number of active participants at the end of the plan year	5d(2) 8
e Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	5e 0

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	03/29/2019	CESAR RENAN NOVOA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) ☒ Yes ☐ No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) ☒ Yes ☐ No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined
- If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year (See instructions.)

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	771047	696653
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	771047	696653
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	6881	
(2) Participants	8a(2)	10286	
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	-64731	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		-47564
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	23151	
e Certain deemed and/or corrective distributions (see instructions) ...	8e		
f Administrative service providers (salaries, fees, commissions)	8f	3679	
g Other expenses	8g		
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		26830
i Net income (loss) (subtract line 8h from line 8c)	8i		-74394
j Transfers to (from) the plan (see instructions)	8j		

Part IV Plan Characteristics

- 9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2A 2E 2F 2G 2J 2K 2T 3D
- b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions

10 During the plan year:	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a	X	733
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b		X
c Was the plan covered by a fidelity bond?	10c	X	75923
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		X
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e		X
f Has the plan failed to provide any benefit when due under the plan?	10f		X
g Did the plan have any participant loans? (If "Yes," enter amount as of year-end.)	10g		X
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h		X
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i		

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below) ☐ Yes ☒ No

11a Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 **11a**

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? ☐ Yes ☒ No
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)

a If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the letter ruling granting the waiver. Month _____ Day _____ Year _____

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b Enter the minimum required contribution for this plan year **12b**

c Enter the amount contributed by the employer to the plan for this plan year **12c**

d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount) **12d**

e Will the minimum funding amount reported on line 12d be met by the funding deadline? ☐ Yes ☐ No ☐ N/A

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year? ☐ Yes ☒ No

If "Yes," enter the amount of any plan assets that reverted to the employer this year **13a**

b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? ☐ Yes ☒ No

c If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)

Form 5500-SFDepartment of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation**Short Form Annual Return/Report of Small Employee
Benefit Plan**This form is required to be filed under sections 104 and 4065 of the Employee Retirement
Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal
Revenue Code (the Code).▶ **Complete all entries in accordance with the instructions to the Form 5500-SF.**OMB Nos. 1210-0110
1210-0089**2018****This Form is Open to
Public Inspection****Part I Annual Report Identification Information**

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018

and ending 12/31/2018

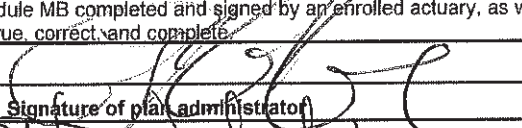

- A** This return/report is for:
- ☒ a single-employer plan ☐ a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- ☐ a one-participant plan ☐ a foreign plan
- B** This return/report is:
- ☐ the first return/report ☐ the final return/report
- ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
- C** Check box if filing under:
- ☐ Form 5558 ☐ automatic extension ☐ DFVC program
- ☐ special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan SAEG Engineering Group 401(k) Plan	1b Three-digit plan number (PN) ▶ 001
	1c Effective date of plan 07/01/2012
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) SAEG Engineering Group, LLC 8012 NW 68th Street Miami, FL 33166	2b Employer Identification Number (EIN) 65-0972191
	2c Sponsor's telephone number (305) 718-8146
	2d Business code (see instructions) 423800
3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor.	3b Administrator's EIN
	3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report. a Sponsor's name c Plan Name	4b EIN
	4d PN
5a Total number of participants at the beginning of the plan year	5a 17
b Total number of participants at the end of the plan year	5b 15
c Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	5c 12
d(1) Total number of active participants at the beginning of the plan year	5d(1) 12
d(2) Total number of active participants at the end of the plan year	5d(2) 8
e Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	5e 0

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE		3/29/19	Cesar Renan Novoa
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		3/29/19	Dolores L. Colorado
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

For Paperwork Reduction Act Notice, see the Instructions for Form 5500-SF.

Form 5500-SF (2018)
v.171027

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) ☒ Yes ☐ No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) ☒ Yes ☐ No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined
- If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____ (See instructions.)

