



Azuria Water Solutions 401(k) Retirement Plan Highlights

The Azuria Water Solutions 401(k) Profit Sharing Plan is one of the best ways to save money for your retirement years and one of the few methods available today to defer your current income taxes. The 401(k) benefit allows you to decide what percentage of your gross annual earnings you would like to contribute in order to save for retirement. You have the choice to contribute on a pre-tax or after-tax basis. If you choose to contribute on a pre-tax basis, your contributions are deducted from your pay before income taxes are taken out. If you choose to contribute on an after-tax basis, your contributions are considered Roth contributions. Roth contributions combine the savings and investment features of a traditional before-tax retirement plan with the tax-free distribution features of the Roth IRA.

Investment Changes:

- You may make exchanges among investment options at any time.
- You may change your investment allocation for future contributions at any time.

Contribution Rules:

You may contribute the following:

- Contributions from 1% to 50% of your salary may be made to the plan on a pre-tax or post-tax basis.
- **The IRS maximum amount allowed for employee contributions in 2025 is \$23,500.**
- Azuria matches 100% of the first 3% of employee contributions and 50% of the next 2% of the employee contributions.
- If you are **age 50 or older**, the plan allows you to make additional before-tax contributions of **\$7500 in 2025**.
- If you are **age 60-63**, the plan allows you to make additional before-tax contributions of **\$11,250 in 2025**.
- **Catch up contributions are not matched by Azuria.**
- Rollovers from another employer's qualified plan are accepted.
- **You may enroll, increase, decrease or stop your contributions at any time. Please allow up to 2 weeks for processing. NEW HIRES: Please allow up to 3 weeks for your eligibility information to be sent to Principal**

Withdrawal Rules:

Upon separation from service, retirement or disability, you may choose to:

- Receive a lump sum payment.
- Roll over funds to another qualified Retirement Plan or an IRA.
- Defer receipt until age 70 ½.
- You may begin taking withdrawals upon reaching age 59 ½.
- A hardship withdrawal is available upon approval.
- If you receive a hardship distribution, you will be suspended from making before-tax contributions to the plan for a period of 6 months from the date of distribution.

Note:

- Any withdrawals not rolled over to an IRA or another qualified Retirement Plan account are subject to federal income tax at the investor's personal federal tax rate. State and local taxes may also be due on funds withdrawn.
- A 20% mandatory withholding for federal income tax is automatically deducted from withdrawal payments paid directly to you (with certain limited exceptions).
- A 10% IRS penalty may be due on disbursements of funds prior to age 59 ½. Certain conditions are exempt from this including the following: disability, death and retirement.

Loan Rules:

- Only one outstanding loan is allowed at one time.
- You may borrow up to 50% of your vested balance up to a maximum loan amount of \$50,000.
- Minimum loan amount is \$1,000.
- Repayments are done via payroll deductions in equal installments each pay period.
- Term of the loan may not exceed 5 years.
- Term of the loan can be extended for up to 10 years if used for the purchase of a primary residence.
- Interest Rate - Prime plus 1%. Paid to your own account.

QUESTIONS:

- If you have any questions, you can reach out to directly to Principal at 800.547.7754