



MEMORANDUM

To: Board of Directors

Cc: Bill Boyles, Esquire
Aluino Ochoa, M.D.

From: George Mikitarian
President/CEO

Subject: Board/Committee Meetings – November 3, 2025

Date: October 30, 2025

The Audit Committee will meet at 10:30 a.m. in the first-floor conference room.

The Retirement and Planning Committee will meet at 11:00 a.m. in the first-floor conference room.

The Ad Hoc Credentials Review Committee will meet at 11:30 a.m. where the Committee will review credentialing and privileging files as they relate to medical staff appointment/reappointment.

The Quality Committee will convene at 12:00 p.m., which will be followed by the Planning Committee, Finance Committee, the Executive Committee, and the Education Committee meetings.

The Board of Directors will meet in executive session no earlier than 1:30 p.m. Following the Board of Directors Executive Session, the Board of Directors regularly scheduled meeting will be held, however no earlier than 2:00 p.m.

Members:

Stan Retz, Chairperson

Robert L. Jordan, Jr., C.M. (ex-officio)

Herman Cole, Jr.

Dan Aton

AGENDA
AUDIT COMMITTEE
NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
NOVEMBER 3, 2025, 10:30 A.M.
FIRST FLOOR CONFERENCE ROOM 2/3/4/5

Call to Order

- I. Review and approval of minutes (May 5, 2025)

Motion: To recommend approval of the May 5, 2025 minutes as presented.

- II. FY 2025 Audit Plan – Forvis Mazars

- III. Adjournment

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
AUDIT COMMITTEE**

A regular meeting of the Audit Committee of the North Brevard County Hospital District operating Parrish Medical Center was held on May 5, 2025. The following members were present:

Stan Retz, Chairperson
Robert Jordan, Jr., C.M.
Herman Cole (excused)
Dan Aton

Other Attendees:

Michael Moehring, CFO
Tommi Middleton, Director of Finance
Stephanie Parham, Executive Office Manager
Anual Jackson, Compliance & Audit Officer
George Mikitarian, President/CEO

Call to Order

Mr. Retz called the meeting to order at 11:03 a.m.

Review and Approval of Minutes

The following motion was made by Mr. Jordan, seconded by Mr. Cole, and approved without objection.

Action Taken: Motion to approve the minutes of the February 3, 2025 meeting as presented.

Audit Engagement Letter Forvis Mazars

Mr. Moehring presented to the committee the engagement letter with Forvis Mazars for the upcoming audit for FY25. Discussion ensued regarding retaining audit services from Forvis Mazars. The following motion was made by Mr. Cole, seconded by Mr. Aton, and approved without objection.

Motion: To recommend approval of the Forvis Mazars Engagement Letter for the FY25 audit as presented.

Adjournment

There being no further business, the meeting adjourned at 11:12 a.m.

Stan Retz, Chairperson

Retirement Planning Committee:

Stan Retz, Chairperson (January 1, 2023 - December 31, 2025)

Dan Aton (April 1, 2024- April 1, 2026)

Chris McAlpine (February 1, 2025 – January 31, 2028)

Leigh Spradling (March 1, 2024 – March 1, 2026)

Casey Crouch (March 2, 2023 – March 1, 2026)

Jane Hankins (June 1, 2025 – May 31, 2028)

PARRISH MEDICAL CENTER
RETIREMENT PLANNING COMMITTEE MEETING
NOVEMBER 3, 2025 @ 11:00 A.M.
FIRST FLOOR CONFERENCE ROOM 2/3/4/5

CALL TO ORDER

- I. Public Comments
- II. Review and approval of minutes (May 5, 2025).

Motion: To recommend approval of the May 5, 2025 meeting minutes as presented.

- III. Restated North Brevard County Hospital District 403(b) Plan – Mr. Burke

Motion: To recommend approval of the Resolution of the Retirement Planning Committee of the North Brevard County Hospital District Recommending the Restatement of and the Amendment to the North Brevard County Hospital District d/b/a Parrish Medical Center 403(b) plan.

- IV. Restated North Brevard County Hospital District 457(b) Plan – Mr. Burke

Motion: To recommend approval of the Resolution of the Retirement Planning Committee of the North Brevard County Hospital District Recommending a Restatement of the North Brevard County Hospital District d/b/a Parrish Medical Center 457(b) plan.

- V. Membership Reappointment for Stan Retz

Motion: To recommend the Finance Committee approve the reappointment of Stan Retz to the Retirement and Planning Committee for a two-year term beginning January 1, 2026 through December 31, 2028.

- VI. Quarterly 403(b) and 457(b) Investment Update – Anderson Financial Partners

- VII. Other

- VIII. Adjournment

**PARRISH MEDICAL CENTER
RETIREMENT PLANNING COMMITTEE MEETING
MAY 5, 2025**

The members of the Retirement Planning Committee met on May 5, 2025, at 9:32 a.m. The following representing a quorum, were present or participating via phone:

Pension Administrative Committee:

Stan Retz, Chairperson
Chris McAlpine
Leigh Spradling
Casey Crouch (excused.)
Dan Aton (9:33 a.m.)

Others Present:

Robert Jordan, Chairman, Board of Directors
Michael Moehring, CFO
Stephanie Parham, Executive Office Manager Administration
Christina Moats, Benefits Coordinator
Joycelyn Greenaway, Director Human Resources
Tim Anderson, Anderson Financial Partners
George Mikitarian, President/CEO

Call to Order

The meeting was called to order by the Chairperson at 9:32 a.m.

Review and Approval of Minutes

The following motion was made by Ms. Spradling and seconded by Mr. McAlpine and approved without objection:

ACTION TAKEN: MOTION TO APPROVE THE PAC MINUTES OF JANUARY 6, 2025, MEETING AS PRESENTED.

Committee Applicants

The committee individually interviewed three applicants for the open committee position: Jane Hankins, Janet McCarthy and Latricia Mack. The committee will discuss and vote at the conclusion of the meeting.

MetLife Plan Review

Mr. Ray Abbruzzese and Mr. David Johnson from MetLife presented an update to the committee on the 403b plan. The following were highlights of the update:

- Plan Statistics
- Regulatory Review
- Enhancing Employee Engagement

403b and the 457b Investment Review

Tim Anderson, Anderson Financial Partners, gave a brief economic commentary and reviewed the summary of performance from the fund managers.

Committee Membership

The Committee reviewed the three applicants for membership. Discussion ensued and the following motion was made by Ms. Spradling, seconded by Mr. McAlpine, and approved (4 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO RECOMMEND THE FINANCE COMMITTEE APPROVE THE MEMBERSHIP OF JANE HANKINS TO RETIREMENT PLANNING COMMITTEE FOR A THREE YEAR TERM FROM JUNE 1, 2025 – MAY 31, 2028.

Other

Noted for the minutes, recruitment will begin for additional committee member.

Adjournment

There being no further business, the meeting was adjourned at 11:43a.m.

Stan Retz, Chairperson

**RESOLUTION OF THE
RETIREMENT PLANNING COMMITTEE OF THE
NORTH BREVARD COUNTY HOSPITAL DISTRICT
RECOMMENDING THE RESTATAEMENT OF AND THE AMENDMENT
TO THE
NORTH BREVARD HOSPITAL DISTRICT
D/B/A PARRISH MEDICAL CENTER 403(b) PLAN**

The Retirement Planning Committee, (the “Committee”) of North Brevard County Hospital District, d/b/a Parrish Medical Center, at a meeting duly called and held, at which a quorum was present, hereby adopts the following recitals and resolutions:

WHEREAS, the North Brevard County Hospital District (the “District”) is a special hospital district of the State of Florida created by special act of the Florida Legislature in 1953 by Chapter 28924, Laws of Florida, re-codified by Ch. 2003-362, Laws of Florida; and

WHEREAS, the District established the North Brevard County Hospital District, a Special Tax District operating the North Brevard County Hospital District d/b/a Parrish Medical Center 403(b) Plan (the “Plan”), effective as of January 1, 1989; and

WHEREAS, the Committee assists in the administration of the Plan and provides recommendations to the District regarding the Plan; and

WHEREAS, the District reserved the right to amend the Plan; and

RESOLVED, the Committee hereby recommends that the District restate the Plan to maintain its continued compliance with the Internal Revenue Code and other legal requirements. The restated Plan (which includes an “Adoption Agreement” and a “Basic Plan Document) is attached hereto as Exhibit “A”; and

RESOLVED, the Committee hereby recommends that the District adopt an amendment to the Plan which is intended to comply with the so-called CARES/SECURE Acts. The amendment is attached hereto at Exhibit “B”.

FURTHER RESOLVED, that any and all actions heretofore taken by any officer or director of the District in connection with the actions contemplated herein is, ratified, confirmed and approved in all respects; and be it

FURTHER RESOLVED, that the applicable officers are hereby authorized to take the actions necessary to implement this resolution.

This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2025.

RETIREMENT PLANNING COMMITTEE
OF NORTH BREVARD COUNTY HOSPITAL
DISTRICT

Sign: _____

Print: _____

Title: _____

ATTEST:

By: _____

EXHIBIT “A”

**NORTH BREVARD COUNTY HOSPITAL
D/B/A
PARRISH MEDICAL CENTER
403(b) PLAN**

**ADOPTION AGREEMENT
AND
BASIC PLAN DOCUMENT**

**GOVERNMENTAL PRE-APPROVED 403(b) PLAN
ADOPTION AGREEMENT #12-001
For Government Entities, including Public Schools and Dual Status 501(c)(3)/Governmental Organizations**

By executing this Governmental Pre-Approved 403(b) Plan Adoption Agreement (the "Adoption Agreement or AA"), the undersigned Employer agrees to establish or continue a 403(b) Plan. The 403(b) Plan adopted by the Employer consists of the Pre-Approved 403(b) Plan Basic Plan Document #12 (the "BPD") and the elections made under this Adoption Agreement (collectively referred to as the "Plan"). An Employer may jointly co-sponsor the Plan by signing a Participating Employer Adoption Page, which is attached to this Adoption Agreement. **This Plan is effective as of the Effective Date identified on the Signature Page of this Adoption Agreement.** Unless the context clearly requires otherwise, all capitalized terms used in this Adoption Agreement shall have the same meaning as when used in the BPD.

In completing the provisions of this Adoption Agreement, unless designated otherwise, selections under the Deferral column apply to all Salary Deferrals (including Roth Deferrals and Catch-Up Contributions) and After-Tax Employee Contributions. The selections under the Match column apply to Matching Contributions under AA §6B. Selections under the ER column apply to Employer Contributions under AA §6 and Mandatory Contributions under AA §6C.

As a Governmental Plan, this Plan is not subject to the nondiscrimination and coverage rules (other than the universal availability rule under Code §403(b)(12)(A)(ii)) under the Code. Also, as a Governmental Plan, this Plan is not subject to Title I of ERISA and may make elections under this Adoption Agreement accordingly.

All elections the Employer makes under the Adoption Agreement are subject to the terms governing the applicable Investment Arrangement(s) and any applicable state or local law.

**SECTION 1
EMPLOYER INFORMATION**

The information contained in this Section 1 is required for informational purposes only and may be modified without amending this Adoption Agreement by substituting a new Section 1 with the updated information. Any changes to the provisions under this Section 1 will not affect the Employer's reliance on the Favorable IRS Letter.

1-1 EMPLOYER INFORMATION.

Name: North Brevard County Hospital District d/b/a Parrish Medical Center

Address: 951 North Washington Ave.

City, State, Zip Code: Titusville, FL 32796

Telephone: 321-268-6111

1-2 EMPLOYER IDENTIFICATION NUMBER (EIN). 59-6020427

1-3 TYPE OF EMPLOYER. (Select (a) or (b))

☐ (a) Public School (as defined in Section 1.78 of the BPD)

☒ (b) Dual Status §501(c)(3)/Governmental Organization (as defined in Section 1.28 of the BPD)

1-4 EMPLOYER'S TAX (ACCOUNTING) YEAR END (optional). The Employer's tax (accounting) year ends September 30

1-5 RELATED EMPLOYERS (optional). Is the Employer part of a group of Related Employers (as defined in Section 1.84 of the BPD)?

☒ Yes

☐ No

If yes, Related Employers may be listed below. A Related Employer must complete a Participating Employer Adoption Page for Employees of that Related Employer to participate in this Plan.

North Brevard Medical Support, Inc.

[Note: This AA §1-5 is for informational purposes. The failure to identify all Related Employers under this AA §1-5 will not jeopardize the qualified status of the Plan.]

SECTION 2
PLAN INFORMATION

2-1 **PLAN NAME.** North Brevard County District d/b/a Parrish Medical Center 403(b) Plan

Original Effective Date: January 1, 1989

Restatement Effective Date: January 1, 2025

[Note: The Plan's Original Effective Date may be no earlier than the first day of the Plan Year in which the Plan is initially adopted. The Plan's Restatement Effective Date may be no earlier than the first day of the Plan Year in which the Plan's restatement is adopted. A Participant's Salary Deferral Agreement may not apply to Plan Compensation that became currently available before the date the Employer adopts the salary reduction feature of the Plan.]

2-2 **PLAN NUMBER.** 003

2-3 **TYPE OF PLAN. (Check one of (a)-(c) and, if applicable, (d).)**

- ☐ (a) Custodial Account under Code §403(b)(7)
☐ (b) Annuity Contract under Code §403(b)(1)
☒ (c) Custodial Account and/or Annuity Contract
☐ (d) The Plan is intended to be a FICA Replacement Plan

[Note: A Favorable IRS Letter issued in accordance with Rev. Proc. 2021-37 to this Plan does not provide any reliance as to whether an Employer who has adopted this Plan satisfies the requirements under Treas. Reg. §31.3121(b)(7)-2 for the Plan to be treated as a FICA Replacement Plan with respect to any Employee.]

2-4 **PLAN YEAR.**

- ☒ (a) Calendar year.
☐ (b) The 12-consecutive month period ending on _____ each year.
☐ (c) The Plan has a Short Plan Year running from ____ to ____.

2-5 **FROZEN PLAN.** Check this AA §2-5 if the Plan is a frozen Plan to which no contributions will be made.

- ☐ This Plan is a frozen Plan effective _____.

[Note: As a frozen Plan, the Employer will not make any contributions with respect to Plan Compensation paid after such date and no Participant will be permitted to make any contributions to the Plan after such date. In addition, no Employee will become a Participant after the date the Plan is frozen.]

2-6 **MULTIPLE EMPLOYER PLAN.** Is this Plan a Multiple Employer Plan as defined in Section 1.62 of the BPD? (See Section 16.07 of the BPD for special rules applicable to Multiple Employer Plans.)

- ☐ (a) Yes
☒ (b) No

2-7 **PLAN ADMINISTRATOR.**

- ☐ (a) The Employer identified in AA §1-1.
☒ (b) Name: The Employer identified in AA Section 1-1 and the Retirement Planning Committee (See Addendum A)

Address: 951 North Washington Ave, Titusville, FL 32796

Telephone: 321-268-6111

[Note: To the extent an individual is named in this AA §2-7 and does not take on all responsibilities of Plan Administrator, the Employer will retain those responsibilities as Plan Administrator. (See Section 1.71 of the BPD.)]

2-8 **DEFINITION OF DISABLED.** Unless otherwise provided under the terms of the applicable Investment Arrangement, an individual is considered Disabled under Section 1.27 of the BPD (option (c) below) unless an alternative definition of Disabled is elected below.

- ☐ (a) The individual is covered by the Employer's disability insurance plan and is determined to be Disabled under such plan.
☐ (b) The individual is determined to be Disabled by the Social Security Administration under Section 223(d) of the Social Security Act for purposes of determining eligibility for Social Security benefits.

- ☒ (c) The Plan Administrator determines an individual is unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. The permanence and degree of such impairment shall be supported by medical evidence. The Plan Administrator may establish reasonable procedures for determining whether a Participant is Disabled.

[*Note: An Employer may elect any or all of the elections above. If more than one is selected, the hierarchy for determining whether an individual is considered Disabled is in the order listed above, unless described otherwise under separate administrative procedures or as described below.*]

- ☐ (d) Alternative definition of Disabled: _____

[*Note: Any alternative definition described in this subsection (d) will apply uniformly to all Participants under the Plan. The Employer may describe different definitions of Disabled for different purposes under the Plan.*]

SECTION 3 ELIGIBLE EMPLOYEES

- 3-1 **ELIGIBLE EMPLOYEES.** In addition to the Employees identified in Section 2.02 of the BPD, the following Employees are excluded from participation under the Plan with respect to the contribution type(s) identified in this AA §3-1. (See Sections 2.02(e) and (f) of the BPD for rules regarding the effect on Plan participation if an Employee changes between an eligible and ineligible class of employment.)

Deferral	Match	ER	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(a) No exclusions
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(b) Collectively Bargained Employees (as defined in Section 1.21 of the BPD)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(c) Non-resident aliens who receive no compensation from the Employer which constitutes U.S. source income
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(d) Student Employees (as defined in Section 1.97 of the BPD)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(e) Employees who normally work less than ____ (not more than 20) hours a week (as defined in Section 2.02(b)(4) of the BPD).
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(f) Employees who normally work less than ____ hours a week.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(g) Employees eligible for a governmental Code §457(b) plan sponsored by the Employer that includes salary deferral contributions Specify name of Code §457(b) plan (optional): _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(h) Employees eligible for a 401(k) plan sponsored by the Employer Specify name of the 401(k) plan (optional): _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(i) Employees eligible for another 403(b) plan sponsored by the Employer that includes salary deferral contributions Specify name of the other 403(b) plan (optional): _____
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(j) Seasonal Employees
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(k) Temporary Employees
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(l) Interns
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(m) Per diem Employees
N/A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(n) Other: <u>Employees of North Brevard Medical Support, Inc. and Employees who are classified by the Employer as "non-benefit eligible" Employees.</u>
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(o) Other:

[*Note: With respect to any election to exclude Employees under (e) above, the Employer must satisfy the universal availability requirements under Treas. Reg. §§1.403(b)-5(b)(ii) and (iii)(B) under which the Employer may elect to exclude Employees who normally work fewer than 20 hours per week (or such lower number of hours per week as elected in the Adoption Agreement) with respect to Salary Deferrals, Employer Contributions and Matching Contributions. An Employee normally works fewer than 20 hours per week if and only if (1) for the 12-month period beginning on the date of the Employee's Employment Commencement date, the Employer reasonably expects the Employee to work fewer than 1,000 Hours of Service and (2) for each Plan Year after the close of the 12-month period beginning on the date of the Employee's Employment Commencement date, the*]

Employee worked fewer than 1,000 Hours of Service in the preceding 12-month period. Once eligible due to satisfaction of this service condition, the Employee will continue to be eligible under the Plan.]

[Note: If the Plan is intended to be a FICA Replacement Plan (as elected in AA §2-3(d)) and Part-Time, Seasonal or Temporary Employees are not excluded from participation under the Plan with respect to the contribution type(s) identified in this AA §3-1, such Part-Time, Seasonal, or Temporary Employees are not treated as Qualified Participants for FICA Replacement Plan purposes unless any benefit relied upon to meet the minimum benefit requirement under subsection Section 6.04(a) is 100% vested. See Section 6.04(b)(1).]

SECTION 4 MINIMUM AGE AND SERVICE REQUIREMENTS

4-1 **ELIGIBILITY REQUIREMENTS – MINIMUM AGE AND SERVICE.** An Eligible Employee (as defined in AA §3-1) who satisfies the minimum age and service conditions under this AA §4-1 will be eligible to participate in each contribution type under the Plan as specified below as of such Eligible Employee's Entry Date (as defined in AA §4-2 below).

[Note: As a Governmental Plan, this Plan is not subject to the nondiscrimination and coverage rules (other than the universal availability rule under Code §403(b)(12)(A)(ii)) under the Code and Title I of ERISA.]

- (a) **Service Requirement.** An Eligible Employee must complete the following minimum service requirements to participate in the contribution type as specified below in the Plan. If a different minimum service requirement applies for the same contribution type for different groups of Employees or for different contribution formulas, such differences may be described below.

Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	(1) There is no minimum service requirement for participation in the Plan.
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(2) One Year of Service (as defined in Section 2.03(a)(1) of the BPD and AA §4-3).
<input type="checkbox"/>	<input type="checkbox"/>	(3) The completion of at least ____ Hours of Service during the first ____ months of employment (or the first ____ days of employment) or the completion of a Year of Service (as defined in AA §4-3), if earlier.
	<input type="checkbox"/>	<input type="checkbox"/> (i) An Employee who completes the required Hours of Service satisfies eligibility at the end of the designated period, regardless if the Employee actually works for the entire period.
	<input type="checkbox"/>	<input type="checkbox"/> (ii) An Employee who completes the required Hours of Service must also be employed continuously during the designated period of employment. (See Section 2.03(a)(2) of the BPD for rules regarding the application of this subsection (ii).)
<input type="checkbox"/>	<input type="checkbox"/>	(4) The completion of ____ Hours of Service during an Eligibility Computation Period (as defined in AA §4-3). <i>[An Employee satisfies the service requirement immediately upon completion of the designated Hours of Service rather than at the end of the Eligibility Computation Period.]</i>
<input type="checkbox"/>	<input type="checkbox"/>	(5) Full-time Employees are eligible to participate as set forth in subsection (i). Employees who are "Part-Time" Employees must complete a Year of Service (as defined in AA §4-3). For this purpose, a full-time Employee is any Employee not defined in subsection (ii).
		(i) Full-time Employees must complete the following minimum service requirements to participate in the Plan:
	<input type="checkbox"/>	(A) There is no minimum service requirement for participation in the Plan.
	<input type="checkbox"/>	(B) The completion of at least ____ Hours of Service during the first ____ months of employment or the completion of a Year of Service (as defined in AA §4-3), if earlier.
	<input type="checkbox"/>	(C) Under the Elapsed Time Method as defined in AA §4-3 below.
	<input type="checkbox"/>	(D) Describe: _____

Match

ER

(ii) Part-Time Employees must complete a Year of Service (as defined in AA §4-3).

☐ (A) For this purpose, a Part-Time Employee is any Employee whose normal work schedule is less than:

☐ (I) ____ hours per week.

☐ (II) ____ hours per month.

☐ (III) ____ hours per year.

☐ (B) Describe Part-Time Employees for this purpose: _____

[Note: A Part-Time Employee must be described as an individual who works less than a specified number of hours during a standard work week.]

☐

☐

(6) Two (2) Years of Service.

☐

☐

(7) Under the Elapsed Time Method as defined in AA §4-3 below.

☐

☐

(8) Describe eligibility conditions: _____

☐

☐

(9) Describe eligibility conditions: _____

[Note: Any described eligibility conditions must satisfy the definitely determinable requirements under Treas. Reg. §1.401-1(b)(1)(i).]

(b) **Minimum Age Requirement.** An Eligible Employee (as defined in AA §3-1) must have attained the following age with respect to the contribution type(s) identified in this AA §4-1(b).

Match

ER

☒

☒

(1) There is no minimum age for Plan eligibility.

☐

☐

(2) Age 21.

☐

☐

(3) Age ____.

☐ (c) **Special eligibility rules.** The following special eligibility rules apply with respect to the Plan: _____

[Note: This subsection (c) may be used to apply the eligibility conditions selected under this AA §4-1 separately with respect to different Employee groups or different contribution formulas under the Plan.]

4-2 **ENTRY DATE.** An Eligible Employee (as defined in AA §3-1) who satisfies the minimum age and service requirements in AA §4-1 shall be eligible to participate in the Plan as of such Eligible Employee's applicable Entry Date. For this purpose, the Entry Date is the following date with respect to the contribution type(s) identified under this AA §4-2.

Match

ER

☐

☐

(a) **Immediate.** The date the minimum age and service requirements are satisfied (or date of hire, if no minimum age and service requirements apply).

☐

☐

(b) **Semi-annual.** The first day of the 1st and 7th month of the Plan Year.

☐

☐

(c) **Quarterly.** The first day of the 1st, 4th, 7th and 10th month of the Plan Year.

☐

☐

(d) **Monthly.** The first day of each calendar month.

☒

☒

(e) **Payroll period.** The first day of the payroll period.

☐

☐

(f) **The first day of the Plan Year.** [See Section 2.03(b) of the BPD for special rules that apply.]

☐

☐

(g) **Describe Entry Date:** _____

An Eligible Employee's Entry Date (as defined above) is determined based on when the Employee satisfies the minimum age and service requirements in AA §4-1. For this purpose, an Employee's Entry Date is the Entry Date:

Match	ER	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(h) next following satisfaction of the minimum age and service requirements.
<input type="checkbox"/>	<input type="checkbox"/>	(i) coinciding with or next following satisfaction of the minimum age and service requirements.
<input type="checkbox"/>	<input type="checkbox"/>	(j) nearest the satisfaction of the minimum age and service requirements.
<input type="checkbox"/>	<input type="checkbox"/>	(k) preceding the satisfaction of the minimum age and service requirements.
<input type="checkbox"/>	<input type="checkbox"/>	(l) coinciding with or preceding the satisfaction of the minimum age and service requirements.

This section may be used to describe any special rules for determining Entry Dates under the Plan. For example, if different Entry Date provisions apply for the same contribution types with respect to different groups of Employees, such different Entry Date provisions may be described below.

Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	(m) Describe any special rules that apply with respect to the Entry Dates under this AA §4-2: _____ [<i>Note: The Employer may describe different Entry Dates for different groups of Employees, provided such Entry Dates are consistent with the permissible elections in this AA §4-2.</i>]

4-3 **DEFAULT ELIGIBILITY RULES.** In applying the minimum age and service requirements under AA §4-1 above, the following default rules apply with respect to all contribution types under the Plan:

- **Year of Service.** An Employee earns a Year of Service for eligibility purposes upon completing 1,000 Hours of Service during an Eligibility Computation Period. Hours of Service are calculated based on actual hours worked during the Eligibility Computation Period. (See Section 1.52 of the BPD for the definition of Hour of Service.)
- **Eligibility Computation Period.** If one Year of Service is required for eligibility, the Plan will determine subsequent Eligibility Computation Periods on the basis of Plan Years. If more than one Year of Service is required for eligibility, the Plan will determine subsequent Eligibility Computation Periods on the basis of Anniversary Years. However, if the Employee fails to earn a Year of Service in the first or second Eligibility Computation Period, the Plan will determine subsequent Eligibility Computation Periods on the basis of Plan Years beginning in the first or second Eligibility Computation Period, as applicable.
- **Break in Service Rules.** The Nonvested Participant Break in Service rule (see Section 2.07(b) of the BPD) and the One-Year Break in Service rule (see Section 2.07(d) of the BPD) do NOT apply. Governmental Plans are not subject to the Break in Service rules under Title I of ERISA and can modify the Break in Service rules of the Plan accordingly.

To override the default eligibility rules, complete the applicable sections of this AA §4-3. **If this AA §4-3 is not completed for a particular contribution type, the default eligibility rules apply.**

Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	(a) Year of Service. Instead of 1,000 Hours of Service, an Employee earns a Year of Service upon the completion of ____ Hours of Service during an Eligibility Computation Period.
<input type="checkbox"/>	<input type="checkbox"/>	(b) Eligibility Computation Period. The Plan will use Anniversary Years for all Eligibility Computation Periods.
<input type="checkbox"/>	<input type="checkbox"/>	(c) Exclusion Years. Instead of the Plan Year, the Plan will use Anniversary Years for Exclusion Years for purposes of determining whether Employees normally work fewer than 20 hours per week. (See Section 2.02(b)(4) of the BPD.)

Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<p>(d) Elapsed Time Method. Eligibility service will be determined under the Elapsed Time Method. An Eligible Employee (as defined in AA §3-1) must complete a period of service, as designated below, to participate in the Plan.</p> <p><input type="checkbox"/> (1) For Match, must complete a ____ period of service</p> <p><input type="checkbox"/> (2) For ER, must complete a ____ period of service</p> <p><i>[Note: Under the Elapsed Time Method, service will be measured from the Employee's employment commencement date (or reemployment commencement date, if applicable) without regard to the Eligibility Computation Period.]</i></p>
<input type="checkbox"/>	<input type="checkbox"/>	<p>(e) Equivalency Method. For purposes of determining an Employee's Hours of Service for eligibility, the Plan will use the Equivalency Method (as defined in Section 2.03(a)(5) of the BPD). The Equivalency Method will apply to:</p> <p><input type="checkbox"/> (1) All Employees.</p> <p><input type="checkbox"/> (2) Only Employees for whom the Employer does not maintain hourly records. For Employees for whom the Employer maintains hourly records, eligibility will be determined based on actual hours worked.</p> <p>Hours of Service for eligibility will be determined under the following Equivalency Method:</p> <p><input type="checkbox"/> (3) Monthly. 190 Hours of Service for each month worked.</p> <p><input type="checkbox"/> (4) Weekly. 45 Hours of Service for each week worked.</p> <p><input type="checkbox"/> (5) Daily. 10 Hours of Service for each day worked.</p> <p><input type="checkbox"/> (6) Semi-monthly. 95 Hours of Service for each semi-monthly period worked.</p> <p><input type="checkbox"/> (7) Hours worked. 870 hours worked treated as 1,000 Hours of Service and 435 hours worked treated as 500 Hours of Service.</p> <p><input type="checkbox"/> (8) Regular time hours. 750 regular time hours treated as 1,000 Hours of Service and 375 regular time hours treated as 500 Hours of Service.</p> <p><input type="checkbox"/> (9) Describe: _____</p> <p><i>[Note: Any description under (9) must be definitely determinable with respect to Hours of Service.]</i></p>
<input type="checkbox"/>	<input type="checkbox"/>	<p>(f) Nonvested Participant Break in Service rule applies. Service earned prior to a Nonvested Participant Break in Service (as defined in Section 2.07(b) of the BPD) will be disregarded in applying the eligibility rules.</p> <p><input type="checkbox"/> The Nonvested Participant Break in Service rule applies to all Employees, including Employees who have not had a Severance from Employment.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p>(g) One-Year Break in Service rule applies. The One-Year Break in Service rule (as defined in Section 2.07(d) of the BPD) applies to temporarily disregard an Employee's service earned prior to a one-year Break in Service.</p> <p><input type="checkbox"/> The One-Year Break in Service rule applies to all Employees, including Employees who have not had a Severance from Employment.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p>(h) Special eligibility provisions: _____</p> <p><i>[Note: Any special eligibility provision must relate to an Employee's eligibility to participate under the Plan. The Employer may describe different eligibility provisions, including different Eligibility Computation Periods and different service crediting methods, for different groups of Employees, provided such eligibility provisions are consistent with the permissible elections in this AA §4.]</i></p>

4-4 **EFFECTIVE DATE OF MINIMUM AGE AND SERVICE REQUIREMENTS.** The minimum age and/or service requirements under AA §4-1 apply to all Employees under the Plan. An Employee will participate with respect to all contribution

types under the Plan as of such Employee's Entry Date under AA §4-2, taking into account all service with the Employer, including service earned prior to the Effective Date.

To allow Employees hired on a specified date to enter the Plan without regard to the minimum age and/or service conditions, complete this AA §4-4.

Match

ER

☐
☐

An Eligible Employee who is employed by the Employer on the following date will become eligible to enter the Plan without regard to minimum age and/or service requirements (as designated below):

- ☐ (a) the Effective Date of this Plan (as designated in the Employer Signature Page).
- ☐ (b) the date the Plan is executed by the Employer (as indicated on the Employer Signature Page).
- ☐ (c) ____ [insert date no earlier than the Effective Date of this Plan].

An Eligible Employee who is employed on the designated date will become eligible to participate in the Plan without regard to the minimum age and service requirements under AA §4-1. If both minimum age and service conditions are not waived, select (d) or (e) to designate which condition is waived under this AA §4-4.

- ☐ (d) This AA §4-4 only applies to the minimum service condition.
- ☐ (e) This AA §4-4 only applies to the minimum age condition.

The provisions of this AA §4-4 apply to all Eligible Employees employed on the designated date unless designated otherwise under subsection (f) or (g) below:

- ☐ (f) The provisions of this AA §4-4 apply to the following group of Employees employed on the designated date: _____
- ☐ (g) Describe special rules: _____

[Note: An Employee who is employed as of the date described in this AA §4-4 will be eligible to enter the Plan as of such date unless a different Entry Date is designated under subsection (g).]

4-5 **SERVICE WITH PREDECESSOR EMPLOYER.** This AA §4-5 may be used to identify any Predecessor Employers for whom service will be counted for purposes of determining eligibility, vesting and allocation conditions under this Plan.

If this AA §4-5 is not completed, no service with a Predecessor Employer will be counted.

☐ (a) **Identify Predecessor Employer(s):**

- ☐ (1) The Plan will count service with all Employers which have been acquired.
- ☐ (2) The Plan will count service with the following Predecessor Employers:

	Name of Predecessor Employer	Eligibility	Vesting	Allocation Conditions
<input type="checkbox"/> (i)	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

☐ (b) **Describe** any special provisions applicable to Predecessor Employer service: _____

[Note: Any special provisions must relate solely to service with a Predecessor Employer.]

SECTION 5
COMPENSATION DEFINITIONS

- 5-1 **TOTAL COMPENSATION.** Total Compensation is based on the definition set forth under this AA §5-1. (See Section 1.101 of the BPD for a specific definition of the various types of Total Compensation.)

- ☒ (a) W-2 Wages
☐ (b) Code §415 Compensation
☐ (c) “Simplified” Code §415 Compensation
☐ (d) Wages under Code §3401(a)

[Note: For purposes of determining Total Compensation, the definition includes Elective Deferrals as defined in Section 1.33 of the BPD, pre-tax contributions to a Code §125 cafeteria plan or a Code §457 plan, and qualified transportation fringes under Code §132(f)(4).]

- 5-2 **POST-SEVERANCE COMPENSATION.** Total Compensation includes post-severance compensation, to the extent provided in Section 1.101(b) of the BPD. This may be overridden by completing the following elections:

- ☐ (a) **Exclusion of post-severance compensation from Total Compensation.** The following amounts paid after a Participant’s severance of employment are excluded from Total Compensation:
- ☐ (1) **Unused leave payments.** Payment 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.
- ☐ (2) **Deferred compensation.** Payments received by an Employee pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid to the Employee at the same time if the Employee had continued in employment and only to the extent that the payment is includible in the Employee’s gross income.

[Note: Plan Compensation (as defined in Section 1.72 of the BPD) includes any post-severance compensation amounts that are includible in Total Compensation. The Employer may elect to exclude all compensation paid after severance of employment or may elect to exclude specific types of post-severance compensation from Plan Compensation under AA §5-3.]

- (b) **Continuation payments for disabled Participants.** Unless designated otherwise under this subsection (b), Total Compensation does not include continuation payments for disabled Participants.

- ☐ **Payments to disabled Participants.** Total Compensation shall include post-severance compensation paid to a Participant who is permanently and totally disabled, as provided in Section 1.101(c) of the BPD.

5-3 **PLAN COMPENSATION.** Plan Compensation is **Total Compensation** (as defined in AA §5-1 and adjusted by AA §5-2 above) with the following exclusions described below.

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(a) No exclusions.
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(b) Elective Deferrals (as defined in Section 1.33 of the BPD), pre-tax contributions to a Code §125 cafeteria plan or a Code §457 plan, and qualified transportation fringes under Code §132(f)(4).
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(c) All fringe benefits (cash and noncash), reimbursements or other expense allowances, moving expenses, deferred compensation, and welfare benefits.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(d) Compensation above \$____.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(e) Amounts received as a bonus.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(f) Amounts received as commissions.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(g) Overtime payments.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(h) Amounts received for services performed for a non-signatory Related Employer. (See Section 2.02(c) of the BPD.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(i) “Deemed §125 compensation” as defined in Section 1.101(d) of the BPD.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(j) Amounts received after Severance from Employment. (See Section 1.101(b) of the BPD.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(k) Differential Pay (as defined in Section 1.101(e) of the BPD).
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(l) Leave of absence pay.
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(m) Describe adjustments to Plan Compensation: <u>All compensation is excluded other than base pay and personal leave bank received.</u> [Note: Any adjustments to Plan Compensation under this AA §5-3 must be definitely determinable.]

5-4 **PERIOD FOR DETERMINING COMPENSATION.**

- (a) **Compensation Period.** Plan Compensation will be determined on the basis of the following period(s) for the contribution types identified in this AA §5-4. *[If a period other than Plan Year applies for any contribution type, any reference to the Plan Year as it refers to Plan Compensation for that contribution type will be deemed to be a reference to the period designated under this AA §5-4.]*

Deferral	Match	ER	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(1) The Plan Year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(2) The calendar year ending in the Plan Year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(3) The Employer's fiscal tax year ending in the Plan Year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(4) The 12-month period ending on ____ which ends during the Plan Year.

