Northwest Kidney Centers

Tax Deferred 401(k) Plan and Trust

For assistance

To access your account

www.retirement.prudential.com

Administrative questions

(877)-778-2100

To answer investment-related questions

Retirement Plan Advisors
(866) 416-9716
RetirementPlanAdvisors.Info@rbc.com

Introduction to your plan

You have a powerful savings tool available in your company-sponsored retirement plan. This brochure helps you understand how the plan contributes to your overall retirement goals. You'll explore your plan options and learn about the many resources available to you. Use the information in this brochure to establish a savings program that helps lead you where you want to go.

There are several benefits of your company's retirement plan that may set it ahead of other savings options.

- Significant tax advantages
- Automatic payroll deductions
- Variety of investment options
- Company contributions

Why save?

What does retirement mean to you? Take a moment to picture how you'd like to fill your days. Your ability to live the lifestyle you envision will depend largely on your ability to achieve financial independence during your retirement years. It will take money, perhaps more than you realize, to help ensure your retirement years are personally satisfying.

When saving for retirement, every dollar counts. The journey from work to retirement isn't made in one giant leap. It takes a lifetime of savings to steadily build your nest egg. By contributing to your company retirement plan, small contributions today can add up to a significant amount tomorrow.

How much will you need for retirement?

Calculating a retirement savings goal is key to pursuing and maintaining a confident financial outlook. The exercise of calculating a retirement savings goal not only provides you with a dollars and cents estimate of how much you'll need for the future, it also requires you to visualize the specific details of your retirement lifestyle and assess whether your current wealth management plans are realistic and up-to-date.

For generations, retirees relied heavily on Social Security and pensions to pay their bills in retirement. But today most retirees must count on their own personal investments for a greater share of their retirement expenses.
In fact, according to a recent study conducted by the Social Security Administration, the number one source of retirement income for more than 60% of individuals 55 or older and earning $55,889 or more, is from their own savings and investment accounts.
How much will you need varies for each person. In the early planning, professionals suggest you consider targeting 70-90% of pre-retirement income. However, many retirees report that they spend as much in retirement as they did prior to retirement.
As you get closer to retirement it's smart to do a detailed budget with your projected annual living expenses, identifying your essential expenses and discretionary.

Your Plan at a Glance

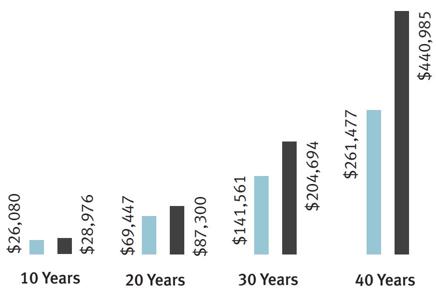
Looking for more information?

To learn more about the provisions of your Retirement Plan, please see your Summary Plan Description (SPD). You can get a copy of your SPD by contacting your benefits manager or by visiting www.retirement.prudential.com

When can I participate?	You are eligible to contribute 60 days after date of hire. You can enroll on the first of the month following your eligibility date. You are eligible for the match and employer non elective contribution after 1,000 hours from date of hire and entry is semi-annual.
How much can I contribute?	You can contribute up to 100% of your pay to your account (up to IRS limits for **2018 of $18,500**, if you are age 50 or older you can also make a **$6,000 "catch-up"** contribution).
How much does my employer contribute?	The company will make a Safe Harbor matching contribution of 100% of every $1 you contribute up to 4% of your pay. Your company may make an additional discretionary contribution.
When do I own or become "vested" in the company's contributions?	You are immediately 100% vested in your contributions and the company's Safe Harbor matching contributions. The company's additional discretionary contribution vests 25% after 2 years of service, 50% after 3 years of service, 75% after 4 years of service, and 100% after 5 years of service.
How is my account invested?	You can invest your account balance by choosing from a variety of investment funds offered through the Plan. The Plan offers funds with varying levels of risk and return potential for all types of investors.
Can I take a loan?	Yes, you can borrow up to 50% of the vested value of your account up to a maximum of $50,000 (see the Plan Loan Policy online for more details). You may have one outstanding loan at a time.
Can I access my money while I'm still working for the company?	In addition to taking a loan from your account and hardship withdrawals under limited circumstances, when you reach 59 ½ your funds are available to you and you can withdraw or roll the money into an IRA with no penalty.
Can I roll my previous 401(k) account into this plan?	Yes, your Plan can accept rollovers from other qualified plans. Contact Prudential at (877) 778-2100 or log on to your account at www.retirement.prudential.com.

