

2013 Novant Health Retirement Plus Plan Q&A

What do I need to do if I have lost or have not received my PIN and would like to register for the website?

You will need to call Great-West at 877-900-8992 and request a temporary PIN. You will use the temporary PIN and your social security number to start the website registration. The website is www.retirementplusonline.com.

Can I rollover monies from other retirement accounts and what types of retirement accounts can be rolled into my Retirement Plus plan?

Yes, you can rollover monies from other retirement accounts into your Retirement Plus accounts. Some of the eligible accounts to be rolled over include:

- 401(k), 403(b), 401(a)
- Pension plan(s)
- Traditional IRA(s), SEP IRA(s), SIMPLE IRA(s)

Call D.L. Davis & Co. at 800-766-8440 to speak to a registered representative for further details.

Do I need to select investment options for both the 403(b) and 401(a) plans?

Yes, you do need to select investment options for both the 403(b) and 401(a) plans. The 403(b) election is for your salary deferral and the 401(a) election is for Novant's contributions and any employee after-tax contributions.

How much can I contribute in 2013?

You can contribute up to 60% of your pension eligible wages:

1. On a Pre-tax basis from 1% to 60% of pension eligible wages, not to exceed \$17,500.
2. On an After-tax basis from 1% to 25% of pension eligible wages (after one year of service).
3. Employees will be able to specify a dollar amount or a percentage of pay.

Please note: Due to IRS testing, if you earned greater than \$115,000 in 2012, your after-tax savings will be limited to 5% of your pay.

If you are 50 years of age or will turn 50 during the calendar year of 2013, you may elect to participate in the "Catch-up Provision." This will allow you to save an additional \$5,500 pre-tax in 2013. Call D.L. Davis & Co. at 800-766-8440 or Human Resources at 800-890-5420 for more information on how to take advantage of this tax law provision.

May I change my contribution levels?

Yes, you may change your contribution amounts every pay period (26 times this year) via the Novant Self Service (the same way you view your pay advice).

- Go to Employee Resources
- Go to Employee Self Service
- Go to Benefits
- Go to Benefits Summary
- Go to Retirement Plus (you will see the amount you are currently contributing)
- Click on Edit; make the change to the percentage or dollar amount you want to contribute
- Click on Save
- Go back to Benefits Summary to verify changes were accepted

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May I save both on a pre-tax and after-tax basis?

Yes, you may save either pre-tax, after-tax (after one year of service), or a combination of the two, subject to the maximum of 60% of your pay. (Novant matches pre-tax dollars only)

When am I eligible to contribute to the 403(b) plan?

All employees (full-time, part-time & PRN) are eligible to begin making pre-tax contributions as soon as they are hired. Employees hired after August 15, 2005 are automatically enrolled in the plan with salary contribution rate of 3% unless you chose to contribute more or less.

When will my employer begin matching contributions to my account?

Your employer will begin matching contributions to your account after you have completed one full year of service. Novant will match dollar-for-dollar up to 6% of your pension eligible wages (up to IRS limit of \$250,000 of compensation annually).

Do I have to save pre-tax to receive the Novant match?

Yes, Novant will only match your pre-tax contributions up to 6%. There is no employer match on after-tax contributions.

What does “vesting” mean?

Vesting determines ownership. Once you are 100% vested, the money in your account(s) belongs to you.

When is my account(s) vested?

You are always 100% vested in your employee pre-tax contributions and employee after-tax contributions and any earnings they generate. Your money is always your money.

For Novant’s Matching Contributions and any earnings they generate, employees eligible for the contribution prior to 2007 are 100% vested after completing 1,000 hours of service in five separate calendar years. Eligible employees who worked at least one hour in 2007 become 100% vested after completing 1,000 hours of service in three separate calendar years.

For the prior Novant Retirement Contributions and any earnings they generate, employees who were eligible for this contribution prior to 2007 are 100% vested after completing 1,000 hours of service in five separate calendar years. Eligible employees who worked at least one hour in 2007 become 100% vested after completing 1,000 hours of service in three separate calendar years.

Can I borrow from my Retirement Plus account?

Yes, you may borrow up to 50% of your vested 403(b) account balance up to a maximum of \$50,000. The minimum loan request is \$1,000 and consolidations are not permitted. You will have up to 5 years to repay your loan. There is a \$50 loan origination fee for each loan. Call Great-West Retirement Services at 877-900-8992 for a loan quote and request paperwork or visit the website at www.retirementplsonline.com to model and initiate the loan request online.

If I leave Novant Health, can I leave my money in the Retirement Plus plan?

Yes, if the total of your retirement accounts is greater than \$1,000, you may leave your account invested in the Plan.

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May I transfer between the different investment options?

Yes, you may transfer to or from any investment option on any business day. Please understand that some mutual funds may require you leave monies in for a specified time period or you may incur a fee; this is to discourage excessive trading practices. Call D.L. Davis & Co. at 800-766-8440 to speak to a registered representative for further details.

What expenses and fees are charged to my account regarding:

- **Record Keeping:** Novant Health pays for all the record keeping fees for the plan.
- **Investment Transfers within the Plan:** No expense to the employee.
- **Front-End Sales charges on the mutual funds:** No, this has been waived.
- **Rear-End Sales charges on the mutual funds:** No, these do not apply to the mutual funds purchased with the Retirement Plus plan (except for those funds that require a specific holding period, which will be disclosed)
- **Loans:** You will be charged a \$50 processing fee.
- **Withdrawals:** No, these fees are included in the record keeping fees paid by Novant.

What share class of mutual funds am I investing in through the Retirement Plus plan?

You are always purchasing "A" share without the typical front-end sales charge or mutual funds of a no-load share class.

If I retire, what options do I have?

You have several options at retirement, including leaving your money in the Plan, as well as many favorable distribution options or a combination of both. Call D.L. Davis & Co. at 800-766-8440 to speak to a registered representative for further details.