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**VOLUME SUBMITTER  
ADOPTION AGREEMENT  
DEFINED BENEFIT PENSION PLAN  
(NON-INTEGRATED)**

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SAMPLE - NOT RELEASED

**VOLUME SUBMITTER  
ADOPTION AGREEMENT  
DEFINED BENEFIT PENSION PLAN  
(NON-INTEGRATED)**

The Defined Benefit Pension Plan ("the Plan") is hereby adopted by:

\_\_\_\_\_  
\_\_\_\_\_  
(the "Employer").

The Plan as applicable to the Employer shall be known as:

\_\_\_\_\_

The Trust shall be known as:

\_\_\_\_\_

- This Plan shall be funded solely by Insurance Contracts. (See Insurance Addendum)

The Plan Effective Date of the Plan and Trust is: \_\_\_/\_\_\_/\_\_\_

(The Effective Date of this Plan or Amendment may be no earlier than the first day of the Plan Year in which it is adopted.)

- a. The Plan is an amendment of a preexisting Plan which was originally effective as of: \_\_\_/\_\_\_/\_\_\_
- b. The Plan is an amendment and restatement of a preexisting Plan which was originally effective as of: \_\_\_/\_\_\_/\_\_\_
- c. Frozen Accruals:

All benefit accruals under this Plan were frozen:

- c.1. Effective: \_\_\_/\_\_\_/\_\_\_.
- c.2. For the Plan Year commencing: \_\_\_/\_\_\_/\_\_\_.

Employees were no longer permitted to enter this Plan:

- c.3. Effective: \_\_\_/\_\_\_/\_\_\_.
- c.4. For the Plan Year commencing: \_\_\_/\_\_\_/\_\_\_.

- d. This Plan and the Trust are intended to meet the requirements as a Fully Insured ("Code section 412(i)") Plan, including the requirements for the safe harbor for insurance contract plans in Section 1.401(a)(4)-3(b)(5) of the regulations. (See Article 2.7 of Plan Document #

for additional requirements and guidance.)

**NOTE:** An executed copy of any amended trust agreement must be attached to this Plan. The Plan and Trust Agreement must be read and construed together. The powers, rights, and responsibilities of the Trustee shall be those specified in the Trust Agreement.

SAMPLE - NOT RELEASED

\*\*\* CAUTION \*\*\*

FAILURE TO FILL OUT THE ADOPTION AGREEMENT PROPERLY MAY  
RESULT IN DISQUALIFICATION OF THE PLAN

**PART I.** The following identifying information pertains to the Employer and the Plan and Trust:

1. Employer Address : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ / \_\_\_\_\_
2. Employer Telephone : \_\_\_\_\_
3. Employer Tax ID : \_\_\_\_\_
4. Employer Fiscal Year : \_\_\_/\_\_\_ to \_\_\_/\_\_\_
5. Three Digit Plan Number : \_\_\_\_
6. Trust ID Number : \_\_\_\_\_
7. Plan Year : \_\_\_/\_\_\_ to \_\_\_/\_\_\_

(Must be 12 consecutive months.)

8. Short Initial Plan Year : \_\_\_/\_\_\_/\_\_\_ to \_\_\_/\_\_\_/\_\_\_
9. Plan Agent : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ / \_\_\_\_\_  
\_\_\_\_\_
10. Plan Administrator : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ / \_\_\_\_\_  
\_\_\_\_\_
11. Plan Administrator ID Number : \_\_\_\_\_
12. Plan Trustees :
13. IRS Determination Letter Date : \_\_\_/\_\_\_/\_\_\_  
(Leave blank for a new plan.)
14. IRS File Folder Number : \_\_\_\_\_

(Leave blank for a new plan.)

15. Legal Organization of Employer:

- a. Sole Proprietorship
- b. Partnership
- c. C Corporation
- d. S Corporation
- e. Limited Liability Company (LLC)
- f. Limited Liability Partnership (LLP)
- g. Not for Profit Corporation
- h. Professional Service Corporation
- i. Other - Explain \_\_\_\_\_  
(Must be a legal entity recognized under federal income tax law.)

16. Business Code : \_\_\_\_\_

(as used on Form 5500; 6 digit NAICS)

17. State of Legal Construction : \_\_\_\_\_

18. Date Business Commenced : \_\_\_\_ / \_\_\_\_ / \_\_\_\_

19. Other members of a Controlled Group or Affiliated Service Group:

(Only participating members should sign the Adoption Agreement. May check both controlled group and affiliated service group.)

Controlled Group: (List Participating Members)

Affiliated Service Group: (List Participating Members)

**PART II.** The Plan contains certain design features intended to provide the statutory requirement or most commonly adopted feature but permits the selection of alternative features. **Unless specifically provided to the contrary, only one selection may be made for each design category.** Section references are to the Plan or the Trust. All capitalized terms are defined in the Plan or Trust.

**A. Eligibility and Service Provisions**

**A1. Eligible Employees** - All Employees, including Employees of certain related businesses and Leased Employees are eligible except for certain members of a collective bargaining unit and non-resident aliens. An Employer that is a member of a controlled group or affiliated service group must adopt this Plan for its Employees to be eligible to participate in this Plan. (Select all applicable.)

- a. All Employees are eligible except members of a collective bargaining unit and non-resident aliens
- b. Include members of collective bargaining unit
- c. Include non-resident aliens
- d. Exclude Employees acquired in a section 410(b)(6)(C) transaction
- e. Exclude Highly Compensated Employees
- f. Exclude Self-Employed Individuals
- g. Exclude commissioned Employees
- h. Exclude hourly Employees
- i. Exclude salaried Employees
- j. Key Employees
- k. The following Employees: \_\_\_\_\_
- l. Exclude Employees who are not eligible for Employer-provided benefits
- m. Exclude Employees not covered by a collective bargaining agreement with the following unions:  
\_\_\_\_\_
- n. Permit one-time election not to participate pursuant to Section 2.1.6.
- o. Other - Specify: \_\_\_\_\_  
(The exclusions entered in k., m. and o. cannot result in the group of NHCEs participating under the Plan being only those NHCEs with the lowest amount of compensation and/or the shortest periods of Service and who may represent the minimum number of these Employees necessary to satisfy coverage under section 410(b) of the Code.) (Cannot discriminate in favor of Highly Compensated Employees.)

**A2. Highly Compensated Employee Determination** - Highly Compensated Employee means any Employee who: (1) was a 5-percent owner at any time during the year or the preceding year, or (2) for the preceding year had Compensation from the Employer in excess of \$80,000 (as adjusted by the Secretary pursuant to Code section 415(d)), and, if the Employer so elects, was in the Top-Paid Group for the preceding year. The Top-Paid Group Election and the Calendar Year Data Election must apply consistently to the determination years of all plans of the Employer. (Select all applicable)

- a. Plan Provision
- b. Top-Paid Group Election - Highly Compensated Employee determination limited to top 20% of Employees by pay.
- c. Calendar Year Data Election - Method for determining greater than \$80,000 in Compensation (as adjusted by the Secretary pursuant to Code section 415(d)), uses Compensation paid during the calendar year beginning with or within the Look-Back Year. (Not available for calendar year plans)

**A3. Eligibility Computation Period** - The initial Eligibility Computation Period begins on the Employment Commencement Date and ends on the anniversary thereof. The Eligibility Computation Periods subsequent to the initial Eligibility Computation Period:

- a. Continue to be based on the Employment Commencement Date.
- b. Are the Plan Years beginning with the first Plan Year commencing prior to the first anniversary of the Employment Commencement Date.

**A4. Hour of Service** - Service is credited on the basis of actual hours for which the Employee is paid or entitled to payment. In the event the Employer does not maintain records of the actual hours service credit is given on the basis of: (Select one even if records are normally maintained as a fail safe.)

- a. Days Worked - An Employee will be credited with 10 Hours of Service if he is credited with at least 1 Hour of Service during the day.
- b. Weeks Worked - An Employee will be credited with 45 Hours of Service if he is credited with at least 1 Hour of Service during the week.
- c. Semi-Monthly or Two-Week Payroll Period - An Employee will be credited with 95 Hours of Service if he is credited with at least 1 Hour of Service during the payroll period.
- d. Months Worked - An Employee will be credited with 190 Hours of Service if he is credited with at least 1 Hour of Service during the month.
- e. The Elapsed Time Method.

**A5. Service with Predecessor Employers/Prior Employers** - Service with predecessor employers is treated as service for the Employer if the Employer maintains the plan of the Predecessor Employer. In all other cases predecessor service is granted as specified below. Where applicable, identify the predecessor employer(s) and any document(s) that provide(s) for the crediting of service with such predecessor(s).

- a. No predecessor service is being granted.
- b. Service with the following entities shall be credited as service under this Plan:

\_\_\_\_\_

Service with the above entities has been determined under the terms of the following documents, if any:

\_\_\_\_\_

Service counted for (select all applicable):

- b.1. Eligibility
- b.2. Vesting
- b.3. Benefits computations

- c. Service with the following prior employers shall be credited as service under this Plan:

\_\_\_\_\_

Service counted for (select all applicable):

- c.1. Eligibility

- c.2. Vesting
- c.3. Benefits computations

Note: Service with the Predecessor Employer that exceeds the five year safe harbor amount may require a demonstration that the Years of Service with the Predecessor Employer don't result in discrimination in favor of the Highly Compensated Employees.

**A6. Eligibility Requirements (See Section 2.1.1.)** - An Employee is eligible to participate in the Plan if he satisfies the following requirements during the Eligibility Computation Period. **(Select all applicable.** Selecting more than one option means that an Employee must meet all indicated requirements for eligibility, except for option d. Option d overrides any other requirement.)

- a. No age or service required.
- b. Minimum age of \_\_\_\_ years. (Not to exceed 21. Partial years may be used.)
- c. Service requirement (select one)
  - c.1. Minimum of \_\_\_\_ Years of Service. (Cannot require more than 2 years. If 2 years is selected, must select full and immediate vesting. Use whole years only.) An Employee completes a Year of Service on the last day of the Eligibility Computation Period selected in Item A3 during which he works at least 1000 Hours of Service UNLESS you select either of the following:
    - c.1.A. \_\_\_\_ Hours of Service required (Cannot exceed 1000 hours).
    - c.1.B. An Employee shall be eligible to enter the Plan as soon as he works the required hours, not at the end of the Eligibility Computation Period.
  - c.2. Minimum of \_\_\_\_ months of service - use Elapsed Time Method. (Cannot require more than 24 months. If more than 12 months is selected, must select full and immediate vesting. An Employee cannot be required to complete any specified number of Hours of Service.)
  - c.3. Minimum of \_\_\_\_ months (Cannot require more than 12 months) of service in which the Employee is credited with \_\_\_\_ Hours of Service in each month, but in no event will the Employee be required to complete more than One Year of Service as defined in Part 1 Article 2.
- d. Employed on \_\_\_\_/\_\_\_\_/\_\_\_\_. Select either or both of the following if Employees must also meet the eligibility requirements selected above:
  - d.1. Age requirement
  - d.2. Service requirement (If not selected, part-time Employees will enter the Plan.)