The above highlights are only a brief overview of the Plan's features and are not a legally binding document. If there are discrepancies between the Plan Highlights and the Summary Plan Description and the Plan Document, the Plan Document will govern.

Benefits of participation



- $2,000 saved annually earning 7% in 28% tax bracket
- $2,000 saved annually earning 7% in tax-deferred

This is for illustrative purposes only and does not represent the performance of any particular investment vehicle. Your return will vary.

Putting your money to work choosing your investments

Once you decide to participate in the plan, you'll want to choose how to invest your savings. See the section, Choosing your investments, for more information about the investment options available in your Plan.

Before-tax contributions

Your company-sponsored retirement plan is provided to help you save for your future. When you contribute money to your account, you receive the benefit of tax-deferred contributions that can potentially increase the growth potential of your savings. First, the money you save in the plan is deducted each pay period before your income taxes are calculated. You don't pay any federal or state taxes on your contributions until you take your money out of the plan.

The advantage of tax-deferred growth

On the left is a hypothetical illustration comparing the growth of $2,000 invested in a taxable account and in a tax-deferred account and what those accounts would be worth at various points in time.

Employee contribution — Many employers will match your contributions up to a certain level (e.g., 50 cents on the dollar up to 6 percent of your salary). You typically become vested in your employer's contributions and related earnings through years of service (the details depend on the plan). Employer contributions are pre-tax and are basically free money (once you're vested), so you should try to take full advantage of them. If you fail to make contributions and receive no match, you are actually walking away from money your employer is offering to you.

Dollar cost averaging

One of the most important benefits of investing in your company-sponsored retirement plan is that you invest on a regular basis, every pay period. This is an important foundation for accumulating wealth, but also for helping to manage the ups and downs of the market.

This investment technique is referred to as dollar cost averaging. Dollar cost averaging is simply the practice of investing a specific amount of money at a regular interval. The amount you invest is constant, so you buy more shares when the price is low and fewer when the price is high. When you do this, the average cost of your shares is typically lower than the average market price per share during the period in which you are investing.

How dollar cost averaging works

Amount invested	Price per share	Number of shares purchased
$200	$10	20
$200	$8	25
$200	$9	22
$200	$10	20
$200	$12	17
$200	$9	22
Total amount invested	$1,200	
Total shares purchased	126	
Average cost per share	$9.52	

Dollar cost averaging can be an effective way to make the market's volatility work for you. While it won't ensure a profit, nor protect against losses in declining markets, it generally lowers your average cost per share while reducing your chances of investing a large amount of money during a market peak. It is a smart, sensible way to help build your retirement portfolio.

No capital gains taxes

Once money is invested in your plan, your account grows tax-deferred until you withdraw it. What does tax-deferred mean? With most savings and investment vehicles, you pay taxes on any money your investments earn each year. With your plan, you do not. For example, if you sell an investment and make a $100 profit, you may pay $15 in capital gains taxes. Further, if you earn interest or dividends on your investment, those are subject to taxes as well. Those taxes can substantially decrease the amount of your future savings. When you save and invest in your plan, you do not have to pay capital gains tax and you only pay income tax on the amount you withdraw. The end result — more money for you!

Automatic payroll deductions make saving easier

Your company's retirement plan is a perfect example of the old savings adage "Pay yourself first!" Because your savings are deducted right out of your paycheck and deposited into your account for you, you avoid the temptation to spend the money each month. All you do is decide how much of your pay you want to contribute (up to the maximums allowed under the plan), and that amount will be automatically deducted.

Where do you find the money to invest in your plan?

Trimming even a few luxuries from our lives can mean the difference between a secure retirement and a fearful one.

Who would imagine that cutting out a few little things could potentially add up to $488,704 by the time you're ready to kick back, relax and enjoy days of no work and all play!

Remember — because of the tax advantages of the plan, even contributing a small amount to your account can really add up.

Item	Frequency	Cost	Annual savings potential	Potential difference at retirement
Movie/popcorn	Once/month	$50	$600	$111,661
Coffee/latte	Once per weekday	$3.50	$910	$169,353
Download apps	Once a month	$18	$216	$40,198
Dinner out for two	Once a month	$75	$900	$167,492
Totals		**$147**	**$2,626**	**$488,704**

Assumptions: Hypothetical rate of return is 8%. All savings invested at end of year in qualified account. Taxes due upon withdrawal. Hypothetical savings over a period of 31 years. This chart provided for illustrativepurposes only and not intended to be representative of any specific investment vehicle.

Choosing your investments

Even as a conservative investor, you'll need to consider inflation.

