



# 401K FREQUENTLY ASKED QUESTIONS

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## PARTIES INVOLVED IN THE 401K

**Lincoln Financial Group (LFG):** LFG is your account manager that can assist you with any account questions, account changes, or quarterly statement questions. They perform a lot of behind the scenes work to make your investing experience great. You can access your account at [www.lfg.com/Retirement](http://www.lfg.com/Retirement) or you can contact a LFG representative at 800-234-3500.

**Merrill Lynch:** Merrill Lynch representatives are here for you. Merrill Lynch aids in selecting investments/funds for LFG and provides financial advice for Nussbaum employees. In addition to advising the plan, they are also available to answer questions and help participants. David Osnowitz and Mark Osnowitz would be more than happy to help you and can be reached at [hdavid\\_osnowitz@ml.com](mailto:hdavid_osnowitz@ml.com) (David), [mark.osnowitz@ml.com](mailto:mark.osnowitz@ml.com) (Mark), or 309-662-5645.

**Striegel Knobloch & Company (SKCO):** SKCO is the Third-Party Administrator (TPA) and provide various services for Nussbaum related to the 401k plan. They file our form 5500 and assist Nussbaum with plan questions and other extraordinary items.

**Nussbaum Transportation:** Nussbaum personnel are here to help with any 401k-related questions, but their capabilities may be limited. In some cases, we can only guide you to the appropriate individuals or resources. Nussbaum Plan Administrators are Grant Knepp (309-268-1349) & Cody Cramton (309-268-1363).

## LFG ACCOUNT BASICS

### Where do I go to access my account?

<https://www.lfg.com/public/individual>

### How do I create/register on Lincoln Financial?

To create an account, go to [www.lfg.com](http://www.lfg.com) and register for an account. For more information on creating an account, please view the **401k Account Set Up** document in the Info Center.

### Where do I go if I forget my password/username or just have troubles logging in?

If you have an account but forgot your credentials, please call LFG at 800-234-3500. You can also select the *Forgot Username* or *Forgot Password* buttons under the login to have reset links sent to your email. If you have not set up an account, follow the instructions in the **401k Account Set Up** document in the Info Center.

### Where and how can I make changes to my 401k account?

To adjust your current contributions, risk/investment choices, beneficiaries, etc., please visit [www.lfg.com](http://www.lfg.com). From your account home screen, you can navigate to the appropriate location to make necessary changes. You must have an account with Lincoln to make changes online. If you have not created an account yet, please see **"How do I create/register on Lincoln Financial?"**

## What are the plan fees and who pays them?

The cost to offer a retirement plan is broken down into 3 areas: 1) investment options, 2) Lincoln Financial Group website administration and account management, and 3) Fiduciary and Financial Advice and Educational (Merrill Lynch).

The only cost to Nussbaum employees is the internal costs of the investments you choose, commonly known as a mutual fund's "internal expenses". Nussbaum pays Lincoln and Merrill Lynch for their respective services. These internal fund expenses are available on Lincoln's website, or you can contact Merrill Lynch for additional information. Keep in mind that when a mutual fund reports performance information, it is always reported "net" of any internal costs and represents actual returns an investor would have received. Nussbaum, Lincoln Financial, and Merrill Lynch all monitor the internal fund performance and expenses closely and make changes in your fund options when appropriate.

## How is my contribution percentage calculated?

Contributions come out of your paycheck. When you contribute with a percentage, it is based off a percentage of your gross wages. When you contribute a flat dollar amount, it will take your designated dollar amount out of your gross wages.

Outside of a percentage vs flat dollar option, there are 2 ways to contribute to Nussbaum's 401k plan and you must be an active employee in both instances. Please see the **Roth vs Pre-Tax Comparison** document in the Info Center.

- **Method 1: Traditional (Pre-Tax)**—In this method, you will not be taxed on your 401k contribution when you deposit it into your LFG account. Over time, the balance will fluctuate, and you will hopefully have earnings. When you go to pull out your money from LFG for any reason, you will be taxed on all this money (initial contributions & earnings).
- **Method 2: Roth**—Roth contributions are the newer method for contributing to your 401k. When you earn the money, you will be taxed on it. This means that any 401k contributions will still be taxed. In both methods you will contribute the same amount to your 401k, but you will have less take-home pay when contributing through Roth because you are still paying taxes on your contribution amount. The benefit of this option is that you will be paying no taxes on your Roth account when you decide to withdraw your money, provided the Roth account has been active for 5 years.

