**401(k) Automatic Enrollment Election for New Hires**

Date:

To: [Employee name]

From: Human resources

Re: Automatic enrollment in [Company Name]’s 401(k) Plan

At [*Company Name*], we want to enhance our employee's ability to save for retirement. As a result, our 401(k) plan has no minimum service eligibility requirements and includes an automatic enrollment feature. Under the plan’s provisions, you will be automatically enrolled in the 401(k) plan within [*timeframe*] of hire.

Unless you take action to decline this automatic enrollment before [*date*], [*Company Name*] assumes that you have authorized the company to withhold for each pay period on a pre-tax basis an amount equal to [*percentage*] of pay. This withholding percentage will remain in effect until such date that you make an election to increase, decrease, or cease your contributions to the plan. As a participant, you may make such a change in contributions at any time to be effective beginning on the payroll date subsequent to your election notice’s receipt by human resources. If, on the other hand, you are satisfied with the election percentage, you need only sign and date this acknowledgement and return it to human resources. If you wish to make changes, please see the options below.

In summary, your automatic payroll withholdings will begin on [*date*]. If you want to make changes to this withholding or decline enrollment in the 401(k) plan, please choose from the following options:

* Increase contributions to \_\_\_\_\_\_\_ percent of pay (up to a maximum of [*amount*]).
* Decrease contributions to \_\_\_\_\_\_\_ percent of pay.
* Decline enrollment.
* Accept automatic enrollment and contributions as described above.

All withheld pay deferrals (and company matching contributions) will be invested in the fund manager’s [*fund name*] until otherwise instructed. For [*year*], the company match is [*percentage*] of employee contributions up to [*percentage*] of pay and is subject to a vesting schedule.

I certify that I have received and read this automatic enrollment notification and understand that I have the right to decline enrollment, make alternative contributions and change investment fund selections within one payroll period of my providing such notice to human resources.

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Signature Date