Employees who meet these requirements shall enter the Plan as of:

- d.3. \_\_\_\_/\_\_\_\_/\_\_\_\_.
- d.4. The Effective Date of this document.
- d.5. The next Plan Entry Date.

**A7. Break in Service** - A Break in Service occurs if an Employee fails to complete more than 500 Hours of Service during the applicable computation period unless a lesser number is specified. This provision will



apply UNLESS you select one of the following:

- a. A Break in Service will occur if the Employee fails to complete more than \_\_\_\_ (not to exceed 500) Hours of Service.
- b. Break occurs after a one year period of severance under the Elapsed Time Method.

*NOTE: A Year of Service and a Break in Service must be measured on the same computation period. A Break in Service for vesting purposes must use the same computation period used to determine a Year of Vesting Service.*

**A8. Entry Date** - Section 2.1.2 provides that an Employee who satisfies the eligibility requirements enters the Plan on the Entry Date. The Entry Date is:

- a. **Semiannual** - First Entry Date: \_\_\_\_/\_\_\_\_ or the date 6 months later, coincident with or next following satisfaction of the eligibility requirements.
- b. **Quarterly** - First Entry Date: \_\_\_\_/\_\_\_\_ and the same day of the month occurring in each successive 3 month period, coincident with or next following satisfaction of the eligibility requirements.
- c. **Monthly** - The \_\_\_\_\_ day of each calendar month of the Plan Year, coincident with or next following satisfaction of the eligibility requirements.
- d. **First** day of next Plan Year coincident with or next following satisfaction of the eligibility requirements, but in no event later than \_\_\_\_ months (not to exceed 6) after satisfaction of the requirements.
- e. **First** day of the next Plan Year after satisfaction of the eligibility requirements, but in no event later than \_\_\_\_ months (not to exceed 6) after satisfaction of the requirements.
- f. **First** day of the \_\_\_\_\_ month (not more than 6) after satisfaction of the eligibility requirements, but in no event later than the first day of the next Plan Year.
- g. The \_\_\_\_\_ day of the Plan Year in which the eligibility requirements are satisfied. (If "last" is used, eligibility requirements, item A.6. above, cannot exceed 6 months of service and age 20½.).
- h. **First** day of the Plan Year nearest to the date the eligibility requirements are satisfied.
- i. **First** day of the Plan Year coincident with or next following the date the eligibility requirements are satisfied, but in no event later than 6 months after satisfying the eligibility requirements.
- j. **First** day of the Plan Year coincident with or next following the satisfaction of the eligibility requirements. (Eligibility requirements, item A.6. above, cannot exceed 6 months of service and age 20½.).
- k. **Anniversary** Date coincident with or next following the satisfaction of the eligibility requirements but in no event later than the first day of the next Plan Year or 6 months after satisfying the eligibility requirements.
- l. **Anniversary** Date of the Plan Year in which the eligibility requirements are satisfied, but in no event later than 6 months after satisfying the eligibility requirements.
- m. **Date** of satisfaction of the eligibility requirements.

**A9. Fail Safe Accrual**: - Pursuant to Section 2.2.5 the Employer:

- a. elects to provide "Fail Safe" accruals for certain Employees not otherwise eligible for an accrual if the Plan stands to fail section 401(a)(26) of the Code or section 410(b)(1) of the Code.
- b. does not utilize any "Fail Safe" provisions.

**B. Date Provisions**

**B1. Anniversary Date** - Part 1 Article 2 provides that the Anniversary Date is the last day of the Plan Year unless another date is specified.

- a. Plan Provision - Last day of the Plan Year
- b. The first day of the Plan Year
- c. Other - Specify: \_\_\_\_\_

(Must be at least annually.)

**B2. Normal Retirement Age** - For each Participant the Normal Retirement Age is:

- a. Statutory: The later of age 65 or the 5th anniversary of participation in the Plan. For this purpose only, participation is assumed to commence as of the first day of the first Plan Year in which the Employee became a Participant.
- b. Age \_\_\_\_ (not to exceed 65). If the age selected is less than 55 or less than the earliest retirement age that is reasonably representative of the typical retirement age for the industry in which the Plan Participants work, then, effective May 22, 2007, the Normal Retirement Age shall be changed to the following later age:

- b.1. age \_\_\_\_ (not less than 55). (The age selected must not be earlier than the earliest retirement age that is reasonably representative of the typical retirement age for the industry in which the Plan Participants work. Age 62 or older automatically meets this requirement.)

If b.1. is also checked, the effective date of the change to the Normal Retirement Age is \_\_\_\_/\_\_\_\_/\_\_\_\_. (Specify a date between May 22, 2007, and the first day of the first Plan Year beginning after June 30, 2008.)

- c. the later of:
  - c.1. age \_\_\_\_ (not to exceed 65), or
  - c.2. the \_\_\_\_\_ (not to exceed 5th) anniversary of the participation commencement date. If, for Plan Years beginning before January 1, 1988, Normal Retirement Age was determined with reference to the anniversary of the participation commencement date (more than 5 but not to exceed 10 years), the anniversary date for Participants who first commenced participation under the Plan before the first Plan Year beginning on or after January 1, 1988, shall be the earlier of (A) the tenth anniversary of the date the Participant commenced participation in the Plan (or such anniversary as had been elected by the Employer, if less than 10) or (B) the fifth anniversary of the first day of the first Plan Year beginning on or after January 1, 1988. The participation commencement date is the first day of the first Plan Year in which the Participant commenced participation in the Plan.

If the age selected in c.1. is less than 55 or less than the earliest retirement age that is reasonably representative of the typical retirement age for the industry in which the Plan Participants work, then, effective as of the date specified below, the Normal Retirement Age shall be changed to the following later age:

- c.3. the later of:

- c.3.i. age \_\_\_\_ (not less than 55). (The age selected must not be earlier than the earliest retirement age that is reasonably representative of the typical retirement age for the industry in which the Plan Participants work. Age 62 or older automatically meets this requirement.), or
- c.3.ii. the \_\_\_\_\_ (not to exceed 5th) anniversary of the participation commencement date. If, for Plan Years beginning before January 1, 1988, Normal Retirement Age was determined with reference to the anniversary of the participation commencement date (more than 5 but not to exceed 10 years), the anniversary date for Participants who first commenced participation under the Plan before the first Plan Year beginning on or after January 1, 1988, shall be the earlier of (A) the tenth anniversary of the date the Participant commenced participation in the Plan (or such anniversary as had been elected by the Employer, if less than 10) or (B) the fifth anniversary of the first day of the first Plan Year beginning on or after January 1, 1988. The participation commencement date is the first day of the first Plan Year in which the Participant commenced participation in the Plan.

If c.3. is also checked, the effective date of the change to the Normal Retirement Age is \_\_\_\_/\_\_\_\_/\_\_\_\_. (Specify a date between May 22, 2007, and the first day of the first Plan Year beginning after June 30, 2008.)

NOTE: If the age selected in d. through j. is greater than 55 but less than 62 then it may not be less than the earliest retirement age that is reasonably representative of the typical retirement age for the industry in which the Plan Participants work, and in no event may it be earlier than age 55.

- d. Age \_\_\_\_ and \_\_\_\_ Years of Service but in no event later than the later of age 65 or the 5th anniversary of participation.
- e. Age \_\_\_\_ and \_\_\_\_ Years of Service while a Participant, but in no event later than the later of age 65 or the 5th anniversary of participation.
- f. Sum of age and Years of Service equals \_\_\_\_, but in no event later than the later of age 65 or the 5th anniversary of participation.
- g. Sum of age and Years of Participation equal \_\_\_\_, but in no event later than the later of age 65 or the 5th anniversary of participation.
- h. Age \_\_\_\_ and the \_\_\_\_\_ anniversary of employment, but in no event later than the later of age 65 or the 5th anniversary of participation.
- i. Age \_\_\_\_ and the \_\_\_\_\_ anniversary of actual participation in the Plan, but in no event later than the later of age 65 or the 5th anniversary of participation.
- j. Other - Specify: \_\_\_\_\_, but in no event later than the later of age 65 or the 5th anniversary of participation. (Cannot discriminate in favor of Highly Compensated Employees.)

**B3. Normal Retirement Date - The Normal Retirement Date is:**

- a. The actual date Normal Retirement Age is attained.
- b. The first day of the month in which Normal Retirement Age is attained.
- c. The first day of the month nearest the date Normal Retirement Age is attained.
- d. The first day of the month coincident with or next following the date Normal Retirement Age is attained.
- e. Anniversary Date of the Plan Year in which Normal Retirement Age is attained.
- f. Anniversary Date nearest the date Normal Retirement Age is attained.

- g. Anniversary Date coincident with or next following the date Normal Retirement Age is attained.
- h. Anniversary Date coincident with or next preceding the date Normal Retirement Age is attained.
- i. The last day of the month in which Normal Retirement Age is attained.
- j. The last day of the month nearest the date Normal Retirement Age is attained.
- k. The last day of the month coincident with or next following the date Normal Retirement Age is attained.

**B4. Early Retirement Age** - For each Participant the Early Retirement Age is: (Select all applicable. If more than one option is selected, Early Retirement Age is attained on the first date the requirements of any option are met.) (Must be less than Normal Retirement Age)

- a. The Plan does not provide an Early Retirement Age. (Skip Question B5)
- b. Age \_\_\_\_ (not to exceed 65).
- c. Age \_\_\_\_ and \_\_\_\_ Years of Service.
- d. Age \_\_\_\_ and \_\_\_\_ Years of Service while a Participant.
- e. \_\_\_\_ years prior to the Normal Retirement Age.
- f. Sum of age and Years of Service equals \_\_\_\_.
- g. Sum of age and Years of Participation equals \_\_\_\_.
- h. Age \_\_\_\_ and the \_\_\_\_ anniversary of employment.
- i. Age \_\_\_\_ and the \_\_\_\_ anniversary of actual participation in the Plan.

**B5. Early Retirement Date** - The Early Retirement Date is:

- a. The actual date Early Retirement Age is attained.
- b. The first day of the month in which the Early Retirement Age is attained.
- c. The first day of the month nearest the date Early Retirement Age is attained.
- d. The first day of the month coincident with or next following the date Early Retirement Age is attained.
- e. Anniversary Date of the Plan Year in which the Early Retirement Age is attained.
- f. Anniversary Date nearest the date Early Retirement Age is attained.
- g. Anniversary Date coincident with or next following the date Early Retirement Age is attained.
- h. Anniversary Date coincident with or next preceding the date Early Retirement Age is attained.
- i. The last day of the month in which the Early Retirement Age is attained.
- j. The last day of the month nearest the date Early Retirement Age is attained.
- k. The last day of the month coincident with or next following the date Early Retirement Age is attained.

