

July 31, 2023

2023 annual SIMPLE IRA 60-day notice mailing: plan sponsor letter

Dear SIMPLE IRA Plan Sponsor:

Each year, the IRS requires you to send an employee participant letter to employees who will become eligible for your SIMPLE IRA plan in the upcoming year. In addition to providing eligibility notification, this letter must also communicate your employer contribution formula. The information you provide will help your employees determine how much they want to contribute to the plan. Because notification must be made 60 days before the plan year begins, employees eligible for the 2024 plan year must be notified by November 1, 2023. Failure to provide notice on a timely basis can result in IRS penalties.

This is also a good time of year to review your plan to decide if you would like to make changes to your employer contribution formula. Last year's employer contributions are shown in Section 3 of your 2023 participant notice and summary description. As a reminder, you have three contribution options:

Employer matching contribution

1. A dollar-for-dollar match of up to 3% of compensation, where only the participating employees who have elected to make contributions will receive an employer contribution.
2. A dollar-for-dollar match that is at least 1% but less than 3% of compensation, where only the participating employees who have elected to make contributions will receive an employer contribution. (Please remember that you cannot choose a percentage less than 3% for more than two years during the five-year period that ends with, and includes, the year for which the choice is effective.)

Nonelective contribution

3. A 2% non-elective employer contribution, where employees eligible to participate in the plan receive an employer contribution equal to 2% of their compensation regardless of whether they make their own contributions.

The employee participant sample letter and forms are available on our digital platform, **John Hancock Simple Pay**. To access the site and these materials, please go to <https://www.jhinvestments.com/#login> and under "Access your investment account" select "Plan administrators" and click "John Hancock Simple Pay". The link to the SIMPLE IRA Employee Election Notice packet with sample letter and forms is in the upper right corner. You can simply customize the sample letter and materials as indicated below and distribute them to your employees by November 1, 2023.

- Sample employee participant letter: Indicate your firm's 2024 contribution to the plan and directions for returning the completed forms.
- Participant notice and summary description: Complete the form and provide a copy to each employee with the participant letter.
- Salary reduction agreement: Add the effective date—January 1, 2024—in Section 2.

Employees who have not participated in the plan before must also receive a SIMPLE IRA adoption agreement and prospectuses for the John Hancock Investment Management mutual funds selected by your plan.

Effective September 1st, all Simple IRA Plan Administrators will be **required to enroll and submit contributions online** through **John Hancock Simple Pay**. Our digital platform is easy to navigate and is completely free to use. If you have enrolled in our secure method for submitting investment plan contributions, no further action is needed. If you have *not yet enrolled*, please don't delay and enroll today. If you do not take any action and a check is received and no roster was submitted on John Hancock Simple Pay, the investment will be returned to you.

- To enroll, complete the enclosed John Hancock Simple Pay access form
- Return by mail by using the postage paid envelope provided or fax to 888-524-6160.

If you need additional materials or have any questions about your plan, please contact your investment professional or call John Hancock at 800-432-1969.

2023 annual SIMPLE IRA plan 60-day notice mailing: sample employee participant letter

Dear Employee:

We are pleased to announce that you're eligible to participate in [your company name]'s Savings Incentive Match Plan (SIMPLE) IRA plan for the 2024 calendar year. This letter and the enclosed SIMPLE IRA participant notice and summary description provide important information to help you decide how much to contribute to the plan through your elective deferrals. Because we want to help you build your retirement savings, [your company name] will make [insert one of the options below to complete the sentence].

a dollar-for-dollar matching contribution of up to 3% of your compensation.

a dollar-for-dollar matching contribution of up to [insert x%] of your compensation.

a contribution equal to 2% of your compensation.

We have chosen John Hancock Life & Health Insurance Company as the custodian for your SIMPLE IRA plan.