- (b) **Compensation while a Participant.** Unless provided otherwise under this subsection (b), in determining Plan Compensation, only compensation paid while an individual is a Participant under the Plan with respect to a particular contribution type will be taken into account.

To count compensation for the entire Plan Year for a particular contribution type, including compensation paid while an individual is not a Participant with respect to such contribution type, check below. (See Section 1.72 of the BPD.)

Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	All compensation paid during the Plan Year will be taken into account, including compensation paid while an individual is not a Participant.

- (c) **Few weeks rule.** The few weeks rule under Code §415 will not apply unless designated otherwise under this subsection (c).
- ☐ Amounts earned but not paid during a Limitation Year solely because of the timing of pay periods and pay dates shall be included in Includible 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 amounts are included in more than one Limitation Year.

SECTION 6 EMPLOYER CONTRIBUTIONS

6-1 **EMPLOYER CONTRIBUTIONS.** Is the Employer authorized to make Employer Contributions under the Plan?

- ☒ Yes
- ☐ No *[If No, skip to AA §6A.]*

6-2 **EMPLOYER CONTRIBUTION FORMULA.** For the period designated in AA §6-4 below, the Employer will make the following Employer Contributions on behalf of Participants who satisfy the allocation conditions designated in AA §6-7 below. Any Employer Contribution authorized under this AA §6-2 will be allocated in accordance with the allocation formula selected under AA §6-3. Any Employer Contribution authorized under this AA §6-2 will be allocated in accordance with the allocation formula selected under AA §6-3.

[Note: As a Governmental Plan, this Plan is not subject to the nondiscrimination and coverage rules (other than the universal availability rule under Code §403(b)(12)(A)(ii)) under the Code and Title I of ERISA.]

- ☒ (a) **Discretionary contribution.** The Employer will determine in its sole discretion how much, if any, it will make as an Employer Contribution.
- ☐ (b) **Fixed contribution.**
- ☐ (1) ___% of each Participant's Plan Compensation.
- ☐ (2) \$___ for each Participant.
- ☐ (c) **Contributions under collective bargaining agreement, employment contract or equivalent arrangement.** The Employer will make an Employer Contribution based on a collective bargaining agreement, employment contract or equivalent arrangement as follows:
- ☐ (1) Describe: _____
- ☐ (2) See Addendum.

[Note: Insert the appropriate contribution formula (and allocation formula, if applicable) from the collective bargaining agreement, employment contract or equivalent arrangement. The formula must be definitely determinable. Alternatively, the Employer may attach an addendum which incorporates by reference the currently applicable collective bargaining agreement, employment contract or equivalent arrangement. The addendum does not need to include the actual collective bargaining agreement, employment contract or equivalent arrangement, but must be sufficiently descriptive to identify incorporated documents.]

- ☐ (d) **Service-based contribution.** The Employer will make the following contribution:
- ☐ (1) **Discretionary.** A discretionary contribution determined as a uniform percentage of Plan Compensation or a uniform dollar amount for each period of service designated below.
- ☐ (2) **Fixed percentage.** ___% of Plan Compensation paid for each period of service designated below.
- ☐ (3) **Fixed dollar.** \$___ for each period of service designated below.

The service-based contribution will be based on the following periods of service:

- ☐ (4) Each Hour of Service
- ☐ (5) Each week of employment
- ☐ (6) Describe period: _____

[Note: Any described period must satisfy the definitely determinable requirements under Treas. Reg. §1.401-1(b)(1)(i).]

The service-based contribution is subject to the following rules:

☐ (7) Describe any special provisions that apply to service-based contribution: _____

- ☐ (e) **Year of Service contribution.** The Employer will make an Employer Contribution based on Years of Service with the Employer.

	Years of Service	Contribution %
<input type="checkbox"/> (1)	From ____ and up through ____	____%
<input type="checkbox"/> (2)	From ____ and up through ____	____%
<input type="checkbox"/> (3)	From ____ and up through ____	____%
<input type="checkbox"/> (4)	From ____ and up through ____	____%
<input type="checkbox"/> (5)	From ____ and up through ____	____%
<input type="checkbox"/> (6)	From ____ and up through ____	____%
<input type="checkbox"/> (7)	From ____ and above	____%

For this purpose, a Year of Service is each Plan Year during which an Employee completes at least 1,000 Hours of Service. Alternatively, a Year of Service is: _____

[*Note: Any alternative definition of a Year of Service must meet the requirements of a Year of Service as defined in Section 2.03 of the BPD.*]

- ☐ (f) **Describe special rules for determining contributions under the Plan:** _____

[*Note: The Employer may describe special rules for determining contributions under the Plan consistent with the elections under (a) – (e) above and/or a combination thereof.*]

6-3 ALLOCATION FORMULA.

- ☒ (a) **Uniform allocation.** The discretionary Employer Contribution under AA §6-2 will be allocated:

☒ (1) as a uniform percentage of Plan Compensation.

☐ (2) as a uniform dollar amount.

- ☐ (b) **Fixed allocation.** The fixed Employer Contribution under AA §6-2 will be allocated in accordance with the selections made with respect to the fixed Employer Contributions under AA §6-2.

- ☐ (c) **Permitted disparity allocation.** The discretionary Employer Contribution under AA §6-2 will be allocated under the two-step method (as defined in Section 3.02(a)(1)(ii)(A) of the BPD), using the Taxable Wage Base (as defined in Section 1.98 of the BPD) as the Integration Level.

To modify these default rules, complete the appropriate provision(s) below:

- ☐ (1) **Integration Level.** Instead of the Taxable Wage Base, the Integration Level is:

☐ (i) ____% of the Taxable Wage Base, increased (but not above the Taxable Wage Base) to the next higher:

☐ (A) N/A

☐ (B) \$1

☐ (C) \$100

☐ (D) \$1,000

☐ (ii) \$____ (not to exceed the Taxable Wage Base)

☐ (iii) 20% of the Taxable Wage Base

[*Note: See Section 3.02(a)(1)(ii)(D) of the BPD for rules regarding the Maximum Disparity Rate that may be used where an Integration Level other than the Taxable Wage Base is selected.*]

- ☐ (2) **Describe** special rules for applying permitted disparity allocation formula: _____

[*Note: Any special rules must relate solely to applying the permitted disparity formula.*]

- ☐ (d) **Uniform points allocation.** The discretionary Employer Contribution designated in AA §6-2 will be allocated to each Participant in the ratio that each Participant's total points bears to the total points of all Participants. A Participant will receive the following points:

☐ (1) ____ point(s) for each ____ year(s) of age (attained as of the end of the Plan Year).

☐ (2) ____ point(s) for each \$____ (not to exceed \$200) of Plan Compensation.

- ☐ (3) ____ point(s) for each ____ Year(s) of Service. For this purpose, Years of Service are determined:
- ☐ (i) In the same manner as determined for eligibility.
 - ☐ (ii) In the same manner as determined for vesting.
 - ☐ (iii) Points will not be provided with respect to Years of Service in excess of ____.
- ☐ (e) **Employee group allocation.** The Employer may make a separate Employer Contribution to the Participants in the following allocation groups. The Employer must notify the Vendor or Plan Administrator in writing of the amount of the contribution to be allocated to each allocation group.
- ☐ (1) A separate discretionary Employer Contribution may be made to each Participant of the Employer (i.e., each Participant is in such Participant's own allocation group).
 - ☐ (2) A separate discretionary or fixed Employer Contribution may be made to the following allocation groups. If no fixed amount is designated for a particular allocation group, the contribution made for such allocation group will be allocated as a uniform percentage of Plan Compensation to all Participants within that allocation group, unless otherwise designated as a uniform dollar amount below.
 - ☐ The contribution made for each allocation group will be allocated as a uniform dollar amount to all Participants within the allocation group.

Description of allocation groups

☐ **Group 1:** _____

[*Note: Each group must be definitely determinable.*]

- ☐ (3) **Special rules.** The following special rules apply to the Employee group allocation formula.
- ☐ (i) **More than one Employee group.** Unless designated otherwise under this subsection (i), if a Participant is in more than one allocation group described in (2) above during the Plan Year, the Participant will receive an Employer Contribution based on the Participant's status on the last day of the Plan Year.
 - ☐ (A) **Determined separately for each Employee group.** If a Participant is in more than one allocation group during the Plan Year, the Participant's share of the Employer Contribution will be based on the Participant's status for the part of the year the Participant is in each allocation group. However, if the Period for determining Employer Contributions under AA §6-4(a) is not the Plan Year, the Participant will receive an Employer Contribution based on the Participant's status on the last day of the applicable period.
 - ☐ (B) **Describe:** _____
- [*Note: Any language under this subsection (B) must be definitely determinable.*]
- ☐ (f) **Age-based allocation.** The discretionary Employer Contribution designated in AA §6-2 will be allocated under the age-based allocation formula so that each Participant receives a pro rata allocation based on adjusted Plan Compensation. For this purpose, a Participant's adjusted Plan Compensation is determined by multiplying the Participant's Plan Compensation by an Actuarial Factor (as defined in Section 3.02(a)(1)(v)(B) of the BPD).
- A Participant's Actuarial Factor is determined based on a specified interest rate and mortality table. Unless designated otherwise under (1) or (2) below, the Plan will use an applicable interest rate of 8.5% and a UP-1984 mortality table.
- ☐ (1) **Applicable interest rate.** Instead of 8.5%, the Plan will use an interest rate of ____% (must be between 7.5% and 8.5%) in determining a Participant's Actuarial Factor.
 - ☐ (2) **Applicable mortality table.** Instead of the UP-1984 mortality table, the Plan will use the following mortality table in determining a Participant's Actuarial Factor: _____
 - ☐ (3) **Describe special rules applicable to age-based allocation:** _____
- [*Note: See Appendix A of the BPD for sample Actuarial Factors based on an 8.5% applicable interest rate and the UP-1984 mortality table. If an interest rate or mortality table other than 8.5% or UP-1984 is selected, appropriate Actuarial Factors must be calculated.*]
- ☐ (g) **Service-based allocation formula.** The service-based Employer Contribution selected in AA §6-2 will be allocated in accordance with the selections made under the service-based allocation formula in AA §6-2.
 - ☐ (h) **Year of Service allocation formula.** The Year of Service Employer Contribution selected in AA §6-2 will be allocated in accordance with the selections made under the Year of Service allocation formula in AA §6-2.
 - ☐ (i) **Describe special rules for determining allocation formula:** _____

[**Note:** The Employer may describe special rules for determining allocation formula under the Plan consistent with the elections under (a) – (h) above and/or a combination thereof.]

6-4 **SPECIAL RULES.** No special rules apply with respect to Employer Contributions under the Plan, except to the extent designated under this AA §6-4. Unless designated otherwise, in determining the amount of the Employer Contributions to be allocated under this AA §6, the Employer Contribution will be based on Plan Compensation paid during the Plan Year.

- ☐ (a) **Period for determining Employer Contributions.** Instead of the Plan Year, Employer Contributions will be determined based on Plan Compensation paid during the following period: [*The Plan Year must be used if the permitted disparity allocation method is selected under AA §6-3 above.*]
- ☐ (1) Plan Year quarter
- ☐ (2) calendar month
- ☐ (3) payroll period
- ☐ (4) Other period more frequent than Plan Year: _____

[**Note:** Although Employer Contributions are determined on the basis of Plan Compensation paid during the period designated under this subsection (a), this does not require the Employer to actually make contributions or allocate contributions on the basis of such period. Employer Contributions may be contributed and allocated to Participants at any time within the contribution period permitted under Treas. Reg. §1.415(c)-1(b)(6)(B), regardless of the period selected under this subsection (a). Any alternative period designated under subsection (4) may not exceed a 12-month period and will apply uniformly to all Participants.]

- ☐ (b) **Limit on Employer Contributions.** The Employer Contribution elected in AA §6-2 may not exceed:
- ☐ (1) ____% of Plan Compensation
- ☐ (2) \$____
- ☐ (3) A discretionary amount determined by the Employer applied in a uniform manner for all eligible Participants for the Plan Year.
- ☐ (c) **Offset of Employer Contribution.**
- ☐ (1) A Participant's allocation of Employer Contributions under AA §6-2 of this Plan is reduced by contributions under _____ [*insert name of plan(s)*].
- ☐ (2) In applying the offset under this subsection (c), the following rules apply: _____
- ☐ (d) **Other special rules relating to Employer Contributions:** _____

6-5 **SPECIAL EMPLOYER CONTRIBUTIONS.**

- (a) **Contributions for former Employees.** If this subsection (a) is elected, the Employer may continue to make Employer Contributions on behalf of a former Employee for the period through the end of the Taxable Year of the Employee in which such Employee ceases to be an Employee and through the end of each of the next five Taxable Years (as provided in Section 3.01(c) of the BPD), as described below:
- ☐ (1) A separate discretionary Employer Contribution may be made to each former Employee (i.e., each former Employee is in such former Employee's own allocation group).
- ☐ (2) The Employer will allocate ____% of the former Employee's deemed Total Compensation for the period through the end of the taxable year in which the former Employee has a Severance from Employment and the next ____ taxable years (not to exceed 5).
- ☐ (3) Describe the contribution/allocation formula that applies to former Employees: _____

[**Note:** The Employer must describe the contribution/allocation rules in a definitely determinable manner consistent with the contribution and allocation elections available under AA §6-2 and 6-3 and/or a combination thereof.]

- ☐ (b) **Contributions of accrued unpaid sick, PTO and/or vacation leave.** (Complete all that apply.)
- ☐ (1) The Employer will make Employer Contributions of amounts of accrued unpaid sick leave, as described below: _____
- ☐ (2) The Employer will make Employer Contributions of amounts of accrued unpaid vacation leave, as described below: _____
- ☐ (3) The Employer will make Employer Contributions of amounts of accrued unpaid PTO leave, as described below: _____

[**Note:** The Employer must describe an Employer Contribution of accrued unpaid sick, PTO and/or vacation leave that meets the following requirements:

- The leave converted under the arrangement can only be accrued unpaid leave;
- The leave converted can only be sick, PTO and/or vacation leave;
- The Employer must designate how often the conversions occur under this AA §6-5;
- The eligibility requirements for participation in the plan cannot be such that an Employee becomes a Participant only in the plan year in which the Employee terminates employment;
- The only accrued unpaid leave which can be converted under the arrangement must only be leave for which the Employee has no right to request a cash payment;
- The leave conversion formula can only be one which involves multiplying an Employee's current daily rate of pay against the amount of accrued unpaid leave being converted; and
- The leave conversion formula is definitely determinable.]

[**Note:** As an alternative to describing the Employer Contribution of accrued unpaid sick, PTO and/or vacation leave above, the Employer may attach an addendum which incorporates by reference the currently applicable accrued sick, PTO and/or vacation leave policy. The addendum does not need to include the actual accrued sick, PTO and/or vacation leave policy, but must be sufficiently descriptive to identify incorporated documents.]

6-6 **MANDATORY CONTRIBUTIONS.** See AA §6C-3 for elections relating to Mandatory Contributions.

6-7 **ALLOCATION CONDITIONS.** A Participant must satisfy any allocation conditions designated under this AA §6-7 to receive an allocation of Employer Contributions under the Plan. Allocation conditions do not apply to Mandatory Contributions.

- ☐ (a) **No allocation conditions** apply with respect to Employer Contributions under the Plan.
- ☒ (b) **Employment condition.** An Employee must be employed with the Employer on the last day of the Plan Year.
- ☒ (c) **Minimum service condition.** An Employee must be credited with at least:
- ☒ (1) 1,000 Hours of Service during the Plan Year.
- ☒ (i) Hours of Service are determined using actual Hours of Service.
- ☐ (ii) Hours of Service are determined using the following Equivalency Method (as defined under AA §4-3(e)):
- | | |
|---|---|
| <input type="checkbox"/> (A) Monthly | <input type="checkbox"/> (B) Weekly |
| <input type="checkbox"/> (C) Daily | <input type="checkbox"/> (D) Semi-monthly |
| <input type="checkbox"/> (E) Hours worked | <input type="checkbox"/> (F) Regular time hours |
- ☐ (2) consecutive days of employment with the Employer during the Plan Year.
- ☐ (d) **Application to a specified period.** The allocation conditions selected under this AA §6-7 apply on the basis of the Plan Year. Alternatively, if an employment or minimum service condition applies under this AA §6-7, the Employer may elect under this subsection (d) to apply the allocation conditions on a periodic basis as set forth below. (See Section 3.06(a) of the BPD for a description of the rules for applying the allocation conditions on a periodic basis.)
- ☐ (1) **Period for applying allocation conditions.** Instead of the Plan Year, the allocation conditions set forth under subsection (2) below apply with respect to the following periods:
- ☐ (i) Plan Year quarter
- ☐ (ii) calendar month
- ☐ (iii) payroll period
- ☐ (iv) Other period more frequent than Plan Year: _____
- ☐ (2) **Application to allocation conditions.** If this subsection (2) is checked to apply allocation conditions on the basis of specified periods, to the extent an employment or minimum service allocation condition applies under this AA §6-7, such allocation condition will apply based on the period selected under subsection (1) above, unless designated otherwise below:
- ☐ (i) Only the employment condition will be based on the period selected in subsection (1) above.
- ☐ (ii) Only the minimum service condition will be based on the period selected in subsection (1) above.

- ☐ (iii) Describe any special rules: _____
[**Note:** Any special rules under subsection (iii) must relate solely to the application of the allocation conditions.]

☒ (c) **Exceptions.**

- ☒ (1) The above allocation condition(s) will **not** apply if the Employee, during the Plan Year:
- ☒ (i) dies.
 - ☒ (ii) has a Severance from Employment due to becoming Disabled.
 - ☐ (iii) becomes Disabled.
 - ☒ (iv) has a Severance from Employment after attaining Normal Retirement Age.
 - ☐ If this box is checked, this waiver of allocation conditions applies only once during the Participant's employment with the Employer. Thus, if an Employee is rehired after such a waiver was applied to such Employee, the waiver of allocation conditions will not apply to a subsequent Severance from Employment.
 - ☐ (v) has a Severance from Employment after attaining Early Retirement Age.
 - ☐ If this box is checked, this waiver of allocation conditions applies only once during the Participant's employment with the Employer. Thus, if an Employee is rehired after such a waiver was applied to such Employee, the waiver of allocation conditions will not apply to a subsequent Severance from Employment.
 - ☐ (vi) is on an authorized leave of absence from the Employer.
- ☐ (2) The exceptions selected under subsection (1) will apply even if an Employee has not had a Severance from Employment at the time of the selected event(s).
- ☐ (3) The exceptions selected under subsection (1) do not apply to:
- ☐ (i) an employment condition designated under this AA §6-7.
 - ☐ (ii) a minimum service condition designated under this AA §6-7.
 - ☐ (iii) a Discretionary Employer Contribution.
 - ☐ (iv) a Fixed Employer Contribution.
- ☐ (f) **Equivalency Method.** For purposes of determining an Employee's Hours of Service for allocation purposes, the Plan will use the Equivalency Method (as defined in Section 2.03(a)(5) of the BPD). The Equivalency Method will apply to:
- ☐ (1) All Employees.
 - ☐ (2) Only Employees for whom the Employer does not maintain hourly records. For Employees for whom the Employer maintains hourly records, eligibility will be determined based on actual hours worked.
- ☐ (g) **Elapsed Time Method.** For purposes of determining an Employee's service for allocation purposes, the Plan will use the Elapsed Time Method.
- ☐ (h) **Describe** any special rules governing the allocation conditions under the Plan: _____

SECTION 6A
SALARY DEFERRALS

6A-1 **SALARY DEFERRALS.** Are Eligible Employees permitted to make Salary Deferrals under the Plan?

- ☒ Yes
- ☐ No [If "No" is checked, skip to Section 6B.]

6A-2 **MAXIMUM LIMIT ON SALARY DEFERRALS.** Unless designated otherwise below, a Participant may defer any amount up to the Elective Deferral Dollar Limit and the Code §415 Limitation (as set forth in Sections 5.02 and 5.03 of the BPD).

- ☐ (a) **Salary Deferral Limit.** A Participant may not defer an amount in excess of:
- ☐ (1) ____% of Plan Compensation
 - ☐ (2) \$_____.

[**Note:** If both subsection (1) and subsection (2) are checked, the deferral limit is the lesser of the amounts selected.]

Any limit described in subsection (1) or subsection (2) above applies with respect to the following period:

- ☐ (3) Plan Year.
- ☐ (4) the portion of the Plan Year during which the individual is eligible to participate.
- ☐ (5) each separate payroll period during which the individual is eligible to participate.
- ☐ (b) **Limits on deferrals on bonus payments.** [*Note: This subsection (b) may only be selected if bonus payments are not excluded under AA §5-3.*]
 - ☐ (1) The same limits specified above apply to bonus and non-bonus Plan Compensation. Employees may defer any amounts out of bonus payments, subject to the Elective Deferral Dollar Limit and the Code §415 Limitation (as defined in Sections 5.02 and 5.03 of the BPD) and any other limit on Salary Deferrals under this AA 6A-2. The Employer may impose special limits on bonus payments under the Salary Reduction Agreement. (See Section 3.03(a) of the BPD.)
 - ☐ (2) A Participant may defer up to ____% (*not to exceed 100%*) of any bonus payment (subject to the Elective Deferral Dollar Limit and the Code §415 Limitation) without regard to any other limits described under this AA §6A-2. The Employer may impose special limits on bonus payments under the Salary Reduction Agreement. (See Section 3.03(a) of the BPD.)
 - ☐ (3) Describe special rules applicable to deferrals on bonus payments: _____
- ☐ (c) Describe any other Plan limitations on Salary Deferrals: _____

6A-3 **MINIMUM DEFERRAL RATE.** Unless designated otherwise under this AA §6A-3, no minimum deferral requirement applies under the Plan. Alternatively, a Participant must defer at least the following amount in order to make Salary Deferrals under the Plan.

- ☐ (a) ____% of Plan Compensation for a payroll period.
- ☐ (b) \$____ for a payroll period.
- ☐ (c) Describe: _____

[*Note: If more than one limit applies under this AA §6A-3, the minimum deferral rate is the lesser of the amounts designated under this AA §6A-3. If AA §2-3(d) is checked, and the Plan is intended to be a FICA Replacement Plan but does not permit Employer Contributions (AA §6-1 is "No") or Matching Contributions (AA §6B-1 is "No"), the minimum deferral rate must be at least 7.5%. See BPD Section 6.04(a)(3).*]

6A-4 **CATCH-UP CONTRIBUTIONS.** Age 50 Catch-Up Contributions (as defined in Section 3.03(d) of the BPD) and Special Catch-Up Contributions for Qualified Employees of Qualified Organizations (as defined in Section 3.03(e) of the BPD) are permitted under the Plan, unless designated otherwise under this AA §6A-4.

- ☐ (a) Age 50 Catch-Up Contributions are not permitted under the Plan.
- ☒ (b) Special Catch-Up Contributions for Qualified Employees of Qualified Organizations are not permitted under the Plan.

6A-5 **ROTH DEFERRALS.** Roth Deferrals, if available, are subject to the terms of the governing Investment Arrangement(s).

(a) **Availability of Roth Deferrals.**

- ☒ (1) Roth Deferrals are permitted under the Plan.
- ☐ (2) Roth Deferrals are not permitted under the Plan.

[*Note: If Roth Deferrals are effective as of a date later than the Effective Date of the Plan, designate such special Effective Date in AA §6A-9 below.*]

(b) **Distribution of Roth Deferrals.** Unless designated otherwise under this subsection (b), to the extent a Participant takes a distribution or withdrawal from such Participant's Salary Deferral Account(s), the Participant may designate the extent to which such distribution is taken from the Pre-Tax Deferral Account or from the Roth Deferral Account. (See Section 8.09(b) of the BPD for default distribution rules if a Participant fails to designate the appropriate Account(s) for distribution purposes.)

Alternatively, the Employer may designate the order of distributions for the distribution types listed below or in a separate administrative procedure:

- ☐ (1) **Distributions and withdrawals.**
 - ☐ (i) Any distribution will be taken on a pro rata basis from the Participant's Pre-Tax Deferral Account and Roth Deferral Account.

- ☐ (ii) Any distribution will be taken first from the Participant's Roth Deferral Account and then from the Participant's Pre-Tax Deferral Account.
- ☐ (iii) Any distribution will be taken first from the Participant's Pre-Tax Deferral Account and then from the Participant's Roth Deferral Account.
- ☐ (2) **Distribution of Excess Deferrals.**
 - ☐ (i) Distribution of Excess Deferrals will be made from Roth and Pre-Tax Deferral Accounts in the same proportion that deferrals were allocated to such Accounts for the calendar year.
 - ☐ (ii) Distribution of Excess Deferrals will be made first from the Roth Deferral Account and then from the Pre-Tax Deferral Account.
 - ☐ (iii) Distribution of Excess Deferrals will be made first from the Pre-Tax Deferral Account and then from the Roth Deferral Account.
- (c) **In-Plan Roth Conversions.** In-Plan Roth Conversions are not permitted unless Roth Deferrals are permitted in subsection (a) above, and then are permitted only if elections in this subsection (c) are completed.
 - ☐ (1) **Effective date.** Effective _____, a Participant may elect to convert all or any portion of such Participant's non-Roth vested Account Balance to an In-Plan Roth Conversion Account.

[Note: The Plan must provide for Roth Deferrals under AA §6A-5 as of the effective date designated in this subsection (c). An election under this subsection (c) does not affect an In-Plan Roth Conversion that was allowed under prior Plan provisions.]

- (2) **In-Service Distribution.**
 - ☐ (i) For a Participant to convert such Participant's eligible contributions to Roth Deferrals through an In-Plan Roth Conversion, the Participant need not be eligible to take a distribution from the Plan.
[Note: If this subsection (i) is checked, a Participant may convert any or all of the eligible contribution types to Roth Deferrals through an In-Plan Roth Conversion.]
 - ☐ (ii) For a Participant to convert such Participant's eligible contributions to Roth Deferrals through an In-Plan Roth Conversion, a Participant must be eligible for a distribution of any amounts converted to Roth Deferrals through an In-Plan Roth Conversion. Thus, only amounts that are eligible for distribution under AA §9 or AA §10 are eligible for In-Plan Roth Conversion.
- (3) **Contribution types.** An Employee may elect to make an In-Plan Roth Conversion from all available contribution types under the Plan.

To override this default provision to limit the contributions types available for In-Plan Roth Conversion, select the applicable contribution types from which an In-Plan Roth Conversion is available:

 - ☐ (i) Pre-tax Deferrals
 - ☐ (ii) Employer Contributions
 - ☐ (iii) Matching Contributions
 - ☐ (iv) After-Tax Employee Contributions
 - ☐ (v) Rollover Contributions
 - ☐ (vi) Mandatory Contributions
 - ☐ (vii) Describe: _____

[Note: Any contribution types described in this subsection (vii) must be definitely determinable and not subject to Employer discretion.]
- (4) **Limits applicable to In-Plan Roth Conversions.** No special limits apply with respect to In-Plan Roth Conversions, unless designated otherwise under this subsection (4).
 - ☐ (i) Roth conversions may only be made from contribution types that are fully vested (i.e., 100% vested).
[Note: If an In-Plan Roth Conversion is permitted from partially-vested types, special rules apply for determining the vested percentage of such amounts after conversion. See the rules under Section 7.08 of the BPD.]
 - ☐ (ii) A Participant may not make an In-Plan Roth Conversion of less than \$ ____.
 - ☐ (iii) A Participant may not make an In-Plan Roth Conversion of any outstanding loan amount.

[**Note:** If this subsection (iii) is not checked, a Participant may convert amounts that are attributable to an outstanding loan, to the extent the loan relates to a contribution type that is eligible for conversion under subsection (3) above.]

☐ (iv) Only Participants who are current Employees are allowed to make In-Plan Roth Conversions.

☐ (v) The ability to make In-Plan Roth Conversions is limited to the following events: _____

☐ (vi) Describe: _____

[**Note:** Any selection in this subsection (vi) must be definitely determinable and not subject to Employer discretion.]

(5) **Amounts available to pay federal and state taxes generated from an In-Plan Roth Conversion.** No special provisions apply to allow Participants to withdraw funds to pay federal or state taxes generated from an In-Plan Roth Conversion, except as provided otherwise under this subsection (5).

☐ (i) **In-service distribution.** If the Plan does not otherwise permit an in-service distribution at the time of the In-Plan Roth Conversion and this subsection (i) is checked, a Participant may elect to take an in-service distribution solely to pay taxes generated from the In-Plan Roth Conversion to the extent such in-service distribution would otherwise be permitted under Section 8.08 of the BPD.

[**Note:** If this subsection (i) is checked, a Participant may take an in-service distribution only to the extent such distribution would otherwise be permitted under the provisions of Section 8.08 of the BPD.]

☐ (ii) **Participant loan.** Generally, a Participant may request a loan from the Plan to the extent permitted under Section 13 of the BPD and AA Appendix B. However, to the extent a Participant loan is not otherwise allowed and this subsection (ii) is selected, a Participant may receive a Participant loan solely to pay taxes generated from an In-Plan Roth Conversion.

[**Note:** If this subsection (ii) is selected and Participant loans are not otherwise authorized under the Plan, any Participant loan made pursuant to this subsection (ii) will be made in accordance with the default loan policy described in Section 13 of the BPD.]

(6) **Distribution from In-Plan Roth Conversion Account.** Distributions from the In-Plan Roth Conversion Account will be permitted at the same time as permitted for Roth Deferrals, as set forth under AA §10-1, unless designated otherwise under this subsection (6). However, earlier distribution of certain converted amounts may be required to the extent necessary to protect distribution options that were available with respect to such converted amounts prior to the In-Plan Roth Conversion.

☐ (i) In-service distributions will not be permitted from an In-Plan Roth Conversion Account. However, a distribution must continue to be offered for any converted amounts as of the earliest date a distribution would otherwise be permitted for such converted amounts, without regard to the In-Plan Roth Conversion.

☐ (ii) An in-service distribution may be made from the In-Plan Roth Conversion Account at any time, subject to any source distributions restrictions that applied to amounts prior to the conversion.

☐ (iii) Describe distribution options: _____

☐ (d) **SPECIAL RULES APPLICABLE TO ROTH DEFERRALS.** _____

[**Note:** Any special rules must satisfy the requirements applicable to Roth Deferrals under Code §402A.]

6A-6 **AUTOMATIC INCREASE FOR PARTICIPANTS WITH AFFIRMATIVE SALARY DEFERRAL ELECTION.** A Participant's affirmative Salary Deferral election will not automatically increase or expire. To override this default, select the appropriate elections below.

If elected, a Participant's affirmative Salary Deferral election will expire annually, unless otherwise indicated below. Prior to expiration, the Plan must provide Participants with a timely notice that their affirmative Salary Deferral elections will expire and how the automatic increase provision will apply. Prior to the expiration of an affirmative Salary Deferral election, the Participant can complete a new affirmative Salary Deferral election and designate a new Salary Deferral percentage. If a Participant fails to complete a new affirmative Salary Deferral election subsequent to the prior election expiring, the Participant's current Salary Deferral election will continue and will be subject to the automatic increase below.

(a) If elected under this subsection (a), a Participant's affirmative Salary Deferral election will increase each Plan Year as follows: (See Section 3.03(c) of the BPD.)

☐ (1) _____%, up to a maximum of _____%.

A Participant's affirmative Salary Deferral election will expire and the automatic increase will occur:

☐ (2) Annually, on _____ [indicate date]

- ☐ (3) Describe: _____ [indicate date/frequency, other than annual]
- ☐ (b) Automatic increase and expiration provisions will apply to:
- ☐ (1) All Participants with an affirmative Salary Deferral election.
- ☐ (2) Only Participants with an affirmative Salary Deferral election that is less than or equal to ____%
- ☐ (3) Only Participants with an affirmative Salary Deferral election that is at least ____%
- ☐ (4) Describe: _____ [must not discriminate in favor of Highly Compensated Employees]
- (c) The automatic increase will be allocated under the Plan's administrative procedures unless otherwise indicated below:
- ☐ Describe: _____ [indicate manner in which the automatic increase will be allocated to the Participant's account.]
- (d) **Application of automatic increase.** Unless designated otherwise under this subsection (d), if an automatic increase is selected under this AA §6A-6, the automatic increase will take effect as of the first day of the second Plan Year following the Plan Year in which the salary deferral election first becomes effective with respect to a Participant. (See Section 3.03(c)(2)(i)(C) of the BPD.)
- ☐ (1) **First Plan Year.** Instead of applying as of the second Plan Year, the automatic increase described in subsection (a) takes effect as of the appropriate date (as designated under subsection (4) below) within the first Plan Year following the date salary deferrals begin.
- ☐ (2) **Designated Plan Year.** Instead of applying as of the second Plan Year, the automatic increase described in subsection (a) takes effect as of the appropriate date (as designated under subsection (4) below) within the ____ Plan Year following the Plan Year in which the salary deferral election first becomes effective with respect to a Participant.
- ☐ (3) **At least 6 months after.** Instead of applying as of the second Plan Year, the automatic increase described in subsection (a) takes effect as of the appropriate date (as designated under subsection (4) below) which is at least 6 months (or 180 days) after the Participant first has salary deferrals withheld.
- ☐ (4) **Effective date.** The automatic increase described under subsection (a) is generally effective as of the first day of the Plan Year. If this subsection (4) is checked, instead of becoming effective on the first day of the Plan Year, the automatic increase will be effective on:
- ☐ (i) The anniversary of the Participant's date of hire.
- ☐ (ii) The anniversary of the Participant's first salary deferral contribution.
- ☐ (iii) The first day of each calendar year.
- ☐ (iv) The anniversary of the Participant's Entry Date.
- ☐ (v) Other date: _____
- [Note: The date must be definite and must be consistent with the elections allowed under this AA §6A-6.]
- ☐ (e) **Expiration of affirmative deferral elections.** A Participant's affirmative deferral election will expire:
- ☐ (1) at the end of each Plan Year.
- ☐ (2) Describe date that the affirmative election will expire: _____
- [Note: The date must be definite and must be consistent with the elections allowed under this AA §6A-6.]
- The Plan must provide Participants with a timely notice that their affirmative deferral elections will expire and the application of any escalator provision. If a Participant fails to complete a new affirmative deferral election subsequent to the prior election expiring, the Participant's current deferral percentage will continue and will be subject to any automatic increase, as may be applicable.
- ☐ Alternatively, if a Participant fails to complete a new affirmative deferral election subsequent to the prior election expiring, the Participant's current deferral percentage will continue and will NOT be subject to any automatic increase.
- ☐ (f) **Describe special rules** applicable to the automatic increase and expiration of affirmative Salary Deferral election: _____
- [Note: Any special rules under this subsection (f) must satisfy the rules applicable to automatic increases under Treas. Reg. §1.401(k)-3, if applicable.]

6A-7 **CHANGE OR REVOCATION OF DEFERRAL ELECTION.**

- (a) **Change or revocation of deferral election.** In addition to the Participant's Entry Date under the Plan, a Participant's election to change or resume a deferral election will be effective as set forth under the Salary Reduction Agreement or other written procedures adopted by the Plan Administrator. A Participant must be permitted to change or revoke a deferral election at least once per year. Unless the Salary Reduction Agreement or other written procedures adopted by the Plan Administrator provide otherwise, a Participant may revoke a deferral election (on a prospective basis) at any time.
- (b) **Salary deferral elections of rehired Participants.** Unless designated otherwise below, a Participant's affirmative election to defer (or to not defer) will cease upon Severance from Employment and the Participant will need to make a new election upon rehire.

- ☐ **Participant's affirmative election does not cease upon Severance from Employment.** If this subsection (b) is selected, a terminated Participant's affirmative election to defer (or to not defer) **will not cease** upon Severance from Employment and the Participant's affirmative election to defer (or to not defer) in effect at the time of Severance from Employment will apply upon rehire.

[Note: The Employer may modify the rules applicable to rehired employees under the Salary Reduction Agreement or other administrative procedures.]