**B6. Disability Retirement Date** - The date the Participant shall begin to receive Disability Benefits under the Plan:

- a. The Plan does not provide Disability Benefits.
- b. The Participant's actual date of disability, as determined by the Plan Administrator, in a uniform and nondiscriminatory manner.
- c. \_\_\_\_ months after the Participant's actual date of disability, as determined by the Plan Administrator, in a uniform and nondiscriminatory manner. (Must be 12 months or less.)
- d. The date the Participant begins receipt of payments:

- d.1. under the Long Term Disability (LTD) Program maintained by the Employer.
- d.2. Social Security disability benefits
  
- e. The date the Participant ceases receipt of Long Term Disability (LTD) payments; provided, he is not actively employed by the Employer
- f. The date the Participant is determined to be disabled by:
  - f.1. Plan Administrator
  - f.2. Social Security Administration
  
- g. The later of the date the Participant is determined by the Social Security Administration to be disabled and \_\_\_\_ months after the Participant's actual date of disability, as determined by the Plan Administrator, in a uniform and nondiscriminatory manner. (Must be 12 months or less.)
- h. The earlier of the date the Participant is determined by the Social Security Administration to be disabled and \_\_\_\_ months after the Participant's actual date of disability, as determined by the Plan Administrator, in a uniform and nondiscriminatory manner. (Must be 12 months or less.)
- i. The Participant's Normal Retirement Date.
- j. The Participant's Early Retirement Date.

**B7. Limitation Year** - The Limitation Year for purposes of the limitation imposed by Code section 415 is the Plan Year.

- a. Plan Provision - Plan Year
- b. Calendar year coinciding with or ending within the Plan Year
- c. Twelve consecutive month period ending \_\_\_\_/\_\_\_\_.
- d. Employer Fiscal Year ending with or within the Plan Year. Employer Fiscal Year ends: \_\_\_\_/\_\_\_\_.

**C. Compensation**

**C1. Compensation** - For purposes of the Plan, a Participant's Compensation is based on the Compensation Computation Period and shall be equal to: (Select a., b. or c., and any applicable inclusions or exclusions)

- a. Compensation as defined for Wages, Tips and other Compensation Box on Form W-2. (Plan Section 3.1.2(d)(3)(i)) (Must include or exclude all of a.2. through a.7. for section 414(s) safe harbor compensation.)

Include: (Select either a.1. or any combination of a.2. through a.7)

- a.1. All of the items listed in a.2 through a.7
- a.2. 402(h)(1)(B) (SEP deferrals)
- a.3. 125 (Cafeteria Plan)
- a.4. 132(f)(4) (Transportation)
- a.5. Deemed Section 125 Compensation
- a.6. 402(e)(3) (401(k) and 403(b) deferrals)
- a.7. 457(b) deferrals

- b. Compensation as defined in Code section 3401(a) excluding all deferrals below unless elected otherwise. (Plan Section 3.1.2(d)(3)(ii)) (Must include or exclude all of b.2. through b.7. for section 414(s) safe harbor compensation.)

Include: (Select either b.1. or any combination of b.2. through b.7)

- b.1. All of the items listed in b.2. through b.7
- b.2. 402(h)(1)(B) (SEP deferrals)
- b.3. 125 (Cafeteria Plan)
- b.4. Deemed Section 125 Compensation
- b.5. 132(f)(4) (Transportation)
- b.6. 402(e)(3) (401(k) and 403(b) deferrals)
- b.7. 457(b) deferrals

- c. Compensation as defined in Code section 415(c)(3). (Plan Section 3.1.2(d)(3)(iii)) (Must include or exclude all of c.2. through c.7. for section 414(s) safe harbor compensation.)

Exclude: (Select either c.1. or any combination of c.2. through c.7)

- c.1. All of the items listed in c.2. through c.7
- c.2. 402(h)(1)(B) (SEP deferrals)
- c.3. 125 (Cafeteria Plan)
- c.4. Deemed Section 125 Compensation
- c.5. 132(f)(4) (Transportation)
- c.6. 402(e)(3) (401(k) and 403(b) deferrals)
- c.7. 457(b) deferrals

If 415 Safe Harbor Compensation is selected,

c.8. Exclude amounts received by a Participant pursuant to a nonqualified unfunded deferred compensation plan shall be considered Compensation in the year the amounts are actually received. Such amounts may be considered Compensation only to the extent includible in gross income.

**C2. Modifications to Compensation** - For purposes of the Plan, unless defined elsewhere, a Participant's Compensation shall (No exclusions permitted for section 414(s) safe harbor compensation.):

Exclude compensation that is:

- a. overtime
  - b. commissions
  - c. discretionary bonuses
  - d. bonuses
  - e. taxable employee benefits
  - f. in excess of \$ \_\_\_\_\_
  - g. other exclusion - Specify: \_\_\_\_\_.
- (Cannot discriminate in favor of Highly Compensated Employees.)

**C3. Compensation Limits** - Effective Date of Increase in section 401(a)(17) Limit. In determining Benefit Accruals in Plan Years beginning after December 31, 2001, the annual Compensation taken into account for determination periods beginning before January 1, 2002, shall be limited to: (Select one)

- a. \$200,000
- b. \$150,000 for any determination period beginning in 1996 or earlier; \$160,000 for any determination period beginning in 1997, 1998, or 1999; and \$170,000 for any determination period beginning in 2000 or 2001.

**C4. Compensation shall be measured over:**

- a. The current Plan Year
- b. The Limitation Year
- c. The calendar year ending with or within the Plan Year
- d. The prior Plan Year
- e. The twelve consecutive month period \_\_\_/\_\_\_ to \_\_\_/\_\_\_ ending with or within the Plan Year. (For Employees whose date of hire is less than 12 months before the end of the 12-month period designated, Compensation will be determined over the Plan Year)

**C5. Compensation for initial Plan Year of Participation:**

- a. from Entry Date as a Participant
- b. for the full 12 month period ending in the initial year of participation

**C6. Average Compensation** - Select all applicable:

- a. Average Annual Compensation

- b. Average Monthly Compensation

is based upon the compensation which yields the highest average received during:

- c. Plan Provision - the 3 consecutive Years of Service while a Participant  
 d. any \_\_\_ consecutive years (minimum of 3)  
 e. \_\_\_ consecutive years (minimum of 3) of the last \_\_\_ years  
 f. the final \_\_\_ years (minimum of 3)  
 g. all years (career average)  
 h. annual (current) Compensation (Applies only to Accumulation Plans.)

**C7. Counting for Average Annual (or Monthly) Compensation - Include compensation received during:**

- a. Years of Service  
 b. Years of Service while a Participant

Exclude compensation received: (Select all applicable.)

- c. In the year Normal Retirement Age is attained  
 d. In the year Normal Retirement Age is attained and the \_\_\_ years prior to the year of Normal Retirement Age (Must be at least 3 consecutive years)  
 e. In a year in which the Participant fails to earn a Year of Credited Service  
 f. In a year in which a Break in Service occurs with respect to benefit accrual purposes for a Participant  
 g. In the year of Participant's termination  
 h. In the year of Plan termination  
 i. Not applicable

**C8. Compensation for Sections 415 and 416 of the Code - Compensation for purposes of a Participant's Defined Benefit Compensation Limitation used in determining his Maximum Permissible Benefit and his Highest Average Compensation used in determining the Minimum Top-Heavy Retirement Benefit (based upon the Limitation Year):**

- a. Compensation as defined for Wages, Tips and other Compensation Box on Form W-2.  
 b. Compensation as defined in section 3401(a) of the Code.  
 c. Compensation as defined in section 415(c)(3) of the Code.

Deemed Section 125 Compensation

- d. Include Deemed Section 125 Compensation for purposes of the definition of Compensation.  
 e. Exclude Deemed Section 125 Compensation for purposes of the definition of Compensation.

A Participant's Highest Average Compensation for Top-Heavy purposes shall be based on:

- f. Highest consecutive \_\_\_ (not to exceed 5) years



- g. Average of Top-Heavy years only
- h. Compensation for all years with the Employer

**C9. Post Severance Compensation:**

- a. Early application of post-severance compensation rules before July 1, 2007. Apply the Plan's rules regarding certain post-severance compensation in the definition of Compensation to Limitation Years beginning after \_\_\_/\_\_\_/\_\_\_\_.
- b. Exclude Post-severance compensation payments for unused accrued bona fide sick, vacation, or other leave, but only if the Employee would have been able to use the leave if employment had continued.
- c. Include Compensation for the Limitation Year, provided the amounts are paid during the first few weeks of the next Limitation Year, the amounts are included on a uniform and consistent basis with respect to all similarly situated employees, and no compensation is included in more than one Limitation Year.
- d. Exclude Compensation paid to an individual who does not currently perform services for the Employer by reason of Qualified Military Service to the extent these payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the Employer rather than entering Qualified Military Service.
- e. Include any Participant who is permanently and totally disabled. (Check this box only if salary continuation applies to all Participants who are permanently and totally disabled for a fixed or determinable period.)
- f. Include Compensation paid any permanently and totally disabled Participant who, immediately before becoming so disabled, was not a Highly Compensated Employee.
- g. Compensation shall not include amounts paid as compensation to nonresident aliens who do not participate in the plan to the extent the compensation is excludable from gross income and not effectively connected with a U.S. trade or business.

**D. Normal Retirement Benefits**

**D1. Normal Form of Benefit:** The benefits determined in this Section are payable at Normal Retirement Date as a:

- a. life annuity
- b. if married, joint and \_\_\_\_\_% survivor annuity (50% to 100%) with spouse as beneficiary, if single:
  - b.1. life annuity
  - b.2. joint and survivor annuity assuming spouse is same age as Participant
  - b.3. life annuity guaranteed for \_\_\_ year (not to exceed 20)
- c. joint and \_\_\_\_\_% survivor annuity (50% to 100%) with any beneficiary
- d. life annuity with a certain period of \_\_\_ years (not to exceed 20)

**D2. Total Monthly Benefit:**

- a. the monthly benefit determined under the formula selected below
- b. the greater of the Participant's Adjusted Frozen Accrued Benefit and the monthly benefit determined under the benefit formula selected below, based on total Years of Credited Service (Formula "with wear away")
- c. the sum of the Participant's Adjusted Frozen Accrued Benefit and the monthly benefit determined under the benefit formula selected below, based on Years of Credited Service earned after the Fresh Start Date (Formula "without wear away")
- d. the greater of (i) the monthly benefit determined under the benefit formula selected below, based on total Years of Credited Service, and (ii) the sum of Participant's Adjusted Frozen Accrued Benefit and the monthly benefit determined under the benefit formula selected below, based on Years of Credited Service earned after the Fresh Start Date (Formula "with extended wear way")
- e. the monthly benefit, as selected above, offset by the monthly benefit provided by:
  - e.1. defined benefit plan (Specify name of plan.)

\_\_\_\_\_.

- e.2. defined contribution plan. (Specify name of plan.)

\_\_\_\_\_.