When deciding which investments are right for you, you'll first want to decide on your asset mix, or how much of each asset class you want included in your account. That decision is entirely yours and should be based on your personal circumstances, including the amount of time you have before you'll need your money, other investments or assets you may have and your tolerance for risk. As a reminder, the more time you have to invest, the greater the risks you may be able to take because your money has time to ride out the ups and downs of the markets.

Major asset classes

Keep in mind that when you put some portion of your company-sponsored retirement plan account into different asset classes, or diversify, you spread the investment risk and strive to balance the ups and downs each asset class experiences. The more you diversify, the less your company-sponsored retirement plan account may be affected if one investment doesn't perform well. Any RBC Wealth Management investment professional will tell you that asset allocation and diversification are two keys to successful investing.

Each asset class offers a different risk level versus the expected rate of return risk can be viewed as volatility, which means large swings in price from high to low or vice versa. In other words, the riskier the investment, the greater volatility the investment is likely to experience.

Type of investment	What it invests in	Objective	Risk level
Stocks (also called equities)	Shares of ownership in a company	To grow your money over the long-term	Usually considered aggressive investments with high risk/high return potential since their value can rise and fall dramatically with changing economic and market conditions. Greatest potential for high returns
Bonds	Long-term debt obligations of corporations and the U.S. government	To provide a stream of current income	Usually considered moderate investments with moderate risk/moderate return potential. Long-term returns have been historically lower than long-term returns on stocks
Stable value investments	Short-term debt obligations of corporations and the U.S. government	To preserve the value of your money	Usually considered conservative investments with low risk/low return potential. Returns have been lower than stocks and bonds, but risk of loss is lower

Know your risk tolerance limits

Why choose a managed portfolio strategy?

- It's an easier and effective way to invest.
- It takes the guesswork out of deciding which investments to choose.
- You choose a managed strategy based on your investing style.
- Your investments are automatically rebalanced each year.

The following chart highlights key features of the different types of investors and the amount of risk each investor type can tolerate. There's no magic formula for determining your risk tolerance, but you can use the chart as a guideline to help you make the personal decision about the type of investor you are. You may find that you don't fit into any one category — in fact, very few people do.

Types of investors

Aggressive investor	Moderate investor	Conservative investor
I don't mind taking risks.	I don't mind taking some risk.	I don't like taking risks.
I won't need my money for 10 years or more.	I don't need my money for another 5 to 10 years.	I will need my money in less than five years.
My main goal is to see my investment grow over time.	My main goal is to achieve some growth while also protecting my investment.	My main goal is to protect my assets.
I would rather save less and have more by taking risks.	I don't mind saving a little more or having a little less to avoid high risk.	I would rather save more for a longer amount of time than worry about my investments.

Keeping pace with inflation

Even as a conservative investor, you'll need to consider inflation. If the value of your account increases by 2% each year and inflation rises by more than 2%, you're actually losing money. No one can predict how much inflation will be each year. But you can make one assumption — it will have a large impact on your future buying power. So even if you prefer investments with minimal volatility, at the very least your goal should be to keep pace with inflation.

Managed portfolio strategies

Consult a financial professional

Your employer has hired The Retirement Plan Advisors (RPA) of RBC Wealth Management to provide ongoing investment education to those individuals who participate, or are interested in participating, in the company's retirement plan.

You are welcomed to call RPA with questions about how the Plan works, the investment options that are available or any general wealth management questions. You can reach the Retirement Plan Advisors by calling (866) 416-9716.

Risk-based managed strategies

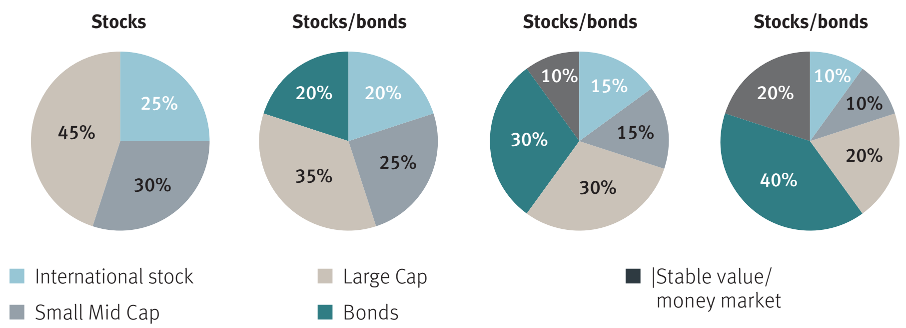
Some people would rather not venture into investing alone. They prefer to let an investment professional make the investment choices and manage their portfolio. If this is your preference, consider investing in one of the managed portfolio strategies offered by your Plan.

