



Trailing contributions

OVERVIEW

Once terminated participants make a full withdrawal of their retirement savings, their account is deactivated on Empower's recordkeeping platform. As part of the original withdrawal request, the participant acknowledges the handling of any subsequent amounts that may be deposited into their account post-withdrawal.

- A trailing contribution is the term used to describe when additional contributions are received after a participant's account has been liquidated and subsequently deactivated.
- A trailing dividend is the term used to describe when a distribution of corporate earnings to company shareholders occurs and resulting money is received after a terminated participant's account has been liquidated and deactivated.

For the purpose of this document, a trailing dividend is considered a type of trailing contribution deposited into the terminated participant's account.

The standard process for managing trailing contributions depends on the length of time between both of the following transactions:

- The date of full withdrawal and account deactivation.
- The date trailing contribution deposited into the participant's deactivated account.

Rule	Description
Less than 180 Days	<ul style="list-style-type: none"> • Trailing contributions received within 180 days from the date of distribution of the terminated participant's account are systematically redistributed to the participant and referred to as a trailing distribution. • If the terminated participant's original withdrawal request was processed and delivered via check method, then trailing distributions are also redistributed to the participant via check and sent regular mail. • If the original full withdrawal request was processed and delivered by ACH deposit, then trailing distributions are processed and sent via ACH using the same bank account and routing information.
180 Day or Longer	<ul style="list-style-type: none"> • The terminated participant's account is reactivated, and trailing contributions are deposited to the reactivated account. • No additional notifications are sent to a terminated participant, aside from quarterly statements, to specifically communicate trailing contributions have been received and redeposited into their account. • Terminated participants are required to initiate a subsequent withdrawal to liquidate the remaining account balance.

Documents	Description
Statements	When a trailing contribution is received for a deactivated account 180 days or more from date of the original full withdrawal, the terminated participant's account is reactivated and statements are also reactivated beginning with the next quarterly statement cycle.

See [Withdrawal Processing](#) for additional activities and requirements related to terminated participant withdrawals.

The non-discretionary recordkeeping and administrative services described in this Service Overview are general in nature and reflect the standard service offering. Service descriptions are not specific to any plan provision or administration practice. The recordkeeper may agree to provide an alternate service arrangement, as applicable, if separately requested by the Plan Sponsor.