*NOTE: The offset from a defined contribution plan is the account balance converted to the Normal Form of Benefit payable at Normal Retirement Date (or attained age, if later) using the actuarial assumptions of this Plan. Vesting percentages must be applied to both plans before the offset is applied.*

**D3. Benefit Formulas:** Each benefit formula alternative must provide meaningful benefits within the meaning of IRC 401(a)(26).

a. Fixed Benefit

a.1. \_\_\_\_\_% of the Participant's Average Annual/Monthly Compensation reduced pro-rata for less than \_\_\_\_ Years of Credited Service

a.2. \$\_\_\_\_\_ reduced pro-rata for less than \_\_\_\_ Years of Credited Service

*Note: Plans intending to meet a Code Section 401(a)(4) safe harbor must enter a number not less than 25.*

b. Unit Benefit

b.1. \_\_\_\_\_% of the Participant's Average Annual/Monthly Compensation multiplied by the Participant's Years of Credited Service, limited to a maximum of \_\_\_\_

b.2. \$\_\_\_\_\_ multiplied by the Participant's Years of Credited Service, limited to a maximum of \_\_\_\_

*Note: Plans intending to meet a Code Section 401(a)(4) safe harbor must enter a number not less than 25 if the fractional accrual rule is selected in D.9.a.*

c. Unit Benefit for Past and Future Service

c.1. \_\_\_\_\_% of the Participant's Average Annual/Monthly Compensation multiplied by the Participant's Years of Credited Service prior to \_\_\_/\_\_\_/\_\_\_\_, limited to a maximum of \_\_\_\_

PLUS

\_\_\_\_\_% of the Participant's Average Annual/Monthly Compensation multiplied by the Participant's Years of Credited Service subsequent to \_\_\_/\_\_\_/\_\_\_\_, limited to a maximum of \_\_\_\_.

c.2. \$\_\_\_\_\_ multiplied by the Participant's Years of Credited Service prior to \_\_\_/\_\_\_/\_\_\_\_, limited to a maximum of \_\_\_\_

PLUS

\$\_\_\_\_\_ multiplied by the Participant's Years of Credited Service after such date and prior to \_\_\_/\_\_\_/\_\_\_\_, limited to a maximum of \_\_\_\_.

PLUS

\$\_\_\_\_\_ multiplied by the Participant's Years of Credited Service after such date and prior to \_\_\_/\_\_\_/\_\_\_\_, limited to a maximum of \_\_\_\_.

PLUS

\$\_\_\_\_\_ multiplied by the Participant's Years of Credited Service after such date, limited to a maximum of \_\_\_\_.

*Note: Plans intending to meet a Code Section 401(a)(4) safe harbor must enter numbers such that the sum is not less than 25. In addition, if an overall maximum years is selected in D.8. the years will be allocated such that the maximum benefit results.*

d. Graded Unit Benefit

d.1. \_\_\_\_\_% of the Participant's Average Annual/Monthly Compensation for the first \_\_\_\_ Years of Credited Service,

PLUS

d.2. \_\_\_\_\_% of the Participant's Average Annual/Monthly Compensation for the Participant's next \_\_\_\_ Years of Credited Service,

PLUS

d.3. \_\_\_\_\_% of the Participant's Average Annual/Monthly Compensation for the Participant's next \_\_\_\_ Years of Credited Service,

PLUS

d.4. \_\_\_\_\_% of the Participant's Average Annual/Monthly Compensation for the Participant's Years of Credited Service in excess of \_\_\_\_, limited to a maximum of \_\_\_\_.

*NOTE: The percentages specified in d.1, d.2, d.3 or d.4 cannot exceed 133 1/3% of any earlier percentage*

*Note: Plans intending to meet a Code Section 401(a)(4) safe harbor must enter numbers such that the sum is not less than 25.*

e. Accumulation Plans (The formula below defines a Participant's annual accrual. The benefit at retirement is the sum of these accruals for each year until actual retirement.)

e.1. \_\_\_\_\_% of the Participant's Average Annual/Monthly Compensation

e.2. \$ \_\_\_\_\_

Formulas By Class

f. A percentage of Average  Annual  Monthly Compensation multiplied by Years of Credited Service based on the table below:

Employee Classification	Benefit Percentage	Description of Classification
-------------------------	--------------------	-------------------------------

A \_\_\_\_\_% \_\_\_\_\_

B	_____	%	_____
C	_____	%	_____
D	_____	%	_____
E	_____	%	_____
F	_____	%	_____
G	_____	%	_____
H	_____	%	_____
I	_____	%	_____
J	_____	%	_____

NOTE: This arrangement must satisfy IRS section 401(a)(26) including the meaningful benefit requirement of Treasury Regulation 1.401(a)(26)-3(c)(2).

- g. A dollar amount multiplied by Years of Credited Service based on the table below:

Employee Classification	Dollar Amount	Description of Classification
A	\$ _____	_____
B	\$ _____	_____
C	\$ _____	_____
D	\$ _____	_____
E	\$ _____	_____
F	\$ _____	_____
G	\$ _____	_____
H	\$ _____	_____
I	\$ _____	_____
J	\$ _____	_____

NOTE: This arrangement must satisfy IRS section 401(a)(26) including the meaningful benefit requirement of Treasury Regulation 1.401(a)(26)-3(c)(2).

- h. Accumulation Plan: The sum of a percentage of each Participants Average  Annual  Monthly Compensation multiplied by Years of Credited Service, such percentage based on the Participant's classification.

Employee Classification	Benefit Percentage	Description of Classification
A	_____ %	_____
B	_____ %	_____
C	_____ %	_____
D	_____ %	_____
E	_____ %	_____
F	_____ %	_____
G	_____ %	_____
H	_____ %	_____
I	_____ %	_____
J	_____ %	_____

NOTE: This arrangement must satisfy IRS section 401(a)(26) including the meaningful benefit requirement of Treasury Regulation 1.401(a)(26)-3(c)(2).

**D4. Fresh Start Dates:** - A Fresh Start Date is the date upon which benefits are frozen under the prior Plan provisions and begin accruing under the new Plan provisions. A Fresh Start Date may occur for the following reasons:

- a. The Plan does not have a Fresh Start Date.
- b. Plan Amendments. The Employer may establish a Fresh Start Date at anytime; provided that all Participants of the Plan with at least one Hour of Service after the Fresh Start Date are covered, or the group so covered does not discriminate in favor of Highly Compensated Employees. Such Fresh Start Date is the last day of the Plan Year preceding an amendment changing the benefit formula under the Plan (or any of its components such as the definition of Compensation) is effective.

The latest Fresh Start Date of the Plan is used in the benefit formula above and is:  
\_\_\_\_/\_\_\_\_/\_\_\_\_.

- c. Section 401(a)(17) Participants. A Fresh Start Date exists for all Participants whose Accrued Benefit was based on Compensation that met the requirements of Code section 401(a)(17) until a change in the law. There are two possible Fresh Start Dates: one with respect to the Tax Reform Act of 1986 (TRA '86) and the other with respect to the Omnibus Budget Reconciliation Act of 1993 (OBRA '93.)

c.1. TRA '86 Fresh Start Date \_\_\_\_/\_\_\_\_/\_\_\_\_. (Must be the last day of the Plan Year beginning in 1988, 1989, 1990, 1991, 1992, or 1993.)

c.2. OBRA '93 Fresh Start Date \_\_\_\_/\_\_\_\_/\_\_\_\_. (Must be the last day of the Plan Year beginning in 1993.)

- d. Members of an acquired group of employees. A Fresh Start Date exists as of the effective date of a transaction acquiring a group of employees from another employer by means of a stock or asset acquisition, merger, or other similar transaction. List any acquired groups and their Fresh Start Dates below:

Fresh Start Date: \_\_\_\_/\_\_\_\_/\_\_\_\_. Acquired group:  
\_\_\_\_\_.

Fresh Start Date: \_\_\_\_/\_\_\_\_/\_\_\_\_. Acquired group:  
\_\_\_\_\_.

- e. Employees with a Frozen Accrued Benefit from another plan of the Employer. A Fresh Start Date exists with regard to any Frozen Accrued Benefits from another plan of the Employer if those benefits were determined under a benefit formula different than the formula under this Plan and if both the assets and liabilities were transferred from the other plan. Such Fresh Start Date is the date that the Employees begin accruing benefits under this Plan.

Fresh Start Date: \_\_\_\_/\_\_\_\_/\_\_\_\_. Employee group:  
\_\_\_\_\_.

Fresh Start Date: \_\_\_\_/\_\_\_\_/\_\_\_\_. Employee group:  
\_\_\_\_\_.

**D5. Adjusted Frozen Accrued Benefit:** - An Employee's Adjusted Frozen Accrued Benefit equals his Frozen Accrued Benefit as of the applicable Fresh Start Date, as adjusted below.

- a. Other than Section 401(a)(17) Participants.
  - a.1. No adjustment.
  - a.2. Fraction based on old compensation definition
  - a.3. Fraction based on new compensation definition
  - a.4. Fraction based on reconstructed compensation as of the following Plan Year: (cannot precede the Fresh Start Date)
    - a.4.1. 1989
    - a.4.2. 1990
    - a.4.3. 1991
    - a.4.4. 1992
    - a.4.5. 1993
    - a.4.6. 1994
  - a.5. Substitute new compensation in old formula
- b. Section 401(a)(17) Participants
  - b.1. No adjustment
  - b.2. OBRA '94 Frozen Accrued Benefit based on total service
  - b.3. OBRA '94 Frozen Benefit based on service after TRA '86 Frozen Benefit Fresh Start Date
- c. The adjustments above are subject to the following limitations (Only applicable if a.1 and b.1. are not selected.)
  - c.1. No limits
  - c.2. Limited to \_\_\_\_\_% of the otherwise permitted adjustment. (No more than 100%)
  - c.3. Limited to \_\_\_\_\_% of the Participant's Frozen Accrued Benefit (No more than 100%)
  - c.4. May not exceed the greater of the Participant's Frozen Accrued Benefit, or \$ \_\_\_\_\_

**D6. Years of Credited Service:** The 12 consecutive month period used to determine if a Participant earns service for benefit accrual purposes is:

- a. the Plan Year.
- b. the Eligibility Computation Period.
- c. the 12 month period ending on the employment anniversary date.
- d. the calendar year ending in the Plan Year

Unless specified below, a Year of Credited Service is granted for each period selected above in which the Participant earns 1000 Hours of Service.

- e. Plan Provision - use 1000 hours
- f. \_\_\_\_\_ Hours of Service (not to exceed 1000) for each year.

- g. \_\_\_\_ Hours of Service (not to exceed 2000) for each year, and a pro-rata year if less Hours are earned.
- h. \_\_\_\_ Hours of Service (not to exceed 2000) for each year, and a pro-rata year if less Hours are earned; provided, at least \_\_\_\_ Hours of Service (not to exceed 1000) are earned.
- i. Elapsed Time Method of Part 1 Article 2.
  - i.1. exact dates.
  - i.2. credit full month for each calendar month in which at least one Hour of Service is earned.

Unless specified below, a Break in Service for benefit accrual purposes is a year (measured on the period specified above) in which a Participant fails to complete more than 500 Hours of Service.

- j. Plan Provision - Break if less than 501 Hours of Service.
- k. A Break in Service will occur if the Employee fails to complete more than \_\_\_\_ (not to exceed 500) Hours of Service.
- l. Elapsed Time Method shall substitute one of the following in lieu of an Hours of Service requirement:
  - l.1. \_\_\_\_ consecutive calendar days (not to exceed 91)
  - l.2. \_\_\_\_ consecutive calendar months (not to exceed 3)

**D7. Limits on Credited Service:** Plans which select formula c. or d. in Section D.2. will exclude Credited Service prior to the Fresh Start Date in the formula without wear away. Select below any other restrictions.