6A-8 **AUTOMATIC CONTRIBUTION ARRANGEMENT.** No automatic contribution provisions apply under Section 3.03 of the BPD, unless provided otherwise under this AA §6A-8. *[Note: A governmental Employer's election to include automatic deferral provisions may be subject to State and local anti-garnishment and other applicable State and local laws and regulations.]*

- ☒ (a) **Type of Automatic Contribution Arrangement.**
- ☒ (1) **Eligible Automatic Contribution Arrangement.** Check this subsection (1) if the Employer intends for the Plan to be an Eligible Automatic Contribution Arrangement (EACA), as described in Section 3.03(c)(2). If this subsection (1) is checked, the selections in this AA §6A-8 must be consistent with the requirements of an EACA. As an EACA, the Employer also must complete AA §6A-8(c) relating to permissible withdrawals.
- ☐ (2) **Automatic Contribution Arrangement other than an EACA.** Check this subsection (2) if the Employer intends for the Plan to be an Automatic Contribution Arrangement other than an EACA.
- ☒ (b) **Automatic deferral election.** Upon becoming eligible to make Salary Deferrals under the Plan, a Participant will be deemed to have entered into a Salary Reduction Agreement for each payroll period, unless the Participant completes a Salary Reduction Agreement (subject to the limitations under AA §6A-2 and AA §6A-3) in accordance with procedures adopted by the Plan Administrator.
- ☒ (1) **Effective date of Automatic Contribution Arrangement or EACA.** The automatic deferral provisions under this AA §6A-8 are effective as of:
- ☐ (i) The Effective Date of this Plan as set forth under the Employer Signature Page.
- ☐ (ii) _____ *[insert date no earlier than the Effective Date of this Plan].*
- ☒ (iii) As set forth under a prior Plan document. *[Note: If this subsection (iii) is checked, the automatic deferral provisions under this AA §6A-8 will apply as of the original Effective Date of the automatic contribution arrangement. Unless provided otherwise under this AA §6A-8, an Employee who is automatically enrolled under a prior Plan document will continue to be automatically enrolled under the current Plan document.]*
- ☐ (iv) If the Employer is amending the provisions applicable to the ACA or EACA, the amended provisions are effective as of _____ *[insert date].*

[Note: In no event may the automatic deferral election apply to amounts that would (but for the automatic deferral election) become currently available after the later of the date on which the Employer adopts the cash or deferred arrangement, or the date on which the arrangement first becomes effective.]

- ☒ (2) **Automatic Contribution Arrangement deferral amount and automatic increase.**
- ☒ (i) **Automatic deferral amount.**
- ☒ (A) 2 % of Plan Compensation
- ☐ (B) \$ _____

- ☐ (ii) **Automatic increase.** If elected under this subsection (ii), the automatic deferral amount will increase each Plan Year by the following amount. (See Section 3.03(c) of the BPD.)
- ☐ (A) ____% of Plan Compensation
- ☐ (B) \$____
- ☐ (C) If this subsection (C) and subsection (3)(iii) below (relating to the expiration of affirmative deferral elections) are both elected, the automatic increase will apply to all Participants, including those Participants whose affirmative deferral elections have expired and no subsequent affirmative election is made.

Any automatic increase elected under this subsection (ii) will not cause the automatic deferral amount to exceed:

- ☐ (D) ____% of Plan Compensation
- ☐ (E) \$____
- ☐ (iii) **Special application of automatic increase provisions.** The Employer may describe under this subsection (iii) special rules applicable to automatic increase provisions: _____
- [*Note: Any special application of the automatic increase provisions must be definitely determinable.*]

- (3) **Application of automatic deferral provisions.** The automatic deferral election under subsection (2) will apply to new Participants (i.e., Participants who enter the Plan after the automatic deferral provisions are effective) and current Participants (i.e., Participants who were eligible to participate in the Plan at the time the automatic deferral provisions are effective) as set forth under this subsection (3).

- ☒ (i) **New Participants.** The automatic deferral provisions apply to all eligible Participants who do not enter into a Salary Reduction Agreement (including an election not to defer) and who:
- ☒ (A) become Participants on or after the effective date of the automatic deferral provisions.
- ☐ (B) are hired on or after the effective date of the automatic deferral provisions.
- ☒ (ii) **Current Participants.** The automatic deferral provisions apply to all other eligible Participants as follows:
- ☐ (A) Automatic deferral provisions apply to all current Participants who have not entered into a Salary Reduction Agreement (including an election not to defer under the Plan).
- ☐ (B) Automatic deferral provisions apply to all current Participants who have not entered into a Salary Reduction Agreement that is at least equal to the automatic deferral amount under subsection (2)(i). Current Participants who have made a Salary Reduction Agreement that is less than the automatic deferral amount, or who have not made a Salary Reduction Agreement, will automatically be increased to the automatic deferral amount unless the Participant enters into a new Salary Reduction Agreement on or after the effective date of the automatic deferral provisions.
- ☐ (C) Automatic deferral provisions do not apply to current Participants. Only new Participants described in subsection (3)(i) are subject to the automatic deferral provisions. [*Note: See Section 3.03(c)(2)(i) of the BPD for the application of this subsection (C) under an EACA.*]
- ☒ (D) No change for current Participants. Prior automatic deferral provisions will continue to apply.
- ☐ (E) Automatic deferral provisions apply to all current Participants who have not entered into a Salary Reduction Agreement (excluding an election not to defer under the Plan).
- ☐ (F) Describe: _____
- ☐ (iii) **Expiration of affirmative deferral elections.** Unless this subsection (iii) is elected, for purposes of the automatic deferral provisions of the Plan, a Participant's affirmative elective deferral election will not expire. If this subsection (iii) is elected, a Participant's affirmative deferral election will expire:
- ☐ (A) at the end of each Plan Year.
- ☐ (B) Describe date that the affirmative election will expire: _____

[*Note: The date must be definite.*]

The Plan must provide Participants with a timely notice that their affirmative deferral elections will expire and the application of any escalator provision. If a Participant fails to complete a new affirmative deferral election subsequent to the prior election expiring, the Participant becomes subject to the automatic deferral percentage as specified in the Plan pursuant to the automatic contribution arrangement provisions. Each year, upon the expiration of an affirmative deferral election, the Participant can always complete a new affirmative election and designate a new deferral percentage.

- ☐ Alternatively, if a Participant fails to complete a new affirmative deferral election subsequent to the prior election expiring, the Participant's current deferral percentage will continue and will be subject to any automatic increase, as may be applicable.

(iv) **Treatment of automatic deferrals.** Any Salary Deferrals made pursuant to an automatic deferral election will be treated as Pre-Tax Salary Deferrals, unless designated otherwise under this subsection (iv).

- ☐ Any Salary Deferrals made pursuant to an automatic deferral election will be treated as Roth Deferrals. *[Note: This subsection (iv) may only be checked if Roth Deferrals are permitted under AA §6A-5.]*

[Note: Any Salary Reduction Agreement (including an election not to defer under the Plan) made after the effective date of the automatic deferral provisions will override such automatic deferral provisions.]

(4) **Application of automatic increase.** Unless designated otherwise under this subsection (4), if an automatic increase is selected under subsection (2)(ii) above, the automatic increase will take effect as of the first day of the second Plan Year following the Plan Year in which the automatic deferral election first becomes effective with respect to a Participant. (See Section 3.03(c)(2)(i) of the BPD.)

- ☐ (i) **First Plan Year.** Instead of applying as of the second Plan Year, the automatic increase described in subsection (2)(ii) takes effect as of the appropriate date (as designated under subsection (iv) below) within the first Plan Year following the date automatic contributions begin.
- ☐ (ii) **Designated Plan Year.** Instead of applying as of the second Plan Year, the automatic increase described in subsection (2)(ii) takes effect as of the appropriate date (as designated under subsection (iv) below) within the _____ Plan Year following the Plan Year in which the automatic deferral election first becomes effective with respect to a Participant.
- ☐ (iii) **At least 6 months after.** Instead of applying as of the second Plan Year, the automatic increase described in subsection (2)(ii) takes effect as of the appropriate date (as designated under subsection (iv) below) which is at least 6 months (or 180 days) after the Participant first has automatic deferrals withheld.
- ☐ (iv) **Effective date.** The automatic increase described under subsection (2)(ii) is generally effective as of the first day of the Plan Year. If this subsection (iv) is checked, instead of becoming effective on the first day of the Plan Year, the automatic increase will be effective on:
- ☐ (A) The anniversary of the Participant's date of hire.
- ☐ (B) The anniversary of the Participant's first automatic deferral contribution.
- ☐ (C) The first day of each calendar year.
- ☐ (D) The anniversary of the Participant's Entry Date.
- ☐ (E) Other date: _____
- ☐ (v) **Special rules:** _____

[Note: Any special rules under this subsection (v) must satisfy the rules applicable to automatic increases under Treas. Reg. §1.401(k)-3, if applicable.]

(5) **Treatment of Employees who have had a Severance from Employment and who are rehired.** Unless designated otherwise below, in applying the automatic deferral provisions under this AA§6A-8, including the automatic increase provisions, a rehired Participant is treated as a new Employee (regardless of the amount of time since the rehired Employee has a Severance from Employment).

- ☐ (i) **Rehired Employees not treated as new Employee.** In applying the automatic deferral provisions under this AA§6A-8, including the automatic increase provisions, a rehired Participant is not treated as a new Employee. Thus, for example, a rehired Participant's deferral percentage will be calculated based on the date the individual first began making automatic deferrals under the Plan.

☐ (ii) **Administrative procedure.** The treatment of re-hired employees will be governed by separate administrative procedure.

☐ (iii) **Describe special rules applicable to rehired employees:** _____

[Note: Any special rules under this subsection (iii) must satisfy the rules applicable to automatic enrollment under Treas. Reg. §1.401(k)-1, if applicable.]

☒ (c) **Permissible Withdrawals under an Eligible Automatic Contribution Arrangement (EACA).**

☒ (1) **Permissible withdrawals allowed.** If the Plan satisfies the requirements for an EACA (as set forth in Section 3.03(c)(2) of the BPD), the permissible withdrawal provisions under Section 3.03(c)(2) of the BPD apply. Thus, a Participant who receives an automatic deferral may withdraw such contributions (and earnings attributable thereto) within the time period set forth under Section 3.03(c)(2) of the BPD, without regard to the in-service distribution provisions selected under AA §10-1. Unless elected otherwise below, if an Employee does not make automatic deferrals to the Plan for an entire Plan Year (e.g., due to Severance from Employment), the Plan may allow such Employee to take a permissible withdrawal, but only with respect to default contributions made after the Employee's return to employment.

☐ The ability to take permissible withdrawals does not apply to rehired Employees, even if such Employees have not made automatic deferrals to the Plan for an entire Plan Year due to Severance from Employment.

☐ (2) **No permissible withdrawals.** Although the Plan contains an automatic deferral election that is designed to satisfy the requirements of an EACA, the permissible withdrawal provisions under this subsection (c) are not available.

☐ (3) **Time period for electing a permissible withdrawal.** Instead of a 90-day election period, a Participant must request a permissible withdrawal no later than _____ *[may not be less than 30 nor more than 90]* days after the date the Plan Compensation from which such Salary Deferrals are withheld would otherwise have been included in gross income.

☒ (d) **Other automatic deferral provisions:** The 2% of Plan Compensation automatic deferral percentage specified in AA Section 6A-8(b)(2)(i)(A) above will be applied on a payroll period basis.

[Note: Any language added under this subsection (d) must be definitely determinable. Under this subsection (d), the Employer may describe the automatic deferral provisions from the elections available in Section 6A and/or a combination thereof.]

6A-9 SPECIAL DEFERRAL EFFECTIVE DATES. Unless designated otherwise under this AA §6A-9, a Participant is eligible to make Salary Deferrals under the Plan as of the Effective Date of the Plan (as designated in the Employer Signature Page). However, in no case may a Participant begin making Salary Deferrals prior to the later of the date the Employee becomes a Participant, the date the Participant executes a Salary Reduction Agreement or the date the Plan is adopted or effective.

To designate a later Effective Date for Salary Deferrals or Roth Deferrals, complete this AA §6A-9.

☐ (a) **Salary Deferrals.** A Participant is eligible to make Salary Deferrals under the Plan as of:

☐ (1) the date the Plan is executed by the Employer (as indicated on the Employer Signature Page).

☐ (2) _____ (insert date).

☒ (b) **Roth Deferrals.** The Roth Deferral provisions under AA §6A-5 are effective as of May 1, 2009. *[If Roth Deferrals are permitted under AA §6A-5 above, Roth Deferrals are effective as of the Effective Date applicable to Salary Deferrals under this AA §6A-9, unless a later date is designated under this subsection (b).]*

6A-10 SPECIAL RULES APPLICABLE TO SALARY DEFERRALS. The following special rules apply to Salary Deferrals:

[Note: Any special rules must satisfy the applicable requirements for a Governmental Plan under Code §403(b), including the universal availability rule under Code §403(b)(12)(A)(ii). Under this AA §6A-10, the Employer may only describe special rules which are consistent with the available elections under AA §6A.]

SECTION 6B
MATCHING CONTRIBUTIONS

6B-1 **MATCHING CONTRIBUTIONS.** Is the Employer authorized to make Matching Contributions under the Plan?

☒ **Yes.**

☐ **No.** [Check this box if there are no Matching Contributions. If “No” is checked, skip to Section 6C.]

6B-2 **MATCHING CONTRIBUTION FORMULA.** For the period designated in AA §6B-5 below, the Employer will make the following Matching Contribution on behalf of Participants who satisfy the allocation conditions under AA §6B-7 below.

[Note: See AA §6B-3 for the definition of Eligible Contributions for purposes of the Matching Contributions under the Plan. If the Plan provides for After-Tax Employee Contributions, also see AA §6C-2 to determine the application of the Matching Contribution formulas to After-Tax Employee Contributions.]

☒ (a) **Discretionary match.** The Employer will determine in its sole discretion how much, if any, it will make as a Matching Contribution. Such amount will be allocated as:

☐ (1) A uniform percentage of Eligible Contributions for each period designated in AA §6B-5 below.

☐ To receive the Matching Contribution for a given period, a Participant must contribute Eligible Contributions equal to at least ____ % of Plan Compensation for such period.

☐ (2) A flat dollar amount for each period designated in AA §6B-5 below.

☐ (i) To receive the Matching Contribution for a given period, a Participant must contribute Eligible Contributions equal to at least:

☐ (A) ____ % of Plan Compensation for such period.

☐ (B) \$____ for such period.

☐ (b) **Fixed match.** The Employer will make a Matching Contribution for each Participant equal to:

☐ (1) ____% of Eligible Contributions made for each period designated in AA §6B-5 below.

☐ To receive the Matching Contribution for a given period, a Participant must contribute Eligible Contributions equal to at least ____% of Plan Compensation for such period.

☐ (2) \$____ for each period designated in AA §6B-5 below.

☐ (i) To receive the Matching Contribution for a given period, a Participant must contribute Eligible Contributions equal to at least:

☐ (A) ____% of Plan Compensation for such period.

☐ (B) \$____ for such period.

☐ (c) **Matching Contributions under collective bargaining agreement, employment contract or equivalent arrangement.** The Employer will make a Matching Contribution based on a collective bargaining agreement, employment contract or equivalent arrangement as follows:

☐ (1) Describe: _____

☐ (2) See Addendum.

[Note: Insert the appropriate Matching Contribution formula from the collective bargaining agreement, employment contract or equivalent arrangement. The formula must be definitely determinable. Alternatively, the Employer may attach an addendum which incorporates by reference the currently applicable collective bargaining agreement, employment contract or equivalent arrangement. The addendum does not need to include the actual collective bargaining agreement, employment contract or equivalent arrangement, but must be sufficiently descriptive to identify incorporated documents.]

☒ (d) **Tiered match.** The Employer will make a Matching Contribution to all Participants based on the following tiers of Eligible Contributions.

☒ (1) **Tiers as percentage of Plan Compensation.**

Eligible Contributions	Fixed Match	Discretionary Match
------------------------	-------------	---------------------

☒ (i) Up through .99 ____% of Plan Compensation

____%

☒

- ☒ (ii) Over .99 % and up through 1.99 % of Plan Compensation _____ % ☒
- ☒ (iii) Over 1.99 % and up through 2.99 % of Plan Compensation _____ % ☒
- ☒ (iv) Over 2.99 % and up through 3.99 % of Plan Compensation _____ % ☒
- ☒ (v) Over 3.99 % of Plan Compensation _____ % ☒

[**Note:** The Employer may make elections either under the Fixed Match column or the Discretionary Match column, but not both. The Employer may add additional tiers.]

☐ (2) **Tiers as dollar amounts.**

Eligible Contributions	Fixed Match	Discretionary Match
------------------------	-------------	---------------------

- ☐ (i) Up through \$ _____ % ☐
- ☐ (ii) Over \$ _____ % ☐

[**Note:** The Employer may make elections either under the Fixed Match column or the Discretionary Match column, but not both. The Employer may add additional tiers.]

☐ (e) **Year of Service match.** The Employer will make a Matching Contribution as a uniform percentage of Salary Deferrals to all Participants based on Years of Service with the Employer.

Years of Service	Fixed Match	Discretionary Match
------------------	-------------	---------------------

- ☐ (1) From _____ and up through _____ % ☐
- ☐ (2) From _____ and up through _____ % ☐
- ☐ (3) From _____ and up through _____ % ☐
- ☐ (4) From _____ and up through _____ % ☐
- ☐ (5) From _____ and above _____ % ☐
- ☐ (6) Describe any limits on the Years of Service match: _____

For this purpose, a Year of Service is each Plan Year during which an Employee completes at least 1,000 Hours of Service. Alternatively, a Year of Service is: _____

☐ (f) **Different Employee groups.** The Employer may make a separate Matching Contribution to the Participants in the following allocation groups. The Employer must designate in writing the amount of the contribution to be allocated to each allocation group. The allocation groups must be clearly defined in a manner that will not violate the definite predetermined allocation formula requirement of Treas. Reg. §1.401-1(b)(1)(ii).

- ☐ (1) A separate discretionary Matching Contribution may be made to each Participant of the Employer (i.e., each Participant is in such Participant's own allocation group).
- ☐ (2) A separate discretionary or fixed Matching Contribution may be made to the following allocation groups. If no fixed amount is designated for a particular allocation group, the contribution made for such allocation group will be allocated as a uniform percentage of Eligible Contributions, to all Participants within that allocation group, unless otherwise designated as a uniform dollar amount below. The Employer may include limits on the Matching Contribution for the allocation groups.
- ☐ The contribution made for each allocation group will be allocated as a uniform dollar amount to all Participants within the allocation group.

Description of allocation groups

☐ **Group 1:** _____

[**Note:** The groups must be clearly defined in a manner that will not violate the definite predetermined allocation formula requirement of Treas. Reg. §1.401-1(b)(1)(ii).]

☒ (g) **Describe special rules for determining allocation formula:** The Discretionary Match referenced in AA Section 6B-2(d)(1) above means the Discretionary Matching Contribution expressed as a percentage of Plan Compensation.

[**Note:** Any special rules must relate solely to determining the allocation formula and must be consistent with the available elections under this AA §6B-2.]

6B-3 **CONTRIBUTIONS ELIGIBLE FOR MATCHING CONTRIBUTIONS (“ELIGIBLE CONTRIBUTIONS”).** Unless designated otherwise under this AA §6B-3, all Salary Deferrals, including any Roth Deferrals and Catch-Up Contributions, are eligible for the Matching Contributions designated under AA §6B-2.

☒ (a) **Matching Contributions.** Only the following contribution types are eligible for a Matching Contribution under AA §6B-2:

- ☒ (1) Pre-tax Deferrals
- ☒ (2) Roth Deferrals
- ☒ (3) Age 50 Catch-Up Contributions
- ☐ (4) Special Catch-Up Contributions for Qualified Employees of Qualified Employers

[*Note: See AA §6C-2 to determine eligibility of After-Tax Employee Contributions for Matching Contributions.*]

☐ (b) **Application of Matching Contributions to elective deferrals made under another plan maintained by the Employer.** If this subsection (b) is checked, the Matching Contributions described in AA §6B-2 will apply to elective deferrals made under another plan maintained by the Employer.

- ☐ (1) The Matching Contribution designated in AA §6B-2 above will apply to elective deferrals under the following plan maintained by the Employer: _____
- ☐ (2) The following special rules apply in determining the amount of Matching Contributions under this Plan with respect to elective deferrals under the plan described in subsection (1): _____

[*Note: This subsection (b) may be used to describe special provisions applicable to Matching Contributions provided with respect to elective deferrals under another plan maintained by the Employer, including another Code §403(b) plan, a Code §401(a) plan or a Code §457(b) plan.*]

(c) **Calculation of Matching Contributions if Plan uses dual eligibility and/or different entry dates.** Unless designated otherwise below, if the Plan has dual eligibility and/or different entry dates (or the Employer chooses to use the Plan’s optional true-up provisions), the Matching Contribution formula(s) will be based on Eligible Contributions and Plan Compensation for the period designated under AA §6B-5.

- ☐ The Plan will make Matching Contributions only on Salary Deferrals and After-Tax Employee Contributions (if applicable) made after the Participant becomes eligible for Matching Contributions, regardless of the period designated under AA §6B-5.

☐ (d) **Special rules.** The following special rules apply for purposes of determining the Matching Contribution under this AA §6B-3: _____

[*Note: If contribution types are limited for only certain Matching Contributions, those limitations may be described under this subsection (d). Any special rule under this subsection (d) must be consistent with the available elections under this AA §6B-3.*]

6B-4 **LIMITS ON MATCHING CONTRIBUTIONS.** In applying the Matching Contribution formula(s) selected under AA §6B-2 above, all Eligible Contributions are eligible for Matching Contributions, unless elected otherwise under this AA §6B-4. [See AA §6C-2 for any limits that apply with respect to After-Tax Employee Contributions.]

☐ (a) **Limit on the amount of Eligible Contributions.** The Matching Contribution formula(s) selected in AA §6B-2 above apply only to Eligible Contributions that do not exceed:

- ☐ (1) ____% of Plan Compensation.
- ☐ (2) \$_____.
- ☐ (3) A discretionary amount determined by the Employer that will be applied in a uniform manner for all eligible Participants for the Plan Year.

[*Note: If both (1) and (2) are selected, the limit under this subsection (a) is the lesser of the percentage selected in subsection (1) or the dollar amount selected in subsection (2).*]

☐ (b) **Limit on Matching Contributions.** The total Matching Contribution provided under the formula(s) selected in AA §6B-2 above will not exceed:

- ☐ (1) ____% of Plan Compensation.
- ☐ (2) \$_____.
- ☐ (3) Other limits on Matching Contributions: _____ (not greater than 100% of Plan Compensation.)

- ☐ The limit on Matching Contributions will be based on Plan Year, even if the period for determining Matching Contributions under AA §6B-5 is more frequent.
- ☐ (4) A discretionary amount determined by the Employer that will be applied in a uniform manner for all eligible Participants for the Plan Year.
- ☐ (c) **Application of limits.** The limits identified under this AA §6B-4 do **not** apply to the following Matching Contribution formula(s):
- | | |
|---|---|
| <input type="checkbox"/> (1) Any limit on the amount of Eligible Contributions does not apply to: | <input type="checkbox"/> (2) Any limit on Matching Contributions does not apply to: |
| <input type="checkbox"/> (i) Discretionary match | <input type="checkbox"/> (i) Discretionary match |
| <input type="checkbox"/> (ii) Fixed match | <input type="checkbox"/> (ii) Fixed match |
| <input type="checkbox"/> (iii) Tiered match | <input type="checkbox"/> (iii) Tiered match |
| <input type="checkbox"/> (iv) Year of Service match | <input type="checkbox"/> (iv) Year of Service match |
| <input type="checkbox"/> (v) Employee group match | <input type="checkbox"/> (v) Employee group match |
- ☒ (d) **Special limits applicable to Matching Contributions:** See AA Section 6B-2(g)

[**Note:** Any description under subsection (d) must be consistent with the available elections under this AA §6B-4.]

6B-5 **PERIOD FOR DETERMINING MATCHING CONTRIBUTIONS.** The Matching Contribution formula(s) selected in AA §6B-2 above (including any limitations on such amounts under AA §6B-4) are based on Eligible Contributions and Plan Compensation for the Plan Year. To apply a different period for determining the Matching Contributions and limits under AA §6B-2 and AA §6B-4, complete this AA §6B-5.

- ☐ (a) payroll period
- ☐ (b) Plan Year quarter
- ☐ (c) calendar month
- ☐ (d) Other period more frequent than Plan Year: _____

[**Note:** Although Matching Contributions (and any limits on those Matching Contributions) will be determined on the basis of the period designated under this AA §6B-5, this does not require the Employer to actually make contributions or allocate contributions on the basis of such period. Matching Contributions may be contributed and allocated to Participants at any time within the contribution period permitted under Treas. Reg. §1.415-6, regardless of the period selected under this AA §6B-5. Any alternative period designated under this AA §6B-5 may not exceed a 12-month period and will apply uniformly to all Participants.]

[**Note:** In determining the amount of Matching Contributions for a particular period, if the Employer actually makes Matching Contributions to the Plan on a more frequent basis than the period selected in this AA §6B-5, a Participant will be entitled to a true-up contribution to the extent such Participant does not receive a Matching Contribution based on the Eligible Contributions and/or Plan Compensation for the entire period selected in this AA §6B-5. If a period other than the Plan Year is selected under this AA §6B-5, the Employer may make an additional discretionary Matching Contribution equal to the true-up contribution that would otherwise be required if Plan Year was selected under this AA §6B-5. (See Section 3.04(c) of the BPD.)]

6B-6 **ACP TESTING.** The ACP Test does NOT apply to this Governmental Plan.

6B-7 **ALLOCATION CONDITIONS.** A Participant must satisfy any allocation conditions designated under this AA §6B-7 to receive an allocation of Matching Contributions under the Plan.

[**Note:** See AA §4-5 for treatment of service with Predecessor Employers for purposes of applying the allocation conditions under this AA §6B-7.]

- ☒ (a) **Application of allocation conditions.** [**Note:** Leave (a) blank if allocation conditions will apply to all matching contributions under the Plan.]
- ☐ (1) **No allocation conditions** apply with respect to Matching Contributions under the Plan.
- ☒ (2) Allocation conditions only apply to discretionary Matching Contributions under the Plan.
- ☐ (3) Allocation conditions only apply to fixed Matching Contributions under the Plan.

[**Note:** (2) or (3) above should be selected only if the Plan provides for both Fixed and Discretionary Matching Contributions.]

- ☒ (b) **Employment condition.** An Employee must be employed with the Employer on the last day of the Plan Year.
- ☒ (c) **Minimum service condition.** An Employee must be credited with at least:
- ☒ (1) 1,000 Hours of Service during the Plan Year.
- ☒ (i) Hours of Service are determined using actual Hours of Service.
- ☐ (ii) Hours of Service are determined using the following Equivalency Method (as defined under AA §4-3(e)):
- | | |
|---|---|
| <input type="checkbox"/> (A) Monthly | <input type="checkbox"/> (B) Weekly |
| <input type="checkbox"/> (C) Daily | <input type="checkbox"/> (D) Semi-monthly |
| <input type="checkbox"/> (E) Hours worked | <input type="checkbox"/> (F) Regular time hours |
- ☐ (2) _____ consecutive days of employment with the Employer during the Plan Year.
- ☐ (d) **Application to a specified period.** The allocation conditions selected under this AA §6B-7 apply on the basis of the Plan Year. Alternatively, if an employment or minimum service condition applies under this AA §6B-7, the Employer may elect under this subsection (d) to apply the allocation conditions on a periodic basis as set forth below. (See Section 3.06(a) of the BPD for a description of the rules for the application of allocation conditions on the basis of designated periods.)
- ☐ (1) **Period for applying allocation conditions.** Instead of the Plan Year, the allocation conditions set forth under subsection (2) below apply with respect to the following periods:
- ☐ (i) Plan Year quarter
- ☐ (ii) calendar month
- ☐ (iii) payroll period
- ☐ (iv) Other period more frequent than Plan Year: _____
- [*Note: Any description under subsection (iv) must be for a period less than a Plan Year.*]
- ☐ (2) **Application to allocation conditions.** To the extent an employment or minimum service allocation condition applies under this AA §6B-7, such allocation condition will apply based on the period selected under subsection (1) above, unless designated otherwise below:
- ☐ (i) Only the employment condition will be based on the period selected in subsection (1) above.
- ☐ (ii) Only the minimum service condition will be based on the period selected in subsection (1) above.
- ☐ (iii) Describe any special rules: _____
- [*Note: Any special rules under subsection (iii) must relate solely to the application of the allocation conditions.*]
- ☐ (e) **Equivalency Method.** For purposes of determining an Employee's Hours of Service for allocation purposes, the Plan will use the Equivalency Method (as defined in Section 2.03(a)(5) of the BPD). The Equivalency Method will apply to:
- ☐ (1) All Employees.
- ☐ (2) Only Employees for whom the Employer does not maintain hourly records. For Employees for whom the Employer maintains hourly records, eligibility will be determined based on actual hours worked.
- ☐ (f) **Elapsed Time Method.** For purposes of determining an Employee's service for allocation purposes, the Plan will use the Elapsed Time Method.
- ☒ (g) **Exceptions.**
- ☒ (1) The above allocation condition(s) will **not** apply if the Employee, during the Plan Year:
- ☒ (i) dies.
- ☒ (ii) has a Severance from Employment due to becoming Disabled.
- ☐ (iii) becomes Disabled.
- ☒ (iv) has a Severance from Employment after attaining Normal Retirement Age.
- ☐ If this box is checked, this waiver of allocation conditions applies only once during the Participant's employment with the Employer. Thus, if an Employee is rehired after such a waiver was applied to such Employee, the waiver of allocation conditions will not apply to a subsequent Severance from Employment.

- ☐ (v) has a Severance from Employment after attaining Early Retirement Age.
- ☐ If this box is checked, this waiver of allocation conditions applies only once during the Participant's employment with the Employer. Thus, if an Employee is rehired after such a waiver was applied to such Employee, the waiver of allocation conditions will not apply to a subsequent Severance from Employment.
- ☐ (vi) is on an authorized leave of absence from the Employer.
- ☐ (2) The exceptions selected under subsection (1) will apply even if an Employee has not had a Severance from Employment at the time of the selected event(s).
- ☐ (3) The exceptions selected under subsection (1) do not apply to:
- ☐ (i) an employment condition designated under this AA §6B-7.
- ☐ (ii) a minimum service condition designated under this AA §6B-7.
- ☐ (iii) the following Matching Contributions:
- ☐ (A) Discretionary match
- ☐ (B) Fixed match
- ☐ (C) Tiered match
- ☐ (D) Year of Service match
- ☐ (E) Employee group match
- ☐ (h) **Describe** any special rules governing the allocation conditions under the Plan: _____
- [Note: Any special rule must relate solely to the allocation conditions and must be consistent with the available elections under AA §6B-7.]*

6B-8 **SPECIAL RULES APPLICABLE TO MATCHING CONTRIBUTIONS.** The following special rules apply to Matching Contributions: _____

[Note: Any special rules must relate solely to Matching Contributions and must be consistent with the available elections under AA §6B.]

SECTION 6C

AFTER-TAX EMPLOYEE CONTRIBUTIONS AND MANDATORY CONTRIBUTIONS

6C-1 **AFTER-TAX EMPLOYEE CONTRIBUTIONS AND MANDATORY CONTRIBUTIONS.** Participants may not make After-Tax Employee Contributions or be required to make Mandatory Contributions under the Plan, unless elected under this AA §6C:

- ☐ (a) Participants may make After-Tax Employee Contributions to the Plan.
- ☐ (b) Participants must make Mandatory Contributions to the Plan.

6C-2 **AFTER-TAX EMPLOYEE CONTRIBUTIONS.** If After-Tax Employee Contributions are authorized under AA §6C-1, a Participant may contribute any amount as After-Tax Employee Contributions up to the Code §415 Limitation (as defined in Section 5.03 of the BPD), except as limited under this AA §6C-2.

- ☐ (a) **Eligibility for After-Tax Employee Contributions.** If authorized under AA §6C-1, all Eligible Participants may make After-Tax Employee Contributions, except the following: _____

[Note: Any exclusion of Eligible Participants must satisfy applicable rules under Code §403(b) and must be definitely determinable.]

- ☐ (b) **Limits on After-Tax Employee Contributions.** If this subsection (b) is checked, the following limits apply to After-Tax Employee Contributions:

- ☐ (1) **Maximum limit.** A Participant may make After-Tax Employee Contributions up to:

☐ (i) ____% of Plan Compensation

☐ (ii) \$ ____

for the following period:

- ☐ (iii) the entire Plan Year.
- ☐ (iv) the portion of the Plan Year during which the Employee is eligible to participate.
- ☐ (v) each separate payroll period during which the Employee is eligible to participate.
- ☐ (2) **Minimum limit.** The amount of After-Tax Employee Contributions a Participant may make for any payroll period may not be less than:
 - ☐ (i) ____% of Plan Compensation.
 - ☐ (ii) \$_____.
- ☐ (c) **Eligibility for Matching Contributions.** Unless designated otherwise under this subsection (c), After-Tax Employee Contributions will **not** be eligible for Matching Contributions under the Plan.
 - ☐ (1) After-Tax Employee Contributions are eligible for the following Matching Contributions under the Plan:
 - ☐ (i) All Matching Contributions elected under AA §6B.
 - ☐ (ii) All Matching Contributions elected under AA §6B-2, except for the following Matching Contributions: _____
 - ☐ (2) The Matching Contribution formula only applies to After-Tax Employee Contributions that do not exceed:
 - ☐ (i) ____% of Plan Compensation.
 - ☐ (ii) \$_____.
 - ☐ (iii) A discretionary amount determined by the Employer.
- (d) **Change or revocation of After-Tax Employee Contributions.** In addition to the Participant's Entry Date under the Plan, a Participant's election to change or resume an After-Tax election will be effective as set forth under the After-Tax Contributions election form or other written procedures adopted by the Plan Administrator. A Participant must be permitted to change or revoke an After-Tax election at least once per year. Unless the After-Tax Contributions election form or other written procedures adopted by the Plan Administrator provide otherwise, a Participant may revoke an After-Tax election (on a prospective basis) at any time.
- ☐ (e) **Describe special rules applicable to After-Tax Employee Contributions:** _____
[*Note: Any special rules must satisfy the requirements of Code §403(b).*]

6C-3 **MANDATORY CONTRIBUTIONS.** If elected below, a Participant will be required to make a Mandatory Contribution (as defined in Section 1.59 of the BPD) to the Plan equal to the amount specified under this AA §6C-3. Any amounts contributed pursuant to this AA §6C-3 will be treated as Employer Contributions under the Plan. Such contributions and earnings thereon will be 100% vested at all times.

- ☐ (a) The following amounts will be contributed to the Plan as a Mandatory Contribution:
 - ☐ (1) ____ % of Plan Compensation.
 - ☐ (2) \$_____ per pay period.
 - ☐ (3) Any amount from ____ % to ____ % of Plan Compensation, as designated by the Participant.
 - ☐ (4) The amount designated under an applicable collective bargaining agreement, employment contract or other arrangement with the Employee.
 - ☐ (5) Describe amount: _____
[*Note: Amount may not exceed 100% of Plan Compensation.*]
- ☐ (b) Special rules applicable to Mandatory Contribution: _____
[*Note: Special rules may describe special eligibility requirements and the definitely determinable amounts.*]

**SECTION 7
RETIREMENT AGES**

7-1 **NORMAL RETIREMENT AGE.** Normal Retirement Age under the Plan is:

- ☐ (a) Age ____ (not to exceed 65).
- ☐ (b) The later of age ____ (not to exceed 65) or the ____ (not to exceed 5th) anniversary of the Employee's:
- ☐ (1) Participation commencement date.
- ☐ (2) Employment date.
- ☒ (c) Describe Normal Retirement Age: The later of the attainment of age 65 or the completion of six (6) years of Vesting Service.

7-2 **EARLY RETIREMENT AGE.** Unless designated otherwise under this AA §7-2, there is no Early Retirement Age under the Plan.

- ☐ (a) A Participant reaches Early Retirement Age if such Participant is still employed after attainment of each of the following:
- ☐ (1) Attainment of age ____.
- ☐ (2) The ____ anniversary of the date the Employee commenced participation in the Plan, and/or
- ☐ (3) The completion of ____ Years of Service, determined as follows:
- ☐ (i) Same as for eligibility.
- ☐ (ii) Same as for vesting.
- ☐ (b) Describe Early Retirement Age: _____

**SECTION 8
VESTING AND FORFEITURES**

8-1 **CONTRIBUTIONS SUBJECT TO VESTING.** Does the Plan provide for Employer Contributions under AA §6 or Matching Contributions under AA §6B that are subject to vesting?

- ☒ Yes
- ☐ No [If "No" is checked, skip to Section 9.]

[Note: "Yes" should be checked under this AA §8-1 if the Plan provides for Employer Contributions and/or Matching Contributions that are subject to a vesting schedule, even if such contributions are always 100% vested under AA §8-2. "No" should be checked if the only contributions under the Plan are Salary Deferrals and/or After-Tax Employee Contributions.]