For detailed information on any of the John Hancock Investment Management mutual funds, including charges, expenses, and risks, please refer to the funds' prospectuses. Prospectuses for John Hancock mutual funds are available from [name of individual at company, if applicable], online at jhinvestments.com, or by calling John Hancock Investment Management at 800-432-1969. Always read a fund's prospectus carefully before investing.

This plan provides a convenient way to help you save for the future and help build the funds you will need for retirement. Here are key benefits for participating in the plan:

- Your elective deferrals, or contributions, are deducted automatically from your paycheck, making it easier to stick to a regular savings schedule.
- Your contributions are deducted from your compensation on a pretax basis. This means that all federal and most state taxes are calculated on what you make after your SIMPLE IRA contribution is deducted, so you're being taxed on less money than you earn.
- Earnings on both your contributions and [your company name]'s contributions made on your behalf, grow on a tax-deferred basis. That is, you don't have to pay taxes on the growth in your account until you start taking money out.

[Insert instructions for returning the necessary forms, details about the enrollment meeting, if you plan to have one, and who to contact with questions.]

We hope you'll take advantage of this exciting new retirement benefit to help you prepare for your financial future.

Sincerely,

[Insert name of your company's representative]

Introduction

Instructions

Please use this form to enroll in John Hancock Simple Pay or to update an existing plan. John Hancock Simple Pay allows plan administrators to manage and submit SIMPLE IRA plan contributions to John Hancock Signature Services, Inc. (John Hancock) over a secure internet site. Please visit jhinvestments.com or call 800-231-0376 for more information and step-by-step instructions on using the system.

Special considerations

If you wish to amend company details previously provided, please call us at the number shown for instructions.

Questions about this form?

☎ 800-231-0376

Contact us:

☎ 800-231-0376

🌐 jhinvestments.com

☑ See the end of this document for return instructions

1. Type of request

Please indicate the purpose of your request by marking the appropriate box below.

- Establish new access to John Hancock Simple Pay Amend bank information on an existing plan Update plan administrator on existing plan

2. Company information

Company name

Street address

City

State

Zip code

Plan name

Plan ID number, if existing plan

3. Adding access

Please add and extend access to the individual named below. All fields should be completed. If you would like to provide access to multiple individuals, please copy this page and attach as an additional sheet.

Plan administrator's name (First)

(Last)

Title

Department

Email address

Phone number

4. Removing access

Please remove the following individual from having access. All fields should be completed.

Plan administrator's name (First)

(Last)

Title

Department

Email address

Phone number

5. Type of funding

Please select one of the following.

- Bank draft.** Contributions will be sent by the Automated Clearing House (ACH) system. Please complete Section 6 below and attach a preprinted voided check.
- Check.** Contributions will be sent by check. Please note: checks must be made payable to John Hancock Signature Services, Inc., and must include the screen print from the submit roster confirmation screen in John Hancock Simple Pay with all investment allocation submissions. If a check is received and no roster was submitted through John Hancock Simple Pay, the investment will be returned to you.

6. Bank information

Attach a preprinted voided check or bank deposit slip, preprinted with your account information (starter checks will not be accepted). For security purposes, the bank account should match the company or plan name provided in Section 2. If you do not have a preprinted voided check or bank deposit slip, please include a letter from your financial institution (on their letterhead) that indicates the following information: the routing/ABA number, the account number, the account type (checking or savings), and the owner(s) of the bank account. The letter must be signed by an authorized party at the financial institution along with all account owner(s) to certify that the information provided is correct. Note: For ACH system transactions, your bank must be a member.

Establish the service(s) between the accounts identified and my:

- Checking account
- NOW/money market/savings account.

Bank name _____

Street address _____ City _____ State _____ Zip code _____

Bank routing number _____ Bank account number _____

- I have included a preprinted voided check or bank deposit slip, preprinted with my account information.