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	771047	696653
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	771047	696653
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	6881	
(2) Participants	8a(2)	10286	
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	-64731	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		-47564
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	23151	
e Certain deemed and/or corrective distributions (see instructions) ..	8e		
f Administrative service providers (salaries, fees, commissions)	8f	3679	
g Other expenses	8g		
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		26830
i Net income (loss) (subtract line 8h from line 8c)	8i		-74394
j Transfers to (from) the plan (see instructions)	8j		

Part IV Plan Characteristics

- 9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2A 2E 2F 2G 2J 2K 2T 3D
- b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions

10 During the plan year:		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a	X		733
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b		X	
c Was the plan covered by a fidelity bond?	10c	X		75923
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e		X	
f Has the plan failed to provide any benefit when due under the plan?	10f		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year-end.)	10g		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h		X	
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i			

Part VI Pension Funding Compliance

11	Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
11a	Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40	11a
12	Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)		
a	If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the letter ruling granting the waiver. Month Day Year	
If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.		
b	Enter the minimum required contribution for this plan year	12b
c	Enter the amount contributed by the employer to the plan for this plan year	12c
d	Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)	12d
e	Will the minimum funding amount reported on line 12d be met by the funding deadline?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

Part VII Plan Terminations and Transfers of Assets

13a	Has a resolution to terminate the plan been adopted in any plan year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If "Yes," enter the amount of any plan assets that reverted to the employer this year	13a
b	Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
c	If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)	
13c(1)	13c(2)	13c(3)
Name of plan(s):	EIN(s)	PN(s)

Marelys Bueno

From: Julie Goodwin <jgoodwin@thepensionstudio.com>
Sent: Sunday, March 24, 2019 1:33 PM
To: 'Dolores Lora Collado'
Cc: 'Marelys Bueno'; Claudia Newman; 'alfredo_aguirre@ml.com'
Subject: 2018 Annual Valuation & Form 5500 Available for the SAEG Engineering Group 401(k) Plan
Attachments: 2018 SAEG Val Cvr Ltr.pdf; 2018 SAEG Form 5500-SF.pdf

Dear Dolores:

We are pleased to notify you the annual valuation has been completed for the above plan. Please make sure to review the attached Cover Letter, completing all Action Items, as applicable. All necessary items referenced in the attached letter are available for you to download after you have logged into our Plan Sponsor Website, <https://www.myretirementaccounts.com/gemini/login.aspx?clientnumber=asc540&img=540.gif>. If you have misplaced your login and password, please contact our office.

Note: To view the files you will need to click on the triangle () to the left of each section.

Available under **Annual Reports**

1. Final Report – Annual Valuation, please save a copy with your plan records
 - a. This report includes a copy of the annual census and a summary of all required compliance testing for the plan.
2. Universal Statements – **PRINT and DISTRIBUTE** to all participants as required
3. Valuation Cover Letter – copy of the attached item.

Available under **Gov't Forms**

1. Form 5500 –**PRINT, SIGN and RETURN**. Your filing is currently due **no later than July 31, 2019**. Please return the signed item directly to me for submission. As the plan sponsor, you are responsible for the accuracy and completeness of the Form's content. Please review the form in its entirety to ensure that our records are accurate. Here are some specific items to verify:
 - a. Part II: Items 1-4
 - b. Part III, Question 8(a): This information is the contributions for the plan year. If these amounts are not correct, please contact me immediately.
 - c. Part V, Question 10(a): Timing of Deposits. The Department of Labor and Internal Revenue Service have strict regulations with respect to the timing of participant pre-tax, Roth and loan payments. The regulations state that the deposit must occur as soon as administratively feasible. In most cases, this means within 3-5 business days. For plans with less than 100 participants, deposits must occur within 7 business days following receipt or withholding by employers. The Pension Studio does not track the timing of contribution remittances as part of our standard services. Unless we have been informed otherwise by you, our default answer is "NO". If you wish for us to review your contribution remittance time frames, please contact me directly to discuss fees as well as the implementation of this procedure.
2. Summary Annual Report – **PRINT and DISTRIBUTE** to all participants as soon as possible
 - a. If a participant has terminated and been paid out since the end of the plan year, they are not required to receive a copy of the report.