- a. include all years with the Employer
- b. include years while a Participant
- c. disregard years prior to \_\_\_\_/\_\_\_\_/\_\_\_\_
- d. for D.3.c formulas only, disregard years in excess of \_\_\_\_

*Note: Plans intending to meet a Code section 401(a)(4) safe harbor must exclude years prior to five years before the effective date of the benefit formula and cannot limit the number of years to less than 25.*

*Note: Code Section 412(i) Plans may not select option a, unless the Plan was in effect on September 19, 1991. See additional restrictions in Article 7 of Basic Plan Document #.*

**D8. Benefit Accrual Rules:**

- a. Fractional Rule based upon:
  - a.1. all years with the Employer
  - a.2. years while a Participant
  - a.3. disregard years prior to \_\_\_\_/\_\_\_\_/\_\_\_\_
  - a.4. disregard years in excess of \_\_\_\_

*Note: Plans intending to meet a Code section 401(a)(4) safe harbor must select the same option(s) as*



D.8., and, if a.4. is selected, enter the same number of years entered in D.6 (fixed benefit plans) or D.3. (unit benefit plans.)

Note: Plans using formula c. or d. in Section D.2. will limit years in the numerator (but not the denominator) to those after the Fresh Start Date in the formula without wear away.

- b. 133 1/3%/Unit Credit Rule
- c. 3% Rule based upon years while a Participant, limited to a maximum of 33 1/3

Note: Plans using formula c. or d. in Section D.2. will apply this option using years while a Participant after the Fresh Start Date in the formula without wear away.

- d. Code Section 412(i) Plan - The cash surrender value of the annuity policy purchased for the Participant (Must Select d.1 or d.2)
  - d.1. Increases in a Participant's benefit due to a change in Compensation shall be recognized as of each Anniversary Date, but decreases shall not be recognized until such decrease has been in effect for period selected below:
    - d.1.A. One Year
    - d.1.B. Two years.
  - d.2. Changes in a Participant's benefit due to a change in Compensation shall be recognized as of each Anniversary Date.

Note: See Article 2.7 of Basic Plan Document # for additional requirements these plans must satisfy.

- e. Accumulation plan - sum of the individual accruals each year

**D9. Limitations on Benefits:**

- a. In addition to any Top-Heavy benefits, the minimum monthly -
  - a.1. not applicable
  - a.2. benefit at retirement is \$\_\_\_\_\_ (Not in excess of the defined benefit dollar limit/12)
  - a.3. benefit at retirement is \_\_\_\_\_% of Average Annual/Monthly Compensation (Not greater than 100%)
  - a.4. accrued benefit is \$\_\_\_\_\_ per Year of Credited Service
  - a.5. accrued benefit is \_\_\_\_\_% of Average Annual/Monthly Compensation per Year of Credited Service
- b. In addition to any limits under Code section 415, the maximum monthly -
  - b.1. not applicable
  - b.2. benefit at retirement is \$\_\_\_\_\_ (Not in excess of the defined benefit dollar limit/12)
  - b.3. benefit at retirement is \_\_\_\_\_% of Average Annual/Monthly Compensation (Not greater than 100%)
  - b.4. accrued benefit is \$\_\_\_\_\_ per Year of Credited Service
  - b.5. accrued benefit is \_\_\_\_\_% of Average Annual/Monthly Compensation per Year of

Credited Service

- c. For purposes of a.4., a.5., b.4., and b.5., Credited Service:
  - c.1. in excess of \_\_\_ years will be disregarded
  - c.2. prior to \_\_\_/\_\_\_/\_\_\_\_\_ will be disregarded
  
- d. Benefit increases resulting from the repeal of Code section 415(e), effective as of the first day of the first Limitation Year beginning in 2000, shall be provided to:
  - d.1. all Participants
  - d.2. only Participants who have at least one Hour of Service in the Limitation Year beginning in 2000
  
- e. Benefits shall be rounded to the nearest \$\_\_\_\_\_
  
- f. Severance from Employment
  - f.1. Automatically adjust, pursuant to Code section 415(d), the Defined Benefit Compensation Limitation applicable to the Participant in any Limitation Year beginning after the date of severance.
  - f.2. Automatically adjust, pursuant to Code section 415(d), the Defined Benefit Dollar Limitation applicable to the Participant in any Limitation Year beginning after the date of severance.

**D10. Cost of Living Adjustments:** Former Employees will have their benefits increased to reflect the increases in the cost of living as follows:

- a. the percentage adjustment to Social Security Benefits for the year under section 215(i)(2)(A) of the Social Security Act from the later of the Participant's commencement of benefits or the attainment of age 62
- b. \_\_\_\_\_% per year, provided such increase is less than the percentage adjustment to Social Security Benefits for the year under section 215(i)(2)(A) of the Social Security Act and the Participant has commenced benefits and attained age 62
- c. and that increases annually the lesser of \_\_\_\_\_% (xx.xx up to 04.99) or a percentage equal to the annual increase in the consumer price index for all items issued by the Bureau of Labor Statistics
- d. Not applicable, adjustments, if any, will be made on an ad hoc basis. (Requires Plan amendment.)

**D11. Plan Actuarial Equivalence:** - Except as provided in Subsections 2.3.12(d) and (e) of the Plan, the actuarial assumptions used in computing any optional form of payment under the Plan shall be:

- a. Plan/Code Section 415 Assumptions
  - a.1. Pre-retirement interest rate: \_\_\_\_\_%
  - a.2. Pre-retirement mortality table:

- a.2.1. No pre-retirement mortality
- a.2.2. UP84 (unisex)
- a.2.3. 71IAM - male
- a.2.4. 71IAM - female
- a.2.5. 71GAM - male
- a.2.6. 71GAM - female
- a.2.7. 83IAM - male
- a.2.8. 83IAM - female
- a.2.9. 83GAM - male
- a.2.10. 83GAM - female
- a.2.11. 83GAM - blended
- a.2.12. UP-94 - Male
- a.2.13. UP-94 - Female
- a.2.14. UP-94 - Blended
- a.2.15. GAR-94 - unisex
- a.2.16. RP-2000 - Male
- a.2.17. RP-2000 - Female
- a.2.18. RP-2000 - Blended
- a.2.19. Applicable Mortality defined at 3.1.2(d)(2)
- a.2.20. The table set forth in Rev Rul 2001-62
- a.2.21. The Mortality Table selected above shall be projected to \_\_\_\_\_. (Enter year after 1970 and before 2015)
- a.2.22. With scale: (Complete if a.2.21 selected)

- a.2.22.i.C
- a.2.22.ii. D
- a.2.22.iii. G
- a.2.22.iv. H
- a.2.22.v. AA

- a.3. Setback (-)/Setforward (+): \_\_\_\_ years
- a.4. Post-retirement interest rate: \_\_\_\_\_%
- a.5. Post-retirement mortality table:

- a.5.1. UP84 (unisex)
- a.5.2. 71IAM - male
- a.5.3. 71IAM - female
- a.5.4. 71GAM - male
- a.5.5. 71GAM - female
- a.5.6. 83IAM - male
- a.5.7. 83IAM - female
- a.5.8. 83GAM - male
- a.5.9. 83GAM - female
- a.5.10. 83GAM - blended
- a.5.11. UP-94 - Male
- a.5.12. UP-94 - Female
- a.5.13. UP-94 - Blended
- a.5.14. GAR-94 - unisex
- a.5.15. RP-2000 - Male

- a.5.16. RP-2000 - Female
- a.5.17. RP-2000 - Blended
- a.5.18. Applicable Mortality defined at 3.1.2(d)(2)
- a.5.19. The table set forth in Rev Rul 2001-62
- a.5.20. The Mortality Table selected above shall be projected to \_\_\_\_\_. (Enter year after 1970 and before 2015)
  - a.5.21. With scale: (Complete if a.5.20 selected)
    - a.5.21.i.C
    - a.5.21.ii. D
    - a.5.21.iii. G
    - a.5.21.iv. H
    - a.5.21.v. AA

- a.6. Setback (-)/Setforward (+): \_\_\_\_ years
- a.7. The interest rate and mortality assumptions specified in the following Insurance or Annuity Contract that meets the conditions of section 412(i) of the Code:

Contract name/number: \_\_\_\_\_

Company that issued the contract: \_\_\_\_\_

Date of issuance: \_\_\_/\_\_\_/\_\_\_

If the Insurance or Annuity Contract specifies different interest and mortality assumptions for different purposes under the Contract, the assumptions that will be used to determine Actuarial Equivalence under the Plan are those assumptions specified under the Contract for purposes of determining the amount of benefits payable in different forms under the contract.

Any change in the Insurance or Annuity Contract, including the substitution of a different Contract, that results in a change in the interest and mortality assumptions used to determine Actuarial Equivalence under the Plan shall be treated as an amendment of the Plan for purposes of section 3.8.3 of the Plan.

NOTE: the plan may determine Actuarial Equivalence by reference to a specified Insurance or Annuity Contract only if the interest and mortality assumptions under the Contract are a Standard Interest Rate (i.e., between 7 ½% and 8 ½%) and a Standard Mortality Table under section 1.401(a)(4)-12 of the Income Tax Regulations.

- b. Code Section 417(e) Assumptions - The mortality table is the Code section 417 applicable mortality table as set forth in Rev. Rul. 2001-62, 2001-53, I.R.B. 632 or any other mortality table specified by the Secretary of the Treasury. The interest rate for each Stability Period is the interest rate of 30-year Treasury securities determined during the associated Look Back Month.

The Stability Period under the Plan is:

- b.1. one month
- b.2. one Plan quarter
- b.3. one calendar quarter
- b.4. one Plan Year
- b.5. one calendar year

The Look Back Month under the Plan is the:

- b.6. first calendar month preceding the Stability Period
- b.7. second calendar month preceding the Stability Period
- b.8. third calendar month preceding the Stability Period
- b.9. fourth calendar month preceding the Stability Period
- b.10. fifth calendar month preceding the Stability Period
- b.11. An average interest rate that is computed by averaging two or more consecutive months from among the first, second, third, fourth, and fifth calendar months preceding the Stability Period.

\_\_\_\_\_  
(Indicate months in average)

c. Code Section 415(b)(2)(E) Transition Rules - Plans adopted and in effect on December 7, 1994, that satisfied the requirements of Code section 415 on such date may elect to delay the effective date of changes required by the Retirement Protection Act of 1994 (RPA) to RPA '94 Old Law Benefits. (Select either c.1 or both c.2 and c.3.)

- c.1. Not elected - all benefits are subject to the new rules.
- c.2. Benefits accrued prior to \_\_\_/\_\_\_/\_\_\_ (the "RPA '94 Freeze Date") under the terms of the Plan on such date, but subject to Code section 415 in effect as of December 7, 1994, are considered RPA '94 Old Law Benefits.