7. Signature

I certify that I am an authorized signer for the company listed in Section 2. I approve and designate the individual(s) named above as plan administrator(s) and authorize their access to manage and submit plan contributions. I acknowledge and understand that users are bound to comply with the Terms and Conditions accepted at first login. As the authorized signer of the bank account referenced in Section 6, I authorize John Hancock to credit or debit the the bank account according to the instructions provided on this form or otherwise. This authority is to remain in effect until I revoke it, in writing, and until you actually receive such notice, I agree that you shall be fully protected in honoring any such transactions. If any credit or debit should be dishonored, whether with or without cause and whether intentionally or inadvertently, John Hancock shall be under no liability whatsoever. John Hancock shall not have any obligation to verify or determine the accuracy, validity, or completeness of the information provided by the plan administrator(s), and shall not be held responsible for errors resulting from the receipt of inaccurate, invalid, or incomplete information. I will notify John Hancock immediately if a user is not to have access or has terminated employment with the company. John Hancock will not be held liable for the misuse of these services.


PRINT HERE _____
Print name and title of authorized signer


SIGN HERE _____
Signature of authorized signer


_____ Date (MM/DD/YYYY)

8. Mail

This form may be sent to us by fax, at the fax number shown below. Alternatively, you may also enclose and mail it to us. If you are establishing a new plan, you can expect to receive an operator ID and temporary password via the email address provided in Section 3, within 10 business days of our receipt.

 **Fax**
888-524-6160

 **Regular Mail**
John Hancock Signature Services, Inc.
P.O. Box 219909
Kansas City, MO 64121-9909

 **Express Mail**
John Hancock Signature Services, Inc.
430 West 7th Street
Suite 219909
Kansas City, MO 64105-1407

SIMPLE IRA participation notice and summary description

Introduction

Instructions

Please use this form to establish, continue, or change the salary reduction agreement for your SIMPLE IRA plan. This information should be reviewed in full and with care before changes are made.

Special considerations

This form should NOT be returned to John Hancock; it should be retained by the employer.

Questions about this form?

☎ 800-432-1969

Contact us:

☎ 800-432-1969

📍 jhinvestments.com

☑ **This form should be retained by the employer.**

1. General information

Employer information

Name of employer

Address

City

State

Zip code

Trustee/custodian/issuer information

JOHN HANCOCK LIFE & HEALTH INSURANCE CO.

Name of trustee, custodian, or issuer

P. O. BOX 219909

Address

KANSAS CITY

MO

64121-9909

City

State

Zip code

2. Eligibility requirements

Opportunity to participate

This form is intended, in part, to notify you of your right to choose, during the election period, to make elective deferrals under the Savings Incentive Match Plan for Employees (SIMPLE IRA plan) established by your employer. The election period is generally the 60-day period before the beginning of each year and the 60-day period before the first day you become eligible to participate. This notice includes a summary description of your employer's SIMPLE IRA plan.

Eligible employees

You may become eligible to participate in this plan unless you are:

- covered by the terms of a collective bargaining agreement in which retirement benefits were negotiated.
- a nonresident alien with no U.S. earned income from your Employer.
- an employee due to an acquisition or similar transaction involving your employer.

Compensation and service

To become eligible to participate in the plan, you must have earned \$5,000 during any two preceding years and you must be reasonably expected to earn such amount during the current year, unless otherwise specified below.

You're required to earn at least \$_____ (may not exceed \$5,000) during any _____ (may not exceed two) preceding years to be eligible to participate in the plan. You must also be reasonably expected to earn at least \$_____ (may not exceed \$5,000) during the current year.

3. Plan contributions

Financial institution

Your employer has has not elected to make all contributions to a designated financial institution.

If contributions aren't required to be made to a designated financial institution, you must select the financial organization that will serve as trustee, custodian, or issuer of your SIMPLE IRA and notify your employer by providing a completed salary reduction agreement.

If contributions are required to be made to a designated financial institution, you may transfer the balance in your SIMPLE IRA, without cost or penalty, from the designated financial institution to a SIMPLE IRA at the financial organization of your choice. To do so, you must request a transfer during the election period or during any other period as allowed by the designated financial institution. On request, the designated financial institution will periodically transfer your balance.

