

**SCHWARTZ BROTHERS RESTAURANTS
401(k) Pre-Tax Savings Plan and Trust
Plan Highlights**

- ELIGIBILITY** All Team Members of Schwartz Brothers Restaurants become eligible to participate in the 401(k) Pre-Tax Savings Plan and Trust on the first enrollment date following the completion of 6 consecutive months of service and attainment of age 21. Enrollment dates are the first day of each calendar quarter.

Participants become eligible to receive matching contributions at the end of the first calendar quarter following the completion of 6 consecutive months of service. Participants must be employed on the last day of the calendar quarter to be eligible to receive a matching contribution.

- TEAM MEMBER CONTRIBUTIONS** Team Members are allowed to contribute up to 100% of their pay but not more than the maximum amount allowed per IRC Section 402(g). Team Member 401(k) contributions are made bi-weekly. Team Members who are age 50 or older (or who turned 50 during the plan year) are allowed to make “catch-up” contributions.
- EMPLOYER CONTRIBUTIONS** Schwartz Brothers Restaurants will match contributions on a discretionary basis. At this time, the company will make quarterly matching contributions equal to 20% of each Team Member’s 401(k) deferral amount, which is not in excess of 6% of a participant’s compensation for the quarter. Matching contributions are made each calendar quarter and may not exceed 1.2% of a Participant’s eligible wages. Catch-up contributions are matched.
- NONDISCRIMINATION TESTING** The plan uses the prior year testing method for purposes of performing the ADP and ACP tests.
- VESTING OF PLAN BENEFITS** Participants are fully vested in their Team Member 401(k) and rollover accounts. Participants are vested in their employer matching accounts based on the following vesting schedule:

Years of Service	Vesting Percentage
0	0%
1	0%
2	0%
3 or more	100%*

*Team Members receive credit for a Year of Service for each Plan Year in which they work at least 500 hours. An Team Member who dies, becomes disabled, attains normal retirement (age 65), or attains early retirement (age 55 and 3 years of service) will become 100% vested.

- IN-SERVICE WITHDRAWALS** Withdrawals prior to termination, death, disability, or retirement are not allowed except in the case of financial hardship, or the attainment or age 59 ½.

Participants that have attained age 59 ½ may take an in-service withdrawal of their entire vested balance.

In the case of a Qualified Domestic Relations Order, a distribution to an Alternate Payee can receive a distribution prior to the Participant’s termination of employment.

- CHANGE OF INVESTMENT ELECTIONS** Each participant may change the investment of his or her contributions among the investment funds on a daily basis.
- TRANSFER OF ACCOUNT BALANCES** Each participant may redirect the investment of his or her existing account balance among the investment funds on a daily basis.
- CHANGE IN TEAM MEMBER CONTRIBUTIONS** Each participant may elect to increase or decrease his or her Team Member 401(k) contributions on a quarterly basis.
- SUSPENSION OF TEAM MEMBER CONTRIBUTIONS** Each participant may suspend his or her Team Member contributions with written notice of such suspension.
- LOANS** Loans are not permitted.
- COMMENCEMENT OF BENEFITS** Participants or their beneficiaries are eligible to receive benefits from the Plan upon their early retirement date (age 55 and 3 years of service), normal retirement date (on or after age 65), upon death or disability, or upon termination of employment. Participants retiring on or after their normal retirement date may defer distribution to a later date, but not later than age 70-1/2.

Benefits will be paid in the form of a single lump sum payment.

- PLAN YEAR** The plan operates on a calendar year basis.