BOARD OF DIRECTORS RESOLUTION TO AMEND A PLAN

WHEREAS, the Board of Directors of Red Rock Center for Independence (the Employer) has assembled in a meeting;

WHEREAS, the Employer established the 401(k) Profit-Sharing Plan (the Plan) to provide retirement benefits for employees of the Employer; and

WHEREAS, the Employer has the right to amend the Plan pursuant to the provisions of the Plan.

NOW, THEREFORE, BE IT RESOLVED THAT:

1) This attached Plan Amendment is approved;
2) All other provisions and conditions of the Plan remain unchanged; and
3) The authorized representative is hereby directed to take such further action as may be necessary, appropriate, or advisable to effectuate the foregoing resolutions.

The undersigned hereby certifies that the foregoing resolutions were duly adopted by the Board of Directors at the meeting referenced herein, and that the documents attached are the true copies of the documents referenced in those resolutions.

_____
Secretary of Board / Board President

_____
Date

Amendment to the 401(k) Profit-Sharing Plan

of

Red Rock Center for Independence

In accordance with the provisions of the Plan, the Employer hereby amends its Plan, effective as of August 1, 2021, as follows:

(1) **Section 1.3(a)(2)(C)** is changed to read as follows:

(A) New Participants. All Employees who become Participants on or after August 1, 2021 (the effective date of this provision) shall be deemed to have directed the Employer to make Salary Reduction Contributions on his behalf effective as of the first pay period beginning on or after the later of (i) the Entry Date that he begins (or resumes) participation in the Plan or (ii) the day that he satisfies the eligibility requirements of 1.2(a)(1) and (b)(1).

(i) Fixed Percentage. The amount contributed on behalf of each such Participant shall be 1% of his Compensation for each Plan Year in which Automatic Enrollment Contributions are made on his behalf.

No contributions made pursuant to this provision will be treated as Roth Contributions described in Section 402A of the Code.

Red Rock Center for Independence

By: _____

Date: _____

285850

Automatic Enrollment Certification

Red Rock Center for Independence

This confirms our discussion describing the automatic enrollment feature available in the plan, the employer contributions, and the qualified default investment alternative.

Automatic Enrollment Arrangement Type: Automatic Contribution Arrangement (ACA)
Automatic Enrollment Effective Date: 08/01/2021
Employees Included in Automatic Enrollment Arrangement: New Participants
Automatic Employee Contribution Percentage: 1%
Employer Matching Contribution: N/A
Employer Base Contribution: Fixed Percentage
Employer Base Contribution Formula: 5% of Compensation
Qualified Default Investment Alternative: Mutual of America Retirement Funds
Automatic Increases in Contribution Percentage: No

Automatic Contribution Amounts
Red Rock Center for Independence (the Employer) has indicated above the Automatic Employee Contribution Percentage for your plan and the employee group(s) to which it will be applied. You have also indicated if subsequent automatic increases in the Automatic Employee Contribution Percentage will be applicable to this Automatic Enrollment Arrangement.

Qualified Default Investment Alternative
The Employer understands that the Plan Administrator (typically, the employer sponsoring the plan unless otherwise designated in the plan document) must designate the default investment fund to which the contributions of automatically enrolled participants will be allocated. Mutual of America offers several investment funds that meet the requirements of a Department of Labor safe harbor Qualified Default Investment Alternative (QDIA). The QDIA selected for the plan is indicated above.

Contract Holder Responsibilities
The Employer understands that *The Automatic Contribution Arrangements, Benefits and Employer Responsibilities* brochure outlines key features of Automatic Enrollment Arrangements and delineates several responsibilities that are specific to administering Automatic Enrollment Arrangements. These responsibilities must include the following.

- Determining who is to be enrolled under the automatic enrollment feature as well as when they should be enrolled.
- Providing the enrollment material necessary for employees to make their own contribution and allocation elections and the initial automatic enrollment notification to all eligible employees within the required time frame.
- Processing the automatically enrolled participants through the SponsorConnect recordkeeping system provided by Mutual of America, allocating contributions to the Qualified Default Investment Alternative you have selected for your plan; and
- Providing enrollment material and annual notifications to previously automatically enrolled participants within the required time frame who have not made an affirmative contribution election and investment allocation elections and have not opted out of the plan.

The Employer understands that *The Automatic Contribution Arrangements, Benefits and Employer Responsibilities* brochure and sample initial and annual employee notifications provided by Mutual of America should be carefully reviewed in consultation with its legal counsel. Both the initial and annual notifications will need to be customized before issuing them based on the specifics of the automatic enrollment arrangement.

The Employer certifies that it agrees to accept responsibility for the administration of the automatic enrollment provision and understands that Mutual of America's services do not include monitoring the automatic enrollment provision.