3. Plan contributions (continued)

Elective deferrals

By completing a salary reduction agreement, you agree to make elective deferrals to this plan. Your compensation will be reduced each pay period by an amount equal to the percentage of your compensation that you specify on the salary reduction agreement. Generally, your elective deferrals (excluding catch-up contributions) may not exceed \$14,000 for 2022 and \$15,500 for 2023 (after 2023, this limit may be increased to reflect a cost-of-living adjustment).

Catch-up contributions will will not be permitted under the plan.

If catch-up contributions are available under the plan and you'll attain age 50 on or before the end of the year, you're eligible to make catch-up contributions. Your catch-up contributions may not exceed \$3,000 for 2022 and \$3,500 for 2023 (after 2023, this amount is subject to cost-of-living adjustments).

You may change the amount of your elective deferrals by completing and signing a revised salary reduction agreement during the election period or any other period specified below.

You may discontinue making elective deferrals at any time during the year by completing and signing a revised salary reduction agreement. You're allowed to commence making elective deferrals the first day of the year following the year you cease deferring unless otherwise specified below.

Employer contributions

For calendar year _____, your employer will make matching contributions equal to 100% of your elective deferrals that don't exceed 3% of your compensation, unless your employer elects to make either the alternative matching contribution or the nonelective contribution described in options 1 and 2, respectively, below.

Option 1 Matching contributions in an amount equal to your elective deferrals that don't exceed _____% (must not be less than 1%)

Option 2 Nonelective contributions equal to 2% of compensation on behalf of each participant who earns at least \$5,000 during the year, unless a different dollar amount is specified below

You're required to earn at least \$_____ (may not exceed \$5,000) during the year to be eligible to receive nonelective contributions.

4. Distributions

The following is a summary of the rules applicable to distributions from SIMPLE IRAs. You're advised to refer to your SIMPLE IRA documents and/or seek the assistance of a qualified tax advisor if you have additional questions.

Procedures

SIMPLE IRA assets are fully vested and may be withdrawn at any time, subject to taxes and penalties, as explained below. The trustee, custodian, or issuer of your SIMPLE IRA, and not your employer, is responsible for making distributions to you at your request.

Federal income tax

Distributions from SIMPLE IRAs are taxed as ordinary income in the year in which you receive them. In addition, federal income-tax withholding will be applied to your distribution at a rate of 10%, unless you specify a different rate or waive your right to withholding.

Penalties

A 25% early withdrawal penalty tax applies to SIMPLE IRA distributions taken within two years of your initial participation in the plan, unless you're age 59½ or older or can claim an exemption from the early distribution penalty described in IRC Section 72(t)(6). If you're under age 59½, have satisfied the two-year requirement, and receive a distribution, you'll be subject to a 10% early distribution penalty tax.

Rollovers

SIMPLE IRA distributions may be rolled over to other SIMPLE IRAs. If a SIMPLE IRA distribution is properly rolled over, your rollover amount will be excluded when determining the amount of your federal income tax or early distribution penalty tax. You may roll over SIMPLE IRA distributions to traditional IRAs, qualified retirement plans, tax-sheltered annuities, and governmental 457(b) deferred Compensation plans. However, you must wait two years from the date you become a participant before doing so.

Required minimum distributions

If you were born before July 1, 1949, you are required to begin taking minimum distributions from your SIMPLE IRA upon attainment of age 70½. Individuals born after June 30, 1949, and before January 1, 1951, are required to begin taking minimum distributions upon the attainment of age 72. Individuals born after December 31, 1950, are required to begin taking minimum distributions upon the attainment of age 73.