*Note: The date entered must precede the later of the date an amendment adopting the RPA '94 changes is effective or executed, but in no case later than the last day of the Limitation Year beginning in 1999. See Appendix A.*

- c.3. The method used to determine whether the Participant's benefit exceeds the Maximum Permissible Benefit is (See Section 3.1.4 of the Basic Document):
  - c.3.1. Method one - RPA '94 Old Law Benefit plus benefit accrued after RPA '94 Freeze Date
  - c.3.2. Method two - greater of RPA '94 Old Law Benefit or total benefit
  - c.3.3. Method three - greater of method one and method two

**D12. Minimum Top-Heavy Benefits:** - In the event that the Plan is Top-Heavy, the vesting schedule selected in Section E.5 will apply. In addition: (Must answer all of a. through d.)

- a. The Minimum Top-Heavy Retirement Benefit shall be \_\_\_\_\_% (not less than 2%) per Year of Service, limited to a maximum of 10.
- b. Years of Service shall exclude:

- b.1. not applicable - no exclusions
- b.2. years prior to 1984
- b.3. years prior to the adoption of the Plan
- b.4. years prior to Years of Service while a Participant  
*Note: If this option is selected, may not select C.7.g.*
- b.5. years that the Plan was not Top-Heavy

c. The Minimum Top-Heavy Retirement Benefit shall be payable:

- c.1. in the Normal Form of Benefit
- c.2. in the form of a life annuity only

d. Minimum Top-Heavy Retirement Benefits are provided for:

- d.1. all Participants
- d.2. only those Participants who are not Key Employees

**D13. Determination of Top-Heavy Status:**

a. For purposes of computing the Top-Heavy Ratio, the Valuation Date under Section 2.6.2(k) of the Plan shall be \_\_\_/\_\_\_.

b. The actuarial assumptions to be used in determining the Top-Heavy Ratio shall be (Recommend using same assumptions entered in D.12):

- b.1. Pre-retirement interest rate: \_\_\_\_\_%
- b.2. Pre-retirement mortality table: \_\_\_\_\_
- b.3. Setback (-)/Setforward (+): \_\_\_ years
- b.4. Post-retirement interest rate: \_\_\_\_\_%
- b.5. Post-retirement mortality table: \_\_\_\_\_
- b.6. Setback (-)/Setforward (+): \_\_\_ years

SAMPLE - NOT RELEASED

## E. Vesting Provisions

**E1. Years of Vesting Service** - A Year of Vesting Service is the 12 consecutive month period specified in the Adoption Agreement in which an Employee performs at least 1000 Hours of Service unless a lesser number is specified. For this purpose, the computation period shall be: (Select a., b., c., or d.)

- a. Use the Plan Year
- b. Use Eligibility Computation Period selected at Part II.A.3.
- c. The 12 month period ending on the Participant's employment anniversary date
- d. The calendar year ending with or within the Plan Year.

In lieu of 1,000 Hours of Service, the Participant's service shall be:

- e. \_\_\_\_ Hours of Service (not to exceed 1000 hours).
- f. Determined under the Elapsed Time Method using the following measure:
  - f.1. exact dates.
  - f.2. credit full month for each calendar month in which at least one Hour of Service is earned.

**E2. Excluded Years** - All Years of Service are taken into account UNLESS you exclude certain years. (Select all applicable.)

- a. Include all Years of Vesting Service.
- b. Exclude Years of Vesting Service prior to age 18.
- c. Exclude Years of Vesting Service prior to the original effective date of predecessor plan - Effective date of predecessor plan: \_\_\_/\_\_\_/\_\_\_
- d. Exclude Years of Vesting Service prior to the effective date of this Plan.
- e. Exclude Years of Vesting Service for which Mandatory Contributions were not made.

**E3. Vesting Schedule** - Section 2.4.1 provides that benefits will vest in accordance with the method specified in the Adoption Agreement. (Select one of a., b., c., d., or f. Also select e. if applicable.)

- a. At the rate of 20% each year after 3 Years of Service (20% vested in third year.)
- b. At the rate of 20% each year after 2 Years of Service (20% vested in second year.)
- c. 100% vesting upon participation.
- d. 100% vesting after \_\_\_\_ Year(s) of Service (not to exceed 5.)
- e. 100% vesting if any of the following occurs while the Participant is still an Employee: (Must select another alternative.):
  - e.1. Attainment of Early Retirement Age
  - e.2. Death
  - e.3. Disability
- f. Other: (Optional vesting schedule must be at least as favorable as a. or d.)

<u>Year(s) of Service</u>	<u>Percent Vesting</u>
Less than 1	=====
1 but less than 2	=====
2 but less than 3	=====
3 but less than 4	=====
4 but less than 5	=====
5 but less than 6	=====
6 but less than 7	=====
7 or More	=====

**E4. Prior Vesting Schedule** - Section 3.8.3 provides that if the vesting schedule has been amended to a less favorable schedule, Participants may be entitled to have their vested interest calculated under the prior schedule. Complete the following ONLY if this is an amended plan that has a new vesting schedule that is less favorable than the prior schedule.

The prior schedule was: \_\_\_/\_\_\_/\_\_\_

<u>Year(s) of Service</u>	<u>Percent Vesting</u>
Less than 1	=====
1 but less than 2	=====
2 but less than 3	=====
3 but less than 4	=====
4 but less than 5	=====
5 but less than 6	=====
6 but less than 7	=====
7 or More	=====

Effective date of new schedule: \_\_\_/\_\_\_/\_\_\_

**E5. Top-Heavy Vesting Schedule** - (Section 2.6.1(c)) (Select a., b., c., d. or f. Also select e. if applicable.)

- a. Same as non-Top-Heavy vesting schedule. (Must be at least as favorable as b. or c. below)
- b. Plan Provision - At a rate of 20% per year beginning with the second Year of Service.
- c. 100% vested after \_\_\_ Year(s) of Service (not to exceed 3.)
- d. 100% vesting upon participation
- e. 100% vesting if any of the following occurs while the Participant is still an Employee:
  - e.1. Attainment of Early Retirement Age
  - e.2. Death
  - e.3. Disability

f. Other: (Optional vesting schedule must be at least as favorable as b. or c.)

<u>Year(s) of Service</u>	<u>Percent Vesting</u>
Less than 1	=====
1 but less than 2	=====



2 but less than 3	=====
3 but less than 4	=====
4 but less than 5	=====
5 but less than 6	=====
6 years or more	=====

**E6. Re-employment** - Section 2.4.2 provides that Years of Vesting Service completed after a Break in Service are not counted for purposes of increasing the vested percentage attributable to service before the Break in Service unless reemployed within 5 years. **This provision will apply UNLESS you select one of the following:**

- a. Count all service after the Break in Service.
- b. Not applicable - 100% immediate vesting.

SAMPLE - NOT RELEASED

## F. Other Benefits

### F1. Early Retirement Benefits

- a. The Plan does not provide early retirement benefits
- b. The Accrued Benefit without any reduction
- c. The Accrued Benefit actuarially reduced for early commencement
- d. The Accrued Benefit reduced by \_\_\_/\_\_\_th per month for each of the first \_\_\_ years and then \_\_\_/\_\_\_th per month for each of the next \_\_\_ years that the Early Retirement Date precedes the Normal Retirement Date
- e. The Accrued Benefit reduced by \_\_\_\_\_% per month by which the Early Retirement Date precedes the Normal Retirement Date. (Enter a % which will result in an Early Retirement Benefit not less than the Early Retirement Benefit if option (c) (actuarial equivalency) had been selected.)

### F2. Postponed Retirement Benefits - Those Participants working past Normal Retirement Date will be entitled to a retirement benefit of:

- a. The Accrued Benefit based on Compensation and Credited Service at actual retirement commencing at the Participant's actual retirement.
- b. The greater of the Accrued Benefit based on Compensation and Credited Service at actual retirement or the Actuarial Equivalent of the Accrued Benefit as of the Normal Retirement Date commencing at the Participant's actual retirement.
- c. The greater of the Accrued Benefit based on Compensation and Credited Service at actual retirement or the Actuarial Equivalent of the Accrued Benefit as of the Normal Retirement Date or the Actuarial Equivalent of the Accrued Benefit as of the first day of each Plan Year after the Participant's Normal Retirement Date and before his actual retirement commencing at the Participant's actual retirement.
- d. The Accrued Benefit commencing at his Normal Retirement Date, adjusted annually with payment commencing at the Participant's Normal Retirement Date: (Select one of d.1 through d.3)
  - d.1. on the anniversary of the Participant's Normal Retirement Date
  - d.2. each December 31
  - d.3. on the first day of the Plan Year

### F3. Disability Benefits

- a. The Plan does not provide disability benefits. Participants disabled prior to the Normal Retirement Date are entitled to Vested Retirement Benefits
- b. The Accrued Benefit payable as an Early Retirement Benefit
- c. The Accrued Benefit payable at Early Retirement Date without reduction for early commencement
- d. The Present Value of the Accrued Benefit payable at Disability Retirement Date
- e. The Accrued Benefit payable at Disability Retirement Date without reduction for early commencement.

### F4. Death Benefits - Provided that the pre-retirement death benefit cannot be less than the present value of the Pre-retirement Survivor Annuity, the pre-retirement death benefits are equal to:

- Apply One-Year Marriage Rule of Section 2.5.5(d)
- a. \_\_\_\_\_% of the Joint and \_\_\_\_\_% Survivor Annuity that is the Actuarial Equivalent of the Accrued Benefit payable at Normal Retirement Date. (Not to be less than 50% or greater than 100%)
- b. \_\_\_\_\_% of the Participant's vested Accrued Benefit.
- c. \_\_\_\_\_% of Present Value of the Participant's vested Accrued Benefit.
- d. the amount payable as the Pre-retirement Survivor Annuity (no pre-retirement death benefit payable to an unmarried Participant)
- e. the Theoretical Individual Level Premium Reserve
- f. the Participant's Compensation for the \_\_\_\_ years prior to death
- g. \_\_\_\_ (not to exceed 100) times the anticipated monthly retirement benefit, adjusted as below:
- g.1. No adjustment
  - g.2. plus the Present Value of Accrued Benefits
  - g.3. or, if less, the Present Value of Accrued Benefits
  - g.4. or, if greater, the Present Value of Accrued Benefits
  - g.5. plus the Theoretical Individual Level Premium Reserve
  - g.6. or, if greater, the Theoretical Individual Level Premium Reserve
  - g.7. or, if less, the Present Value of Accrued Benefits plus the proceeds of any life insurance policies on the Participant's life
  - g.8. or, if less, the Present Value of Accrued Benefits plus the proceeds of any life insurance policies on the Participant's life minus their cash surrender values
- h. the proceeds of any life insurance policies on the Participant's life, adjusted as below:
- h.1. No adjustment
  - h.2. plus the Theoretical Individual Level Premium Reserve
  - h.3. or, if greater, the Theoretical Individual Level Premium Reserve
  - h.4. minus the cash surrender value of the policies plus the Theoretical Individual Level Premium Reserve
  - h.5. plus the Present Value of Accrued Benefits
  - h.6. or, if greater, the Present Value of Accrued Benefits
  - h.7. plus the Present Value of Accrued Benefits minus the cash surrender value of the policies
  - h.8. or if greater, the Present Value of Accrued Benefits plus the cash surrender value of the policies
  - h.9. plus the Present Value of Accrued Benefits minus the cash surrender value of the policies, not to exceed the greater of the Present Value of Accrued Benefits or \_\_\_\_ (not to exceed 100) times the anticipated monthly retirement benefit
  - h.10. plus the amount payable as the Pre-retirement Survivor Annuity

Fully Insured (Code Section 412(i) Plans), and only those plans, must select from the options below:

- i. the proceeds of any life insurance policies on the Participant's life plus the cash surrender value of annuity policies issued on the Participant's life, not to exceed 100 times the anticipated monthly retirement benefit
- j. the proceeds of any life insurance policies on the Participant's life plus the cash surrender value of annuity policies issued on the Participant's life

## G. Distribution Provisions

**G1. Method of Distribution** - Section 2.3.12 provides that the Employer may elect to permit Plan distributions to be made in the form of: (Select all applicable.)