RESPONSIBILITIES OF AN EMPLOYER ADOPTING THE AUTOMATIC ENROLLMENT FEATURE UNDER A 401(k) PROFIT SHARING PLAN

Automatic Enrollment is a 401(k) plan design feature whereby salary reduction contributions automatically begin when an employee becomes eligible to participate in the employer's plan. Under this plan provision, an employee who is eligible to make salary reduction contributions but has not made an affirmative election to do so is automatically enrolled at a contribution rate stipulated in the plan. Contributions continue in accordance with the formula stated in the plan until such time as the participant either elects a different contribution percentage or affirmatively elects not to make salary reduction contributions. Employers that elect to include an automatic enrollment provision in an existing plan must sign a plan amendment and provide a copy of the Board Resolution authorizing the plan amendment.

The Pension Protection Act (PPA) of 2006, which was signed into law on August 17, 2006, explicitly pre-empts state laws that had previously prohibited or restricted the inclusion in an ERISA plan of an "eligible automatic enrollment arrangement" as defined. For employers sponsoring non-ERISA plans, such as government plans, church plans, and non-ERISA tax deferred annuity arrangements, PPA does not pre-empt state laws and the employer should consult with its own legal advisor concerning the permissibility of an automatic enrollment provision.

Any participant who is automatically enrolled will not have made a specific election concerning the allocation of contributions to the investment alternatives available under the plan. Therefore, the employer, as the fiduciary responsible for selection of investment alternatives to be available under the plan and with overall responsibility for investments, must choose a default investment alternative for the allocation of contributions on behalf of participants who are automatically enrolled. The PPA charged the Department of Labor (DOL) with the responsibility for issuing regulations governing default investments including a safe-harbor that employers may use, which will relieve the employer from much of the related fiduciary liability for this decision. The DOL has issued the following guidance with respect to default investment alternatives:

An organization adopting an automatic enrollment provision should, of course, consult its own legal counsel and professional investment advisor concerning its responsibilities for selection of, and to determine which, investment alternative(s) to use.

Effective for plan years beginning after 2007, the following automatic enrollment arrangements became available:

- a new safe-harbor Qualified Automatic Enrollment Arrangement, under which certain plans are exempt from top-heavy rules, resulting in the plan being treated as satisfying the quantitative non-discrimination tests- ADP and ACP; and

- an Eligible Automatic Enrollment Arrangement, which does not require an employer safe-harbor contribution and is not exempt from top-heavy rules and quantitative non-discrimination testing.

All employees who are in the class of eligible employees that you have selected for automatic enrollment (e.g., newly hired eligible employees only, all eligible employees, or all eligible employees not already contributing a certain percentage) must receive an initial notification that describes the automatic enrollment provisions of the plan. The notice must specify the automatic salary deferral percentage that will be deducted from his/her pay and the effective date; it must identify the default investment alternative to which contributions will be allocated in the absence of an affirmative election by the participant; it must indicate the employee's right to elect to make no salary reduction contributions to the plan or to elect a different percentage; and it must provide instructions for submitting a written election, to whom and by what date. All enrollment forms and information should be included with the notification. Attached is a sample Initial Notification of Automatic Enrollment to employees who will be automatically enrolled in your plan. Please review this sample with your legal counsel, modify it to reflect the specific provisions of your plan, print it on your letterhead and distribute it at least 30 days prior to the date that the initial salary reduction contribution will be deducted form the employee's pay.

As indicated above, the initial notification must inform the employee of his or her right to select the investment alternative(s) to which his or her contributions will be allocated and the default investment alternative(s) to which they will be allocated if the employee does not give affirmative allocation directions. The notification must provide a description of the default investment alternative(s) and instructions for transferring accumulations from the default investment alternative(s) to any other investment alternative(s) available under the plan without a financial penalty or fee. The default investment allocation directions remain effective until the participant gives affirmative allocation directions. Until that occurs, an annual notification that contains substantially the same information as the initial notification must be given to the participant within a reasonable period of time (at least thirty days) prior to the beginning of each plan year.

The annual notification should provide the same basic information given at the time of the original automatic enrollment but should note that contributions continue to be applied to the default investment alternative(s) selected by the employer unless the employee has made an affirmative allocation election by contacting Mutual of America at its web site, *mutualofamerica.com*, or calling 1-800-468-3785 and using the Personal Identification Number (PIN) that was issued at the time of the automatic enrollment. Attached is a sample Annual Notification of Automatic Enrollment to employees who were automatically enrolled in a prior year and have not yet made an affirmative contribution election and/or investment allocation election. Please review this sample with your legal counsel and modify it to reflect the specific provisions of your plan.

The automatic contribution election and the default investment election are two separate elections. The initial notification described above should address both of these elections. Each annual notification should address both or only one, depending on whether the participant has given affirmative instructions for neither or one of the two elections, the contribution election and the investment allocation election.