8-2 **VESTING SCHEDULE.** The vesting schedule under the Plan is as follows for both Employer Contributions and Matching Contributions, to the extent authorized under AA §6 and AA §6B. (See Section 7.02 of the BPD for a description of the various vesting schedules under this AA §8-2.) If the Plan is intended to be a FICA Replacement Plan (as elected in AA §2-3(d)) and Part-Time, Seasonal or Temporary Employees are not excluded from participation under the Plan, any vesting schedule selected must satisfy the rules under Section 6.04(b)(1) of the BPD.

☒ (a) **Vesting schedule for Employer Contributions and Matching Contributions:**

ER Match

- | | | |
|-------------------------------------|-------------------------------------|------------------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | (1) Full and immediate vesting |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | (2) 3-year cliff vesting schedule |
| <input type="checkbox"/> | <input type="checkbox"/> | (3) 5-year graded vesting schedule |
| <input type="checkbox"/> | <input type="checkbox"/> | (4) 6-year graded vesting schedule |
| <input type="checkbox"/> | <input type="checkbox"/> | (5) Modified vesting schedule |
- ____% immediately on Plan participation
- ____% after 1 Year of Service

ER Match

- ____% after 2 Years of Service
- ____% after 3 Years of Service
- ____% after 4 Years of Service
- ____% after 5 Years of Service
- ____% after 6 Years of Service
- ____% after 7 Years of Service
- ____% after 8 Years of Service
- ____% after 9 Years of Service
- ____% after 10 Years of Service

- ☐ (6) Describe additional modifications to vesting schedule applicable to Employer Contributions:
- ☐ (7) Describe additional modifications to vesting schedule applicable to Matching Contributions:

[Note: As a Governmental Plan, the Plan is not subject to the requirements of Code §411 and may modify the vesting schedule, provided the Plan satisfies the requirements of Code §§401(a)(4) and (7) as in effect before the enactment of ERISA. For this purpose, the modified vesting schedule must be at least as favorable as one of the following safe harbor vesting schedules:

- (1) **15-year cliff vesting schedule.** *The Participant is fully vested after 15 years of creditable service. Service can be based on years of employment, years of participation or other creditable years of service.*
- (2) **20-year graded vesting schedule.** *The Participant is fully vested based on a graded vesting schedule of 5 to 20 years of creditable service. Service can be based on years of employment, years of participation or other creditable years of service.*
- (3) **20-year cliff vesting for qualified public safety employees.** *Participant is fully vested after 20 years of creditable service. Service can be based on years of employment, years of participation or other creditable years of service. The safe harbor schedule is available only with respect to the vesting schedule applicable to a group in which substantially all of the participants are qualified public safety employees (within the meaning of Code §72(t)(10(B)).*

If a modified vesting schedule is selected under this subsection (a), the vested schedule must satisfy the pre-ERISA Code vesting requirements.]

- ☐ (b) **Special provisions applicable to vesting schedule:** _____

[Note: Any special provision must satisfy the pre-ERISA Code vesting requirement.]

8-3 **VESTING SERVICE.** In applying the vesting schedules under this AA §8, all service with the Employer counts for vesting purposes, unless designated otherwise under this AA §8-3.

- ☐ (a) Service before the original Effective Date of this Plan (or a Predecessor Plan) is excluded.
- ☐ (b) Service completed before the Employee's ____ (not to exceed 18th) birthday is excluded.
- ☐ (c) Describe special rules for vesting service: _____

8-4 **VESTING UPON DEATH, DISABILITY OR EARLY RETIREMENT AGE.** An Employee's vesting percentage increases to 100% if, while employed with the Employer, the Employee:

- ☒ (a) dies.
- ☒ (b) has a Severance from Employment due to becoming Disabled.
- ☐ (c) becomes Disabled.
- ☐ (d) reaches Early Retirement Age.
- ☐ (e) Not applicable. No increase in vesting applies.

[Note: This AA §8-4(e) should not be completed if the Plan provides for 100% vesting for all contribution types.]

8-5 **DEFAULT VESTING RULES.** In applying the vesting requirements under this AA §8, the following default rules apply. [*Note: No election should be made under this AA §8-5 if all contributions are 100% vested.*]

- **Year of Service.** An Employee earns a Year of Service for vesting purposes upon completing 1,000 Hours of Service during a Vesting Computation Period. Hours of Service are calculated based on actual hours worked during the Vesting Computation Period. (See Section 1.52 of the BPD for the definition of Hour of Service.)
- **Vesting Computation Period.** The Vesting Computation Period is the Plan Year.
- **Break in Service Rules.** The Nonvested Participant Break in Service rule and One-Year Break in Service rules do NOT apply.

To override the default vesting rules, complete the applicable sections of this AA §8-5. If this AA §8-5 is not completed, the default vesting rules apply.

ER	Match	
<input type="checkbox"/>	<input type="checkbox"/>	(a) Year of Service. Instead of 1,000 Hours of Service, an Employee earns a Year of Service upon the completion of ____ Hours of Service during a Vesting Computation Period.
<input type="checkbox"/>	<input type="checkbox"/>	(b) Vesting Computation Period. Instead of the Plan Year: <input type="checkbox"/> (1) The Plan will use Anniversary Years for all Vesting Computation Periods. <input type="checkbox"/> (2) Describe: _____ [<i>Note: Any Vesting Computation Period described in (2) must be a 12-consecutive month period and must apply uniformly to all Participants.</i>]
<input type="checkbox"/>	<input type="checkbox"/>	(c) Elapsed Time Method. Instead of determining vesting service based on actual Hours of Service, vesting service will be determined under the Elapsed Time Method. If this subsection (c) is checked, service will be measured from the Employee's Employment Commencement Date (or Reemployment Commencement Date, if applicable) without regard to the Vesting Computation Period provided in Section 7.04 of the BPD.
<input type="checkbox"/>	<input type="checkbox"/>	(d) Equivalency Method. For purposes of determining an Employee's Hours of Service for vesting, the Plan will use the Equivalency Method (as defined in Section 7.03(a)(2) of the BPD). The Equivalency Method will apply to: <input type="checkbox"/> (1) All Employees. <input type="checkbox"/> (2) Only to Employees for whom the Employer does not maintain hourly records. For Employees for whom the Employer maintains hourly records, vesting will be determined based on actual hours worked. Hours of Service for vesting will be determined under the following Equivalency Method: <input type="checkbox"/> (3) Monthly. 190 Hours of Service for each month worked. <input type="checkbox"/> (4) Weekly. 45 Hours of Service for each week worked. <input type="checkbox"/> (5) Daily. 10 Hours of Service for each day worked. <input type="checkbox"/> (6) Semi-monthly. 95 Hours of Service for each semi-monthly period worked. <input type="checkbox"/> (7) Hours worked. 870 hours worked treated as 1,000 Hours of Service and 435 hours worked treated as 500 Hours of Service. <input type="checkbox"/> (8) Regular time hours. 750 regular time hours treated as 1,000 Hours of Service and 375 regular time hours treated as 500 Hours of Service. <input type="checkbox"/> (9) Describe: _____ [<i>Note: Any description under (9) must be definitely determinable with respect to Hours of Service.</i>]
<input type="checkbox"/>	<input type="checkbox"/>	(e) Nonvested Participant Break in Service rule applies. Service earned prior to a Nonvested Participant Break in Service will be disregarded in applying the vesting rules. (See Section 7.07(c) of the BPD.) <input type="checkbox"/> The Nonvested Participant Break in Service rule applies to all Employees, including Employees who have not had a Severance from Employment.

- | ER | Match | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | (f) One-Year Break in Service rule applies. The One-Year Break in Service rule (as defined in Section 7.07(b) of the BPD) applies to temporarily disregard an Employee's service earned prior to a one-year Break in Service.
<input type="checkbox"/> The One-Year Break in Service rule applies to all Employees, including Employees who have not had a Severance from Employment. |
| <input type="checkbox"/> | <input type="checkbox"/> | (g) Special rules: _____ |

8-6 ALLOCATION OF FORFEITURES.

The Employer may decide in its discretion, within the permissible parameters below, how to treat forfeitures under the Plan. Alternatively, the Employer may designate under this AA §8-6 how forfeitures occurring during a Plan Year will be treated.

- | ER | Match | |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | (a) N/A. All contributions are 100% vested. <i>[Do not complete the rest of this AA §8-6.]</i> |
| <input type="checkbox"/> | <input type="checkbox"/> | (b) Reallocated as additional Employer Contributions or as additional Matching Contributions. |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | (c) Used to reduce Employer Contributions and/or Matching Contributions. |

For purposes of subsection (b) or (c), forfeitures will be applied:

- | | | |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | (d) for the Plan Year in which the forfeiture occurs. |
| <input type="checkbox"/> | <input type="checkbox"/> | (e) within 12 months following the Plan Year in which the forfeiture occurs. |
| <input type="checkbox"/> | <input type="checkbox"/> | (f) for the Plan Year in which the forfeiture occurs or the following 12 months. |

Forfeitures used for Plan expenses:

- | | | |
|-------------------------------------|-------------------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | (g) Forfeitures will be used to pay Plan expenses prior to applying forfeitures under subsection (b) or (c). |
| <input type="checkbox"/> | <input type="checkbox"/> | (h) Forfeitures will be used to pay Plan expenses if any forfeitures remain after applying forfeitures under subsection (b) or (c). |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | (i) Forfeitures will not be used to pay Plan expenses. |

In determining the amount of forfeitures to be allocated under subsection (b), the same allocation conditions apply as for the source for which the forfeiture is being allocated under AA §6-7 or AA §6B-7, unless designated otherwise below:

- | | | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | (j) Forfeitures are not subject to any allocation conditions. |
| <input type="checkbox"/> | <input type="checkbox"/> | (k) Forfeitures are subject to a last day of employment allocation condition. |
| <input type="checkbox"/> | <input type="checkbox"/> | (l) Forfeitures are subject to a ____ Hours of Service minimum service requirement. |

In determining the treatment of forfeitures under this AA §8-6, the following special rules apply:

- | | | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | (m) Describe: _____
<i>[Note: Any language added under this subsection (m) must relate solely to the treatment of forfeitures.]</i> |
|--------------------------|--------------------------|--|

8-7 SPECIAL RULES REGARDING CASH-OUT DISTRIBUTIONS AND FORFEITURES.

- (a) **Additional allocations.** If a Participant who has a Severance from Employment receives a complete distribution of such Participant's vested Account Balance while still entitled to an additional allocation, the Cash-Out Distribution forfeiture provisions do not apply until the Participant receives a distribution of the additional amounts to be allocated.

To modify the default Cash-Out Distribution forfeiture rules, complete this AA §8-7(a).

- ☐ The Cash-Out Distribution forfeiture provisions will apply if a Participant who has a Severance from Employment takes a complete distribution, regardless of any additional allocations during the Plan Year.

- (b) **Timing of forfeitures.** A Participant who receives a Cash-Out Distribution (as defined in Section 7.09(a) of the BPD) is treated as having an immediate forfeiture of such Participant's nonvested Account Balance.

To modify the forfeiture timing rules, complete this AA §8-7(b).

- ☐ (1) A forfeiture will occur upon the completion of ____ consecutive Breaks in Service (as defined in Section 7.09(a)(1)(iv) of the BPD).

- ☐ (2) A forfeiture will occur immediately upon Severance from Employment.
- (c) **Repayment of Cash-Out Distribution.** Unless elected otherwise under this AA §8-7(c), if a Participant receives a Cash-Out Distribution that results in a forfeiture, and the Participant resumes employment covered under the Plan, such Participant may repay to the Plan the amount received as a Cash-Out Distribution.
- ☐ If a Participant receives a Cash-Out Distribution that results in a forfeiture, and the Participant resumes employment covered under the Plan, such Participant may NOT repay to the Plan the amount received as a Cash-Out Distribution and the provisions of Section 7.09(a)(2) do not apply.

8-8 **SPECIAL RULE FOR FORFEITURE UPON DEATH OF A PARTICIPANT.** Unless elected below, no vested benefits are forfeited upon the death of a Participant.

To modify this default forfeiture rule, check the box below.

- ☐ The Plan will forfeit benefits (including vested benefits) upon the death of a Participant. In no event may the Plan forfeit any amounts attributable to a Participant's Salary Deferrals or After-Tax Employee Contributions under the Plan or if the Plan has commenced distributions prior to the Participant's death.

SECTION 9

DISTRIBUTION PROVISIONS – SEVERANCE FROM EMPLOYMENT

9-1 AVAILABLE FORMS OF DISTRIBUTION.

Lump sum distribution. A Participant may take a distribution of such Participant's entire vested Account Balance in a single lump sum upon Severance from Employment. The Plan Administrator may, in its discretion, permit Participants to take distributions of less than their entire vested Account Balance provided, if the Plan Administrator permits multiple distributions, all Participants are allowed to take multiple distributions upon Severance from Employment.

Additional distribution options. To provide for additional distribution options, check the applicable distribution forms under this AA §9-1.

- ☒ (a) **Installment distributions.** A Participant may take a distribution over a specified period not to exceed the life or life expectancy of the Participant (and a designated beneficiary).
- ☒ (b) **Partial lump sum.** A Participant may take a distribution of less than the entire vested Account Balance upon Severance from Employment.
- ☐ Minimum distribution amount. A Participant may not take a partial lump sum distribution of less than \$_____
- ☒ (c) **Annuity distributions.** A Participant may elect to have the Plan Administrator use the Participant's vested Account Balance to purchase an annuity as described in Section 8.01 of the BPD.
- ☐ (d) **Installment distributions for RMD purposes only.**
- ☐ (e) **Partial lump sum for RMD purposes only.**
- ☐ (f) **Describe distribution options:** _____

[*Note: Any additional distribution options may not be subject to the discretion of the Employer or Plan Administrator.*]

9-2 **SPOUSAL CONSENT.** Except as provided by State law, spousal consent is not required for a Participant to receive a distribution, to name or change an alternate Beneficiary, or to obtain a Participant loan, unless designated otherwise under this AA §9-2. See Section 9.02 of the BPD for rules regarding spousal consent under the Plan.

Choose all that apply:

- ☐ (a) **Distribution consent.**
- ☐ (1) A Participant's Spouse must consent to any distribution to which a Participant must consent, as elected under AA §9-6(a).
- ☐ (2) A Participant's Spouse must consent to a distribution if the Participant's vested Account Balance exceeds:
- ☐ (i) \$1,000
- ☐ (ii) \$5,000
- ☐ (iii) \$_____ (may insert any dollar amount)

- ☐ (b) **Consent to Alternate Beneficiary/Alternate Beneficiary Changes.** A Participant's Spouse must consent to naming someone other than the Spouse as Beneficiary (or to change an alternate Beneficiary to which a spouse has previously consented) under the Plan.
- (c) **Consent to Participant Loans.** The default loan policy under the Plan does not require spousal consent but allows the Employer to elect a provision that requires spousal consent to Participant loans. If Participant's Spouse must consent to a Participant loan, please complete this election, below:
- ☐ Spousal consent is required for Participant loans.
- ☐ (d) **Spousal consent rights determined under administrative policy.** The Employer will establish spousal consent rights for the Plan under a separate administrative policy.
- ☐ (e) **Describe** any special rules affecting spousal consent: _____
- [Note: Any special rules under subsection (e) must be definitely determinable. The availability of distributions is subject to the terms of the Investment Arrangement, as well as any applicable spousal consent requirements.]*

9-3 **TIMING OF DISTRIBUTIONS UPON SEVERANCE FROM EMPLOYMENT.**

- (a) **Distribution of vested Account Balances exceeding \$5,000.** A Participant who has a Severance from Employment with a vested Account Balance exceeding \$5,000 (the default Involuntary Cash-Out Distribution threshold) may receive a distribution of such Participant's vested Account Balance in any form permitted under AA §9-1 within a reasonable period following:
- ☒ (1) the date the Participant has a Severance from Employment.
- ☐ (2) the last day of the Plan Year during which the Participant has a Severance from Employment.
- ☐ (3) the first Valuation Date following the Participant's Severance from Employment.
- ☐ (4) the completion of ____ Breaks in Service.
- ☐ (5) the end of the calendar quarter following the date the Participant has a Severance from Employment.
- ☐ (6) attainment of Normal Retirement Age, death or becoming Disabled.
- ☐ (7) Describe: _____
- [Note: Employer may elect an amount other than \$5,000 for the Involuntary Cash-Out Distribution threshold under AA §9-6(a).]*
- (b) **Distribution of vested Account Balances not exceeding \$5,000.** A Participant who has a Severance from Employment with a vested Account Balance that does not exceed \$5,000 (the default Cash-Out Distribution threshold) may receive a **lump sum** distribution of such Participant's vested Account Balance within a reasonable period following:
- ☒ (1) the date the Participant has a Severance from Employment.
- ☐ (2) the last day of the Plan Year during which the Participant has a Severance from Employment.
- ☐ (3) the first Valuation Date following the Participant's Severance from Employment.
- ☐ (4) the end of the calendar quarter following the date the Participant has a Severance from Employment.
- ☐ (5) Describe: _____
- [Note: Employer may elect an amount other than \$5,000 for the Involuntary Cash-Out Distribution threshold under AA §9-6(a).]*

9-4 **DISTRIBUTION UPON DISABILITY.** Unless designated otherwise under this AA §9-4, a Participant who has a Severance from Employment on account of becoming Disabled may receive a distribution of such Participant's vested Account Balance in the same manner as a regular distribution upon Severance from Employment.

- ☐ (a) **Immediate distribution.** Distribution will be made as soon as reasonable following the date the Participant has a Severance from Employment on account of becoming Disabled.
- ☐ (b) **Following year.** Distribution will be made as soon as reasonable following the last day of the Plan Year during which the Participant has a Severance from Employment on account of becoming Disabled.
- ☐ (c) **Describe:** _____

[Note: Any distribution event described in subsection (c) will apply uniformly to all Participants under the Plan and may not be subject to the discretion of the Employer or Plan Administrator.]

9-5 DETERMINATION OF BENEFICIARY.

- (a) **Default beneficiaries.** Under Section 8.07(c) of the BPD and subject to the terms of the Investment Arrangement, to the extent a Beneficiary has not been named by the Participant (subject to the spousal consent rules) and is not designated under the terms of the Investment Arrangement(s) to receive all or any portion of the deceased Participant's death benefit, such amount shall be distributed to the Participant's surviving Spouse (if the Participant was married at the time of death) who shall be considered the designated Beneficiary. If the Participant does not have a surviving Spouse at the time of death, distribution will be made to the Participant's surviving children (including legally adopted children, but not including step-children), as designated Beneficiaries, in equal shares. If the Participant has no surviving children, distribution will be made to the Participant's estate.
- ☒ If this subsection (a) is checked, the default beneficiaries under Section 8.07(c) of the BPD are modified as follows:
- ☐ (1) The Plan adopts the default beneficiary rules under Section 8.07(c)(3) of the BPD, except, if the Participant does not have a surviving Spouse at the time of death, distribution will be made to the Participant's children (including legally adopted children, but not including step-children), as designated Beneficiaries, **per stirpes**.
 - ☐ (2) The Plan adopts the default beneficiary rules under Section 8.07(c)(3) of the BPD, except, if the Participant does not have a surviving Spouse at the time of death, distribution will be made to the Participant's estate.
 - ☐ (3) The Plan adopts the default beneficiary rules under Section 8.07(c)(3) of the BPD, except, if the Participant does not have a surviving Spouse at the time of death, distribution will be made in the following order of priority: (1) to the Participant's children (including legally adopted children, but not including step-children), as designated Beneficiaries, **per stirpes**; (2) if there are no children, then to the Participant's surviving parents, per capita; and (3) if there are no surviving parents, to the Participant's estate.
 - ☒ (4) Describe other modifications to the default beneficiaries under Section 8.07(c)(3) of the BPD: In lieu of the provisions of Section 8.07(c)(3) of the Plan, subject to the terms governing the applicable Investment Arrangement and to the extent a Beneficiary has not been named by the Participant to receive all or any portion of the deceased Participant's death benefit, such amount shall be distributed to the Participant's surviving spouse (if the Participant was married at the time of death). If the Participant does not have a surviving Spouse at the time of death, distribution will be made to the Participant's surviving children, in equal shares. If the Participant has no surviving children, distribution will be made to the Participant's surviving parents, in equal shares. In the event the Participant has no surviving Parents, distribution will be made to the Participant's estate.
- [Note: The description of the modifications to the default beneficiaries must be sufficiently clear for the Plan Administrator to determine the beneficiaries and the method of distribution of the Participant's death benefit, subject to any applicable State law.]*
- (b) **One-year marriage rule.** For purposes of determining whether an individual is considered the surviving Spouse of the Participant, the determination is based on the marital status as of the date of the Participant's death, unless designated otherwise under this subsection (b) or as otherwise provided in a QDRO.
- ☐ If this subsection (b) is checked, in order to be considered the surviving Spouse, the Participant and surviving Spouse must have been married for the entire one-year period ending on the date of the Participant's death. If the Participant and surviving Spouse are not married for at least one year as of the date of the Participant's death, the Spouse will not be treated as the surviving Spouse for purposes of applying the death distribution provisions of the Plan.
- (c) **Divorce of Spouse.** Unless otherwise provided by State law or the terms of the Investment Arrangement or unless elected otherwise under this subsection (c), if a Participant designates such Participant's Spouse as Beneficiary and subsequent to such Beneficiary designation, the Participant and Spouse are divorced, the designation of the Spouse as Beneficiary under the Plan is automatically rescinded as set forth under Section 8.07(c)(6) of the BPD.
- ☐ If this subsection (c) is checked, a Beneficiary designation will not be rescinded upon divorce of the Participant and Spouse.
- [Note: Section 8.07(c)(6) of the BPD and this subsection (c) will be subject to the provisions of a Beneficiary designation entered into by the Participant. Thus, if a Beneficiary designation specifically overrides the election under this subsection (c), the provisions of the Beneficiary designation will control. See Section 8.07(c)(6) of the BPD.]*

9-6 SPECIAL RULES.

- (a) **Availability of Involuntary Cash-Out Distributions.** A Participant who has a Severance from Employment with a vested Account Balance of \$5,000 (or other amount as elected in this Adoption Agreement) or less will receive an Involuntary Cash-Out Distribution, subject to the Automatic Rollover provisions under Section 8.05 of the BPD.

Alternatively, an Involuntary Cash-Out Distribution will be made to the following Participants who have had a Severance from Employment:

- ☐ (1) **No consent required for distributions.** A Participant who has a Severance from Employment will receive an Involuntary Cash-Out Distribution, regardless of value of such Participant's vested Account Balance. No Participant consent is required.
- ☐ (2) **No Involuntary Cash-Out Distributions.** The Plan does not provide for Involuntary Cash-Out Distributions. A Participant who has a Severance from Employment must consent to any distribution from the Plan. (See Section 14.02(b) of the BPD for special rules upon Plan termination.)
- ☐ (3) **Different Involuntary Cash-Out Distribution threshold.** A Participant who has a Severance from Employment will receive an Involuntary Cash-Out Distribution only if the Participant's vested Account Balance is less than or equal to:
- ☐ (i) \$1,000
- ☐ (ii) \$____ (may insert any dollar amount)
- (4) **Treatment of Rollover Contributions.** Unless elected otherwise under this subsection (4), Rollover Contributions will be included in determining whether a Participant's vested Account Balance exceeds the Involuntary Cash-Out Distribution threshold. To exclude Rollover Contributions for purposes of determining whether a Participant's vested Account Balance exceeds the Involuntary Cash-Out Distribution threshold, check below.
- ☒ In determining whether a Participant's vested Account Balance exceeds the Involuntary Cash-Out threshold, Rollover Contributions will be excluded.

- (b) **Application of Automatic Rollover rules.** The Automatic Rollover rules described in Section 8.05 of the BPD do not apply to any Involuntary Cash-Out Distribution equal to or less than \$1,000 (to the extent available under the Plan) and do not apply to Participants who have attained the later of age 62 or Normal Retirement Age under the Plan.

To override this default provision, check this subsection (1) or (2). The Employer may also elect (3), if applicable.

- ☒ (1) The Automatic Rollover provisions under Section 8.05 of the BPD apply to all Involuntary Cash-Out Distributions (including those equal to or less than \$1,000).
- ☐ (2) The Automatic Rollover provisions under Section 8.05 of the BPD do not apply to Involuntary Cash-Out Distributions equal to or less than \$____ (must be between \$0 and \$1,000).
- ☐ (3) The Automatic Rollover provisions under Section 8.05 of the BPD apply to Participants who have attained the later of age 62 or Normal Retirement Age under the Plan.

[Note: Rollover Contributions may not be disregarded for purposes of Automatic Rollover rules. For purposes of applying the Automatic Rollover provisions, including the \$1,000 threshold, a Participant's Roth Deferral Account and the Participant's other Accounts are treated as held under separate plans.]

- (c) **Distribution upon attainment of stated age.** The Participant consent requirements under Section 8.03 of the BPD apply for distributions occurring prior to attainment of the Participant's required beginning date as defined in Code §401(a)(9).

To allow for involuntary distribution upon attainment of Normal Retirement Age (or age 62, if later), check below.

- ☐ Subject to the spousal consent requirements under Section 9.02 of the BPD, a distribution from the Plan may be made to a Participant *who has a Severance from Employment* without the Participant's consent, regardless of the value of such Participant's vested Account Balance, upon attainment of Normal Retirement Age (or age 62, if later).

- (d) **In-kind distributions.** Section 8.09(c) of the BPD allows the Plan Administrator to authorize an in-kind distribution of property to the extent the Plan holds such property.

To modify this default rule, check below.

- ☐ A Participant may not receive an in-kind distribution in the form of property, even if the Plan holds such property on behalf of any Participant.

- (e) **Modification of Severance from Employment definition.** The Employer modifies the definition of Severance from Employment, as defined in Section 1.92 of the BPD, as follows:
- ☐ (1) Severance from Employment does not occur if an Employee continues to be employed by any Related Employer, regardless of whether the Related Employer is an Eligible Employer or the Employee is employed in a capacity that is not employment with an Eligible Employer.
- ☐ (2) Describe modification of the definition of Severance from Employment: _____
- [Note: Any modification of the definition of Severance from Employment may be no more expansive than allowed under Treas. Reg. §1.403(b)-2(b)(19).]*

SECTION 10 IN-SERVICE DISTRIBUTIONS
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- 10-1 **AVAILABILITY OF IN-SERVICE DISTRIBUTIONS.** A Participant may withdraw all or any portion of such Participant's vested Account Balance, to the extent designated, upon the occurrence of any of the event(s) selected under this AA §10-1. If more than one option is selected for a particular contribution type under this AA §10-1, a Participant may take an in-service distribution upon the occurrence of any of the selected events, unless designated otherwise under this AA §10-1.

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(a) No in-service distributions are permitted.
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(b) Attainment of age 59½.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(c) Attainment of age _____. <i>[If age is earlier than 59½, such age is deemed to be age 59½ for Salary Deferrals and for amounts held in a Custodial Account.]</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(d) A Hardship (that satisfies the safe harbor rules under Section 8.08(e)(1) of the BPD). <i>[Note: Not applicable to amounts attributable to Matching Contributions and Employer Contributions held in a Custodial Account.]</i> Unless elected otherwise below, a Participant is not required to first obtain all nontaxable loans available under the Plan and all other plans maintained by the Employer as a condition for receiving a Hardship distribution. <input type="checkbox"/> Participants are required to first obtain all nontaxable loans available under the Plan and all other plans maintained by the Employer.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(e) A non-safe harbor Hardship described in Section 8.08(e)(2) of the BPD. <i>[Not applicable to amounts attributable to Matching Contributions and Employer Contributions held in a Custodial Account.]</i> (1) Unless elected otherwise below, a Participant is not required to obtain all nontaxable loans available under the Plan and all other plans maintained by the Employer as a condition for receiving a Hardship distribution. <input type="checkbox"/> Participants are required to obtain all nontaxable loans available under the Plan and all other plans maintained by the Employer. <input type="checkbox"/> (2) In determining whether a Participant has an immediate and heavy financial need for purposes of applying the non-safe harbor Hardship provisions under Section 8.08(e)(2) of the BPD, the following modifications are made to the permissible events listed under Section 8.08(e)(1) of the BPD: _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(f) Attainment of Normal Retirement Age. <i>[If Normal Retirement Age is earlier than age 59½, such age is deemed to be age 59½ for Salary Deferrals and for amounts held in a Custodial Account.]</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(g) Attainment of Early Retirement Age. <i>[If Early Retirement Age is earlier than age 59½, such age is deemed to be age 59½ for Salary Deferrals and for amounts held in a Custodial Account.]</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(h) Upon a Participant becoming Disabled. <i>[The definition of disability may be different depending on the contribution type, as elected in AA§2-8.]</i>

Deferral	Match	ER	
<input type="checkbox"/>	N/A	N/A	(i) As a Qualified Reservist Distribution as defined under Section 8.08(d) of the BPD.
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(j) Completion of ____ Years of Service or ____ months of service. <i>[Not applicable with respect to amounts held in a Custodial Account.]</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(k) A Qualified Birth or Adoption Distribution (QBAD). (See AA §10-3 for detailed elections relating to QBADs.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(l) Upon a deemed Severance from Employment as described in Section 8.02(b)(4) of the BPD when an individual is on active duty for a period of at least 30 days while performing service in the Uniformed Services, as described under Section 15.06 of the BPD.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(m) Upon attainment of age ____ and ____ years of participation. <i>[If age is earlier than 59½, such age is deemed to be age 59½ for Salary Deferrals and for all amounts held in a Custodial Account.]</i>
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(n) The amounts being withdrawn have been held in the Plan for at least two years. <i>[Not applicable to amounts attributable to Matching Contributions and Employer Contributions held in a Custodial Account.]</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(o) Describe: _____

[Note: Unless designated otherwise under subsection (o), any selection(s) in the Deferral column also apply to Roth Contributions. Distributions from a Participant's Salary Deferral Account may not be made before the earliest of the time a Participant has a Severance from Employment, dies, has a Hardship, becomes Disabled or attains age 59½. Distributions from a Participant's Custodial Account may not be made before the earliest of the time a Participant has a Severance from Employment, dies, becomes Disabled or attains age 59½. Elections under the ER column also apply to Mandatory Contributions, unless otherwise provided in subsection (o). Any event described in subsection (o) may not violate the permissible distribution events under the Plan.]

10-2 **APPLICATION TO OTHER CONTRIBUTION TYPES.** If the Plan allows for Rollover Contributions under AA §C-2 or After-Tax Employee Contributions under AA §6C, unless elected otherwise under this AA §10-2, a Participant may take an in-service distribution from such Participant's Rollover Account and After-Tax Employee Contribution Account at any time.

Alternatively, if this AA §10-2 is completed, the following in-service distribution provisions apply for Rollover Contributions and/or After-Tax Employee Contributions:

Rollover	After-Tax	
<input type="checkbox"/>	<input type="checkbox"/>	(a) No in-service distributions are permitted.
<input type="checkbox"/>	<input type="checkbox"/>	(b) Attainment of age 59½.
<input type="checkbox"/>	<input type="checkbox"/>	(c) Attainment of age ____.
<input type="checkbox"/>	<input type="checkbox"/>	(d) A Hardship (that satisfies the safe harbor rules under Section 8.08(c)(1) of the BPD).

Unless elected otherwise below, a Participant is not required to first obtain all nontaxable loans available under the Plan and all other plans maintained by the Employer as a condition for receiving a Hardship distribution.

- ☐ Participants are required to first obtain all nontaxable loans available under the Plan and all other plans maintained by the Employer.

Rollover	After-Tax	
<input type="checkbox"/>	<input type="checkbox"/>	<p>(e) A non-safe harbor Hardship described in Section 8.08(e)(2) of the BPD.</p> <p>(1) Unless elected otherwise below, a Participant is not required to obtain all nontaxable loans available under the Plan and all other plans maintained by the Employer as a condition for receiving a Hardship distribution.</p> <p style="padding-left: 40px;"><input type="checkbox"/> Participants are required to obtain all nontaxable loans available under the Plan and all other plans maintained by the Employer.</p> <p><input type="checkbox"/> (2) In determining whether a Participant has an immediate and heavy financial need for purposes of applying the non-safe harbor Hardship provisions under Section 8.08(e)(2) of the BPD, the following modifications are made to the permissible events listed under Section 8.08(e)(1) of the BPD:</p> <hr style="width: 30%; margin-left: 40px;"/>
<input type="checkbox"/>	<input type="checkbox"/>	(f) Attainment of Normal Retirement Age.
<input type="checkbox"/>	<input type="checkbox"/>	(g) Attainment of Early Retirement Age.
<input type="checkbox"/>	<input type="checkbox"/>	(h) Upon a Participant becoming Disabled.
<input type="checkbox"/>	<input type="checkbox"/>	(i) As a Qualified Reservist Distribution as defined under Section 8.08(d) of the BPD.
<input type="checkbox"/>	<input type="checkbox"/>	(j) Completion of ____ Years of Service or ____ months of service.
<input type="checkbox"/>	<input type="checkbox"/>	(k) A Qualified Birth or Adoption Distribution (QBAD). (See AA §10-3 for detailed elections relating to QBADs.)
<input type="checkbox"/>	<input type="checkbox"/>	(l) Upon a deemed Severance from Employment when an individual is on active duty for a period of at least 30 days while performing service in the Uniformed Services, as described under Section 15.06 of the BPD.
<input type="checkbox"/>	<input type="checkbox"/>	(m) Upon attainment of age ____ and ____ years of participation. <i>[If age is earlier than 59½, such age is deemed to be age 59½ for Salary Deferrals and for all amounts held in a Custodial Account.]</i>
N/A	<input type="checkbox"/>	(n) The amounts being withdrawn have been held in the Plan for at least two years. <i>[Not applicable to amounts attributable to Matching Contributions and Employer Contributions held in a Custodial Account.]</i>
<input type="checkbox"/>	<input type="checkbox"/>	<p>(o) Describe: _____</p> <p><i>[Note: Any event described in subsection (o) may not violate the permissible distribution events under the Plan.]</i></p>

10-3 SPECIAL DISTRIBUTION RULES. No special distribution rules apply, unless specifically provided under this AA §10-3.

- ☒ (a) In-service distributions will only be permitted if the Participant is 100% vested in the source from which the withdrawal is taken. *[Select (1) or (2) below, if applicable. If (1) or (2) is not elected, the 100% vested requirement applies to all in-service distributions.]*
- ☐ (1) The 100% vested requirement only applies to Hardship distributions. *[If not elected, the 100% vested requirement applies to all in-service distributions.]*
- ☐ (2) The 100% vested requirement applies to all in-service distributions other than Hardship distributions.
- ☐ (b) A Participant may take no more than ____ in-service distribution(s) in a Plan Year.
- ☒ (c) A Participant may not take an in-service distribution of less than \$500 ____.
- ☐ (d) A Participant may not take an in-service distribution of more than \$ ____.
- ☐ (e) Unless elected otherwise under this subsection (e), the Hardship distribution provisions of the Plan are not expanded to cover primary beneficiaries as set forth in Section 8.08(e)(6) of the BPD. If this subsection (e) is checked, the Hardship provisions of the Plan will apply with respect to individuals named as primary beneficiaries under the Plan.
- ☐ (f) A Participant may not take an in-service distribution from a Roth Deferral Account.
- ☐ (g) The following are not available to Participants who have had a Severance from Employment:
- ☐ (1) Qualified Birth or Adoption Distributions (QBADs).
- ☐ (2) Hardship distributions.

- ☐ (h) Other distribution rules: _____

[**Note:** This subsection (h) may be used to apply the limitations under this AA §10-3 only to specific in-service distribution options (e.g., hardship distributions).]

SECTION 11
MISCELLANEOUS PROVISIONS

11-1 **PLAN VALUATION.** The Plan is valued **annually**, as of the last day of the Plan Year.

- ☒ (a) **Additional valuation dates (optional).** In addition, for each contribution type selected below the Account will be valued on the following dates:

Deferral Match ER

☐ ☐ ☐ (1) **Daily.** (i.e., the end of each business day during which the New York Stock Exchange is open.)

☐ ☐ ☐ (2) **Monthly.** (i.e., the end of each month of the Plan Year.)

☐ ☐ ☐ (3) **Quarterly.** (i.e., the end of each Plan Year quarter.)

☒ ☒ ☒ (4) **Describe:** The Plan's Investment Arrangements currently consists of individual Annuity Contracts or individual Custodial Accounts. Each Participant's Annuity Contract or Custodial Account is credited and charged with earnings it generates and each Participant's Annuity Contract or Custodial Account will be valued at least annually.

[**Note:** The Employer may elect operationally to perform interim valuations.]