Managed portfolio strategies offer an easier and effective way to invest, based on your investment goals. They are designed to help you meet your financial objectives by taking the guesswork out of which investment funds to choose.

You choose your strategy based on what type of investor you are. Once you choose a strategy, your contributions are allocated among specific investment options. In addition, your fund allocations are actively monitored and automatically rebalanced annually.

Below are four sample asset allocation mixes to help you develop your own asset allocation. You can use these as the basis to create your own mix or for choosing the right managed portfolio strategy for you.

Most aggressive	Moderately aggressive	Moderate	Conservative
(generally someone with 10 or more years to invest until retirement and with high risk tolerance)	(generally someone with 5-15 years to invest until retirement)	(generally someone with 0-5 years to invest until retirement)	(generally someone in or close to retirement)



There are no additional fees or charges to invest in a managed strategy. All mutual funds have expenses as listed in their total expense ratio. Please refer to the fund prospectuses for these expenses.

Tools you'll use to access your account

Whether you're ready to enroll or to make changes to your current elections, you have two key tools available to you: the Website and the telephone voice response system (IVR):

- www.retirement.prudential.com
- Administrative Questions
- (877)-778-2100

With both tools you can:

- Check your account balances
- Make changes to your elections
- Request loans and withdrawals
- Research your investment options
- Develop your investment goals and strategy
- And much more

You will need your Social Security number and PIN to access your information.

Balances and trades are updated on the system between 6:30 p.m. and 7 p.m. Pacific Time each evening that the stock markets are open. If you enter and confirm a fund reallocation by 1 p.m. Pacific Time on any day the stock markets are open, your transfers will be traded at that day's closing share/unit prices. If you enter and confirm a fund reallocation after 1 p.m. Pacific Time, or any time on a weekend or holiday, your transfer will be traded at the close of the next business day that the stock markets are open. You should see a message indicating that your transaction has been completed after entering and confirming your elections and a confirmation will be mailed to your home address of record. Additionally, you can check online the following day to confirm that the proper changes were made.

It's true: time really is money

Increase your contribution

Once you have a contribution plan in place, consider increasing the investment amount when you get a raise or receive a bonus.

Time can be a powerful ally. The more time your savings have to grow, the more you'll be able to take advantage of the effect of compounding. Compounding occurs when the earnings on your investments generate their own earnings. It's interest on interest, and that means your account grows faster. You may not notice it in the beginning but over the years it can have big impact on the growth of your money. That is why those who start saving sooner rather than waiting tend to have a greater advantage.

Investing your savings

You will use your company-sponsored retirement plan to save and invest for your future income needs. For planning purposes, it is good to consider that even after you reach your retirement date, you can expect that you will be retired for at least 20 or possibly 30 or more years. That means investing for the long term.

We have seen our share of uncertainty over the past couple of years. And, no one knows for sure what will happen tomorrow. However, we do know that periodic market volatility is to be expected. The key to maintaining the course for your retirement savings plan is to remember that your savings are a long-term investment.

Strategic asset allocation

Deciding how to invest your retirement savings is a big decision. Creating an asset allocation strategy can help you focus your efforts more easily. Asset allocation is an approach in which you invest in different asset categories — mainly cash, fixed income, and equities. By diversifying your money across and within these asset classes, you can help minimize risk and potentially improve your overall returns.

How you allocate your assets hinges on several factors, including:

- Your financial objectives
- Time horizon
- Attitude toward risk and investing
- Belief in what the market will do in the near and long term.

The Retirement Plan Advisors

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RBC Wealth Management Retirement Plan Advisors may periodically provide information to help you manage your company-sponsored retirement plan. However, Retirement Plan Advisors is not in any way responsible for the ultimate adequacy of your retirement income. It is your responsibility to determine how much you should contribute and how to invest the money in your Plan account to ensure that you will still have enough money to meet your retirement needs. Since you will incur any gains or losses that your investment choices yield, make sure to consider your total financial picture, including any real estate investments, IRAs, pension plans, savings accounts, etc., as well as your risk tolerance, retirement time horizon and monetary needs in retirement before making any investment selections.

The information contained in this brochure has been derived from sources believed to be reliable, but is not guaranteed as to accuracy and completeness and does not purport to be a complete analysis of the material discussed. This brochure is not intended to be used as the primary bases of investment decisions. Because of the individual client requirements, it should not be construed as advice designed to meet the particular investment needs of any investor. RBC Wealth Management does not provide tax or legal advice. All decisions regarding the tax or legal implications of your investments should be made in connection with your independent tax or legal advisor. Information current as of January 2016.

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