Procedures for withdrawal

If you wish to take a distribution from your SIMPLE IRA, you must complete a withdrawal authorization, provided by the trustee, custodian, or issuer of your SIMPLE IRA. In addition, the following procedures apply to you when requesting a distribution:

Procedures regarding transfers

The following additional rules and procedures apply to transfers of your balance in your SIMPLE IRA:


Introduction


Instructions

Use this form if you wish to reduce your compensation and direct the proceeds to your SIMPLE IRA account. This agreement is between you and your employer. This agreement, and any changes to it, should be filed directly with your employer. This form should not be sent to John Hancock. Read all sections of this salary reduction agreement before signing. Please print in all capital letters and use black ink.

Contact us

 **Website**
jihinvestments.com

 **Phone**
800-432-1969

 **Return instructions**
See the end of this document for return instructions.

1. General information

Employer and plan information

Plan name

Name of the employer

Employer's address

City

State

Zip code

Employee information

First name

MI

Last name

Address

City

State

Zip code

Employee's number

Social Security number

2. Terms of agreement (To be completed by your employer)

Limits on elective deferrals—Subject to the requirements of the employer's SIMPLE IRA plan, each employee who is eligible to enroll as a contributing participant may set aside a percentage of his or her pay into the plan (elective deferrals) by signing this salary reduction agreement. This salary reduction agreement replaces any earlier salary reduction agreement and will remain in effect as long as the employee remains an eligible employee or until he or she provides the employer with a new salary reduction agreement, as permitted by the plan. A participant who is aged 50 or older by the end of the year may be allowed to make catch-up contributions. A contributing participant's elective deferrals (excluding catch-up contributions) may not exceed \$14,000 for 2022 and \$15,500 for 2023 (this amount is subject to cost-of-living adjustments).

Changing this agreement—An employee may change the percentage of pay he or she is setting aside into the plan. Any employee who wishes to make such a change must complete and sign a new salary reduction agreement and give it to the employer during the election period or any other period the employer specifies on the participation notice and summary description.

Terminating this agreement—An employee may terminate this salary reduction agreement. After terminating this salary reduction agreement, an employee cannot again enroll as a contributing participant until the first day of the year following the year of termination or any other date the employer specifies on the participation notice and summary description.

Effective date—This salary reduction agreement will be effective for the pay period that begins _____.

3. Authorization and investment selection (To be completed by the employee)

Elective deferral agreement

I, the undersigned employee, wish to set aside, as elective deferrals, _____% or \$_____ (which equals _____% of my current rate of pay) into my employer's SIMPLE IRA plan by way of payroll deduction.

Note: If you're eligible to defer, your SIMPLE IRA plan permits catch-up contributions, and you've attained age 50 before the close of the plan year, you may make catch-up contributions under the SIMPLE IRA Plan. Certain limits, as required by law, must be met prior to being eligible to make catch-up contributions. Your election above will pertain to elective deferrals, which may include catch-up contributions. See your employer for additional information, including the catch-up contribution limit for the year.

I agree that my pay will be reduced in the manner I have indicated above, and I affirmatively elect to have this amount contributed to the investments listed below. This salary reduction agreement will continue to be effective while I am employed, unless I change or terminate it, as explained in Section 2. I acknowledge that I have read this entire salary reduction agreement, I understand it, and I agree to its terms. Furthermore, I acknowledge that I have received a copy of the participation notice and summary description.

SIMPLE IRA provider

John Hancock Funds, LLC

Name
200 Berkeley Street
Address
Boston MA 02116
City State Zip code

Investment options

Please indicate your fund selection for contributions to your SIMPLE IRA. Your selection here should match your selection on the SIMPLE IRA adoption agreement (Form 1). You may only use this form to select John Hancock Investment Management mutual funds.

Name of fund	Percentage (%)	Name of fund	Percentage (%)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
			Total: 100%

For direct transfers and rollovers

Total amount of checks attached: \$_____ (Make checks payable to John Hancock Signature Services, Inc.)

SIGN HERE _____ Date signed (MM/DD/YYYY)
Signature of the employee

SIGN HERE _____
Name of the employee (Print or type)

SIGN HERE _____ Date signed (MM/DD/YYYY)
Authorized signature for the employer