- ☐ (b) **Special rules.** The following special rules apply in determining the amount of income or loss allocated to Participants' Accounts, including describing rules for different investment options: _____

11-2 **SPECIAL RULES FOR APPLYING THE CODE §415 LIMITATION.** The provisions under Section 5.03 of the BPD apply for purposes of determining the Code §415 Limitation.

Complete this AA §11-2 to override the default provisions that apply in determining the Code §415 Limitation under Section 5.03 of the BPD.

- ☐ (a) **Limitation Year.** Instead of the Plan Year, the Limitation Year is the 12-month period ending _____.

[**Note:** If the Plan has a short Plan Year for the first year of establishment, the Limitation Year is deemed to be the 12-month period ending on the last day of the short Plan Year.]

- ☐ (b) **Special rules:** _____

[**Note:** Any special rules under this subsection (b) must be consistent with the requirements of Code §415.]

11-3 **SPECIAL RULES FOR MORE THAN ONE PLAN.** If the Employer maintains another plan in which any Participant is a participant, the rules set forth under Section 5.03(e) of the BPD apply.

To modify the default provisions under Section 5.03(e) of the BPD, designate how such rules will apply.

- ☐ Instead of applying the default rules under Section 5.03(e) of the BPD, the Employer will limit Annual Additions in the following manner: _____

11-4 **DELEGATION OF ADMINISTRATIVE FUNCTIONS.** Generally, the Employer, as Plan Administrator, has responsibility to administer the Plan. These responsibilities include compliance with Code §403(b) and other tax requirements. However, under AA Addendum A, the Employer may delegate such responsibilities to a third party, including a provider of an Annuity Contract or Custodial Account, provided such third party agrees to such delegation of responsibilities. An Employer may not allocate administrative responsibilities to Plan Participants.

11-5 **ELECTION NOT TO PARTICIPATE** (See Section 2.08 of the BPD). Unless otherwise elected below, all Participants share in any allocation under this Plan and no Employee may waive out of Plan participation.

To allow Employees to waive participation under the Plan, check below.

- ☐ An Employee may make a one-time irrevocable election not to participate under the Plan at any time prior to the time the Employee first becomes eligible to participate under the Plan.

- 11-6 **SPECIAL RULES FOR MULTIPLE EMPLOYER PLANS.** If the Plan is a Multiple Employer Plan (as designated under AA §2-6), the rules applicable to Multiple Employer Plans under Section 16.07 of the BPD apply.
- ☐ The following special rules apply with respect to Multiple Employer Plans: _____
- [*Note: Any special rules must satisfy the rules applicable to Multiple Employer Plans under Code §413(c).*]
- 11-7 **CLAIMS PROCEDURES.** The Plan Administrator shall establish and maintain reasonable claims procedures as described in Section 11.08 of the BPD. Special rules may be described below.
- ☐ The following special rules apply with respect to claims procedures under Section 11.08 of the BPD: _____
- 11-8 **SPECIAL RULES APPLICABLE TO PLAN MERGERS AND SPINOFFS.**
- ☐ Describe: _____
- 11-9 **CONTRACT EXCHANGES AND PLAN-TO-PLAN TRANSFERS.** Unless otherwise indicated below and subject to the approval of the Plan Administrator and the terms of any governing Investment Arrangement, the Plan authorizes the Participant and Beneficiaries to make contract exchanges and plan-to-plan transfers both into and out of the Plan. Contract exchanges and plan-to-plan transfers may only be made to those Investment Arrangements currently accepting contributions under the Plan.
- ☐ (a) **Contract exchanges.** The Plan does not authorize contract exchanges as described in Section 14.04 of the BPD:
- ☐ (1) into the Plan.
- ☐ (2) out of the Plan.
- ☐ (b) **Plan-to-plan transfers.** The Plan does not authorize plan-to-plan transfers as described in Section 14.05 of the BPD:
- ☐ (1) into the Plan.
- ☐ (2) out of the Plan.
- ☐ (c) **Describe special rules applicable to contract exchanges and plan-to-plan transfers:** _____
- 11-10 **SPECIAL MILITARY SERVICE PROVISIONS -- BENEFIT ACCRUALS.** Unless otherwise indicated below, an individual who dies or becomes disabled in qualified military service will NOT be treated as reemployed for purposes of determining entitlement to benefits under the Plan. (See Section 15.06 of the BPD.)
- ☐ **Eligibility for Plan benefits.** Check this box if the Plan will treat an individual who dies or becomes disabled in qualified military service as reemployed for purposes of determining entitlement to benefits under the Plan.
- 11-11 **PROTECTED BENEFITS.** There are no protected benefits (as defined in Code §411(d)(6)) other than those described in the Plan.
- To designate protected benefits other than those described in the Plan, complete this AA §11-11.
- ☐ (a) **Additional protected benefits.** In addition to the protected benefits described in this Plan, certain other protected benefits are protected from a prior plan document, as described below: _____
- ☐ (b) **Elimination of distribution options.** Effective ____, the distribution options described in subsection (1) below are eliminated.
- ☐ (1) **Describe eliminated distribution options:** _____
- ☐ (2) **Application to existing Account Balances.** The elimination of the distribution options described in subsection (1) applies to:
- ☐ (i) All benefits under the Plan, including existing Account Balances.
- ☐ (ii) Only benefits accrued after the effective date of the elimination (as described above).

APPENDIX A
SPECIAL EFFECTIVE DATES

[Note: This Appendix A may be used to memorialize prior Plan provisions that pertain to sources that no longer accept new contributions under the Plan.]

- ☐ A-1 **Eligible Employees.** The definition of Eligible Employee under AA §3 is effective as follows:

- ☐ A-2 **Minimum age and service conditions.** The minimum age and service conditions and Entry Date provisions specified in AA §4 are effective as follows:

- ☐ A-3 **Compensation definitions.** The compensation definitions under AA §5 are effective as follows:

- ☐ A-4 **Employer Contributions.** The Employer Contribution provisions under AA §6 are effective as follows:

- ☐ A-5 **Salary Deferrals.** The provisions regarding Salary Deferrals under AA §6A are effective as follows:

- ☐ A-6 **Matching Contributions.** The Matching Contribution provisions under AA §6B are effective as follows:

- ☐ A-7 **Special Contributions.** The Special Contribution provisions under AA §6C are effective as follows:

- ☐ A-8 **Retirement ages.** The retirement age provisions under AA §7 are effective as follows:

- ☐ A-9 **Vesting and forfeiture rules.** The rules regarding vesting and forfeitures under AA §8 are effective as follows:

- ☐ A-10 **Distribution provisions.** The distribution provisions under AA §9 are effective as follows:

- ☐ A-11 **In-service distributions.** The provisions regarding in-service distributions under AA §10 are effective as follows:

- ☐ A-12 **Miscellaneous provisions.** The provisions under AA §11 are effective as follows:

- ☐ A-13 **Special effective date provisions for merged plans.** If any 403(b) or other plans have been merged into this Plan, the provisions of Section 14.03 of the BPD apply as follows:

- ☐ A-14 **Other special effective dates:**

- ☐ A-15 **Special effective dates for restated pre-approved plans:** The IRS allows the use of separate effective dates to memorialize plan operational changes that have occurred after the general effective date of the Plan and the actual Plan restatement adoption date. Adopting employers may use the above Special Effective Date options (A-1 through A-14) to memorialize these changes or they may use this A-15. If the adopting employer uses A-15, the changes will be part of the Plan, but will not be reflected in the SPD or plan summary:

APPENDIX B
LOAN POLICY

Use this Appendix B to identify elections dealing with the administration of Participant loans. These elections may be changed without amending this Adoption Agreement by substituting an updated Appendix B with new elections. Any modifications to this Appendix B or any modifications to a separate loan policy describing the loan provisions selected under the Plan will not affect an Employer's reliance on the Favorable IRS Letter. Irrespective of the elections made under this Appendix B, the Employer may permit under separate administrative procedures Participant loans consistent with any federally-declared disaster relief legislation or guidance.

B-1 Are **PARTICIPANT LOANS** permitted? (See Section 13 of the BPD.)

- ☒ (a) Yes
☐ (b) No

B-2 **LOAN PROCEDURES.** [*Note: Loan procedures and requirements are subject to the terms of any governing Investment Arrangement.*]

- ☐ (a) Loans will be provided under the default loan procedures set forth in Section 13 of the BPD, unless modified under this Appendix B and subject to the terms of any governing Investment Arrangement.
☒ (b) Loans will be provided under a separate written loan policy. [*If this subsection (b) is checked, do not complete the rest of this Appendix B.*]

B-3 **AVAILABILITY OF LOANS.** Under Section 13.02 of the BPD's default loan policy, subject to the terms of any Investment Arrangement, loans are available to all Participants on a reasonable equivalent basis as determined by the Plan Administrator. To override this default provision, complete this AA §B-3.

- ☐ (a) A former Employee or Beneficiary (including an Alternate Payee) who has a vested Account Balance may request a loan from the Plan.
☐ (b) A "limited participant", as described under Section 4.01 of the BPD, may not request a loan from the Plan.
☐ (c) An officer or director of the Employer may **not** request a loan from the Plan.
☐ (d) Describe limitations on receiving loans under the Plan: _____

B-4 **LOAN LIMITS.** Subject to the terms of any Investment Arrangement, the default loan policy under Section 13.03 of the BPD allows Participants to take a loan provided all outstanding loans do not exceed 50% of the Participant's vested Account Balance. To override the default loan policy and allow loans on the Participant's total vested Account Balance up to \$10,000, even if greater than 50% of the Participant's vested Account Balance, check this AA §B-4.

- ☐ A Participant may take a loan of the Participant's total vested Account Balance up to \$10,000, even if greater than 50% of the Participant's vested Account Balance.

[*Note: If this AA §B-4 is checked, the Participant may be required to provide adequate security as required under Section 13.06 of the BPD.*]

B-5 **NUMBER OF LOANS.** Subject to the terms of any Investment Arrangement, the default loan policy under Section 13.04 of the BPD restricts Participants to one loan outstanding at any time. To override the default loan policy and permit Participants to have more than one loan outstanding at any time, complete (a) or (b) below.

- ☐ (a) A Participant may have ____ loans outstanding at any time, subject to any internal administrative limitations imposed by the Investment Arrangement, the service provider or platform.
☐ (b) There are no restrictions on the number of loans a Participant may have outstanding at any time.

B-6 **LOAN AMOUNT.** The default loan policy under Section 13.04 of the BPD provides that a Participant may not receive a loan of less than \$1,000. To modify the minimum loan amount or to add a maximum loan amount, complete this AA §B-6.

- ☐ (a) There is no minimum loan amount.
☐ (b) The minimum loan amount is \$____.
☐ (c) The maximum loan amount is \$____ (no greater than \$50,000).
☐ (d) The maximum loan amount is ____% (no greater than 50%) of the Participant's vested Account Balance, except as permitted under B-4 of this Appendix B.

- B-7 **INTEREST RATE.** The default loan policy under Section 13.05 of the BPD provides for an interest rate commensurate with the interest rates charged by local commercial banks for similar loans. To override the default loan policy and provide a specific interest rate to be charged on Participant loans, complete this AA §B-7.
- ☐ (a) The prime interest rate plus ____ percentage point(s).
- ☐ (b) The interest rate is determined in accordance with the terms of the Investment Arrangement, service provider procedures, or other loan policy document adopted by the Plan Administrator.
- ☐ (c) Describe: _____
- [*Note: Any interest rate described in this AA §B-7 must be reasonable and must apply uniformly to all Participants.*]
- B-8 **PURPOSE OF LOAN.** The default loan policy under Section 13.02 of the BPD provides that a Participant may receive a Participant loan for any purpose. To modify the default loan policy to restrict the availability of Participant loans to hardship events, check this AA §B-8.
- ☐ (a) A Participant may only receive a Participant loan upon the demonstration of a hardship event, as described in Section 8.08(e)(1) of the BPD.
- ☐ (b) A Participant may only receive a Participant loan under the following circumstances: _____
- B-9 **APPLICATION OF LOAN LIMITS.** The default loan policy under Sections 13.03 and 13.06 of the BPD provides that a participant's entire Account will be taken into account in applying the loan limitation and adequate security requirement. To override this provision if Participant loans are not available from all contribution types, complete this AA §B-9.
- ☐ The loan limits and adequate security requirements will be applied by taking into account only those contribution Accounts which are available for Participant loans.
- B-10 **CURE PERIOD.** The default loan policy under Section 13.10 of the BPD provides that a Participant incurs a loan default if a Participant does not repay a missed payment by the end of the calendar quarter following the calendar quarter in which the missed payment was due. To override this default provision to apply a shorter cure period, complete this AA §B-10.
- ☐ (a) The cure period for determining when a Participant loan is treated as in default will be ____ days (cannot exceed 90) following the end of the month in which the loan payment is missed.
- ☐ (b) The cure period for determining when a loan is treated as in default will be _____ days (cannot exceed 90) following the first missed loan payment.
- B-11 **PERIODIC REPAYMENT – PRINCIPAL RESIDENCE.** The default loan policy under Section 13.07 of the BPD provides that if a Participant loan is for the purchase of a Participant's principal residence, the 5-year repayment period can be extended for a reasonable period commensurate with the repayment period permitted by commercial lenders for similar loans. To override this provision, complete this AA §B-11.
- ☐ (a) The Plan does not permit loan payments to exceed five (5) years, even for the purchase of a principal residence.
- ☐ (b) The loan repayment period for the purchase of a principal residence may not exceed ____ years (may not exceed 30), subject to any internal limitations imposed by the Investment Arrangement(s) or the service provider or platform.
- ☐ (c) Loans for the purchase of a Participant's principal residence may be payable over any reasonable period commensurate with the repayment period permitted by commercial lenders for similar loans, subject to any internal limitations imposed by the Investment Arrangement(s) or the service provider or platform.
- B-12 **SEVERANCE FROM EMPLOYMENT.** The default loan policy under Section 13.11 of the BPD provides that a Participant loan becomes due and payable in full upon the Participant's Severance from Employment. To override this default provision, complete this AA §B-12.
- ☐ A Participant loan will not become due and payable in full upon the Participant's Severance from Employment.
- B-13 **DIRECT ROLLOVER OF A LOAN NOTE.** The default loan policy under Section 13.11(b) of the BPD provides that upon Severance from Employment a Participant may request the Direct Rollover of a loan note provided the Participant has not already had a deemed distribution with respect to the note. To override this default provision, complete this AA §B-13.
- ☐ A Participant may **not** request the Direct Rollover of the loan note upon Severance from Employment.
- B-14 **LOAN RENEGOTIATION.** The default loan policy under Section 13.11(c) of the BPD provides that a Participant may renegotiate a loan, provided the renegotiated loan separately satisfies the reasonable interest rate requirement, the adequate security requirement, the periodic repayment requirement, and the loan limitations under the Plan. The Employer may restrict the availability of renegotiations to prescribed purposes provided the ability to renegotiate a Participant loan is available on a non-

discriminatory basis. To override the default loan policy and restrict the ability of a Participant to renegotiate a loan, complete this AA §B-14.

☐ (a) A Participant may **not** renegotiate the terms of a loan.

☐ (b) The following special provisions apply with respect to renegotiated loans: _____

B-15 **SOURCE OF LOAN.** The default loan policy under Section 13.09 of the BPD provides that Participant loans may be made from all available contribution types, to the extent vested. To override this provision, complete one of the sections below.

☐ (a) Participant loans will not be available from the following contribution types: _____

☐ (b) Participant loans will only be available from the following contribution types: _____

B-16 **MODIFICATIONS TO DEFAULT LOAN PROVISIONS.**

☐ The following special rules will apply with respect to Participant loans under the Plan: _____

[Note: Any provision under this AA §B-16 must satisfy the requirements under Code §72(p) and the regulations thereunder and will control over any inconsistent provisions of the Plan dealing with the administration of Participant loans.]

B-17 **SPOUSAL CONSENT.** The default loan policy under the Plan does not require spousal consent but allows the Employer to elect a provision that requires spousal consent to participant loans. To override this provision as permitted by Section 13.08 of the BPD, complete the applicable election in AA §9-2.

APPENDIX C
ADMINISTRATIVE ELECTIONS

Use this Appendix C to identify certain elections dealing with the administration of the Plan. These elections may be changed without amending this Adoption Agreement by substituting an updated Appendix C with new elections. The provisions selected under this Appendix C do not create qualification issues and any changes to the provisions under this Appendix C will not affect the Employer's reliance on the Favorable IRS Letter. Instead of completing this Appendix C, the Employer may develop separate administrative procedures to address directions of investment, Rollover Contributions and/or QDRO procedures.

C-1 **DIRECTION OF INVESTMENTS.** Under Section 10.10 of the BPD, each Participant, Beneficiary or Alternate Payee (under a QDRO) shall have the exclusive right to direct the investment of all of their entire account. To override this provision, complete this AA § C-1.

☐ (a) Participants, Beneficiaries and Alternate Payees may not direct investments.

☐ (b) Participants, Beneficiaries and Alternate Payees may direct investments subject to the following restrictions:

☐ (1) Only for Accounts that are 100% vested.

☐ (2) Specify Accounts: _____

☐ (3) Describe any special rules that apply for purposes of direction of investments: _____

[**Note:** This subsection (3) may be used to describe special investment provisions for specific types of investments or for specific Accounts, such as the Rollover Contribution Account.]

C-2 **ROLLOVER CONTRIBUTIONS.** Does the Plan accept Rollover Contributions? (See Section 4 of the BPD.)

☐ (a) No

☒ (b) Yes

☒ (1) If this subsection (1) is checked, an Eligible Employee may make a Rollover Contribution to the Plan prior to becoming a Participant in the Plan. (See Section 4 of the BPD.)

☐ (2) Check this subsection (2) if the Plan will accept Rollover Contributions from former Eligible Employees with an Account Balance under the Plan.

☐ (3) Describe any special rules for accepting Rollover Contributions: _____

[**Note:** The Employer may designate in subsection (3) or in separate written procedures the extent to which it will accept rollovers from designated plan types. For example, the Employer may decide not to accept rollovers from certain designated plans (e.g., 403(b) plans, §457 plans or IRAs). Any special rollover procedures will apply uniformly to all Participants under the Plan.]

C-3 **QDRO PROCEDURES.** Although the requirements of Code §414(p) do not apply to the Plan, the Employer may elect to apply the procedures set forth under Section 11.07 of the BPD (which are patterned after the rules under Code §414(p)) by electing subsection (a) below or may elect not to apply the procedures set forth under Section 11.07 of the BPD and instead, describe the Plan's procedures for addressing domestic relations orders below or in separate administrative procedures.

☒ (a) The Employer elects to have the requirements of Section 11.07 of the BPD apply to its Plan.

☐ (b) The requirements of Section 11.07 of the BPD do not apply to the Plan. The procedures for addressing the receipt of domestic relations orders are either set forth below or in separate administrative procedures.

Describe domestic relations procedures: _____

EMPLOYER SIGNATURE PAGE

PURPOSE OF EXECUTION. This Signature Page is being executed to effect:

- ☐ (a) The adoption of a **new plan**, effective _____
[**Note:** Date can be no earlier than the first day of the Plan Year in which the Plan is adopted.]
- ☒ (b) The **restatement** of an existing plan in order to comply with the requirements for Cycle 2 Pre-Approved 403(b) Plans, pursuant to Rev. Proc. 2021-37.
- (1) Effective date of restatement: January 1, 2025
[**Note:** Date can be no earlier than the first day of the Plan Year in which the restatement is adopted.]
- (2) Name of plan(s) being restated: North Brevard County District d/b/a Parrish Medical Center 403(b) Plan
- (3) The original effective date of the plan(s) being restated: January 1, 1989
- ☐ (c) An **amendment or restatement** of the Plan (other than to comply with the requirements for Cycle 2 Pre-Approved 403(b) Plans under Rev. Proc. 2021-37). If this Plan is being amended, a snap-on amendment may be used to designate the modifications to the Plan or the updated pages of the Adoption Agreement may be substituted for the original pages in the Adoption Agreement. All prior Employer Signature Pages should be retained as part of this Adoption Agreement.
- (1) Effective Date(s) of amendment/restatement: _____
[**Note:** Date can be no earlier than the first day of the Plan Year in which the Plan is adopted.]
- (2) Name of plan being amended/restated: _____
- (3) The original effective date of the plan being amended/restated: _____
- (4) If Plan is being amended, identify the Adoption Agreement section(s) being amended: _____

PRE-APPROVED PLAN PROVIDER INFORMATION. The Pre-Approved Plan Provider (or authorized representative) will inform the Employer of any amendments made to the Plan and will notify the Employer if it discontinues or abandons the Plan. To be eligible to receive such notification, the Employer agrees to notify the Pre-Approved Plan Provider (or authorized representative) of any change in address. The Employer may direct inquiries regarding the Plan or the effect of the Favorable IRS Letter to the Pre-Approved Plan Provider (or authorized representative) at the following location:

Name of Pre-Approved Plan Provider (or authorized representative): Gray Robinson, P.A.

Address: 301 E. Pine St. Suite 1400, Orlando, FL 32801

Telephone number: (407) 843-8880

IMPORTANT INFORMATION ABOUT THIS PRE-APPROVED PLAN. A failure to properly complete the elections in this Adoption Agreement or to operate the Plan in accordance with applicable law may result in disqualification of the Plan. Except to the extent provided in Rev. Proc. 2021-37, an Adopting Employer may rely on a currently valid Favorable IRS Letter as evidence that the plan satisfies the Code § 403(b) Requirements if: (1) the Adopting Employer's Plan is identical to this Nonstandardized Code §403(b) Pre-Approved Plan and (2) the adopting Employer has not amended this Nonstandardized Code §403(b) Pre-Approved Plan other than by choosing options provided in the Adoption Agreement or making amendments that are described in §9.03 of Rev. Proc. 2021-37 (relating to Employer amendments that will not affect reliance). The adopting Employer may not rely on the Favorable IRS Letter in certain other circumstances, which are specified in the Favorable IRS Letter issued with respect to the Plan, or in Rev. Proc. 2021-37. In order to obtain reliance in such circumstances or with respect to certain other Code §403(b) requirements, the Employer may need to apply to the Internal Revenue Service for a determination letter.

By executing this Adoption Agreement, the Employer intends to adopt the provisions as set forth in this Adoption Agreement and the related Plan document. By signing this Adoption Agreement, the individual below represents that such individual has the authority to execute this Plan document on behalf of the Employer. This Adoption Agreement may only be used in conjunction with Basic Plan Document #12. The Employer understands that the Pre-Approved Plan Provider has no responsibility or liability regarding the suitability of the Plan for the Employer's needs or the options elected under this Adoption Agreement. It is recommended that the Employer consult with legal counsel before executing this Adoption Agreement.

North Brevard County Hospital District d/b/a Parrish Medical Center
(Name of Employer)

George Mikitarian
(Name of authorized representative)

President/CEO
(Title)

(Signature)

(Date)

PARTICIPATING EMPLOYER ADOPTION PAGE

Check the appropriate selection below and complete this page if a Participating Employer (other than the Employer that signs the Signature Page above) will participate as a Participating Employer.

- ☒ (a) **Participating Employer is a Related Employer.**
☐ (b) **Participating Employer is an unrelated Employer participating under a Multiple Employer Plan.**

PARTICIPATING EMPLOYER INFORMATION.

Name: North Brevard Medical Support, Inc.

Address: 951 North Washington Ave

City, State, Zip Code: Titusville, FL 32796

FORM OF BUSINESS/TYPE OF PARTICIPATING EMPLOYER.

- ☐ (a) Public School (as defined in Section 1.78 of the BPD)
☐ (b) Dual Status 501(c)(3)/Governmental Organization (as defined in Section 1.28 of the BPD)

EMPLOYER IDENTIFICATION NUMBER (EIN). 59-3074052

EFFECTIVE DATE. The Effective Date should be completed to document whether this Plan is a new plan or restatement of a prior plan with respect to the Participating Employer. (Additional special Effective Dates may apply under **Modifications to Adoption Agreement** below.)

- ☐ (a) **New plan.** The Participating Employer is adopting this Plan as a new Plan effective _____. [*Note: Date can be no earlier than the first day of the Plan Year in which the Plan is adopted.*]
☒ (b) **Restated or amended plan.** The Participating Employer is adopting this Plan as a restatement or amendment of a prior plan.
 (1) Name of plan(s) being restated or amended: North Brevard County District d/b/a Parrish Medical Center 403(b) Plan
 (2) This restatement/amendment is effective: January 1, 2025
 [*Note: Generally, date can be no earlier than the first day of the Plan Year in which the restatement/amendment is adopted.*]
 (3) The original effective date of the plan(s) being restated or amended is: January 1, 1989
☐ (c) **Cessation of participation.** The Participating Employer is ceasing its participation in the Plan effective as of: _____

ALLOCATION OF CONTRIBUTIONS. Any contributions made under this Plan (and any forfeitures relating to such contributions) will be allocated to all Participants of the Employer (including the Participating Employer identified on this Participating Employer Adoption Page).

To override this default provision, check below.

- ☐ Check this box if contributions made by the Participating Employer signing this Participating Employer Adoption Page (and any forfeitures relating to such contributions) will be allocated only to Participants actually employed by the Participating Employer making the contribution. If this box is checked, Employees of the Participating Employer signing this Participating Employer Adoption Page will not share in an allocation of contributions (or forfeitures relating to such contributions) made by the Employer or any other Participating Employer.

[*Note: See Section 16.04 of the BPD if the Participating Employer using this section adopts modifications to the elections of the Employer executing the signature page of this Adoption Agreement. This election is required for MEPs.*]

[*Note: Under Section 16.01 of the Plan, any deviation(s) from the elections made in the Adoption Agreement require the consent of the Employer that is executing the signature page of this Adoption Agreement.*]

MODIFICATIONS TO ADOPTION AGREEMENT. The selections in the Adoption Agreement (including any special effective dates identified in Appendix A) will apply to the Participating Employer executing this Participating Employer Adoption Page.

To modify the Adoption Agreement provisions applicable to a Participating Employer, designate the modifications in (a) or (b) below.

- ☐ (a) **Special Effective Dates.** Check this subsection (a) if different special effective dates apply with respect to the Participating Employer signing this Participating Employer Adoption Page. Attach a separate Addendum to the Adoption Agreement entitled "Special Effective Dates for Participating Employer" and identify the special effective dates as they apply to the Participating Employer.
☐ (b) **Modification of Adoption Agreement elections.** Section(s) ____ of the Adoption Agreement are being modified for this Participating Employer. The modified provisions are effective _____.

[*Note: Attach a description of the modifications to this Participating Employer Adoption Page.*]

SIGNATURE. By signing this Participating Employer Adoption Page, the Participating Employer agrees to adopt (or to continue its participation in) the Plan identified on page 1 of this Adoption Agreement. The Participating Employer agrees to be bound by all provisions of the Plan and Adoption Agreement as completed by the signatory Employer, unless specifically provided otherwise on this Participating Employer Adoption Page. The Participating Employer also agrees to be bound by any future amendments (including any amendments to terminate the Plan)

as adopted by the signatory Employer. By signing this Participating Employer Adoption Page, the individual below represents that such individual has the authority to sign on behalf of the Participating Employer.

North Brevard Medical Support, Inc.

(Name of Participating Employer)

George Mikitarian

President/CEO

(Name of authorized representative)

(Title)

(Signature)

(Date)

ADDENDUM A
ALLOCATION OF ADMINISTRATIVE FUNCTIONS

This Addendum A identifies any party to whom administrative functions have been allocated and the specific functions allocated to such persons, effective January 22, 2019.

Service agreements and other records or information pertaining to the administration of the Plan may be included or incorporated by reference in the Addendum. The Addendum may be modified from time to time. A modification of the Addendum is not an amendment of the Plan.

The administrative functions of the Plan Administrator shall be allocated/performed in the manner set forth in the following paragraphs, which also address the makeup, operation and other aspects of the Parrish Medical Center Retirement Planning Committee:

1. **Parrish Medical Center Retirement Planning Committee.** The Board of Directors of the Employer (“Board”) has appointed a committee of four or more persons to be known as the Retirement Planning Committee (“Committee”) to assist with the administration of the Plan.

At least one member of the Committee shall come from each of the following groups: a member of the Board; a member of the management group of the Employer; an Employee of the Employer; and a representative from the Employer’s community. If more than four members are named to the Committee, then additional members shall be named from the following groups in this order: the first additional member shall be a member of the management group of the Employer; the second additional member shall be an Employee of the Employer; the third additional member shall be a representative from the Employer’s community; the fourth additional member shall be a member of the Board. In no event shall there be more than eight members on the Committee.

The members shall hold office for three year terms, except that the terms of the initial members shall be staggered among one, two and three-year terms so that no more than three (3) members' terms will expire in the same year. If there are eight members, an initial group of one community representative, one Board member and one management group member shall be appointed to a three-year term, although the Board member’s term may not exceed his Board term. The next group of one community representative, one Employee, and one management group member shall be appointed to a two-year term; and the remaining two members (consisting of a Board member and an Employee) shall receive one-year terms.

The Board may remove any Committee member at any time upon the delivery of written notice to the Committee member. Any member may resign at any time by notice in writing filed with the Hospital Board and with the Chairman or Secretary of the Committee. In the event a Board member’s term on the Committee exceeds their term as Board member, that Board member’s successor shall replace that Board member on the Committee for the remainder of that term on the Committee. Other vacancies shall be filled promptly by the Board appointing replacement Committee members for the remainder of the term from the same group as the Committee member who resigned or was removed. In the event of removal or resignation, the Committee member shall be under a duty to account for and to transfer any assets or other information relating to this Plan to his successor.

2. **Organization of Committee.** The Committee shall elect a Chairman and a Vice-Chairman from among its members and a Secretary, who need not be a member of the Committee. It may appoint such agents, who need not be members of the Committee, as it may deem necessary for the effective performance of its duties, whether ministerial or discretionary, as the Committee may deem expedient or appropriate. The compensation, if any, of such agents shall be fixed by the Committee within limits set by the Hospital Board.

The action of the Committee shall be determined by the vote or other affirmative expression of a majority of its members in attendance where a quorum is present. The Chairman or the Vice- Chairman, in his absence, may execute any certificate or other written direction on behalf of the Committee.

The Committee shall hold and conduct meetings in accordance with Florida Statutes Chapter 286. Meetings may be called by the Chairman or any two members. A majority of the members of the Committee at the time in office shall constitute a quorum for the transaction of business.

Members of the Committee shall serve without compensation for services as such, but the Employer shall pay or reimburse the Committee for all expenses reasonably incurred by the Committee, including the compensation of its agents.

3. **Powers of the Committee.** The Committee shall have complete control of the administration of the Plan, subject to the provisions hereof and the approval of the Employer, with all powers necessary to enable it to properly carry out its duties in that respect. Not in limitation, but in amplification of the foregoing, the Committee shall have the power to construe the Plan and to determine all questions that may arise thereunder. In addition, the Committee shall have all of the duties, powers and responsibilities of the Plan Administrator set forth in Section 11 of the Plan (subject to the provisions hereof and the approval of the Employer). The decisions of the Committee upon all matters within the scope of its authority shall be final.

To enable the Committee to perform its functions, the Employer shall supply full and timely information to the Committee of all matters relating to the compensation of all Participants, their length of service, their retirement, death or other cause for termination of employment, and such other pertinent facts as the Committee may require.

The Employer shall notify the Custodian, Insurance Company and third party record keeper (“Necessary Party”) of the members of the Committee and any changes therein to the extent required by the Necessary Party. The Committee shall, thereupon, advise the Necessary Party of such facts and issue to the Necessary Party such instructions as may be required by the Necessary Party in order for them to perform their duties under the Plan.

The Committee and the Employer shall be entitled to rely upon all tables, valuations, certificates and reports made by a Certified Public Accountant selected or approved by the Employer and the Committee, the Employer and its officers shall not be held liable in any respect for action taken or suffered by them in good faith in reliance upon the advice or opinion of any such accountant or counsel, and all action so taken or suffered shall be conclusive upon each of them and upon all other persons interested in the Plan.

The Committee shall have no power in any way to modify, alter, add to or subtract from any provisions of the Plan.

4. **Records of the Committee.** All acts and determinations of the Committee shall be duly recorded by the Secretary thereof, or under his supervision, and all such records, together with such other documents as may be necessary for the administration of the Plan shall be preserved in the custody of such Secretary. Such records and documents shall at all times be open for inspection and for the purpose of making copies by any persons designated by the Employer.

5. **Exception from Liability of the Committee.** The members of the Committee, and each of them, shall be free from all liability, joint or several, for their acts, omissions and conduct and for the acts, omissions and conduct of their duly constituted agents, in the administration of the Plan, except to the extent that such acts and consequences shall result from their own willful misconduct or gross negligence.

ADDENDUM B
VENDORS OF INVESTMENT ARRANGEMENTS

This Addendum B lists the Vendors of Investment Arrangements approved for use under the Plan, effective January 1, 2020.

The Addendum must include sufficient information to identify the approved Investment Arrangements. The terms governing each Investment Arrangement under the Plan, excluding those terms that are inconsistent with the Plan or Code §403(b), are hereby incorporated by reference in the Plan. The Addendum may be modified from time to time. A modification of the Addendum is not an amendment of the Plan.