An initial notice as described above for automatic contribution and default investment elections may also include discussion of the beneficiary designation rights and default beneficiaries. Employees have an opportunity to designate a beneficiary by completing the appropriate Enrollment or Beneficiary Designation form. If a participating employee does not designate a beneficiary, upon his or her death the plan will pay any single sum payment or the commuted value of any remaining periodic payments to the first surviving class of the following classes of successive preference beneficiaries:

(a) the participant's surviving spouse;
(b) the participant's surviving children in equal shares;
(c) the participant's surviving parents in equal shares;
(d) the participant's surviving brothers and sisters in equal shares; and
(e) the executors or administrators of the participant's estate.

Automatic Enrollment Administrative Responsibilities

Automatic Enrollment is an important plan provision and a very beneficial one for your employees, but it requires the ongoing supervision and involvement of the employer. Employers should maintain adequate records of the administration of their automatic enrollment provision. Mutual of America will not have those records. The employer should retain copies of all notices that have been distributed to employees, as well as maintain records of the dates they were distributed. This information may be required in a routine IRS audit of the plan or because a participant raises questions with the DOL.

The employer is responsible for the administration of the automatic enrollment provision, which requires timely notice to and enrollment of affected employees, as well as the allocation of contributions to the default investment alternative(s) selected by the employer. Mutual of America is not, and cannot be, designated as Plan Administrator nor can we assume any responsibility for the performance of the investment alternative(s) selected by the Plan Administrator.

Mutual of America cannot restrict the allocation of contributions made on behalf of automatically enrolled plan participants to a specific investment alternative(s). The employer is responsible for enrolling such participants on SponsorConnect[SM] so that an allocation election consistent with the default investment alternative(s) selected by the employer will automatically apply to the affected participant. It is important

that whoever is designated to perform such administrative functions is aware at all times of the current default investment alternative(s) applicable to participants who are automatically enrolled and follows the proper SponsorConnect[SM] enrollment procedure for such participants.

Automatically enrolled participants receive a Confirmation Notice with a Personal Identification Number (PIN) that they may use to contact Mutual of America at its web site, *mutualofamerica.com*, or its toll-free telephone number, 1-800-468-3785, to change their allocation and/or to transfer all or part of their account balance among all of the investment alternatives available to plan participants.

In the event that the employer overlooks the enrollment of one or more employees who should have been automatically enrolled, the employer must notify Mutual of America immediately so that corrective contributions can be calculated. The employer must also provide written notification to each of the affected employees that they were not automatically enrolled at the appropriate time, that they are being enrolled retroactively to correct this oversight, that the employer is making a corrective contribution for the period from the date that automatic enrollment should have occurred to the present and that the employee may elect not to participate prospectively by making a written affirmative election.

It is always advisable to review materials and procedures in support of the automatic enrollment provision with your legal counsel.

Civil Penalties Under Section 502(c)(4) of ERISA for Failure or Refusal to Furnish Automatic Enrollment Notice to Participants

The DOL has issued a final rule on the assessment of civil penalties under ERISA for failure or refusal to furnish a notice of rights and obligations under an automatic contribution arrangement. The amount assessed for each violation shall be determined by the Department of Labor, taking into consideration the degree or willfulness of the failure or refusal to furnish the notice or information to a person entitled to such notice or information, not to not exceed $1,000 a day per violation computed from the date of the administrator's failure or refusal to furnish the item. Prior to an assessment, the DOL will serve notice to the plan administrator in writing of the amount of the penalty, the number of persons and period of time to which the penalty applies and the reason for the penalty. The plan administrator has 30 days from the date of this notice to file a statement of reasonable cause as to why the penalty should be reduced or not assessed. If the plan administrator fails to file a statement of reasonable cause within 30 days of the notice, such action shall be deemed an admission of the facts and the notice shall become the final order 45 days from the date of service. If filed, the DOL will review the statement and provide a notice of its determination regarding the statement and whether it will waive all or a portion of the penalty. If a penalty is to be assessed, such notice shall become a final order 45 days from the date it was served. However, the plan administrator may request an administrative hearing within 30 days of such notice.

Proposed change to Employee Policy Handbook

Under #4B: *Employee Benefits section* of the employee handbook:

B. 401K RRCI contributes funds to a 401K plan on behalf of each employee who works more than 19.75 hours per week whether or not the employee chooses to contribute. The board of directors determines the percentage of each paycheck that RRCI will contribute to the plan. New employees shall be deemed to have directed the Employer to make Automatic Enrollment Salary Reduction Contributions in the amount of 1% on his/her behalf effective as of the first pay period beginning on the Entry Date that he/she begins participation in the Plan. New employees may choose to cancel or add to the autoenrollment 401K plan ~~enter the RRCI 401k plan and may deposit~~ with their own funds through payroll deductions on the first ~~day of the month~~ pay period after hire date. RRCI will accrue 401K contributions, but must hold the funds until after the employee has completed 500 hours worked in the calendar year. All employees who are in the plan must meet 500 hours worked each calendar year before RRCI contributions will be deposited into the employee's 401k plan. If an employee does not work 500 hours in a calendar year they will not be entitled to the Board designated contribution from RRCI. Personal contributions will be deposited into the 401K plan each pay period.