- a. Lump sums
- a.1. without regard to amount.
  - a.2. not to exceed \$\_\_\_\_\_.
  - a.3. if the Participant has completed \_\_\_ Years of Service and has attained age \_\_\_. (Subject to Reg 1.401(a)(4)-4 Nondiscrimination Availability of Benefits, Rights and Features.)
- b. Installments over \_\_\_ years payable on an annual, quarterly or monthly basis.
- c. Annuities
- c.1. for not more than \_\_\_ years.
  - c.2. for the life of (Select all that apply.)
    - c.2.A. the Participant
    - c.2.B. the Participant and spouse
    - c.2.C. the Participant and a designated beneficiarywith a survivor percentage (options c.2.B. and c.2.C. only) of:
    - c.2.D. 50%
    - c.2.E. 66 2/3%
    - c.2.F. 75%
    - c.2.G. 100%
  - c.3. for a certain period of: (Select all that apply.)
    - c.3.A. 5 years
    - c.3.B. 10 years
    - c.3.C. 15 years
    - c.3.D. 20 yearsand thereafter for the life of: (Select all that apply.)
    - c.3.E. the Participant
    - c.3.F. the Participant and spouse
    - c.3.G. the Participant and a designated beneficiary
  - c.4. for a period certain selected by the Participant that is less than the life expectancy of (Select all that apply.)
    - c.4.A. the Participant
    - c.4.B. the Participant and spouse
    - c.4.C. the Participant and a designated beneficiaryAnnuity increases as follows:
    - c.4.D. Non-increasing
    - c.4.E. Increasing \_\_\_% annually (up to 4.99)

- c.4.F. Increasing annually the lesser of \_\_\_\_% (up to 4.99) or a percentage equal to the annual increase in the consumer price index for all items issued by the Bureau of Labor Statistics
- d. Retroactive Annuity Starting date.

d.1. Participant **may not** elect Retroactive Annuity Starting Date under 2.5.5(g).

d.2. Participant **may** elect Retroactive Annuity Starting Date under 2.5.5(g).

e. Minimum Distribution to Non-Vested Participant:

Minimum Distribution Amount shall be the lesser of \$\_\_\_\_\_ or the present value of the accrued benefit. (Must be \$100 or less.)

f. Subject to Section 2.5.4 the default form of distribution for lump sum payments that are \$5,000 or less, but greater than or equal to \$\_\_\_\_\_ shall be a Direct Rollover. (Must be \$1,000 or less.)

**G2. Mandatory Cash-out Provisions** - Participants with a present value of accrued benefits less than \$5,000 (or a lower threshold) may be paid out without their or their spouses' consent.

a. No mandatory cash-outs

b. Threshold shall be \$\_\_\_\_\_. (less than or equal to \$5,000)

c. Exclude Rollover Contributions when determining the value of the Participant's nonforfeitable Account balance for purposes of the Plan's involuntary cash-out rules. This election shall apply with respect to distributions made after

(Warning: Exclusion of rollovers could trigger automatic rollover provisions if the Participant's total balance exceeds \$1,000):

\_\_\_/\_\_\_/\_\_\_\_ (Enter a date no earlier than December 31, 2001.)

with respect to Participants who separated from service after:

\_\_\_/\_\_\_/\_\_\_\_ (Enter date. The date may be earlier than December 31, 2001.)

d. Automatic Rollover. Subject to Section 2.3.13, the default form of distribution for Account balances that are greater than \$\_\_\_\_ shall be a Direct Rollover. (Must be \$1000 or less)

**G3. Survivor Annuity Percentage** - If a Joint and Survivor Annuity is payable, select the percentage payable as the survivor annuity:

a. The survivor annuity is 50% of the amount payable during the joint lives of the Participant and spouse.

b. Other Percentage - \_\_\_\_\_%. (Not less than 50% nor more than 100%)

c. Other Percentage selected by the Participant. (Not less than 50% nor more than 100%)

**G4. Time of Distribution** - Section 2.5.3 provides that distributions to Participants who resign or are discharged prior to retirement are deferred until retirement date unless the Employer elects to permit distributions in advance of such date.

a. Plan Provision - Deferred until the Participant's Disability, death, Normal or Early Retirement Date.

b. Distributions may be made at the Participant's election within a reasonable period following the Participant's date of termination of employment.

c. Distributions may be made \_\_\_ months after termination of employment. (Must be 24 months or

less)

- d. Distributions may be made within a reasonable period after the Anniversary Date coinciding with or next following the date of termination.
- e. Distributions may be made within a reasonable period after the Anniversary Date following a Break in Service.

**G5. Distribution of Residual Assets** - Section 2.5.8(a) provides that following satisfaction of all liabilities to Participants, any residual assets shall be distributed to the Employer.

- a. Plan Provision - Residual assets shall revert to the Employer
- b. Residual assets shall be allocated among Participants. Each Participant shall receive an allocation equal to a percentage of the Residual Assets of the Plan, such percentage to equal the ratio that the Present Value of a monthly life annuity, payable at Normal Retirement Age, of one percent (1%) of his Average Monthly Compensation bears to the Present Value of such annuities for all Participants. The Plan shall use reasonable actuarial factors for such allocation.

*NOTE: Residual assets must be allocated on a non-discriminatory basis.*

**G6. Suspension of Benefits** - Section 2.5.10 provides for the suspension of benefit payments if the Participant earns Hours of Service after Normal or Early Retirement Benefits have commenced. An adopting employer may select one of options a. or b. only if the Plan is a new plan or an existing plan restating an identical suspension of benefits option. This Section:

- a. applies to all Participants in the Plan.
- b. does not apply. (Benefits not suspended)

Language for existing plans that are adding or expanding a suspension of benefits option

- c. only those Participants described in section 2.3.2 of the Plan whose benefits, if actuarially increased, would exceed the limitations of section 3.1.1 of the Plan
- d. Employees who commence participation in the Plan on or after the later of the adoption date or the effective date of the Suspension of Benefit rules in section 2.5.10 of the Plan.
- e. the portion of participants' section 411(d)(6) protected benefits (within the meaning of Reg. section 1.411(d)-4, Q&A 1(a)) that accrue after the later of the adoption date or effective date of the suspension of benefit rules in section 2.5.10 of the Plan.

**G7. Pre-termination Restrictions** - Section 3.1.8 imposes restrictions on the amount of benefits to be paid in any year to each of the "25 highest paid" employees. The pre-termination restrictions based on the value of a Participant's benefits is effective \_\_\_/\_\_\_/\_\_\_\_. (no later than the first day of the 1994 Plan Year, or the effective date of the Plan, if later.)

**G8. Qualified Domestic Relations Orders** - Section 3.10.8 provides that the Employer may elect to permit distributions to an Alternate Payee pursuant to the terms of a Qualified Domestic Relations Order even if the Participant continues to be employed.

- a. Distributions to an Alternate Payee are not permitted while the Participant continues to be employed before the earliest possible retirement age pursuant to section 414(p) of the Code.
- b. Distributions to an Alternate Payee are permitted while the Participant continues to be employed on

or after the date a Domestic Relations Order is determined to be a Qualified Domestic Relations Order by the Plan Administrator.

**G9. Required Minimum Distributions**

Required distributions prior to the effective date of the final regulations under Code section 401(a)(9) are based on:

- a. The 1987 proposed regulations
- b. The 1987 proposed regulations prior to \_\_\_/\_\_\_/\_\_\_ and the proposed 2001 regulations thereafter. (Date must be on or after 1/1/2001)
- c. Required Beginning Date - Section 2.5.4(i)(8) states that minimum distributions to a Participant must begin by April 1 of the calendar year following the calendar year in which the Participant attains age 70½
  - c.1. Required Beginning Date is age 70½ for all Participants.
  - c.2. Exception for Non-5-Percent Owners - Required Beginning Date for Participants who are not 5-percent owners shall be the later of April 1st of the calendar year following the calendar year in which the Participant attains age 70½, or April 1st of the calendar year following the calendar year in which the Participant retires.

WARNING: If the Plan was in existence before the creation of this Plan document, the choice between Items c.1 and c.2 must be the same as the selection previously made.

- d. If the Participant dies before distributions are required to begin and there is a Designated Beneficiary, distributions to the Designated Beneficiary are not required to begin by the date specified in Section 2.5.4 of the Plan, but the Participant's entire interest will be distributed to the Designated Beneficiary by December 31 of the calendar year containing the fifth anniversary of the Participant's death. If the Participant's surviving spouse is the Participant's sole Designated Beneficiary and the surviving spouse dies after the Participant but before distributions to either the Participant or the surviving spouse begin, this election will apply as if the surviving spouse were the Participant.

This election applies to:

- d.1. All distributions.
- d.2. The following distributions: \_\_\_\_\_.
- e. Participants or Beneficiaries may elect on an individual basis whether the 5-year rule or the life expectancy rule in Section 2.5.4 of the Plan applies to distributions after the death of a Participant who has a Designated Beneficiary. The election must be made no later than the earlier of September 30 of the calendar year in which distributions would be required to begin under Section 2.5.4 of the Plan, or by September 30 of the calendar year which contains the fifth anniversary of the Participant's (or, if applicable, surviving spouse's) death. If neither the Participant nor Beneficiary makes an election under this Paragraph, distributions will be made in accordance with Section 2.5.4 of the Plan.
- f. A Designated Beneficiary who is receiving payments under the 5-year rule may make a new election to receive payments under the life expectancy rule until December 31, 2003, provided that

all amounts that would have been required to be distributed under the life expectancy rule for all distribution calendar years before 2004 are distributed by the earlier of December 31, 2003, or the end of the 5-year period.

Required Minimum Distributions shall be in the form of:

- g. Lump Sum
- h. Single Life Annuity
- i. Annuity for \_\_\_ year Period certain and life (XX)
- j. Annuity for a Period certain selected by the Participant and no life contingency (XX)
  - j.1. Non-increasing
  - j.2. Increasing \_\_\_% annually (XX.XX up to 04.99)
  - j.3. Increasing annually the lesser of \_\_\_% ((XX.XX) up to 04.99) or the annual increase the consumer price index
- k. Joint and \_\_\_% Survivor Annuity (50-100)
  - k.1. Over the life expectancy of the Participant's spouse
  - k.2. Over the life expectancy of the Participant's Beneficiary
  - k.3. If the Participant elects otherwise
  - k.4. If the Participant or the Beneficiary elects otherwise

SAMPLE - NOT RELEASED



## H. Other Administrative Provisions

H1. **Loans** - Section 3.5.1 provides that the Employer may elect to permit loans to Participants and Beneficiaries in accordance with the participant loan program.