Name of Vendor	Type of Investment Arrangement (e.g., annuity contract, custodial account, etc.)	Active/Inactive

EXHIBIT A (Part 2)

**PUBLIC SCHOOL/DUAL STATUS ORGANIZATION
PRE-APPROVED 403(b) PLAN
BASIC PLAN DOCUMENT #12**

TABLE OF CONTENTS

SECTION 1 PLAN DEFINITIONS

1.01	Account.....	1
1.02	Account Balance	1
1.03	Accumulated Benefit	1
1.04	Adoption Agreement (AA).....	1
1.05	After-Tax Employee Contributions.....	1
1.06	Age 50 Catch-Up Contributions	1
1.07	Age 50 Catch-Up Contribution Limit	1
1.08	Alternate Payee.....	1
1.09	Anniversary Years.....	2
1.10	Annual Additions.....	2
1.11	Annuity Contract.....	2
1.12	Annuity Starting Date	2
1.13	ASC Institute.....	2
1.14	Automatic Contribution Arrangement	2
1.15	Automatic Rollover.....	2
1.16	Beneficiary	2
1.17	Break in Service.....	2
1.18	Cash-Out Distribution.....	2
1.19	Code	2
1.20	Code §415 Limitation	2
1.21	Collectively Bargained Employee.....	2
1.22	Compensation Limit.....	2
1.23	Computation Period	3
	(a) Eligibility Computation Period	3
	(b) Vesting Computation Period	3
1.24	Custodial Account.....	3
1.25	Custodian	3
1.26	Direct Rollover.....	3
1.27	Disabled.....	3
1.28	Dual Status Code §501(c)(3)/Governmental Organization.....	3
1.29	Early Retirement Age.....	3
1.30	Effective Date	3
1.31	Elapsed Time.....	3
1.32	Elective Deferral Dollar Limit	3
1.33	Elective Deferrals.....	4
1.34	Eligible Automatic Contribution Arrangement (EACA)	4
1.35	Eligible Employee	4
1.36	Eligible Employer	4
1.37	Eligible Retirement Plan	4
1.38	Eligible Rollover Distribution.....	4
1.39	Employee	4
1.40	Employer	4
1.41	Employer Contributions	4
1.42	Employment Commencement Date.....	4
1.43	Entry Date	4
1.44	Equivalency Method.....	4
1.45	ERISA.....	4
1.46	Excess Amount.....	4
1.47	Excess Deferrals.....	4
1.48	Favorable IRS Letter.....	5
1.49	FICA Replacement Plan.....	5
1.50	Governmental Plan.....	5
1.51	Hardship.....	5
1.52	Hour of Service	5
	(a) Performance of duties	5
	(b) Nonperformance of duties.....	5
	(c) Back pay award	5
	(d) Related Employers.....	5
	(e) Maternity/paternity/FMLA/military leave.....	5
1.53	In-Plan Roth Conversion Account	6

1.54	Indian Tribal Government.....	6
1.55	Insurance Company.....	6
1.56	Integration Level.....	6
1.57	Investment Arrangement.....	6
1.58	Limitation Year.....	6
1.59	Mandatory Contribution.....	6
1.60	Matching Contributions.....	6
1.61	Maximum Disparity Rate.....	6
1.62	Multiple Employer Plan.....	6
1.63	Mutual Fund.....	6
1.64	Nonvested Participant Break in Service.....	6
1.65	Normal Retirement Age.....	6
1.66	Part-Time Employee.....	6
1.67	Participant.....	7
1.68	Participating Employer.....	7
1.69	Period of Severance.....	7
1.70	Plan.....	7
1.71	Plan Administrator.....	7
1.72	Plan Compensation.....	7
	(a) Determination period.....	7
	(b) Partial period of participation.....	7
1.73	Plan Year.....	8
1.74	Predecessor Employer.....	8
1.75	Pre-Approved Plan.....	8
1.76	Pre-Tax Deferrals.....	8
1.77	Provider.....	8
1.78	Public School.....	8
1.79	Qualified Domestic Relations Order (QDRO).....	8
1.80	Qualified Joint and Survivor Annuity (QJSA).....	8
1.81	Qualified Organization.....	8
1.82	Qualifying Longevity Annuity Contract (QLAC).....	8
1.83	Reemployment Commencement Date.....	8
1.84	Related Employer.....	8
1.85	Retirement Income Account.....	8
1.86	Rollover Contribution.....	8
1.87	Roth Deferrals.....	8
1.88	Salary Deferrals.....	8
1.89	Salary Reduction Agreement.....	9
1.90	Seasonal Employee.....	9
1.91	Section 403(b) Contract.....	9
1.92	Severance from Employment.....	9
1.93	Short Plan Year.....	9
1.94	Special Catch-Up Contributions.....	9
1.95	Spouse.....	9
1.96	State.....	9
1.97	Student Employee.....	9
1.98	Taxable Wage Base.....	9
1.99	Taxable Year.....	9
1.100	Temporary Employee.....	9
1.101	Total Compensation.....	9
	(a) Total Compensation definitions.....	9
	(b) Post-severance compensation.....	11
	(c) Continuation payments for disabled Participants.....	12
	(d) Deemed §125 compensation.....	12
	(e) Differential Pay.....	12
1.102	Valuation Date.....	12
1.103	Vendor.....	12
1.104	Year of Service.....	12

SECTION 2 ELIGIBILITY AND PARTICIPATION

2.01	Eligibility.....	14
	(a) Salary Deferrals.....	14
	(b) Employer Contributions and Matching Contributions.....	14
	(c) After-Tax Employee Contributions.....	14

2.02	Eligible Employees.....	14
(a)	Only Employees may participate in the Plan	14
(b)	Excluded Employees.....	14
(c)	Employees of Related Employers	15
(d)	Ineligible Employee becomes Eligible Employee	16
(e)	Eligible Employee becomes ineligible Employee.....	16
(f)	Improper exclusion of eligible Participant	16
2.03	Minimum Age and Service Conditions	16
(a)	Application of age and service conditions.....	16
(b)	Entry Dates for Employer Contributions and Matching Contributions.....	19
2.04	Participation on Effective Date of Plan.....	19
2.05	Rehired Employees	19
2.06	Service with Predecessor Employers.....	19
2.07	Break in Service Rules.....	19
(a)	Break in Service.....	20
(b)	Nonvested Participant Break in Service rule	20
(c)	Special Break in Service rule for Plans using two Years of Service for eligibility	20
(d)	One-Year Break in Service rule	20
2.08	Waiver of Participation.....	20

SECTION 3 PLAN CONTRIBUTIONS

3.01	Types and Timing of Contributions	21
(a)	Types of Contributions.....	21
(b)	Timing of Contributions	21
(c)	Contributions for former Employees.....	21
(d)	Contributions of Accrued Unpaid Sick, PTO and/or Vacation Leave	21
3.02	Employer Contribution Formulas.....	21
(a)	Employer Contribution formulas.....	21
(b)	Mandatory Contributions	24
(c)	Period for determining Employer Contributions.....	24
(d)	Offset of Employer Contributions.....	24
3.03	Salary Deferrals	24
(a)	Salary Reduction Agreement.....	24
(b)	Change in deferral election.....	25
(c)	Automatic Contribution Arrangement.....	25
(d)	Age 50 Catch-Up Contributions	27
(e)	Special Catch-Up Contributions for certain Employees of Qualified Organizations.....	29
(f)	Coordination of Age 50 Catch-Up Contributions and Special Catch-Up Contributions.....	29
(g)	Roth Deferrals.....	29
(h)	In-Plan Roth Conversions.....	30
3.04	Matching Contributions.....	30
(a)	Contributions eligible for Matching Contributions.....	31
(b)	Period for determining Matching Contributions	32
(c)	True-up contributions	32
3.05	After-Tax Employee Contributions.....	32
3.06	Allocation Conditions.....	33
(a)	Application to designated period.....	33
(b)	Special rule for year of Plan termination	32
3.07	Service with Predecessor Employers.....	32

SECTION 4 ROLLOVER CONTRIBUTIONS AND TRANSFERS

4.01	Rollover Contributions.....	35
4.02	Contract Exchanges and Transfers.....	36

SECTION 5 LIMITS ON CONTRIBUTIONS

5.01	Limits on Employer Contributions	37
(a)	Limitation on Salary Deferrals.....	37
(b)	Limitation on total Employer Contribution	37
5.02	Elective Deferral Dollar Limit	37
(a)	Excess Deferrals.....	37
(b)	Correction of Excess Deferrals	37
5.03	Code §415 Limitation	38
(a)	General limitation on Annual Additions.....	38

(b) Aggregation of §403(b) plans of the Employer.....	38
(c) Aggregation where Participant is in control of any Employer.....	38
(d) Annual notice to Participants	38
(e) Coordination of limitation on Annual Additions where Employer has another §403(b) Pre-Approved Plan or Participant is in control of Employer.....	38
(f) Excess Annual Additions.....	38
(g) Coordination of limitation on Annual Additions where Employer has another §403(b) plan that is not a Pre-Approved Plan.	39
(h) Correction of Excess Annual Additions.....	39
(i) Coordination of limitation on Annual Additions	39
(j) Definitions	39
(k) Few weeks rule.....	40

SECTION 6

SPECIAL RULES AFFECTING GOVERNMENTAL 403(b) PLANS

6.01 Universal Availability for Salary Deferrals.....	42
(a) Eligible Participants.. ..	42
(b) Implementation of Participant's election to make Salary Deferrals.	42
(c) Effective opportunity.....	42
(d) Special Rules	42
6.02 Governmental Plan.....	42
(a) Governmental Plan exemptions.....	42
(b) Adoption Agreement elections.....	43
6.03 Public School Plan of Indian Tribal Government Treated as Governmental Plan.....	43
6.04 FICA Replacement Plan.....	43
(a) Minimum benefit requirement.....	43
(b) Qualified Participant.....	43
(c) Special rule for short period	44

SECTION 7

PARTICIPANT VESTING AND FORFEITURES

7.01 Vesting of Contributions	45
7.02 Vesting Schedules	45
(a) Vesting schedule.....	45
(b) Modified vesting schedule.....	45
(c) Special vesting rules	46
7.03 Year of Service.....	46
(a) Hours of Service.....	46
(b) Elapsed Time method.....	47
(c) Change in service crediting method.....	47
7.04 Vesting Computation Period.....	48
7.05 Excluded service	48
(a) Service before the Effective Date of the Plan	48
(b) Service before a specified age	48
7.06 Service with Predecessor Employers.....	48
7.07 Break in Service Rules.....	48
(a) Break in Service.....	49
(b) One-Year Break in Service rule	49
(c) Nonvested Participant Break in Service rule	49
(d) Five-Year Forfeiture Break in Service.....	49
7.08 Special Vesting Rule - In-Service Distribution When Account Balance is Less than 100% Vested	49
7.09 Forfeiture of Benefits.....	49
(a) Cash-Out Distribution.....	50
(b) Five-Year Forfeiture Break in Service.....	51
(c) Missing Participant, Beneficiary or Alternate Payee.....	51
(d) Excess Deferrals.....	52
7.11 Allocation of Forfeitures	52
(a) Reallocation as additional contributions	52
(b) Reduction of contributions.....	52
(c) Payment of Plan expenses	53
(d) Forfeiture rules for other contribution types	53

SECTION 8

PLAN DISTRIBUTIONS

8.01 Available Forms of Distribution.....	54
8.02 Amount Eligible for Distribution	54

	(a) Individual or Participant-Directed Accounts	54
	(b) Permissible distribution events.....	54
8.03	Participant Consent.....	55
8.04	Direct Rollovers	55
	(a) Definitions	55
	(b) Direct Rollover notice.....	56
	(c) Direct Rollover by non-Spouse beneficiary.	56
	(d) Direct Rollover of non-taxable amounts.....	56
	(e) Rollovers to Roth IRA.....	57
8.05	Automatic Rollover.....	57
	(a) Automatic Rollover requirements	57
	(b) Involuntary Cash-Out Distribution	57
8.06	Distribution Upon Severance from Employment.....	57
	(a) Account Balance not exceeding \$5,000.....	57
	(b) Account Balance exceeding \$5,000	57
8.07	Distribution Upon Death.....	57
	(a) Death after commencement of benefits.....	57
	(b) Death before commencement of benefits	58
	(c) Determining a Participant's Beneficiary	58
8.08	In-Service Distributions	59
	(a) After-Tax Employee Contributions and Rollover Contributions	59
	(b) Employer Contributions	59
	(c) Salary Deferrals	59
	(d) Qualified Reservist Distributions	59
	(e) Hardship distribution.....	59
	(f) Qualified Birth or Adoption Distributions (QBADs).....	60
	(g) Portability of lifetime income options	61
	(h) Qualified Distributions for Retired Public Safety Officers	63
8.09	Sources of Distribution.....	63
	(a) Exception for Hardship withdrawals.....	63
	(b) Roth Deferrals.....	63
	(c) In-kind distributions	64
8.10	Required Minimum Distributions	64
8.11	Correction of Plan Defects	64
8.12	Special Rules relating to Coronavirus-Related Distributions and Loans from the Plan	63
	(a) Coronavirus-Related Distributions	63
	(b) Special Loan Rules Contributions.....	64
8.13	Special Rules relating to Disaster-Related Distributions and Loans from the Plan	65
8.14	Distribution on Plan Termination	65

SECTION 9

JOINT AND SURVIVOR ANNUITY REQUIREMENTS

9.01	QJSA and QPSA Rules Not Applicable to Plan.	67
9.02	Spousal consent.....	67
9.03	Determination of Spousal Status.	67
	(a) Definition of Spouse.....	67
	(b) One-year marriage rule.....	67

SECTION 10

INVESTMENT ARRANGEMENTS AND PARTICIPANT ACCOUNTS

10.01	Permissible Investment Arrangements	68
10.02	Annuity Contract Requirements	68
10.03	Custodial Account Requirements	68
10.04	Participant Accounts	68
10.05	Value of Participant Accounts.....	68
	(a) Periodic valuation	68
	(b) Daily valuation.....	69
	(c) Interim valuations	69
10.06	Adjustments to Participant Accounts	69
	(a) Distributions and forfeitures from a Participant's Account	69
	(b) Contributions and forfeitures allocated to a Participant's Account.....	69
	(c) Net income or loss	69
10.07	Procedures for Determining Net Income or Loss.....	69
10.08	Investments under the Plan.	69
	(a) Investment options.....	69
	(b) Individual/Pooled Accounts.....	69

10.09	Information Sharing.....	69
10.10	Participant-directed investments.....	69
	(a) Limits on participant investment direction	69
	(b) Failure to direct investment.....	69
10.11	Life Insurance	69

SECTION 11 PLAN ADMINISTRATION AND OPERATION

11.01	Plan Administrator.....	71
11.02	Allocation of Administrative Functions.....	71
11.03	Administrative and Vendor Addendums.....	71
11.04	Information Provided by a Participant.....	71
11.05	Duties, Powers and Responsibilities of the Plan Administrator.....	71
	(a) Delegation of duties, powers and responsibilities.....	71
	(b) Specific Plan Administrator responsibilities.....	71
11.06	Plan Administration Expenses.....	72
11.07	Qualified Domestic Relations Orders (QDROs).....	72
	(a) In general	72
	(b) Definitions related to Qualified Domestic Relations Orders (QDROs)	72
	(c) Recognition as a QDRO	72
	(d) Contents of QDRO	72
	(e) Impermissible QDRO provisions	73
	(f) Immediate distribution to Alternate Payee	73
	(g) Fee for QDRO determination	73
	(h) Default QDRO procedure.....	73
11.08	Claims Procedure.....	74
11.09	Operational Rules for Short Plan Years.....	74

SECTION 12 CUSTODIAL AGREEMENTS/ANNUITY CONTRACTS

12.01	Creation of Custodial Account.....	76
12.02	Annuity Contracts	76

SECTION 13 PARTICIPANT LOANS

13.01	Availability of Participant Loans	77
13.02	Must be Available in Reasonably Equivalent Manner	77
13.03	Loan Limitations.....	77
13.04	Limit on Amount and Number of Loans.....	77
	(a) Loan renegotiation.....	77
	(b) Participant must be creditworthy.....	77
13.05	Reasonable Rate of Interest	78
13.06	Adequate Security.....	78
13.07	Periodic Repayment	78
	(a) Unpaid leave of absence	78
	(b) Military leave	78
13.08	Spousal consent.....	79
13.09	Designation of Accounts.....	79
13.10	Procedures for Loan Default.....	79
13.11	Severance from Employment.....	79
	(a) Offset of outstanding loan.....	79
	(b) Direct Rollover.....	79
	(c) Modified loan policy	80
13.12	Mergers, Transfers or Direct Rollovers from another Plan/Change in Loan Record Keeper	80
13.13	Amendment of Plan to Eliminate Participant Loans	80

SECTION 14 PLAN AMENDMENTS, TERMINATION, MERGERS, EXCHANGES, AND TRANSFERS

14.01	Plan Amendments.....	81
	(a) Amendment by the Provider.....	81
	(b) Amendment by the Employer.....	81
	(c) Method of amendment	81
14.02	Plan Termination.....	82
	(a) Full and immediate vesting.....	82
	(b) Distribution upon Plan termination	82
	(c) Termination upon merger, liquidation or dissolution of the Employer	82

(d) Missing Participants.....	82
(e) Participants with outstanding Loans	82
14.03 Merger or Consolidation	82
14.04 Contract exchanges within the Plan.....	82
14.05 Plan-To-Plan Transfers.....	83
14.06 Transfers to purchase permissive service credits.....	83

SECTION 15 MISCELLANEOUS

15.01 Exclusive Benefit.....	84
15.02 Return of Contributions.....	84
15.03 General Compliance with Code §403(b)	84
15.04 Alienation or Assignment.....	84
15.05 Participants' Rights.....	84
15.06 Military Service	84
15.07 Annuity Contracts	85
15.08 IRS Levy.....	85
15.09 Use of IRS compliance programs	85
15.10 Governing Law	85
15.11 Waiver of Notice	85
15.12 Use of Electronic Media	85
15.13 Severability of Provisions.....	85
15.14 Binding Effect	85

SECTION 16 PARTICIPATING EMPLOYERS

16.01 Participation by Participating Employers	86
16.02 Participating Employer Adoption Page	86
(a) Application of Plan provisions.....	86
(b) Plan amendments.....	86
(c) Investment Arrangements.....	86
16.03 Compensation of Related Employers.....	86
16.04 Allocation of Contributions and Forfeitures	86
16.05 Discontinuance of Participation by a Participating Employer.....	86
16.06 Operational Rules for Related Employer Groups.....	86
16.07 Special rules for Multiple Employer Plans	87
(a) Eligibility requirements	87
(b) Vesting rules.....	87
(c) Code §415 Limit.....	87
(d) Other rules applicable to Multiple Employer Plans	87
(e) Cessation of Participation	87

APPENDIX A ACTUARIAL FACTORS

Actuarial Factor Table.....	88
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SECTION 1 PLAN DEFINITIONS

This Section 1 contains definitions for common terms that are used throughout the Plan. All capitalized terms under the Plan are defined in this Section 1 or in the relevant section of the Plan document where such term is used.

[Note: This Plan is a Governmental Plan and not subject to Title I of ERISA or the coverage, nondiscrimination and certain other rules applicable under Code §403(b). All Plan definitions and provisions of the Plan should be interpreted consistent with the rules applicable to Governmental Plans.]

1.01 Account. The separate Account that the Plan Administrator, Custodian or Insurance Company maintains for each Participant, Beneficiary or Alternate Payee under the Plan. A Participant may have any (or all) of the following separate Accounts under the Plan:

- Pre-Tax Deferral Account
- Roth Deferral Account
- Employer Contribution Account
- Matching Contribution Account
- After-Tax Employee Contribution Account
- Mandatory Contribution Account
- Rollover Contribution Account
- Roth Rollover Account
- In-Plan Roth Conversion Account
- Transfer Account

The Plan Administrator will maintain separate Accounts for the vested and non-vested portions of any Employer Contribution Account and Matching Contribution Account and the excess amounts under Code §415.

The Plan Administrator may establish other Accounts, as it deems necessary, for the proper administration of the Plan.

1.02 Account Balance. Account Balance shall mean a Participant's (or Beneficiary's or Alternate Payee's) account balances in all of the Accounts that the Plan Administrator, Custodian or Insurance Company maintains for the Participant (or Beneficiary or Alternate Payee) under any Investment Arrangement under the Plan. The Account Balance includes any part of the Participant's (or Beneficiary's or Alternate Payee's) Account that is treated under the Plan as a separate contract to which Code §403(c) (or another applicable Code provision) applies.

1.03 Accumulated Benefit. The total benefit to which a Participant, Beneficiary or Alternate Payee is entitled under an Investment Arrangement, taking into account all contributions made to the Investment Arrangement and all earnings or losses (including expenses) that are allocable to the Participant's Account, any Rollover Contributions or transfers held under the Participant's Account, and any distribution made to the Participant, a Beneficiary, or an Alternate Payee. The Account Balance includes any part of the Participant's Account this treated under the Plan as a separate contract to which Code Section 403(c) (or other applicable provision of the Code) applies.

1.04 Adoption Agreement (AA). The Adoption Agreement contains the elective provisions that an Employer may complete to supplement or modify the provisions under the Plan. Each adopting Employer must complete and execute the Adoption Agreement. Employers adopting the Plan (other than the Employer that executes the Signature Page of the Adoption Agreement) must execute a Participating Employer Signature Page under the Adoption Agreement. (See Section 16 for rules applicable to adoption by multiple Employers.) An Employer may adopt more than one Adoption Agreement associated with this Plan document. Each executed Adoption Agreement is treated as a separate Plan. All elections the Employer makes under the Adoption Agreement are subject to the terms of the governing Investment Arrangement(s).

1.05 After-Tax Employee Contributions. Employee Contributions that may be made to the 403(b) Plan by a Participant that are included in the Participant's gross income in the year such amounts are contributed to the Plan and are maintained under a separate After-Tax Employee Contribution Account to which earnings and losses are allocated. (For this purpose, Roth Deferrals are not considered as After-Tax Employee Contributions.)

1.06 Age 50 Catch-Up Contributions. Salary Deferrals made to the Plan that are in excess of an otherwise applicable Plan or IRS limit and that are made by Participants who are age 50 or over by the end of the Taxable Year.

1.07 Age 50 Catch-Up Contribution Limit. The annual limit applicable to Age 50 Catch-Up Contributions.

1.08 Alternate Payee. A person designated to receive all or a portion of the Participant's benefit pursuant to a QDRO.

- 1.09 **Anniversary Years.** An alternative period for measuring Eligibility Computation Periods (under Section 2.03(a)(3)) and Vesting Computation Periods (under Section 7.04). An Anniversary Year is any 12-month period which commences with the Employee's Employment Commencement Date or which commences with the anniversary of the Employee's Employment Commencement Date.
- 1.10 **Annual Additions.** The amounts taken into account under a defined contribution plan for purposes of applying the limitation on allocations under Code §415. (See Section 5.)
- 1.11 **Annuity Contract.** A nontransferable group annuity or account or individual contract as defined in Code §§403(b)(1) and 401(g), established for each Participant by the Employer, or by each Participant individually, that is issued by an insurance company qualified to issue annuities in a State and that includes payment in the form of an annuity.
- 1.12 **Annuity Starting Date.** The date a Participant, Beneficiary or Alternate Payee commences distribution from the Plan. If distribution commences with respect to only a portion of such Participant's Account Balance, a separate Annuity Starting Date applies to any subsequent distribution. If distribution is made in the form of an annuity, the Annuity Starting Date may be treated as the first day of the first period for which annuity payments are made.
- 1.13 **ASC Institute.** The mass submitter of this Pre-Approved Plan as defined in Revenue Procedure 2021-37.
- 1.14 **Automatic Contribution Arrangement.** An arrangement is a Plan that provides for automatic deferrals for eligible Participants who do not make an affirmative election to defer (or not to defer) under the Plan. The Employer may elect under AA §6A-8 to designate the Plan as an Automatic Contribution Arrangement. If the Employer designates the Plan as an Automatic Contribution Arrangement, the Employer will automatically withhold the amount designated under AA §6A-8 from a Participant's Plan Compensation, unless the Participant completes a Salary Reduction Agreement electing a different deferral amount (including a zero deferral amount).
- 1.15 **Automatic Rollover.** For Involuntary Cash-Out Distributions (as defined in Section 8.05(b)), the Plan Administrator will make a Direct Rollover to an individual retirement plan (IRA) designated by the Plan Administrator. (See Section 8.05.)
- 1.16 **Beneficiary.** A person or entity designated by the Participant (or by the terms of the Plan) to receive a benefit under the Plan upon the death of the Participant, as identified under the terms of the Plan or the applicable Investment Arrangement. (See Section 8.07(c) for the applicable rules for determining a Participant's Beneficiaries under the Plan.)
- 1.17 **Break in Service.** The Computation Period (as defined in Section 2 for purposes of eligibility and Section 7 for purposes of vesting) during which an Employee does not complete more than five hundred (500) Hours of Service with the Employer. However, if the Employer elects under the AA to require less than 1,000 Hours of Service to earn a Year of Service for eligibility or vesting purposes, a Break in Service will occur for any Computation Period during which the Employee does not complete more than one-half (1/2) of the Hours of Service required to earn a Year of Service for eligibility or vesting purposes, as applicable. However, if the Elapsed Time method applies under AA §4-3(d) (for purposes of eligibility) or AA §8-5(c) (for purposes of vesting), an Employee will incur a Break in Service if the Employee incurs at least a one year Period of Severance.
- 1.18 **Cash-Out Distribution.** A total distribution made to a Participant who has a Severance from Employment in accordance with Section 8.
- 1.19 **Code.** The Internal Revenue Code of 1986, as amended.
- 1.20 **Code §415 Limitation.** The limit on the amount of Annual Additions a Participant may receive under the Plan during a Limitation Year. (See Section 5.03.)
- 1.21 **Collectively Bargained Employee.** An Employee who is included in a unit of Employees covered by a collective bargaining agreement between the Employer and Employee representatives and whose retirement benefits are subject to good faith bargaining. Such Employees may be excluded from the Plan if designated under AA §3-1(b). (See Section 2.02(b)(1) for additional requirements related to the exclusion of Collectively Bargained Employees.)
- 1.22 **Compensation Limit.** The Compensation Limit is \$345,000 for 2024, as adjusted for cost-of-living increased in accordance with Code §401(a)(17)(B). In determining the Compensation Limit for any applicable period (the "determination period"), the cost-of-living adjustment in effect for a calendar year applies to any determination period that begins with or within such calendar year.

If a determination period consists of fewer than 12 months, the Compensation Limit for such period is an amount equal to the otherwise applicable Compensation Limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is 12. A determination period will not be considered to be less than 12 months merely because compensation is taken into account only for the period the Employee is a Participant. If Salary Deferrals, Matching Contributions, or After-Tax Employee Contributions are separately determined on the basis of specified

periods within the determination period (e.g., on the basis of payroll periods), no proration of the Compensation Limit is required with respect to such contributions.

If compensation for any prior determination period is taken into account in determining a Participant's allocations for the current Plan Year, the compensation for such prior determination period is subject to the applicable Compensation Limit in effect for that prior period.

In determining the amount of a Participant's Salary Deferrals, a Participant may defer on Plan Compensation that exceeds the Compensation Limit, provided the total deferrals made by the Participant satisfy the Elective Deferral Dollar Limit and any other limitations under the Plan.

For a Governmental Plan, this Section 1.22 will not apply to an eligible Participant to the extent it would reduce the Participant's Plan Compensation taken into account to an amount less than the amount allowed under the Plan as in effect on July 1, 1993, as provided under Treas. Reg. §1.401(a)(17)-1(d)(4)(ii). An "eligible Participant" is a Participant who first became a Participant during a Plan Year beginning before January 1, 1996 (or, if earlier, the first Plan Year in which the Employer amended the Plan to reflect the limitation of Code §401(a)(17)).

- 1.23 **Computation Period.** The 12-consecutive month period used for measuring whether an Employee completes a Year of Service for eligibility or vesting purposes.
- (a) **Eligibility Computation Period.** The 12-consecutive month period used for measuring Years of Service for eligibility purposes. (See Section 2.03(a)(3).)
- (b) **Vesting Computation Period.** The 12-consecutive month period used for measuring Years of Service for vesting purposes. (See Section 7.04.)
- 1.24 **Custodial Account.** The group or individual custodial account or accounts, as defined in Code §403(b)(7), established for each Participant by the Employer (or by a Plan service provider), or by each Participant individually, to hold assets of the Plan.
- 1.25 **Custodian.** The entity that holds Custodial Accounts held under the Plan.
- 1.26 **Direct Rollover.** A rollover, at the Participant's direction, of all or a portion of the Participant's vested Account Balance directly to an Eligible Retirement Plan. (See Section 8.05.)
- 1.27 **Disabled.** Unless provided otherwise under AA §2-8 or under the terms governing the applicable Investment Arrangement, an individual is considered Disabled for purposes of applying the applicable provisions of this Plan if the individual is unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. The permanence and degree of such impairment shall be supported by medical evidence. The Plan Administrator may establish reasonable procedures for determining whether a Participant is Disabled. If the Plan references a third-party determination of the Participant being Disabled, the Plan administrator may rely on such determination. Notwithstanding the foregoing Plan definition of "Disabled," eligibility for a Plan Distribution from a Custodial Account or Salary Deferral account shall be determined using the definition of "disabled" used in Code §72(m) determined in accordance with Treas. Reg. 1.72-17(f).
- 1.28 **Dual Status Code §501(c)(3)/Governmental Organization.** A governmental organization that also is recognized as a tax-exempt under Code §501(c)(3). A Plan that is established by a Dual Status Code §501(c)(3)/Governmental Organization is considered a Governmental Plan.
- 1.29 **Early Retirement Age.** The age and/or Years of Service set forth in AA §7-2. Early Retirement Age may be used to determine distribution rights and/or vesting rights. Unless otherwise described under the Adoption Agreement, if a Participant separates from service before satisfying the age requirement for early retirement, but has satisfied the service requirement, the Participant will be entitled to elect an early retirement benefit upon satisfaction of such age requirement. The Plan is not required to have an Early Retirement Age.
- 1.30 **Effective Date.** The date this Plan, including any restatement or amendment of this Plan, is effective. (See the Employer Signature Page of the Adoption Agreement.)
- 1.31 **Elapsed Time.** A special method for crediting service for eligibility or vesting. (See Section 2.03(a)(6) for more information on the Elapsed Time method of crediting service for eligibility purposes and Section 7.03(b) for more information on the Elapsed Time method of crediting service for vesting purposes.)
- 1.32 **Elective Deferral Dollar Limit.** The maximum amount of Elective Deferrals a Participant may make for any calendar year. (See Section 5.02.)

- 1.33 Elective Deferrals.** A Participant's Elective Deferrals is the sum of all Salary Deferrals and other contributions made pursuant to a Salary Reduction Agreement under a plan described under Code §401(k), a SARSEP described in Code §408(k)(6), a SIMPLE IRA plan described in Code §408(p), a plan described under Code §501(c)(18) (i.e., certain trusts created before June 25, 1959 funded by employee contributions), and a custodial account or other arrangement described in Code §403(b). A contribution that is made pursuant to an Employee's one-time irrevocable election made on or before the Employee's first becoming eligible to participate under the Plan and a contribution made as a condition of employment that reduces an Employee's compensation is not an Elective Deferral and is treated as an Employer Contribution to the Plan.
- 1.34 Eligible Automatic Contribution Arrangement (EACA).** An Automatic Contribution Arrangement that satisfies the requirements for an EACA under Section 3.03(c)(1).
- 1.35 Eligible Employee.** An Employee who is not excluded from participation under Section 2.02 of the Plan or AA §3-1.
- 1.36 Eligible Employer.** An Eligible Employer is an organization that is qualified to maintain a plan under Code §403(b) as provided under Treas. Reg. §1.403(b)-2(b)(8), including for purposes of this Plan:
- (a) A Public School; or
 - (b) A Dual Status 501(c)(3) Governmental Organization.
- 1.37 Eligible Retirement Plan.** A retirement plan or IRA that may receive a rollover contribution, including: a qualified plan described in Code §401(a); an individual retirement account described in Code §408(a); an individual retirement annuity described in Code §408(b); an annuity plan described in Code §403(a); an annuity contract described in Code §403(b); effective for rollover distributions occurring after December 18, 2015, a simple retirement account to the extent rollovers are allowed under Code §408(p)(1)(B); or an eligible plan under Code §457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan.
- 1.38 Eligible Rollover Distribution.** An amount distributed from the Plan that is eligible for rollover to an Eligible Retirement Plan.
- 1.39 Employee.** Any individual employed by the Employer (including any Related Employers) as a common law employee. An independent contractor is not an Employee. An Employee is not eligible to participate under the Plan if the individual is not an Eligible Employee under Section 2.02.
- For a Public School, Employee means each individual who is a common law employee of a State performing services for a Public School of the State, including an individual who is appointed or elected. This definition is not applicable unless the Employee's compensation for performing services for a Public School is paid by the State. Further, a person occupying an elective or appointive public office is not an Employee performing services for a Public School unless such office is one to which an individual is elected or appointed only if the individual has received training, or is experienced, in the field of education. A public office includes any elective or appointive office of a State.
- 1.40 Employer.** Except as otherwise provided, Employer means the Employer that adopts this Plan and any Related Employer.
- 1.41 Employer Contributions.** Contributions the Employer makes pursuant to AA §6. Employer Contributions also include a contribution that is made pursuant to an Employee's onetime irrevocable election made on or before the Employee's first becoming eligible to participate under the Plan and a contribution made as a condition of employment that reduces an Employee's compensation.
- 1.42 Employment Commencement Date.** The date the Employee first performs an Hour of Service for the Employer.
- 1.43 Entry Date.** The date on which an Employee becomes a Participant upon satisfying any minimum age and service conditions applicable to a contribution type under the Plan (for example, Salary Deferrals, Matching Contributions, and Employer Contributions). An Entry Date may vary with respect to different contribution types depending on any minimum age and service conditions applicable to the contribution type.
- 1.44 Equivalency Method.** An alternative method for crediting Hours of Service for purposes of eligibility, vesting and allocations, as provided under Department of Labor (DOL) Reg. §§2530.200b-3(c).
- 1.45 ERISA.** The Employee Retirement Income Security Act of 1974, as amended.
- 1.46 Excess Amount.** Amounts which exceed the Code §415 Limitation.
- 1.47 Excess Deferrals.** Elective Deferrals that exceed the Elective Deferral Dollar Limit (as defined in Section 5.02).

- 1.48 **Favorable IRS Letter.** An opinion ed by the IRS to a Pre-Approved Plan Provider as to the qualified status of a Pre-Approved Plan.
- 1.49 **FICA Replacement Plan.** A plan that qualifies as a FICA Replacement Plan under Code §3121(b)(7)(F). The Employer may designate this Plan as a FICA Replacement Plan. (See Section 6.04.)
- 1.50 **Governmental Plan.** A Governmental Plan is a Plan established and maintained for its Employees by the U.S. government, any State or political subdivision of a State, or any Federal or State agency or instrumentality, as defined under Code §414(d). A Governmental Plan is exempt from certain Code requirements and from the Title I requirements of ERISA.
- 1.51 **Hardship.** A heavy and immediate financial need which meets the requirements of Section 8.08(e).
- 1.52 **Hour of Service.** Each Employee of the Employer will receive credit for each Hour of Service such Employee works for purposes of applying the eligibility, vesting and allocation rules under the Plan. An Employee will not receive credit for the same Hour of Service under more than one category listed below.
- (a) **Performance of duties.** Hours of Service include each hour for which an Employee is paid, or entitled to payment, for the performance of duties for the Employer. These hours will be credited to the Employee for the computation period in which the duties are performed. In the case of Hours of Service to be credited to an Employee in connection with a period of no more than 31 days which extends beyond one computation period, all such Hours of Service may be credited to the first computation period or the second computation period. Hours of Service under this subsection (a) must be credited consistently for all Employees within the same job classifications.
 - (b) **Nonperformance of duties.** Hours of Service include each hour for which an Employee is paid, or entitled to payment, by the Employer on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence. No more than 501 hours of service will be credited under this paragraph for any single continuous period (whether or not such period occurs in a single Computation Period). Hours under this paragraph will be calculated and credited pursuant to §2530.200b-2 of the Department of Labor Regulations which is incorporated herein by this reference.
 - (c) **Back pay award.** Hours of Service include each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Employer. The same Hours of Service will not be credited both under subsection (a) or subsection (b), as the case may be, and under this subsection (c). These hours will be credited to the Employee for the Computation Period(s) to which the award or agreement pertains rather than the Computation Period in which the award, agreement or payment is made.
 - (d) **Related Employers.** Hours of Service will be credited for employment with any Related Employer.
 - (e) **Maternity/paternity/FMLA/military leave.** Solely for purposes of determining whether a Break in Service has occurred in a Computation Period, an individual who is absent from work for maternity or paternity reasons will receive credit for the Hours of Service which would otherwise have been credited to such individual but for such absence, or in any case in which such hours cannot be determined, 8 Hours of Service per day for such absence. For purposes of this paragraph, an absence from work for maternity or paternity reasons means an absence:
 - (1) by reason of the pregnancy of the individual;
 - (2) by reason of a birth of a child of the individual;
 - (3) by reason of the placement of a child with the individual in connection with the adoption of such child by such individual; or
 - (4) for purposes of caring for such child for a period beginning immediately following such birth or placement.

The Hours of Service credited under this paragraph will be credited in the Computation Period in which the absence begins if the crediting is necessary to prevent a Break in Service in that period, or in all other cases, in the following Computation Period.

In addition, solely for purposes of determining whether a Break in Service has occurred in a Computation Period, an individual who is absent from work due to events described under the Family and Medical Leave Act (FMLA) and as required under DOL Reg. §825.215 will receive credit for the Hours of Service which would have been credited to such individual but for the absence. In addition, solely for purposes of determining whether a Break in Service has occurred in a Computation Period, an individual who is absent from work due to military leave described under the Uniformed Services Employment and Reemployment Rights Act and as required under Code §414(u)(8)(A) and DOL Reg. 20

CFR §1002.259 will receive credit for the Hours of Service which would have been credited to such individual but for the absence.

As a Governmental Plan, the Employer may modify the definition of Hour of Service in AA §4-3(h).