PLEASE NOTE: Although the filing deadline for your 5500 is July 31, 2019, we require ample time to prepare and mail the request for extension. Therefore, if your signed Form 5500 and/or Authorization to Submit has not been received by July

1, a Form 5558 – Extension to File will be prepared and submitted for your plan. This will be billed in accordance with our service agreement.

Finally, now that the valuation has been completed, it is a good time to setup a short call or onsite meeting for your Plan's annual review. The purpose of this meeting is to go over any questions or concerns RE options within the plan, or the annual processing itself, you may have. Our Client Relationship Manager, Claudia Newman, will be reaching out to you to setup a time that is convenient for this review. Claudia can also be reached directly at 305-499-0202.

Thank you for having chosen us to assist you with your retirement plan, have a great day.

Sincerely,

Julie E. Goodwin, QKA
Pension Consultant

thePensionStudio

The Pension Studio
1226 Omar Rd
West Palm Beach, FL 33405
(561) 459-4871 x 132
Fax: (800) 883-1970
jgoodwin@thepensionstudio.com

...Creating the future you envision...

CONFIDENTIALITY NOTICE: This communication is confidential, may be privileged and is meant only for the intended recipient. If you are not the intended recipient, please notify the sender ASAP and delete this message from your system.



1226 Omar Road
West Palm Beach, FL 33405
866-497-5501
info@thepensionstudio.com
www.thepensionstudio.com

March 24, 2019

Dolores Collado
8012 NW 68th Street
Miami, FL 33166

RE: **2018 Annual Valuation for the SAEG Engineering Group 401(k) Plan**

Dear Dolores:

The December 31, 2018 reports are now available on our secure website www.thepensionstudio.com. Please login as Plan Sponsor using your unique User ID and Password. To access your report, please choose Administrative Services\Downloads. **It is critical that you carefully read and implement all "ACTION ITEMS" contained in this letter.**

Action Items:

- **Corrective Action Required:** During the annual review of your plan it was determined corrective actions were required due to missed deferral deposits. These items are in the process of being corrected. Once all deposits have been submitted lost earnings will be provided. Please let us know if you would like our office to prepare the related Form 5330 for reporting and submitting the related excise tax.
- **Download & Review Your Annual Report:** Your annual valuation report can be located by choosing Administrative Services\Downloads and navigating to the 2018 directory under the "Annual Reports" folder. A copy should be saved with your plan records. The Annual Report contains all related compliance testing prepared based on the information you provided to us. Information regarding updated plan limits and highly compensated employee determinations are also included. Please be sure to review the year-end valuation and compliance testing.
- **Download & Distribute Participant Statements:** The "Statement of Benefits" can be located by choosing Administrative Services\Downloads and navigating to the 2018 directory under the "Annual Reports" folder. Please distribute these to your employees after you have reviewed them. A copy should also be saved with your plan records.
- **Print, Sign & Return Annual Form 5500:** As you are aware, the form 5500 must be filed electronically via the EFAST2 system with the Department of Labor's EBSA. The 5500 has been prepared and is being provided to you at this time. Please review the form and return a signed copy, along with the Authorization Form (if you have not already signed and sent to us) to The Pension Studio for us to electronically submit the filing on your behalf. The filing is currently due no later than 7/31/2019, without extension (10/15/2019 with extension). A copy of the filing is also available on the Plan Sponsor website and can be located by choosing Administrative Services\Downloads and navigating to the 2018 directory under the "Govt Forms" folder.
- **Distribute Summary Annual Report (SAR):** A copy of the SAR must be provided to all participants in the plan within 90 days of filing the Annual Form 5500. Participants required to receive the SAR include those, as of 12/31/2018, still employed who may not have an account balance or currently be actively participating as well as those participants who have terminated but have not yet been paid out. Any terminated participant who no longer has an account in the plan is not required to receive the SAR if their account has been fully distributed since the end of the plan year. A copy of the SAR is also available on the Plan Sponsor website and can be located by choosing Administrative Services\Downloads and navigating to the 2018 directory under the "Govt Forms" folder.
- **ADP/ACP Refunds Required:** Due to your plans failure of the ADP/ACP test, certain employees must have a portion of their 401(k) deferrals and earnings returned to them. The forms for processing these

Attachment

§410(b) – Measures the ratio of NHCE (Non-Highly Compensated Employees) benefiting in the Plan as compared to the HCE (Highly Compensated Employees) benefiting in the Plan for each contribution source. This ratio percentage must be at least 70%.