- a. Loans are permitted.
- b. Loans are not permitted.

*Note: Loans may not be offered in Code Section 412(i) Plans, pursuant to Sections 2.7.5 and 3.7.1.*

H2. **Rollovers** - Section 3.9.3 authorizes the Employer to permit the transfer of interests in other qualified plans to the Plan. (Select all applicable.)

- a. Rollover contributions are not permitted.
- b. Rollover contributions are permitted only from other plans of the Employer.
- c. A Direct Rollover permitted of an Eligible Rollover Distribution from:
  - c.1. a qualified plan described in Code sections 401(a) or 403(a), excluding after-tax employee contributions
  - c.2. a qualified plan described in Code sections 401(a) or 403(a), including after-tax employee contributions
  - c.3. an annuity contract described in Code sections 403(b), excluding after-tax employee contributions
  - c.4. an eligible plan under Code section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state
- d. A Participant Rollover permitted of an Eligible Rollover Distribution from:
  - d.1. a qualified plan described in Code sections 401(a) or 403(a), excluding after-tax employee contributions
  - d.2. an annuity contract described in Code sections 403(b), excluding after-tax employee contributions
  - d.3. an eligible plan under Code section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state
  - d.4. an Individual Retirement Account or Annuity described in Code sections 408(a) or (b) that is eligible to be rolled over and would otherwise be includible in gross income
- e. Rollovers are accepted:
  - e.1. only after Participant enters Plan
  - e.2. from Employees in an eligible class before Plan entry
    - f. In-kind rollovers
  - f.1. Permitted
  - f.2. Not permitted

- f.3. Permitted, except Participant loans
- f.4. Not permitted, except Participant loans
- f.5. Restricted to rollovers from other plans of the Employer

**H3. Life Insurance Authorization** - Section 3.4.1 permits the purchase of life insurance policies.

- a. No life insurance policies shall be purchased.
- b. Life insurance may be purchased at the option of the Plan Administrator.
- c. Life insurance is mandatory
- d. No life insurance policies shall be purchased after \_\_\_/\_\_\_/\_\_\_\_. (Specify date.)
  - d.1. Surrendered after effective date of this provision
  - d.2. Converted to paid up policies after the effective date of this provision

**H4. Life Insurance Amount** - Provided that the Employer has elected to permit the purchase of life insurance policies, the amount of life insurance on each participant's life shall be:

- a. \_\_\_\_\_ (not to exceed 100) times the anticipated monthly retirement benefit
- b. the amount purchased by a premium equal to \_\_\_\_\_% of the theoretical contribution generated when determining the Theoretical Individual Level Premium Reserve (100% or less)
- c. an amount determined by the employer, not to exceed the limitations of Section 3.4.1
- d. the greater of \_\_\_\_\_ (not to exceed 100) times the anticipated monthly retirement benefit or the amount purchased by \_\_\_\_\_% of the theoretical contribution generated when determining the Theoretical Individual Level Premium Reserve (Second blank must be 100% or less)
- e. amounts in effect on \_\_\_/\_\_\_/\_\_\_\_ (Specify date.)

Insurance in excess of the amount selected above must be surrendered as soon as administratively possible.

*Note: For this purpose the face amount of insurance is limited to that which can be purchased for less than 66 2/3 percent (if whole life) or 33 1/3 percent (if term or universal life) of the theoretical contribution generated when determining the Theoretical Individual Level Premium Reserve.*

*Note: Must coordinate this provision with Part II, Section F.4.*

**H5. Life Insurance Limits** - Life insurance to be purchased on each Participant's life (Select all applicable.) (Subject to Reg 1.401(a)(4)-4 Nondiscrimination Availability of Benefits, Rights and Features.)

- a. shall not exceed \$\_\_\_\_\_ in total face amount (Cannot exceed amount in H4)
- b. shall not be purchased
  - b.1. after the Participant has attained age \_\_\_\_
  - b.2. within \_\_\_\_ years of Normal Retirement Age
  - b.3. after the Participant has attained Normal Retirement Age
- c. shall be purchased, provided

- c.1. the Participant has attained age \_\_\_\_
- c.2. the Participant has \_\_\_\_ Years of Service
- c.3. the Participant has \_\_\_\_ Years of Service as a Participant
- c.4. the initial amount is at least \$\_\_\_\_\_
- c.5. the additional amount is at least \$\_\_\_\_\_
  
- d. shall be purchased in multiples of \$\_\_\_\_\_
- e. shall not recognize benefit increases/decreases of less than \$\_\_\_\_\_ unless the increase/decrease has been in effect for \_\_\_\_ years
- f. shall be surrendered at Normal Retirement Age, if the Participant postpones retirement
- g. shall not be purchased on behalf of a Participant whose accrual is solely attributable to a minimum benefit under a Top-Heavy plan
- h. shall be purchased for a Participant uninsurable at the standard rates, for up to \_\_\_\_\_% over the standard rates

**H6. Multiple Plans Provision** - The Employer which maintains a qualified defined contribution plan, a welfare benefit fund (as defined in Code section 419(e)) under which amounts attributable to post-retirement medical benefits are held in separate accounts for Key Employees (as defined in Code section 419A(d)(3)), an individual medical account (as defined in Code section 415(l)(2)), or a simplified employee pension (as defined in Code section 408(k)), in which any Participant in the Plan is, was, or could become a Participant adds the following optional provisions which it deems necessary to satisfy section 416 of the Code because of the required aggregation of multiple plans: (May select e. and one other option.)

- a. Not applicable - No other plan or other plan terminated prior to the Effective Date of this Adoption Agreement.
- b. A minimum contribution allocation of 5% of each non-key Participant's total Compensation shall be provided in a defined contribution plan of the Employer.
- c. A minimum benefit of the lesser of 2% times years of service or 20% of each non-key Participant's Average Compensation shall be provided in a defined benefit plan of the Employer.
- d. A minimum benefit of the lesser of 2% times years of service or 20% of each non-key Participant's Average Compensation shall be provided in a defined benefit plan of the Employer but offset by the amount contributed on such Participant's behalf under any defined contribution plan of the Employer.
- e. Members of a collective bargaining group shall not receive Top-Heavy minimum allocation.
- f. Other - Specify: \_\_\_\_\_.

*NOTE: When selecting "f. Other" the method selected must preclude Employer discretion (method used must be definitely determinable and clearly stated). When selecting b. or d. should be coordinated with any existing defined contribution plan.*

**H7. Multiple Defined Benefit Plans** - If a Participant is or has ever been covered under another qualified defined benefit plan maintained by the Employer, the method used to comply with Code section 415(b) is:

- a. Not applicable.
- b. The rate of accrual provided in this Plan will be decreased so that the total annual benefits payable at any time under such plans will not exceed the Maximum Permissible Amount.
- c. Other - Specify: \_\_\_\_\_.

*NOTE: Specify the method under which the plans will limit total benefit accruals to the Maximum Permissible Amount and will properly reduce any excess amounts in a manner that precludes Employer discretion.*

**H8. Investment Control** - The Trust provides that the Employer may elect to permit Participants to control the investment of their Deemed IRA accounts.

- a. Participants may not control their investments.
- b. Participants may control all their investments.
- c. This Plan is intended to comply with ERISA section 404(c) with respect to a Participant's Deemed IRA accounts. (Plan Administrator or appropriate Fiduciary shall ensure that the Plan provides Participants with the minimum options and information required by ERISA section 404(c) and the regulations thereunder.)
- d. Not Applicable (See Attached Trust)

**H9. Trustee Authority** - Subject to Section 2.2 of the Trust, if the Employer has appointed a group of 2 or more individuals to act as Trustee of the Plan, the Plan may be bound by a majority of those individuals unless the Employer elects otherwise.

- a. Not Applicable (See Attached Non-DATAIR Trust)
- b. Act by the Majority.
- c. The act of any \_\_\_\_ (insert number) of individuals acting in the capacity of the Trustee.

SAMPLE - NOT RELEASED

The name, address and telephone number of the Plan Sponsor is:

DATAIR Employee Benefit Systems, Inc.  
735 N. Cass Avenue  
Westmont, IL 60559-1100  
(630) 325-2600

This plan must be registered with the Plan Sponsor within 60 days of adoption of this document, and the Document Serial Number assigned by the Plan Sponsor shall be affixed to this signature page. The adopting Employer must notify the Plan Sponsor through the document provider if the plan is terminated, merged, or of any changes in the name, address, or EIN of the adopting employer at least annually, and within 30 days of any request of the Plan Sponsor.

Unregistered use of this document will result in the plan no longer participating in this Master/Prototype Plan, and the document will be considered an individually designed plan, without reliance on the opinion letter of the Plan Sponsor, which could result in the disqualification of the plan.

If the Employer's Plan fails to attain or retain qualification, such Plan will no longer participate in this Master/Prototype Plan and will be considered an individually designed plan.

The Plan Sponsor will inform the Employer of any amendments made to the Plan or of the discontinuance or abandonment of the Plan.

The adopting Employer may rely on an opinion letter issued by the Internal Revenue Service as evidence that the Plan is qualified under Code section 401 except to the extent provided in Revenue Procedure 2005-16.

An employer may not rely on an opinion letter with respect to the requirements of Code section 401(a)(26) that apply to prior benefit structures. An employer who has ever maintained or who later adopts any plan, in addition to this Plan, which is qualified or determined to be qualified covering some of the same participants as this plan may not rely on the opinion letter issued by the Internal Revenue Service with respect to the requirements of Code sections 415 or 416. If the employer wishes to obtain reliance with respect to the requirements of Code section 401(a)(26) that apply to prior benefit structures, or if the Employer who adopts or maintains multiple plans wishes to obtain reliance with respect to the requirements of Code sections 415 and 416, application for a determination letter must be made to Employee Plans Determinations of the Internal Revenue Service.

The Employer may not rely on the opinion letter in certain other circumstances or with respect to certain qualification requirements that are specified in the opinion letter issued with respect to the Plan and in Revenue Procedure 2005-16.

In order to have reliance in such circumstances or with respect to such qualification requirements, application for a determination letter must be made to Employee Plans Determinations of the Internal Revenue Service.

If the adopting Employer terminates its relationship with the document provider its Plan will no longer be considered a Volume Submitter Plan sponsored by the Volume Submitter Practitioner.

*This Adoption Agreement may be used only in conjunction with Basic Plan Document # (the DATAIR Volume Submitter Defined Benefit Plan) revised .*

\* \* \*

The Employer hereby adopts the Plan as evidenced by the foregoing Adoption Agreement on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**Employer:**

\_\_\_\_\_

\_\_\_\_\_

**Trustee:**

\_\_\_\_\_

\_\_\_\_\_

Plan Serial Number:

SAMPLE - NOT RELEASED