- 1.53 In-Plan Roth Conversion Account.** An Account to hold amounts that are converted to Roth Deferrals as part of an In-Plan Roth Conversion.
- 1.54 Indian Tribal Government.** The governing body of any tribe, band, community, village, or group of Indians, or (if applicable) Alaska Natives, which is determined by the Secretary of Treasury, after consultation with the Secretary of Interior, to exercise governmental functions, as defined under Code §7701(a)(40) and regulations thereunder.
- 1.55 Insurance Company.** A life insurance company that issues an Annuity Contract on behalf of a Participant under the Plan.
- 1.56 Integration Level.** The amount used for purposes of applying the permitted disparity allocation formula. The Integration Level is the Taxable Wage Base, unless the Employer designates a different amount under the Adoption Agreement.
- 1.57 Investment Arrangement.** An Annuity Contract or Custodial Account that satisfies the requirements of Treas. Reg. §1.403(b)-3 and that is issued or established for funding amounts held under the Plan. A list of Vendors and Investment Arrangements approved for use under the Plan, including sufficient information to identify the approved Investment Arrangements, shall be maintained in an appendix to the Plan, which appendix may be revised from time to time by the Employer or, in the case of a Plan with Related Employers and/or unrelated Employers, the Plan sponsor. The terms governing each Investment Arrangement under the Plan, excluding those terms that are inconsistent with Code §403(b), are hereby incorporated by reference into the Plan. In the event of any conflict between the terms of the Plan and the terms of the Investment Arrangement, the terms of the Plan shall control, except that the terms of the Plan may not enlarge the investment provider's obligations under the Investment Arrangement by expanding a Participant's rights or giving to the Plan sponsor, Employer, Plan Administrator, or Participant a right not provided under the Investment Arrangement.
- 1.58 Limitation Year.** The measuring period for determining whether the Plan satisfies the Code §415 Limitation under Section 5 of the Plan.
- 1.59 Mandatory Contribution.** A contribution made as a condition of employment that reduces an Employee's compensation, pursuant to an employment contract or otherwise, in order for the Employee to participate in the 403(b) Plan. Mandatory Contributions are not Salary Deferrals and are treated as Employer Contributions to the Plan. These contributions will be 100% vested and maintained under a separate Mandatory Contribution Account to which earnings and losses are allocated.
- 1.60 Matching Contributions.** Matching Contributions are contributions made by the Employer on behalf of a Participant on account of Salary Deferrals or After-Tax Employee Contributions made by such Participant, as designated under AA §6B or AA §6C (if applicable).
- 1.61 Maximum Disparity Rate.** The maximum amount that may be allocated with respect to Excess Compensation under the permitted disparity allocation formula.
- 1.62 Multiple Employer Plan.** A Plan that covers Employees of an Employer that does not qualify as a Related Employer. To be a Multiple Employer Plan, an unrelated Employer must execute a Participating Employer Adoption Page. (See Section 16 for special rules that apply to Multiple Employer Plans.)
- 1.63 Mutual Fund.** A "regulated investment company" within the meaning of Code §851(a).
- 1.64 Nonvested Participant Break in Service.** Break in Service rule that applies for eligibility purposes under Section 2.07(b) and for vesting purposes under Section 7.01(c).
- 1.65 Normal Retirement Age.** The age selected under AA §7-1. If a Participant's Normal Retirement Age is determined wholly or partly with reference to an anniversary of the date the Participant commenced participation in the Plan and/or the Participant's Years of Service, Normal Retirement Age is the Participant's age when such requirements are satisfied. If the Employer enforces a mandatory retirement age, the Normal Retirement Age is the lesser of that mandatory age or the age specified in the Adoption Agreement.
- 1.66 Part-Time Employee.** Unless designated otherwise under AA §4-1(a)(5)(ii), a Part-Time Employee is an Employee who is normally scheduled to work 20 or fewer hours per week. Notwithstanding the foregoing, if the Employer is a post-secondary educational institution, an Employee who is a teacher shall not be considered a Part-Time Employee if such Employee normally has classroom hours of one-half or more of the number of classroom hours designated by the Employer as constituting full-time employment, provided that such designation is reasonable under all of the facts and circumstances.

- 1.67 **Participant.** Except as provided under AA §3-1, a Participant is an Employee (or former Employee) who has satisfied the conditions for participating under the Plan, as described in Section 2.03 and AA §4-1 and who has reached the applicable Entry Date, which may vary depending on the contribution type. A Participant also includes any Employee (or former Employee) who has an Account Balance under the Plan, including an Account Balance derived from a rollover or transfer from another plan or IRA. A Participant is entitled to share in an allocation of contributions or forfeitures under the Plan for a given year only if the Participant is an Eligible Employee as defined in Section 2.02, and satisfies the applicable allocation conditions.
- 1.68 **Participating Employer.** An Employer that adopts this Plan by executing the Participating Employer Adoption Page under the Adoption Agreement. (See Section 16 for the rules applicable to contributions made by a Participating Employer.)
- 1.69 **Period of Severance.** A continuous period of time during which the Employee is not employed by the Employer and which is used to determine an Employee's Participation under the Elapsed Time method.
- 1.70 **Plan.** The Plan is the retirement plan established or continued by the Employer for the benefit of its Employees under this Plan document. The Employer must be an Eligible Employer to establish the Plan and the Plan must satisfy the requirements of Treas. Reg. §1.403(b)-3. The Plan consists of this basic plan document and the elections made under the Adoption Agreement and the terms and conditions of any Investment Arrangement to the extent made applicable by basic plan document or the Adoption Agreement that are incorporated herein by reference. The basic plan document is the portion of the Plan that contains the non-elective provisions. The Employer may supplement or modify the basic plan document through its elections in the Adoption Agreement or by separate governing documents that are expressly authorized by the Plan. If the Employer adopts more than one Adoption Agreement under this Plan, then each executed Adoption Agreement represents a separate Plan. This Plan is a Pre-Approved Plan under Revenue Procedure 2021-37.
- 1.71 **Plan Administrator.** The Plan Administrator is the person or entity designated to be responsible for the administration and operation of the Plan. Unless otherwise designated by the Employer and until such designation is accepted by the designee, the Plan Administrator is the Employer. If another Employer has executed a Participating Employer Adoption Page, the Employer referred to in this Section is the Employer that executes the Employer Signature Page of the Adoption Agreement. Functions of the Plan Administrator, including those described in the Plan, may be performed by Vendors, designated agents of the Plan Administrator, or others (including Employees a substantial portion of whose duties is administration of the Plan) pursuant to the terms of Investment Arrangements, written service agreements or other documents under the Plan. For this purpose, an Employee is treated as having a substantial portion of his or her duties devoted to administration of the Plan if the Employee's duties with respect to administration of the Plan are a regular part of the Employee's duties and the Employee's duties relate to Participants and Beneficiaries generally (and the Employee only performs those duties for himself or herself as a consequence of being a Participant, Beneficiary or Alternate Payee).
- 1.72 **Plan Compensation.** Plan Compensation is Total Compensation, as modified under AA §5-3, which is actually paid to an Employee during the determination period. In determining Plan Compensation, the Employer may elect under AA §5-3(b) to exclude all Elective Deferrals, pre-tax contributions to a Code §125 cafeteria plan or a Code §457 plan, and qualified transportation fringes under Code §132(f)(4). In addition, the Employer may elect under AA §5-3 to exclude other designated elements of compensation.

Plan Compensation generally includes amounts an Employee earns with a Participating Employer and amounts earned with a Related Employer (even if the Related Employer has not executed a Participating Employer Adoption Page under the Adoption Agreement). However, the Employer may elect under AA §5-3 to exclude all amounts earned with a Related Employer that has not executed a Participating Employer Adoption Page.

Notwithstanding the Plan Compensation definition elected under the AA §5-3, for purposes of determining Salary Deferrals, the Plan Administrator may administratively exclude items of compensation that are not regularly paid in cash (e.g., non-cash fringe benefits) and/or items for which the Employer has no ability to withhold as cash Salary Deferrals pursuant to a Participant's Salary Reduction Agreement.

In no case may Plan Compensation for any Participant exceed the Compensation Limit.

- (a) **Determination period.** The Employer must elect under AA §5-4 to determine Plan Compensation on the basis of the Plan Year, the calendar year ending in the Plan Year or any other 12-month period ending in the Plan Year. If the determination period is the calendar year or other 12-month period ending in the Plan Year, for any Employee whose date of hire is less than 12 months before the end of the designated 12-month period, Plan Compensation will be determined over the Plan Year.
- (b) **Partial period of participation.** If an Employee is a Participant for only part of a Plan Year, Plan Compensation may be determined over the entire Plan Year or over the period during which such Employee is a Participant. In determining whether an Employee is a Participant for purposes of applying this subsection, the Employee's status will be determined solely with respect to the contribution type for which the definition of Plan Compensation is being determined. To the extent this subsection applies to Salary Deferrals, any limitations on the amount of Salary Deferrals permitted under AA §6A-2 will be determined using the definition of Plan Compensation as determined under AA §5-

4. However, this subsection does not affect the amount of Salary Deferrals elected under the Salary Reduction Agreement which is generally determined for each separate payroll period. Plan Compensation does not include any amounts earned for any period while an individual is not an Eligible Employee.

- 1.73 **Plan Year.** The 12-consecutive month period designated under AA §2 on which the records of the Plan are maintained. If the Plan Year is amended to create a Short Plan Year or if a new Plan has an initial Short Plan Year, the Employer may document such Short Plan Year under AA §2-4(c).
- 1.74 **Predecessor Employer.** An employer that previously employed the Employees of the Employer.
- 1.75 **Pre-Approved Plan.** A Code § 403(b) plan that is made available by a Provider for adoption by Eligible Employers, as provided under §4.27 of Revenue Procedure 2021-37.
- 1.76 **Pre-Tax Deferrals.** Pre-tax Deferrals are a Participant's Salary Deferrals that are not includible in the Participant's gross income at the time deferred.
- 1.77 **Provider.** An entity defined under §4.21 of Revenue Procedure 2021-37, or its successor, that provides this Plan to adopting Employers.
- 1.78 **Public School.** A State-sponsored educational organization described under Code §170(b)(1)(A)(ii). Public Schools include educational organizations sponsored by Indian Tribal Governments.
- 1.79 **Qualified Domestic Relations Order (QDRO).** A domestic relations order that provides for the payment of all or a portion of the Participant's benefits to an Alternate Payee and satisfies the requirements under Code §414(p).
- 1.80 **Qualified Joint and Survivor Annuity (QJSA).** A QJSA is an immediate annuity payable over the life of the Participant with a survivor annuity payable over the life of the Spouse. If the Participant is not married as of the Annuity Starting Date, the QJSA is an immediate annuity payable over the life of the Participant. As a Governmental Plan, this Plan is not subject to the QJSA requirements.
- 1.81 **Qualified Organization.** An Eligible Employer that is an educational organization described under Code §170(b)(1)(A)(ii); a hospital, a health and welfare service agency (including a home health service agency) described under Treas. Reg. §1.403(b)-4(c)(3)(ii)(C); a Church-Related Organization; or any organization described under Code §414(e)(3)(B)(ii).
- 1.82 **Qualifying Longevity Annuity Contract (QLAC).** An annuity contract that is purchased from an insurance company for an Employee and that satisfies the requirements under Treas. Reg. §1.401(a)(9)-6, Q&A-17.
- 1.83 **Reemployment Commencement Date.** The first date upon which an Employee is credited with an Hour of Service following a Break in Service (or Period of Severance, if the Plan is using the Elapsed Time method of crediting service).
- 1.84 **Related Employer.** A Related Employer means any entity which is under common control with the Employer under Code §§414(b), (c), (m) or (o). This determination is made consistent with the principles set forth under Treas. Reg. §1.414(c)-5 and any other guidance issued by the IRS relating to control groups of tax-exempt organizations or Electing Churches. For a Code §403(b) Pre-Approved Plan that is a Governmental Plan, Employee means an employee of the Employer maintaining the Plan or any other employer aggregated with the Employer in a manner consistent with IRS Notice 89-23.. For purposes of applying the provisions under this Plan, the Employer and any Related Employers are treated as a single Employer, unless specifically stated otherwise. (See Section 16.06 for operating rules that apply when the Employer is a member of a Related Employer group. Also, see Section 16 for rules regarding participation of Employees of Related Employers.)
- 1.85 **Retirement Income Account.** A defined contribution program established and maintained by a church or other church-related organization that is allowed to provide benefits under Code §403(b)(9) as described under Treas. Reg. §1.403(b)-9. This Plan is NOT intended to be a Retirement Income Account.
- 1.86 **Rollover Contribution.** A contribution made by an Employee to the Plan attributable to an Eligible Rollover Distribution (as defined in Section 8.04(a)(1)) from another retirement plan or IRA.
- 1.87 **Roth Deferrals.** Roth Deferrals are Salary Deferrals that are includible in the Participant's gross income at the time deferred and have been irrevocably designated as Roth Deferrals in the Participant's Salary Reduction Agreement. A Participant's Roth Deferrals will be maintained in a separate Account containing only the Participant's Roth Deferrals and gains and losses attributable to those Roth Deferrals.
- 1.88 **Salary Deferrals.** Amounts contributed to the Plan at the election of the Participant, in lieu of cash compensation, which are made pursuant to a Salary Reduction Agreement or other deferral mechanism. Salary Deferrals include Roth Deferrals and Pre-Tax Deferrals. Salary Deferrals shall not include any amounts properly distributed as an Excess Annual Addition under Code §415. An Employee's Salary Deferrals are treated as employer contributions for all purposes under this Plan, except as

otherwise provided under the Code or Treasury Regulations. A contribution that is made pursuant to an Employee's one-time irrevocable election made on or before the Employee's first becoming eligible to participate under the Plan or a Mandatory Contribution is not a Salary Deferral and is treated as an Employer Contribution to the Plan.

- 1.89 **Salary Reduction Agreement.** A written agreement (including, where applicable, using electronic or other means recognized as sufficient) between a Participant and the Employer, whereby the Participant elects to have a specific percentage or dollar amount withheld from such Participant's Plan Compensation and the Employer agrees to contribute such amount into the Plan. The Salary Reduction Agreement shall take effect as soon as administratively practicable following the date indicated under the Employee's election.
- 1.90 **Seasonal Employee.** An Employee who normally works on a full-time basis less than five months during any year.
- 1.91 **Section 403(b) Contract.** A contract that satisfies the requirements of Treas. Reg. §1.403(b)-3.
- 1.92 **Severance from Employment.** Severance from Employment occurs when the Employee ceases to be employed by the Employer maintaining the Plan or a Related Employer that is eligible to maintain a §403(b) plan under Treas. Reg. §1.403(b)-2(b)(8) (an "Eligible Employer"), even if the Employee remains employed with another entity that is a Related Employer where either (a) such Related Employer is not an Eligible Employer or (b) the Employee is employed or in a capacity that is not employment with an Eligible Employer.
- 1.93 **Short Plan Year.** Any Plan Year that is less than 12 months long, either because of the amendment of the Plan Year, or because the Effective Date of a new Plan is less than 12 months prior to the end of the first Plan Year. (See Section 11.09 for the operational rules that apply if the Plan has a Short Plan Year.)
- 1.94 **Special Catch-Up Contributions.** A special catch-up contribution allowed for certain Employees of Qualified Organizations as permitted under Treas. Reg. §1.403(b)-4(c)(3).
- 1.95 **Spouse.** Subject to any additional guidance by the IRS or other agency or court, a Spouse is any individual who is lawfully married to the Participant under a state or foreign jurisdiction. However, a former Spouse of the Participant will be treated as the Spouse or surviving Spouse and any current Spouse will not be treated as the Spouse or surviving Spouse to the extent provided under a valid QDRO. Effective June 26, 2013, any requirement for a Code §403(b) plan set forth in the Internal Revenue Code that applies because a Participant is married must be applied with respect to a Participant who is married to an individual of the same sex. See Notice 2014-19, Rev. Rul. 2013-17, and the decision in *U.S. v Windsor*, 570 U.S. 12 (2013). Accordingly, under the general rule in Treas. Reg. §301.7701-18(b)(1), a marriage of two individuals is recognized for federal tax purposes if the marriage is recognized by the State, possession, or territory of the United States in which the marriage is entered into, regardless of the married couple's place of domicile.
- 1.96 **State.** A State, a political subdivision of a State, or any agency or instrumentality of a State. "State" includes the District of Columbia (pursuant to Code §7701(a)(10)). An Indian tribal government is treated as a State pursuant to Code §7871(a)(6)(B) for purposes of Code §403(b)(1)(A)(ii).
- 1.97 **Student Employee.** A student enrolled and regularly attending classes at the school, college or university, and performing services for such school, college or university as described in Code §3121(b)(10).
- 1.98 **Taxable Wage Base.** The maximum amount of wages taken into account for Social Security purposes. The Taxable Wage Base is used to determine the Integration Level for purposes of applying the permitted disparity allocation formula.
- 1.99 **Taxable Year.** The annual accounting period for keeping records and reporting income and expenses. A Taxable Year may be a calendar year - 12 consecutive months beginning January 1 and ending December 31 or a fiscal year - 12 consecutive months ending on the last day of any month except December.
- 1.100 **Temporary Employee.** Any Employee performing services for the Employer under a contractual arrangement having a term of two years or less.
- 1.101 **Total Compensation.** A Participant's compensation for services with the Employer. Total Compensation may be defined in AA §5-1 to be either W-2 Wages, Wages under Code §3401(a), Code §415 Compensation or "Simplified" Code §415 Compensation. Each definition of Total Compensation includes Elective Deferrals, elective contributions to a cafeteria plan under Code §125 or to an eligible deferred compensation plan under Code §457, and elective contributions that are not includible in the Employee's gross income as a qualified transportation fringe under Code §132(f)(4). Total Compensation does not include nontaxable amounts paid to Ministers as a housing allowance under Code §107.
- (a) **Total Compensation definitions.** The Employer may elect under AA §5-1 to define Total Compensation as any of the following definitions:

- (1) **W-2 Wages.** Wages within the meaning of Code §3401(a) and all other payments of compensation to an Employee by the Employer (in the course of the Employer's trade or business) for which the Employer is required to furnish the Employee a written statement under Code §6041(d), 6051(a)(3), and 6052, determined without regard to any rules under Code §3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed.
- (2) **Wages under Code §3401(a).** Wages within the meaning of Code §3401(a) for the purposes of income tax withholding at the source but determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or the services performed.
- (3) **Code §415 Compensation.** Remuneration received by the Employee from the Employer as defined under Treas. Reg. §1.415-2(b) and (c).
 - (i) Code §415 Compensation includes:
 - (A) Wages, salaries, fees for professional services and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer, to the extent that the amounts are includible in gross income. These amounts include, but are not limited to, commissions paid to salespersons, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, fringe benefits, and reimbursements or other expense allowances under a nonaccountable plan (as described in Treas. Reg. §1.62-2(c));
 - (B) Medical or disability benefits that are includible in gross income under Code §§104(a)(3), 105(a), or 105(h), including income disability benefits that are paid through insurance to the extent the insurance premiums were paid by the Employer;
 - (C) Amounts paid or reimbursed by the Employer for moving expenses incurred by an Employee, but only to the extent that at the time of the payment it is reasonable to believe that these amounts are not deductible by the Employee under Code §217;
 - (D) The value of a nonstatutory option (which is an option other than a statutory option as defined in Treas. Reg. §1.421-1(b)) granted to an Employee by the Employer, but only to the extent that the value of the option is includible in the gross income of the Employee for the taxable year in which granted;
 - (E) The amount includible in the gross income of an Employee upon making the election described in Code §83(b); and
 - (F) Amounts that are includible in the gross income of an Employee under the rules of Code §§409A or 457(f)(1)(A) or because the amounts are constructively received by the Employee.
 - (ii) Code §415 Compensation does not include the following:
 - (A) Employer contributions (other than elective contributions described in Code §402(e)(3), §408(k)(6), §408(p)(2)(A)(i), or §457(b)) to a plan of deferred compensation (including a SEP described in Code §408(k) or a SIMPLE IRA described in Code §408(p), and whether or not qualified) to the extent such contributions are not includible in the Employee's gross income for the Taxable Year in which contributed, and any distributions (whether or not includible in gross income when distributed) from a plan of deferred compensation (whether or not qualified); and
 - (B) Amounts realized from the exercise of a non-qualified stock option, or when restricted stock (or property) held by the Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;
 - (C) Amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option; and
 - (D) Other amounts which received special tax benefits, or contributions made by the Employer (other than Elective Deferrals) towards the purchase of an annuity contract described in Code §403(b) (whether or not the contributions are actually excludable from the gross income of the Employee).
- (4) **"Simplified" Code §415 Compensation.** Remuneration received by the Employee from the Employer as defined under Treas. Reg. §1.415(c)-2(d)(2).

- (i) “Simplified” Code §415 Compensation includes:
 - (A) Wages, salaries, fees for professional services and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer, to the extent that the amounts are includible in gross income. These amounts include, but are not limited to, commissions paid to salespersons, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, fringe benefits, and reimbursements or other expense allowances under a nonaccountable plan (as described in Treas. Reg. §1.62-2(c)); and
 - (B) Medical or disability benefits that are includible in gross income under Code §§104(a)(3), 105(a), or 105(h), including income disability benefits that are paid through insurance to the extent the insurance premiums were paid by the Employer.
- (ii) “Simplified” Code §415 Compensation does not include the following:
 - (A) Amounts paid or reimbursed by the Employer for moving expenses incurred by an Employee, but only to the extent that at the time of the payment it is reasonable to believe that these amounts are not deductible by the Employee under Code §217;
 - (B) The value of a nonstatutory option (which is an option other than a statutory option as defined in Treas. Reg. §1.421-1(b)) granted to an Employee by the Employer, but only to the extent that the value of the option is includible in the gross income of the Employee for the taxable year in which granted;
 - (C) The amount includible in the gross income of an Employee upon making the election described in Code §83(b);
 - (D) Amounts that are includible in the gross income of an Employee under the rules of Code §§409A or 457(f)(1)(A) or because the amounts are constructively received by the Employee;
 - (E) Employer contributions (other than elective contributions described in Code §402(e)(3), §408(k)(6), §408(p)(2)(A)(i), or §457(b)) to a plan of deferred compensation (including a SEP described in Code §408(k) or a SIMPLE IRA described in Code §408(p), and whether or not qualified) to the extent such contributions are not includible in the Employee’s gross income for the taxable year in which contributed, and any distributions (whether or not includible in gross income when distributed) from a plan of deferred compensation (whether or not qualified);
 - (F) Amounts realized from the exercise of a non-qualified stock option, or when restricted stock (or property) held by the Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;
 - (G) Amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option; and
 - (H) Other amounts which received special tax benefits, or contributions made by the Employer (other than Elective Deferrals) towards the purchase of an annuity contract described in Code §403(b) (whether or not the contributions are actually excludable from the gross income of the Employee).

- (b) **Post-severance compensation.** Total Compensation includes compensation that is paid after an Employee’s Severance from Employment with the Employer, provided the compensation is paid by the later of 2½ months after Severance from Employment with the Employer maintaining the Plan or the end of the Limitation Year that includes such date of Severance from Employment. For this purpose, compensation paid after Severance of Employment may only be included in Total Compensation to the extent such amounts would have been included as compensation if they were paid prior to the Participant’s Severance from Employment.

For purposes of applying this subsection (b), unless designated otherwise under AA §5-2, the following amounts that are paid after a Participant’s Severance of Employment are included in Total Compensation:

- (1) **Regular pay.** Compensation for services during the Employee’s regular working hours, or compensation for services outside the Employee’s regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments;

- (2) **Unused leave payments.** Payment 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; and
- (3) **Deferred compensation.** Payments received by an Employee pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid to the Employee at the same time if the Employee had continued in employment and only to the extent that the payment is includible in the Employee's gross income.

Other post-severance payments (such as severance pay, parachute payments within the meaning of Code §280G(b)(2), or post-severance payments under a nonqualified unfunded deferred compensation plan that would not have been paid if the Employee had continued in employment) are not included as Total Compensation, even if such amounts are paid within the time period described in this subsection (b).

In determining the amount of a Participant's Employer Contributions, Matching Contributions, Salary Deferrals or After-Tax Employee Contributions, Plan Compensation may not include any amounts that do not satisfy the requirements of this subsection (b) or subsection (c). If Total Compensation is defined to include post-severance compensation, the Employer may elect to exclude all such compensation paid after Severance from Employment from the definition of Plan Compensation or may elect to exclude any of the specific types of post-severance compensation defined in subsections (1), (2) and/or (3) above under AA §5-3(j).

- (c) **Continuation payments for disabled Participants.** Unless designated otherwise under AA §5-2(b), Total Compensation does not include compensation paid to a Participant who is permanently and totally disabled (as defined in Code §22(e)(3)). If elected under AA §5-2(b), the Plan may take into account compensation the Participant would have received for the year if the Participant was paid at the rate of compensation paid immediately before becoming permanently and totally disabled (if such compensation is greater than the Participant's compensation determined without regard to this subsection (c)), provided contributions made with respect to amounts treated as compensation under this subsection (c) are nonforfeitable when made.

If so elected under AA §5-2(b), payment to disabled Participants will be included as Total Compensation, notwithstanding the rules under subsection (b).

- (d) **Deemed §125 compensation.** A reference to elective contributions under a Code §125 cafeteria plan includes any amounts that are not available to a participant in cash in lieu of group health coverage because the Participant is unable to certify that he or she has other health coverage. Such deemed §125 compensation will be treated as an amount under Code §125 only if the Employer does not request or collect information regarding the Participant's other health coverage as part of the enrollment process for the health plan. If the Employer elects under AA §5-3(i) to exclude deemed §125 compensation from the definition of Plan Compensation, such exclusion also will apply for purposes of determining Total Compensation under this Section and Includible Compensation.

- (e) **Differential Pay.** In the case of an individual who receives Differential Pay from the Employer:

- (1) such individual will be treated as an Employee of the Employer making the payment, and
- (2) the Differential Pay shall be treated as wages and will be included in calculating an Employee's Total Compensation under the Plan.

If all Employees performing service in the Uniformed Services are entitled to receive Differential Pay on reasonably equivalent terms and are eligible to make contributions based on the payments on reasonably equivalent terms, the Plan shall not be treated as failing to meet the requirements of any provision described in Code §414(u)(1)(C) by reason of any contribution or benefit based on Differential Pay. However, for purposes of applying this subparagraph, the provisions of Code §§410(b)(3), (4), and (5) shall apply. The Employer may elect to exclude Differential Pay from the definition of Plan Compensation.

For purposes of this subsection (e), Differential Pay means any payment which is made by an Employer to an individual while the individual is performing service in the Uniformed Services while on active duty for a period of more than 30 days, and represents all or a portion of the wages the individual would have received from the Employer if the individual were performing services for the Employer. In applying the provisions of this subsection (e), Uniformed Services are services as described in Code §3401(h)(2)(A).

- (f) **Special rules for difficulty of care payments.** Effective for Plan Years beginning after December 31, 2015, in the case of a Participant who for a Taxable Year excludes from gross income under Code §131 a qualified foster care payment which is a difficulty of care payment, the Participant's Total Compensation shall be increased by the amount of the excludable difficulty of care payments made by the Employer. Any contribution that is allowable due to such increase shall be treated as an After-Tax Employee Contribution and shall not cause the Plan to be treated as failing applicable plan requirements under Code §403(b).

- 1.102 Valuation Date.** The date or dates upon which the Plan is valued. The Plan will be valued as of the last day of each Plan Year. In addition, the Employer may elect under AA §11-1 to establish additional Valuation Dates. Notwithstanding any election under AA §11-1, the Custodian and the Employer and/or the Plan Administrator may agree to more frequent valuation dates.
- 1.103 Vendor.** The provider of an Annuity Contract or Custodial Account under the Plan.
- 1.104 Year of Service.** For purposes of determining Includible Compensation or Special Catch-Up Contributions, "Year of Service" means each full year during which an individual is a full-time Employee of the Employer, plus fractional credit for each part of a year during which the individual is either a full-time Employee of the Employer for a part of a year or a part-time Employee of the Employer. The Employee must be credited with a full Year of Service for each year during which the Employee is a full-time Employee and a fraction of a year for each part of a work period during which the Employee is a full-time or part-time Employee of the Employer. An Employee's number of Years of Service equals the aggregate of the annual work periods during which the Employee is employed by the Employer. The work period is the Employer's annual work period.

For purposes of applying the eligibility, vesting and allocation rules, a "Year of Service" is a 12-consecutive month period ("Computation Period") during which an Employee completes 1,000 Hours of Service. For purposes of applying the eligibility rules under Section 2.03 of the Plan, an Employee will earn a Year of Service if such Employee completes 1,000 Hours of Service with the Employer during an Eligibility Computation Period (as defined in Section 2.03(a)(3)). For purposes of applying the vesting rules under Section 7.03, an Employee will earn a Year of Service if such Employee completes 1,000 Hours of Service with the Employer during a Vesting Computation Period (as defined in Section 7.04). The Employer may elect under AA §4-3(a) (for eligibility purposes) and AA §8-5(a) (for vesting purposes) to require the completion of any lesser number of Hours of Service to earn a Year of Service. Alternatively, the Employer may elect to apply the Elapsed Time method (for eligibility and/or vesting purposes) in calculating an Employee's Years of Service under the Plan.

SECTION 2
ELIGIBILITY AND PARTICIPATION

- 2.01** **Eligibility.** In order to participate in the Plan, an Employee must be an Eligible Employee (as defined in Section 2.02) and must satisfy the Plan's minimum age and service conditions (as defined in Section 2.03). Once an Employee satisfies the Plan's minimum age and service conditions for any contribution type, such Employee shall become a Participant on the applicable Entry Date (as selected in AA §4-2). An Employee who meets the minimum age and service requirements set forth herein, but who is not an Eligible Employee, will be eligible to participate in the Plan only upon becoming an Eligible Employee.
- (a) **Salary Deferrals.** Each Employee (other than an Employee excluded from participation under Section 2.02(b)) is an Eligible Participant, without regard to any age or service conditions applicable to other types of contributions to the Plan. An Eligible Participant shall be eligible to make Salary Deferrals as of such Participant's Employment Commencement Date. The Employer will contribute a Participant's Salary Deferrals to the Plan on behalf of the Participant. To be eligible to make Salary Deferrals, an Eligible Participant must complete a Salary Reduction Agreement. The Employer has a reasonable period of time to begin withholding Salary Deferrals with respect to an Eligible Participant.
- (b) **Employer Contributions and Matching Contributions.** An Employee who is not excluded from participation under Section 2.02(b) will become an Eligible Participant under the Plan for purposes of receiving Employer Contributions and Employer Matching Contributions (as applicable) as of the applicable Entry Date elected in the AA §4-2 following the satisfaction of the age and service conditions specified in AA §4-1. If the Employer is an educational organization described in Code §170(b)(1)(A)(ii) exempt from tax under Code §501(a), the maximum age cannot exceed age 26, provided the Plan does not require more than one Year of Service to participate and all Participants are immediately vested in their Accounts.
- (c) **After-Tax Employee Contributions.** If the Plan provides for After-Tax Employee Contributions, the same eligibility conditions that apply with respect to Salary Deferrals will also apply to the After-Tax Employee Contributions. The Employer may elect to provide different eligibility conditions for After-Tax Employee Contributions under the AA §6C-2.
- 2.02** **Eligible Employees.** Unless specifically excluded under AA §3-1 or this Section 2.02, all Employees of the Employer are Eligible Employees. AA §3-1 lists various classes of Employees that may be excluded from Plan participation. If an Employee is not an Eligible Employee (e.g., such Employee is a member of a class of Employees excluded under AA §3-1), that individual may not participate under the Plan, unless such Employee subsequently becomes an Eligible Employee.
- (a) **Only Employees may participate in the Plan.** To participate in the Plan, an individual must be an Employee. If an individual is not an Employee (e.g., the individual performs services for the Employer as an independent contractor) such individual may not participate under the Plan. If an individual's status as a non-Employee is challenged by the IRS, the reclassification of such individual as an Employee will not create retroactive rights to participate in the Plan. Thus, for example, if the IRS should find that an independent contractor is really an Employee, such individual will be eligible to participate in the Plan as of the date the IRS issues a final determination declaring such individual to be an Employee (provided the individual has satisfied all conditions for participating in the Plan (as described in Section 2.01). For periods prior to the date of such final determination, the reclassified Employee will not have any rights to accrued benefits under the Plan, except as agreed to by the Employer and the IRS, or as set forth in an amendment adopted by the Employer.
- (b) **Excluded Employees.** The Employer may elect under AA §3-1 to exclude designated classes of Employees. The Employer may elect to exclude different classes of Employees for different contribution types under the Plan.
- (1) **Collectively Bargained Employees.** Unless the applicable collective bargaining agreement provides otherwise, the Employer may elect under AA §3-1(b) to exclude Collectively Bargained Employees with respect to Employer Contributions and Matching Contributions. For this purpose, a Collectively Bargained Employee is an Employee who is included in a unit of Employees covered by a collective bargaining agreement between the Employer and Employee representatives and whose retirement benefits are subject to good faith bargaining. For this purpose, an Employee will not be considered a Collectively Bargained Employee for a Plan Year if more than two percent of the Employees who are covered pursuant to the collective bargaining agreement are professionals as defined in Treas. Reg. §1.410(b)-9. For this purpose, the term "Employee representatives" does not include any organization more than half of whose members are Employees who are owners, officers, or executives of the Employer. If Collectively Bargained Employees are excluded under the Plan, an Employee who performs services for the Employer as both a Collectively Bargained Employee and a non-Collectively Bargained Employee will receive benefits under the Plan, if otherwise eligible, with respect to the Employee's non-Collectively Bargained Employee service, unless excluded under AA §3-1.

- (2) **Nonresident aliens.** The Employer may elect under AA §3-1(c) to exclude Employees who are nonresident aliens with respect to Salary Deferrals, Employer Contributions and Matching Contributions. For this purpose, a nonresident alien is neither a citizen of the United States nor a resident of the United States for U.S. tax purposes (as defined in Code §7701(b)), and who does not have any earned income (as defined in Code §911) for the Employer that constitutes U.S. source income (within the meaning of Code §861). If a nonresident alien Employee has U.S. source income, such Employee is treated as satisfying this definition if all of such Employee's U.S. source income from the Employer is exempt from U.S. income tax under an applicable income tax treaty.
- (3) **Student Employees.** The Employer may elect under AA §3-1(d) (subject to the conditions in Code §410(b)(4)) to exclude Employees who are Student Employees with respect to Salary Deferrals, Employer Contributions and Matching Contributions. A Student Employee is an Employee of the Employer who is a student enrolled and regularly attending classes at the school, college or university, and performs services for the school, college or university as described in Code §3121(b)(10).
- (4) **Employees who normally work fewer than 20 hours per week.** The Employer may elect under AA §3-1(e) (subject to the conditions in Code §410(b)(4)) to exclude Employees who normally work fewer than 20 hours per week (or such lower number of hours per week as elected in the Adoption Agreement) with respect to Salary Deferrals, Employer Contributions and Matching Contributions. An Employee normally works fewer than 20 hours per week if, for the 12-month period beginning on the Employee's Employment Commencement Date, the Employer reasonably expects the Employee to work fewer than 1,000 Hours of Service in such period, and, for each Exclusion Year ending after the close of that 12-month period, the Employee has worked fewer than 1,000 Hours of Service in the preceding 12-month period. Under this provision, an Employee who works 1,000 or more Hours of Service in the 12-month period beginning on the Employee's Employment Commencement Date or in any Exclusion Year beginning immediately after the 12-month period beginning on the Employee's Employment Commencement Date shall then be eligible to participate in the Plan. Once an Employee becomes eligible to have Salary Deferrals made under the Plan under this standard, the Employee cannot be excluded from eligibility to have Salary Deferrals made on such Employee's behalf in any later year.
- For purposes of this subsection (4), an Exclusion Year is based on the Eligibility Computation Period applicable under the Plan, unless the Employer elects otherwise under AA §4-3(c).
- (5) **Additional exclusions for Salary Deferral contributions.** With respect to Employees eligible to make Salary Deferrals, the Employer may elect to exclude from the Plan any person:
- (i) who participates in an eligible governmental deferred compensation plan within the meaning of Code §457(b) sponsored by the Employer; or
 - (ii) who is eligible to participate in a 401(k) plan or another 403(b) plan sponsored by the Employer which provides for contributions pursuant to a Salary Reduction Agreement.
- (6) **Inclusion of excludable Employee.** If the Employer does not exclude an individual excludable from participation under categories in Sections 2.02(b)(3) and 2.02(b)(4), then all Employees within the same category must be eligible to participate in the Plan.
- (7) **Puerto Rican Employees.** Unless designated otherwise in AA §3-1(n) or 3-1(o), Employees who are residents of Puerto Rico are not Eligible Employees and may not participate in the Plan. Thus, unless elected otherwise under AA §3-1, no contributions will be made to the Plan by, or on behalf of, residents of Puerto Rico. In addition, unless elected otherwise under AA §5-3, Plan Compensation does not include any amounts paid to a Puerto Rican Employee who is not covered under the Plan. If Puerto Rican Employees are permitted to participate under AA §3-1(n) or 3-1(o), additional requirements may apply to ensure the Plan is qualified under Puerto Rican law. See ERISA §1022(i). The exclusion of Employees who are residents of Puerto Rico does not violate the universal availability rule under Section 6.01 of the Plan
- (8) **Leased Employees.** Leased employees as defined in Code §414(n) are not common law employees of the Employer and not eligible to participate in the Plan.
- (c) **Employees of Related Employers.** If the Employer is a member of a Related Employer group, Employees of each member of the Related Employer group may participate under this Plan, provided the Related Employer executes a Participating Employer Adoption Page under the Adoption Agreement. If a Related Employer does not execute a Participating Employer Adoption Page, any Employees of such Related Employer are not eligible to participate in the Plan. (See Section 16.06 for operating rules that apply when the Employer is a member of a Related Employer group. Also see Section 16 for rules regarding participation of Employees of Related Employers.)