§402(g) – Plan Deferral limit. This limit is measured on a Calendar Year basis. For 2018 the deferral limit was \$18,000.00. If age 50 or over by December 31, 2018, that limit is \$24,000.00.

§404 – The overall deductibility limit for Employer contributions the company allocates to the Plan (does not include Employee contributions). The company cannot deduct as an Employer contribution more than 25% of eligible payroll. Our numbers are compiled based on the information that we have received for the Plan. **Note:** Plan expenses count towards the deduction limit for Plan contributions under Code Section 404, if the fees relate to commissions, which the IRS regards as contributions (for 404 purposes) even if they are paid directly from the employer to the service provider. Please consult your company's tax advisor for more accurate deductibility limits.

Plan Limits – Tests the individual participant pre-tax deferrals and/or post-tax contributions made to the Plan to the Limit set forth in the Summary Plan Description and Adoption Agreement.

§401(a)(4) – The Average Benefits Test/Average Benefit Percentage Test. This test verifies that the distinct classifications of your employees do not discriminate in favor of the Highly Compensated Employees (HCE) if a New Comparability or Age-Weighted employer contribution is made.

§415 – Annual Additions – Overall Plan contribution limit per participant. This limit is \$54,000.00 for Plan years ending in 2018, excluding any Catch-Up contribution deferred into the Plan, which are not part of this test. This test includes both employer and employee contributions for all defined contribution Plans combined (including 401(a), 401(k), and 403(b) Plans). If age 50 or over, a participant may achieve the 415 limit, in conjunction with the 414(v) limit, for a total individual limit of \$60,000.00.

§401(k)/§401(m) – ADP/ACP – Average Deferral Percentage/Actual Contribution Percentage. Testing of employee deferrals is referred to as the ADP test (Average Deferral Percentage). The ACP test (Average Contribution Percentage) includes the employer match contributions, employee voluntary after-tax contributions and certain forfeitures allocated on the basis of deferrals or matching contributions. The ADP test compares the average salary deferral rate for the Highly Compensated Employee (HCE) group to the average salary deferral rate for Non-Highly Compensated Employee (NHCE) group. The ACP test compares the actual contribution rate of the HCE group to the NHCE group (as applicable).

The HCEs' average may only exceed the NHCEs' average (for both the ADP and ACP tests) by specific limits summarized as follows:

NHCE Percentage	Maximum HCE Percentage
2% or less	NHCE % \times 2
2%–8%	NHCE % + 2
more than 8%	NHCE % \times 1.25

§416 Top Heavy – This test measures the percent of assets belonging to Key Employees as compared to Non-Key Employees. A Plan is Top Heavy (as of the Determination Date – which is the last day of the Plan Year) when the aggregate value of the Plan accounts of Key Employees exceeds 60% of the aggregate value of the Plan accounts of all employees. If your Plan is Top Heavy as of the Determination Date, in the following Plan Year you may be required to make a minimum Top Heavy contribution of up to 3% of compensation if one Key Employee defers 3% of compensation for the Plan Year.

§414(v) – ("Catch-Up" contribution) – *If provided as a participant/Plan option in the Adoption Agreement and Summary Plan Description (SPD)*, a participant who is age 50 or older during the 2018 Plan Year may defer on a pre-tax basis an additional amount for the Plan Year (up to 6,000.00, as indexed) in the event the participant exceeds a Deferral (§402(g)), Testing (i.e. §401(k)/ADP) or Plan Limit.