## FINANCIAL ADVICE

### Where can I go for financial advice/retirement planning?

If you are seeking financial advice and/or retirement planning, Nussbaum employees cannot provide this information. However, our representatives at Merrill Lynch are available to help and offer planning resources to Nussbaum employees. Please contact David or Mark Osnowitz at [hdavid\\_osnowitz@ml.com](mailto:hdavid_osnowitz@ml.com) or [mark.osnowitz@ml.com](mailto:mark.osnowitz@ml.com) respectively or by phone at 309-662-5645. Lincoln's website also offers retirement planning resources and information.

### Where do I go for more financial awareness? (i.e. how much should I be saving)

Lincoln Financial Group offers many resources. Feel free to browse their website for tools and other tips and advice on saving. I recommend logging in to your account and viewing the "Learning Center" tab at the top center of your home screen. Or visit Smart Dollar at [www.smartdollar.com/start](http://www.smartdollar.com/start) and enter the keyword **nussbaum1945**. Here you can access money-tracking tools, articles, podcasts, and a budgeting app all for free.

### What is my projected balance if...

If you would like to see some projections based on specification of your choice, please visit ESOP Calculator at <https://app.esopcalc.com/login>. Lincoln Financial Group also offers other financial tools. If you would like to see more, visit <https://www.lfg.com/public/calculatorsandtools>.

## What is the maximum amount I can contribute to my 401k plan?

In 2024, the maximum contribution amount to most 401k accounts is \$23,000. If you are over 50 years of age, you can contribute an additional \$7,500, totaling \$30,500 for the year. To determine the most up to date limits, google "IRS 401k annual limits".

## NUSSBAUM'S MATCH

### What is Nussbaum's current match?

In 2024, Nussbaum's company match is 25% of the first 6% that you contribute to your account. You are not limited to 6%, but rather by the amount indicated above. You must be employed on the last day of the year to be eligible to receive this matching contribution. Please see the **Match Examples** document in the Info Center.

### When do I get my match from Nussbaum?

The match is declared on 12/31 of any given year. In mid-January, you should receive the matching amount in your 401k balance. You must work at Nussbaum through 12/31 to get the match for that year.

### What is the vesting schedule?

Definition of a Vesting Schedule: There is a delay in ownership of the match money. This delay is known as a vesting schedule, which is designed to retain employees by offering a greater portion of ownership in Nussbaum's matching contributions as you stay longer.

Nussbaum's vesting schedule is 5 years of employment or 55 years of age, at which time you will be 100% vested. After each year of employment, you obtain another 20% of Nussbaum's match. If you turn 55 at any time during your employment, whether that is year 2 or year 5, you are automatically 100% vested at that time.

1 Year of Vesting Service .....	0% Vested Percentage
2 Years of Vesting Service .....	20% Vested Percentage
3 Years of Vesting Service .....	40% Vested Percentage
4 Years of Vesting Service .....	60% Vested Percentage
5 Years of Vesting Service .....	80% Vested Percentage
6 Years of Vesting Service .....	100% Vested Percentage

## ACCESSING MY MONEY

### When and how can I withdraw my money?

There are 3 ways you can get at your money (Hardship, Early Retirement/Retirement, and Termination) and it is often difficult to access before retirement.

- **Hardships** are set up by the IRS. Medical bills, college tuition, funeral expenses, purchase of principle residence, payments to prevent/foreclosure, damage to principal residence, and payments due to extraordinary events (i.e., fire, flood, tornado, etc.) are the 7 qualifications. In order to withdraw on a hardship, you must have proof of payment for one of the 6 expenses. When you qualify for a hardship withdrawal, there is a 10% penalty for pulling money out before early retirement (59 1/2 years of age).
- If you meet one of these distribution requirements, submit a withdrawal request under Withdrawal Information on your main account page.

Withdrawals are possibly subject to an IRS penalty depending on your age, and taxes depending on whether the funds are traditional or ROTH contributions.

**Can I borrow against or take a loan out of my 401k balance?**

No, Nussbaum's 401k plan does not allow for loans or to borrow against the balance.

**What happens to my money after I leave Nussbaum?**

Upon termination, your money stays in your account. Once a quarter, Nussbaum will force distributions to all terminated participants that have a balance of less than \$5,000. If you have over \$5,000 in your account, you can leave the money in there indefinitely, and you would maintain control over the investments and participate in the gains or losses of those investments you choose.