401(k) SAFE HARBOR CONTRIBUTION NOTICE

IMPORTANT: Carefully read and consider the following information before you decide whether to start making Employee 401(k) Contributions or decide to continue or change the amount of your Employee 401(k) Contributions. To the extent that there are conflicting provisions between your Summary Plan Description (SPD) and this Notice, this Notice will control. See your Plan Administrator if you need an additional copy of the SPD.

SECTION A. PLAN INFORMATION
Plan Name: Reese & Company, Inc. 401(k) Plan **Plan Year End: 12/31**
Plan Sequence: **Plan Administrator:**

SECTION B. PLAN CONTRIBUTIONS
The contributions described below will be made to the Plan identified in Section A, above, unless your Employer indicates otherwise, and will be determined based on the definition of Compensation described in the SPD you Employer has provided to you. However, if your Employer has indicated in your SPD that there is a limit on the amount of Compensation which is taken into account under the Plan, and such limit is lower than the limit imposed by federal law ($170,000 for 2000), your Employer's limit will not apply for purposes of this notice.

Part I. Elective Deferrals – By completing a Payroll Deduction Form, you agree to make Employee 401(k) Contributions to this plan. Your Compensation will be reduced each pay period by an amount based upon the formula described in your SPD. In addition, rules regarding how and when you may make or change a deferral election are provided in your SPD. You have a minimum of 30 days from the date your receive this notice to make or change your election. Please refer to your SPD if you need additional information.

Part II. Safe Harbor Employer Contributions – Your Employer will make contributions to each participant as described below:

___ **Option 1.** A Matching Contribution in an amount equal to the sum of 100% of the portion of your Employee 401(k) Contributions which do not exceed 3% of you Compensation plus 50% of the portion of your Employee 401(k) Contributions between 3% and 5% of your Compensation. No additional Matching Contributions will be made to the Plan on your behalf.

___ **Option 2.** A Matching Contribution in an amount equal to 100% of such Contributing Participant's Elective Deferral which does not exceed 4% of such Contributing Participant's Compensation. No additional Matching Contributions will be made to the Plan on your behalf.

___ **Option 3.** A non-elective Contribution in an amount equal to 3% of your Compensation if you are eligible to make Employee 401(k) Contributions.

Part III. Other Contributions – In addition to the contributions identified above, you and your Employer may be permitted to make additional contributions to the Plan. Refer to your SPD to determine if additional contributions will be made and, if so, whether you are entitled to made or receive a portion of such contributions.

SECTION C. VESTING & DISTRIBUTIONS
You are 100% vested in safe harbor Matching Contributions and safe harbor non-elective contributions at all times. Your vested percentage in additional Matching Contributions, if any, will be determined according to the vesting provisions described in your SPD.

Safe harbor Matching Contributions and safe harbor non-elective contributions are generally treated as Employee 401(k) Contributions for purposes of determining when you may take a distribution of such contributions. However, safe harbor contributions may not be distributed on account of hardship. Refer to your SPD to determine when Employee 401(k) Contributions and, therefore, safe harbor Matching Contributions and non-elective contributions may generally be withdrawn.