- (d) **Ineligible Employee becomes Eligible Employee.** If an Employee changes status from an ineligible Employee to an Eligible Employee, such Employee will become a Participant immediately on the date such Employee changes status to an Eligible Employee, provided the Employee has satisfied the Plan's minimum age and service conditions (with respect to Employer Contributions and Employer Matching Contributions) and has passed the Entry Date (as defined in AA §4-2) that would otherwise have applied had the Employee been an Eligible Employee. If the Employee's original Entry Date (determined as if the Employee was always an Eligible Employee) has not passed as of the date the Employee becomes an Eligible Employee, the Employee will not become a Participant until such Entry Date. This requirement is deemed satisfied with respect to Salary Deferrals under the Plan if the Employee is permitted to commence making deferrals under the Plan within a reasonable period of time after the Employee becomes an Eligible Employee. If an ineligible Employee has not satisfied the Plan's minimum age and service conditions applicable to Employer Contributions and Employer Matching Contributions at the time such Employee becomes an Eligible Employee, such Employee will become a Participant on the appropriate Entry Date following satisfaction of the Plan's minimum age and service requirements.
- (e) **Eligible Employee becomes ineligible Employee.** If an Employee ceases to qualify as an Eligible Employee (i.e., the Employee changes status from an eligible class to an ineligible class of Employees), such Employee will immediately cease to be eligible for contributions under the Plan. If such Employee should subsequently become an Eligible Employee, such Employee will be able to participate in the Plan in accordance with subsection (d) above.
- (f) **Improper exclusion of eligible Participant.** If the Plan improperly excludes a Participant who has satisfied the requirements under this Section 2 for participating under the Plan, the Employer may take reasonable action to correct such violation, provided such corrective action is consistent with the requirements of the Employee Plans Compliance Resolution System (EPCRS) program. For example, the violation may be corrected by making an additional contribution to the Plan on behalf of the omitted Participant or by allocating any available forfeitures under the Plan to such Participant to restore any missed contributions under the Plan. (See Revenue Procedure 2013-12 or subsequent IRS guidance for a description of the EPCRS program.)

2.03 Minimum Age and Service Conditions. AA §4-1 contains specific elections as to the minimum age and service conditions which an Employee must satisfy prior to becoming eligible to participate under the Plan. **The Employer may not impose age or service conditions on an Employee's ability to make Salary Deferrals.**

As a Governmental Plan, this Plan is not subject to the minimum age and service under the Code and Title I of ERISA.

- (a) **Application of age and service conditions.** The Employer may elect under AA §4-1 to impose minimum age and service conditions that an Employee must satisfy in order to participate under the Plan. The Plan may not require an Employee to attain an age older than age 21 (or 26 for a qualified educational institution as provided under Code §410(a)(1)(B)(ii)) or to complete more than two Years of Service.
 - (1) **Year of Service.** In applying the minimum service requirements under AA §4-1, an Employee will earn a Year of Service if the Employee completes at least 1,000 Hours of Service with the Employer during an Eligibility Computation Period (as defined in subsection (3) below). The Employer may modify the definition of Year of Service under AA §4-3(a) to require a lesser number of Hours of Service to earn a Year of Service. An Employee will receive credit for a Year of Service, as of the end of the Eligibility Computation Period during which the Employee completes the required Hours of Service needed to earn a Year of Service. An Employee need not be employed for the entire Eligibility Computation Period to receive credit for a Year of Service, provided the Employee completes the required Hours of Service during such period.
 - (2) **Months of service.** The Employer may elect under AA §4-1(a) to require a specific number of Hours of Service during a designated number of months of employment. If an Employee is required under AA §4-1(a) to complete a certain number of Hours of Service during a designated period, an Employee generally will satisfy the eligibility conditions as of the end of the designated period, regardless of whether the Employee is employed during the entire period. Alternatively, the Employer may elect under AA §4-1(a)(3)(ii) to require an Employee to be employed continuously throughout the designated period, provided the Employee is eligible to participate in the Plan upon completing a Year of Service.

If an Employee does not complete the required Hours of Service during the designated period or does not work continuously during the designated period, if required under AA §4-1(a)(3)(ii), the Employee will satisfy eligibility upon completion of a Year of Service. For purposes of applying the Year of Service requirement, an Employee need not be employed during the entire measuring period as long as the Employee completes the required Hours of Service. For example, an Employee who is not employed throughout the designated period, if required under AA §4-1(a)(3)(ii), would still satisfy the eligibility conditions as of the end of the Eligibility Computation Period if the Employee completes a Year of Service, regardless of whether the Employee is employed during the entire period.

- (3) **Eligibility Computation Periods.** In determining whether an Employee has earned a Year of Service for eligibility purposes, an Employee's initial Eligibility Computation Period is the 12-month period beginning on the Employee's Employment Commencement Date. Subsequent Eligibility Computation Periods will either be based on Plan Years or Anniversary Years (as set forth in AA §4-3(b)).
- (i) **Plan Years.** If the Employer bases subsequent Eligibility Computation Periods on Plan Years, the Plan will begin measuring Years of Service on the basis of Plan Years beginning with the first Plan Year commencing after the Employee's Employment Commencement Date. Thus, for the first Plan Year following the Employee's Employment Commencement Date, the initial Eligibility Computation Period and the first Plan Year Eligibility Computation Period may overlap.
- (ii) **Anniversary Years.** If the Employer elects under AA §4-3(b) to base subsequent Eligibility Computation Periods on Anniversary Years, the Plan will measure Years of Service after the initial Eligibility Computation Period on the basis of 12-month periods commencing with the anniversaries of the Employee's Employment Commencement Date.
- (iii) **Two Years of Service requirement.** If a two Years of Service eligibility condition applies under AA §4-1(a)(6), subsequent Eligibility Computation Periods will be based on Anniversary Years as defined in subsection (ii) above. However, if an Employee fails to earn a Year of Service during the first or second Eligibility Computation Period, subsequent Eligibility Computation Periods will be determined on the basis of the Plan Year commencing within the first or second Eligibility Computation Period, as applicable, and subsequent Plan Years. The Employer may elect under AA §4-3(b) to determine subsequent Eligibility Computation Periods on the basis of Anniversary Years, rather than Plan Years.
- (iv) **Rehired Employee.** If an Employee is rehired following a Break in Service, the Employee's initial Eligibility Computation Period following the Employee's return to employment will be measured from the Employee's Reemployment Commencement Date. Subsequent Eligibility Computation Periods will be measured based on the Plan Year or anniversaries of the Reemployment Commencement Date, as designated under subsection (i) or (ii) above. For this purpose, an Employee's Reemployment Commencement Date is the first day the Employee is entitled to be credited with an Hour of Service after the first Eligibility Computation Period in which the Employee incurs a Break in Service.
- (4) **Hours of Service.** In calculating an Employee's Hours of Service for purposes of applying the eligibility rules under this Section 2.03, the Employer will count the actual Hours of Service an Employee works during the year. The Employer may elect under AA §4-3(d) or (e) to use the Elapsed Time Method or Equivalency Method (instead of counting the actual Hours of Service an Employee works). (See subsections (5) and (6) below for a description of the Equivalency Method and Elapsed Time method of crediting service.)
- (5) **Equivalency Method.** Instead of counting actual Hours of Service in applying the minimum service conditions under this Section 2.03, the Employer may elect under AA §4-3(e) to determine Hours of Service based on the Equivalency Method. Under the Equivalency Method, an Employee receives credit for a specified number of Hours of Service based on the period worked with the Employer.
- (i) **Monthly.** Under the monthly Equivalency Method, an Employee is credited with 190 Hours of Service for each calendar month during which the Employee completes at least one Hour of Service with the Employer.
- (ii) **Daily.** Under the daily Equivalency Method, an Employee is credited with 10 Hours of Service for each day during which the Employee completes at least one Hour of Service with the Employer.
- (iii) **Weekly.** Under the weekly Equivalency Method, an Employee is credited with 45 Hours of Service for each week during which the Employee completes at least one Hour of Service with the Employer.
- (iv) **Semi-monthly.** Under the semi-monthly Equivalency Method, an Employee is credited with 95 Hours of Service for each semi-monthly period during which the Employee completes at least one Hour of Service with the Employer.
- (6) **Elapsed Time method.** Instead of counting actual Hours of Service in applying the minimum service requirements under this Section 2.03, the Employer may elect under AA §4-3(e) to apply the Elapsed Time method for calculating an Employee's service with the Employer. Under the Elapsed Time method, an Employee receives credit for the aggregate period of time worked for the Employer commencing with the Employee's first day of employment (or reemployment, if applicable) and ending on the date the Employee

begins a Period of Severance which lasts at least 12 consecutive months. In calculating an Employee's aggregate period of service, an Employee receives credit for any Period of Severance that lasts less than 12 consecutive months. If an Employee's aggregate period of service includes fractional years, such fractional years are expressed in terms of days.

- (i) **Period of Severance.** For purposes of applying the Elapsed Time method, a Period of Severance is any continuous period of time during which the Employee is not employed by the Employer. A Period of Severance begins on the date the Employee retires, quits or is discharged, or if earlier, the 12-month anniversary of the date on which the Employee is first absent from service for a reason other than retirement, quit or discharge.

In the case of an Employee who is absent from work for maternity or paternity reasons, the 12-consecutive month period beginning on the first anniversary of the first date of such absence shall not constitute a Period of Severance. For purposes of this paragraph, an absence from work for maternity or paternity reasons means an absence (i) by reason of the pregnancy of the Employee, (ii) by reason of the birth of a child of the Employee, (iii) by reason of the placement of a child with the Employee in connection with the adoption of such child by the Employee, or (iv) for purposes of caring for a child of the Employee for a period beginning immediately following the birth or placement of such child.

- (ii) **Related Employers.** For purposes of applying the Elapsed Time method, service will be credited for employment with any Related Employer.

- (7) **Amendment of age and service requirements.** If the Plan's minimum age and service conditions are amended, an Employee who is a Participant immediately prior to the effective date of the amendment is deemed to satisfy the amended requirements. This provision may be modified in the Adoption Agreement or under a separate amendment implementing the updated minimum age and service provisions.

- (i) **Change to Elapsed Time method.** If the service crediting method is changed from an Hours of Service method to the Elapsed Time method, the amount of service credited to an Employee will equal the sum of the service under subsections (A) and (B) below. For this purpose, a change in service crediting method will occur if the Plan is amended to change the service crediting method or if the service crediting method is changed as a result of an Employee's change in employment status.

(A) The number of Years of Service equal to the number of Years of Service credited under the Hours of Service method before the Eligibility Computation Period during which the change to the Elapsed Time method occurs.

(B) For the Eligibility Computation Period in which the change occurs, the greater of:

- (I) the period of service that would be credited under the Elapsed Time method from the first day of that Eligibility Computation Period through the date of the change, or
- (II) the service that would be taken into account under the Hours of Service method for the Eligibility Computation Period which includes the date of the change.

If the period of service described in subsection (I) is the greater amount, then subsequent periods of service are credited under the Elapsed Time method beginning with the date of the change. If the period of service described in subsection (II) applies, the Elapsed Time method will be used beginning with the first day of the Eligibility Computation Period that would have followed the Eligibility Computation Period in which the change to the Elapsed Time method occurred.

If the change to the Elapsed Time method occurs as of the first day of an Eligibility Computation Period, the use of the Elapsed Time method begins as of the date of the change, and the calculation in subsection (B) above does not apply. In such case, the Employee's service is determined under subsection (A) above plus the subsequent periods of service determined under the Elapsed Time method, starting with the effective date of the change.

- (ii) **Change to Hours of Service method.** If the service crediting method is changed from the Elapsed Time method to an Hours of Service method, the Employee's Elapsed Time service earned as of the date of the change is converted into Years of Service under the Hours of Service method, determined as the sum of subsections (A) and (B), below. For this purpose, a change in service crediting method will occur if the Plan is amended to change the service crediting method or if the service crediting method is changed as a result of an Employee's change in employment status.

- (A) A number of Years of Service is credited that equals the number of 1-year periods of service credited under the Elapsed Time method as of the date of the change.
 - (B) For the Eligibility Computation Period which includes the date of the change, the Employee is credited with an equivalent number of Hours of Service, using one of the Equivalency Methods defined in subsection (5) above for any fractional year that was credited under the Elapsed Time method as of the date of the change.
- (8) For the portion of the Eligibility Computation Period following the date of the change, actual Hours of Service are counted. The Hours of Service credited for the portion of the Eligibility Computation Period in which the Elapsed Time method was in effect are added to the actual Hours of Service credited for the remaining portion of the Eligibility Computation Period to determine if the Employee has a Year of Service for that Eligibility Computation Period.

- (b) **Entry Dates for Employer Contributions and Matching Contributions.** Once an Eligible Employee satisfies the minimum age and service conditions (as set forth in AA §4-1), the Employee will become a Participant under the Plan as of such Employee's Entry Date (as set forth in AA §4-2). The Employer may elect different Entry Dates with respect to Matching Contributions and Employer Contributions.

2.04 **Participation on Effective Date of Plan.** An Employee who has satisfied the minimum age and service conditions and reached such Employee's Entry Date as of the Effective Date of the Plan will be eligible to participate in the Plan as of such Effective Date. If an Employee has satisfied the minimum age and service conditions as of the Effective Date of the Plan but has not yet reached such Employee's Entry Date, the Employee will be eligible to participate on the appropriate Entry Date. The Employer may modify this rule under AA §4-2 by electing to treat all Employees employed on the Effective Date of the Plan as Participants (regardless of whether they have satisfied the Plan's minimum age and service conditions) or by designating a specific date as of which all Eligible Employees will be deemed to be a Participant, (regardless of whether the Employee has otherwise satisfied the minimum age and service conditions).

2.05 **Rehired Employees.** Subject to the Break in Service rules under Section 2.07, if an Employee who has a Severance from Employment is subsequently rehired, such Employee will be eligible to participate in the Plan on such Employee's reemployment date, if the Employee is an Eligible Employee and the Employee had satisfied the Plan's minimum age and service conditions and reached such Employee's Entry Date prior to Severance from Employment. If the Employee had satisfied the Plan's minimum age and service conditions but had a Severance from Employment prior to reaching such Employee's Entry Date, the Employee will be eligible to participate on such Employee's reemployment date or the original Entry Date, if later. If a rehired Employee had not satisfied the Plan's minimum age and service conditions prior to Severance from Employment, such Employee is eligible to participate in the Plan on the appropriate Entry Date following satisfaction of the eligibility requirements under this Section 2. For purposes of Salary Deferrals, the requirement to participate on the reemployment date is deemed satisfied if a rehired Employee is permitted to commence making Salary Deferrals within a reasonable period following reemployment.

2.06 **Service with Predecessor Employers.** If the Employer maintains the plan of a Predecessor Employer, any service with such Predecessor Employer may be treated as service with the Employer for purposes of applying the provisions of this Plan. If the Employer does not maintain the plan of a Predecessor Employer, service with such Predecessor Employer does not count for eligibility purposes under this Section 2, unless the Employer specifically designates under AA §4-5 to credit service with such Predecessor Employer for eligibility. Unless designated otherwise under AA §4-5, if the Employer takes into account service with a Predecessor Employer, such service will count for purposes of eligibility under this Section 2, vesting under Section 7 (see Section 7.06) and for purposes of the minimum allocation conditions under Section 3.07.

The Employer may designate under AA §4-5(a)(1) to count service with all Employers acquired *as part of a Code §410(b)(6)(C) transaction* or may elect specific Employers for whom service will not be credited. Alternatively, the Employer may designate under AA §4-5(a)(2) specific Predecessor Employers for which service will be credited. The Employer may designate to credit predecessor service only for purposes of eligibility, vesting and/or any minimum allocation conditions under the Plan.

Governmental Plans are not subject to coverage and nondiscrimination rules applicable to the crediting of service with Predecessor Employers under Title I of ERISA.

2.07 **Break in Service Rules.** Generally, an Employee will be credited with all service earned for the Employer, including service earned prior to the effective date of the Plan and service earned while the Employee is an ineligible Employee. However, the Employer may elect under AA §4-3 to disregard an Employee's service with the Employer under the Break in Service rules set forth in this Section 2.07. Governmental and Church Plans are not subject to the break in service rules applicable under Title I of ERISA.

- (a) **Break in Service.** An Employee incurs a Break in Service for any Eligibility Computation Period (as defined in Section 2.03(a)(3)) during which the Employee does not complete more than five hundred (500) Hours of Service with the Employer. However, if the Employer elects under AA §4-3(a) to require less than 1,000 Hours of Service to earn a Year of Service for eligibility purposes, a Break in Service will occur for any Eligibility Computation Period during which the Employee does not complete more than one-half (1/2) of the Hours of Service required to earn an eligibility Year of Service.
- (b) **Nonvested Participant Break in Service rule.** Under the Nonvested Participant Break in Service rule, if a Participant is totally nonvested (i.e., 0% vested) in such Participant's entire Account Balance, and such Participant incurs five (5) or more consecutive one-year Breaks in Service (or, if greater, a consecutive period of Breaks in Service at least equal to the Participant's aggregate number of Years of Service with the Employer), the Plan will disregard all service earned prior to such consecutive Breaks in Service for purposes of determining eligibility to participate in the Plan. If the Employee returns to employment with the Employer, such Employee will be treated as a new Employee for purposes of determining eligibility under the Plan. For this purpose, a Participant who has made Salary Deferrals under the Plan will be treated as having a vested interest in the Plan. Thus, the Nonvested Participant Break in Service rule may not be used with respect to any contributions under the Plan (even if such Employee is totally nonvested in such contributions) for a Participant who has made Salary Deferrals under the Plan. The Employer must elect to apply the Nonvested Participant Break in Service rule under AA §4-3(f).
- (c) **Special Break in Service rule for Plans using two Years of Service for eligibility.** If the Employer has elected under AA §4-1(a)(6) to require Employees to complete two Years of Service to become eligible to participate in the Plan, any Employee who incurs a one-year Break in Service before satisfying the two Years of Service eligibility condition will not be credited with service earned before such one-year Break in Service.
- (d) **One-Year Break in Service rule.** Under the One-Year Break in Service rule, if an Employee incurs a one-year Break in Service, such Employee will not be credited with any service earned prior to such one-year Break in Service for purposes of determining eligibility to participate under the Plan until the Employee has completed a Year of Service after the Employee's return to employment. The Employer must elect to apply the One-Year Break in Service rule under AA §4-3(g).
 - (1) **Temporary disregard of service.** If a Participant has service disregarded under the One-Year Break in Service rule, such Participant will have such Participant's service reinstated upon returning to employment as of the first day of the Eligibility Computation during which the Participant completes a Year of Service. For this purpose, the Eligibility Computation Period is the 12-month period commencing on the date the Employee first performs an Hour of Service following the Break in Service. If a Participant does not complete a Year of Service during the first Eligibility Computation Period following such Participant's return to employment, subsequent Eligibility Computation Periods will be determined based on Plan Years beginning with the first Plan Year following the Employee's return to employment (unless the Employer selects Anniversary Years as the Eligibility Computation Period under AA §4-3(b)).
 - (2) **Application to Salary Deferrals.** The One-Year Break in Service rule will not apply to Salary Deferrals under the Plan.

2.08 Waiver of Participation. An Employee may not waive participation under the Plan unless specifically permitted under AA §11-5. For this purpose, the mere failure to make Salary Deferrals or After-Tax Employee Contributions under the Plan is not a waiver of participation. Waiver of participation by an Employee does not violate the universal availability rule. The Employer may elect under AA §11.5 to permit Employees to make a one-time irrevocable election to not participate under the Plan. Such election must be made upon inception of the Plan or at any time prior to the time the Employee first becomes eligible to participate under any plan maintained by the Employer. An Employee, in accordance with the regulations under Code §403(b), who makes a one-time irrevocable election not to participate may not subsequently elect to participate under the Plan. Waiver of participation by an Employee who makes a one-time irrevocable election does not violate the universal availability rule.

SECTION 3 PLAN CONTRIBUTIONS

This Section 3 describes the type of contributions that may be made to the Plan. The type of contributions that may be made to the Plan and the method for allocating such contributions may vary depending on the type of Plan involved. (See Section 5 for a discussion of the limits that apply to any contributions made under the Plan.)

3.01 Types and Timing of Contributions.

- (a) **Types of Contributions.** An Employer may designate under the AA the amount and type of contributions that may be made under this Plan. To share in a contribution under the Plan, an Employee must satisfy all of the conditions for being a Participant (as described in Section 2) and must satisfy any allocation conditions applicable to the particular type of contribution. A contribution that is made pursuant to an Employee's one-time irrevocable election made on or before the Employee's first becoming eligible to participate under the Plan and a Mandatory Contribution made as a condition of employment that reduces an Employee's compensation are treated as Employer Contributions to the Plan. All types of contributions are subject to the terms of the governing Investment Arrangement(s).
- (b) **Timing of Contributions.** The Employer must make contributions to the Plan within a reasonable period of time for the proper administration of the Plan. With regard to Salary Deferrals, a reasonable period of time is no longer than 15 business days following the month in which the Employer otherwise would have paid the Salary Deferrals to the Employee.
- (c) **Contributions for former Employees.** If so provided under AA §6-5(a), the Employer may continue to make Employer Contributions on behalf of a former Employee. For purposes of determining Employer Contributions for a former Employee, the former Employee is deemed to have monthly Includible Compensation for the period through the end of the Taxable Year of the Employee in which he or she ceases to be an Employee and through the end of each of the next five Taxable Years. The amount of monthly Includible Compensation is equal to 1/12 of the former Employee's Includible Compensation during the former Employee's most recent year of service, as defined in Treas. Reg. §1.403(b)-4(e).
- (d) **Contributions of Accrued Unpaid Sick, PTO and/or Vacation Leave.** If so provided under AA §6-5(b), the Employer may make Employer Contributions of amounts of accrued unpaid sick and/or vacation leave to the Plan. The Employer must describe the manner in which such Employer Contributions will be made to the Plan under AA §6-5(b).

3.02 **Employer Contribution Formulas.** If permitted under AA §6 and subject to the terms of the applicable Investment Arrangement(s), the Employer may make an Employer Contribution to the Plan, in accordance with the contribution formula selected under AA §6-2. To receive an allocation of Employer Contributions, a Participant must satisfy any allocations conditions designated under the Plan, as described below.

As a Governmental Plan, the Plan is not subject to the nondiscrimination and coverage rules (other than the universal availability rule under Code §403(b)(12)(A)(ii)) under the Code and Title I of ERISA.

- (a) **Employer Contribution formulas.** The Employer may elect under AA §6-2 to make any of the following Employer Contributions. If the Employer elects more than one Employer Contribution formula, each formula is applied separately. The Employer's aggregate Employer Contribution for a Plan Year will be the sum of the Employer Contributions under all such formulas.
 - (1) **Discretionary Employer Contribution.** If a discretionary contribution is selected under AA §6-2(a), the Employer may decide on an annual basis how much (if any) it will contribute to the Plan as an Employer Contribution. If the Employer elects to make a discretionary contribution, such amount may be allocated under the pro rata, permitted disparity, Employee group, age-based or uniform points allocation method (as selected in AA §6-3).
 - (i) **Pro rata allocation formula.** Under the pro rata allocation formula, a pro rata share of the Employer Contribution is allocated to each Participant's Employer Contribution Account. A Participant's pro rata share may be determined based on the ratio such Participant's Plan Compensation bears to the total Plan Compensation of all Participants or as a uniform dollar amount, as designated in AA §6-3(a).
 - (ii) **Permitted disparity allocation formula.** Under the permitted disparity allocation formula, the Employer Contribution is allocated to Participants' Employer Contribution Accounts using a two-step method.

Notwithstanding any other provision under this subsection, for any Plan Year this Plan benefits any Participant who benefits under another Code §403(b) plan maintained by the Employer that provides for permitted disparity (or imputes disparity), Employer Contributions and forfeitures will be allocated to the account of each Participant who either completes more than 500 Hours of Service during the Plan Year or who is employed on the last day of the Plan Year in the ratio that such Participant's Total Compensation bears to the Total Compensation of all Participants.

- (A) **Two-step method.** Under the two-step method, the discretionary Employer Contribution is allocated under the following method:
- (I) **Step one.** The Employer Contribution is allocated to each Participant's Employer Contribution Account in the ratio that the sum of each Participant's Plan Compensation plus Excess Compensation (as defined in subsection (B) below) bears to the sum of the total Plan Compensation plus Excess Compensation of all Participants, but not in excess of the Maximum Disparity Rate (as defined in subsection (D) below).
- (II) **Step two.** Any Employer Contribution remaining after the allocation in subsection (I) above one will be allocated in the ratio that each Participant's Plan Compensation bears to the total Plan Compensation of all Participants.
- (B) **Excess Compensation.** The amount of Plan Compensation that exceeds the Integration Level.
- (C) **Integration Level.** The Taxable Wage Base, unless specified otherwise under AA §6-3(c)(1).
- (D) **Maximum Disparity Rate.** The Maximum Disparity Rate is the maximum amount that may be allocated with respect to Excess Compensation. The amount allocated as a percentage of Plan Compensation and Excess Compensation may not exceed the following percentage:

Integration Level (as a percentage of the Taxable Wage Base)	Maximum Disparity Rate
100%	5.7%
More than 80% but less than 100%	5.4%
More than 20% and not more than 80%	4.3%
20% or less	5.7%

- (E) **Taxable Wage Base.** The maximum amount of wages that are considered for Social Security purposes as in effect at the beginning of the Plan Year.
- (F) **Annual overall permitted disparity limit.** Notwithstanding the preceding paragraphs, for any Plan Year this Plan benefits any Participant who benefits under another 403(b) plan or simplified employee pension, as defined in § 408(k) of the Code, maintained by the Employer that provides for permitted disparity (or imputes disparity), Employer Contributions and forfeitures will be allocated to the account of each Participant who either completes more than 500 hours of service during the Plan Year, or who is employed on the last day of the Plan Year, in the ratio that such Participant's Total Compensation bears to the Total Compensation of all Participants.
- (G) **Cumulative permitted disparity limit.** The cumulative permitted disparity limit for a Participant is 35 total cumulative permitted disparity years. Total cumulative permitted years means the number of years credited to the Participant for allocation under this Plan, any other 403(b) plan or simplified employee pension plan (whether or not terminated) ever maintained by the employer. For purposes of determining the Participant's cumulative permitted disparity limit, all years ending in the same calendar year are treated as the same year. If the participant has not benefited under a defined benefit or target benefit plan for any year beginning on or after January 1, 1994, the participant has no cumulative disparity limit.
- (iii) **Uniform points allocation.** Under the uniform points allocation, the Employer will allocate the discretionary Employer Contribution on the basis of each Participant's total points for the Plan Year, as determined under AA §6-3(d). A Participant's allocation of the Employer Contribution is determined by

multiplying the Employer Contribution by a fraction, the numerator of which is the Participant's total points for the Plan Year and the denominator of which is the sum of the points for all Participants for the Plan Year.

A Participant will receive points for each year(s) of age and/or each Year(s) of Service designated under AA §6-3(d). In addition, a Participant also may receive points based on such Participant's Plan Compensation. Each Participant will receive the same number of points for each designated year of age and/or service and the same number of points for each designated level of Plan Compensation.

- (iv) **Employee group allocation.** Under the Employee group allocation method, the Employer may make a different discretionary contribution to each Participant's Employer Contribution Account based on the Employee allocation groups designated under AA §6-3(e). The Employer Contribution made for an allocation group will be allocated as a uniform percentage of Plan Compensation or as a uniform dollar amount. If the Employer Contribution is allocated as a percentage of Plan Compensation, the amount that will be allocated to each Participant within an allocation group is determined by multiplying the Employer Contribution made for that allocation group by the following fraction:

$$\frac{\text{Participant's Plan Compensation}}{\text{Plan Compensation of all Participants in the allocation group}}$$

Alternatively, the Employer may set forth in the description of the Employee groups under AA §6-3(e)(2) a fixed contribution amount for a designated Employee group. If a fixed contribution is provided for a specific Employee group, the amount designated as the fixed contribution will be allocated to each Participant within the designated Employee group.

- (v) **Age-based allocation formula.** Under the age-based allocation formula, the Employer will allocate the discretionary Employer Contribution on the basis of each Participant's adjusted Plan Compensation.

(A) **Adjusted Plan Compensation.** For this purpose, a Participant's adjusted Plan Compensation is determined by multiplying the Participant's Plan Compensation by an Actuarial Factor (as described in subsection (B) below).

(B) **Actuarial Factor.** Unless designated otherwise under AA §6-3(f), a Participant's Actuarial Factor is determined based on an 8.5% interest rate and the UP-1984 mortality table. (See Appendix A of the Plan for the Actuarial Factors associated with an 8.5% interest rate and the UP-1984 mortality table and a testing age of 65.

- (2) **Fixed Employer Contribution.** The Employer may elect under AA §6-2(b) to make a fixed contribution to the Plan. The Employer may elect under AA §6-2(b) to make a fixed contribution as a designated percentage of Plan Compensation or as a uniform dollar amount. If a fixed contribution is selected under AA §6-2(b), the Employer Contribution will be allocated under the fixed contribution formula under AA §6-3 in accordance with the selections made in AA §6-2(b).
- (3) **Contributions under collective bargaining agreement, employment contract or equivalent arrangement.** The Employer may elect under AA §6-2(c) to determine contributions in accordance with any collective bargaining agreement(s) addressing retirement benefits of Collectively Bargained Employees under the Plan, or in accordance with any applicable employment contract or other arrangement the Employer has with the Participant(s). The Employer may attach an addendum incorporating the collective bargaining agreement, employment agreement or equivalent arrangement. Any contribution based on the provisions of a collective bargaining agreement or employment contract will be allocated in accordance with the provisions of the collective bargaining agreement(s), employment contract or equivalent arrangement.
- (4) **Service-based Employer Contribution.** If elected in AA §6-2(d), the Employer may make a contribution based on an Employee's service with the Employer during the Plan Year (or other period designated under AA §6-4). The Employer may elect to make the service-based contribution as a discretionary contribution or as a fixed contribution. Any such contribution will be allocated on the basis of Participants' Hours of Service, weeks of employment or other measuring period selected under AA §6-2(d). The Employer Contribution will be allocated under the service-based allocation formula under AA §6-3(g).
- (5) **Year of Service Employer Contribution.** The Employer may elect under AA §6-2(e) to provide an Employer Contribution based on an Employee's Years of Service with the Employer. Unless designated otherwise under AA §6-2(e), an Employee earns a Year of Service for each Plan Year during which the Employee completes at least 1,000 Hours of Service. The Employer may designate an alternative definition of Year of Service under

AA §6-2(e). The Employer Contribution will be allocated under the Year of Service allocation formula under AA §6-3(h).

- (6) **Frozen Plan.** The Employer may designate under AA §2-5 that the Plan is a frozen Plan. As a frozen Plan, the Employer will not make any Employer Contributions with respect to Plan Compensation earned after the date identified in AA §2-5. In addition, if the Plan allows Salary Deferrals, no Participant will be permitted to make Elective Deferrals or After-Tax Employee Contributions to the Plan for any period following the effective date of the freeze as identified in AA §2-5. All amounts credited to an affected Participant's Account become 100% vested, regardless of the Participant's vested percentage. If the Plan holds any unallocated forfeitures at the time of the freeze, such forfeitures may be allocated to all eligible Participants in the year of the freeze, regardless of any contrary selections under AA §8-6.
- (b) **Mandatory Contributions.** The Employer may elect under AA §6C-3 to have Mandatory Contributions under the Plan. Mandatory Contributions are treated as Employer Contributions under the Plan.
- (c) **Period for determining Employer Contributions.** In determining the amount of Employer Contributions to be allocated to Participants under the Plan, the Plan will take into account Plan Compensation for the Plan Year. The Employer may designate under the AA alternative periods for determining the allocation of Employer Contributions. If alternative periods are designated, a Participant's allocation of Employer Contributions will be determined separately for each designated period based on Plan Compensation earned during such period. If an alternative period is designated, the Employer need not actually make the Employer Contribution during the designated period, provided the total Employer Contribution for the Plan Year is allocated based on the proper Plan Compensation.
- (d) **Offset of Employer Contributions.** If the Employer maintains any other qualified plan(s) which cover any Participants under this Plan, the Employer may elect under the AA to reduce such Participants' allocation under this Plan to take into account the benefits provided under the Employer's other qualified plan(s). The Employer may attach an addendum to the Adoption Agreement describing how the offset will be applied.

3.03 **Salary Deferrals.** Subject to the terms of the applicable Investment Arrangement(s), the Employer may elect under AA §6A to authorize Participants to make Salary Deferrals under the Plan. A Participant's total Salary Deferrals under this Plan may not exceed the Elective Deferral Dollar Limit described under Section 5.02 or the amount permitted under the Code §415 Limitation described under Section 5.03. Subject to the universal availability requirements, the Employer may elect under AA §6A-2 to apply a different limit on Salary Deferrals.

- (a) **Salary Reduction Agreement.** In order to make Salary Deferrals under the Plan, a Participant must enter into a Salary Reduction Agreement which authorizes the Employer to withhold a specific dollar amount or a specific percentage from the Participant's Plan Compensation. The Salary Reduction Agreement may permit a Participant to specify a different percentage or dollar amount be withheld from specified components of Plan Compensation, such as base pay, bonuses, commissions, etc. The Employer may apply special limits on the amount of Salary Deferrals that may be deferred from bonus payments or may apply special deferral limits applicable to bonus payments under the Salary Reduction Agreement, without regard to any limitations selected under the AA. In addition, the Salary Reduction Agreement may provide the conditions on which an Employee's affirmative Salary Reduction Agreement will expire. If an Employee's Salary Reduction Agreement expires, such Employee can always complete a new affirmative election and designate a new deferral percentage. Also, if an Employee's affirmative election expires, the Salary Reduction Agreement may provide that the Employee's expiring deferral election remains in effect and may increase by a designated amount unless the Employee affirmatively elects otherwise, except as otherwise required by State law.

The Employer will deposit any amounts withheld from a Participant's Plan Compensation as Salary Deferrals into the Participant's Salary Deferral Account under the Plan. A Salary Reduction Agreement may only relate to Plan Compensation that is not currently available at the time the Salary Reduction Agreement is completed. The Salary Reduction Agreement may provide that the Employee's deferral election will increase by a designated amount unless the Employee affirmatively elects otherwise. In determining the amount to be withheld from a Participant's Plan Compensation, the Plan Administrator may round any Salary Reduction Agreement election to the next highest or lowest whole dollar amount and may require that any Salary Reduction Agreement election must designate a whole percentage of Plan Compensation for a Salary Deferral. The Employer may designate under AA §6A-9 to apply a special effective date as of which Participants may begin making Salary Deferrals under the Plan. Regardless of any special effective date designated under AA §6A-9, a Salary Reduction Agreement may not be effective prior to the later of:

- (1) the date the Employee becomes a Participant;
- (2) the date the Participant executes the Salary Reduction Agreement; or

- (3) the date the Plan is first adopted or effective.

For this purpose, Salary Deferrals may be taken into account for a Plan Year only if the Salary Deferrals are allocated to the Employee's Account as of a date within that Plan Year. For this purpose, Salary Deferrals are considered allocated as of a date within a Plan Year only if the allocation is not contingent on the Employee's participation in the Plan or performance of services on any subsequent date and the Salary Deferrals are actually paid to the Plan no later than the end of the 12-month period immediately following the year to which the contribution relates. In addition, the Salary Deferrals must relate to Plan Compensation that either would have been received by the Employee in the Plan Year but for the Employee's election to defer or are attributable to services performed by the Employee in the Plan Year and, but for the Employee's election to defer, would have been received by the Employee within 2½ months after the close of the Plan Year.

Salary Deferrals made pursuant to a Salary Reduction Agreement may not be made earlier than the date the Participant performs the services to which such Salary Deferrals relate or the date the compensation subject to such Salary Reduction Agreement would be currently available to the Participant absent the deferral election (if earlier). Regardless of when a Participant elects to commence making Salary Deferrals, the Employer may delay commencement for a reasonable period of time in order to implement the Salary Reduction Agreement.

A Salary Reduction Agreement is valid even though it is executed by an Employee before such Employee actually has qualified as a Participant, so long as the Salary Reduction Agreement is not effective before the date the Employee is a Participant.

The Employer, through the Salary Reduction Agreement or in administrative procedures, may require that an Eligible Employee elect to defer more than \$200 for a Plan Year.

Unless a Salary Reduction Agreement is otherwise revised, if an Employee is absent from work by leave of absence, Salary Deferrals under the Plan shall continue to the extent that Plan Compensation continues.

In order to be effective, a Salary Reduction Agreement and any changes thereto must comply with any conditions or restrictions that may be applicable under State law, as well as the terms of the applicable Investment Arrangement.

- (b) **Change in deferral election.** An Employee must be permitted to enter into a new Salary Reduction Agreement or to modify or terminate an existing Salary Reduction Agreement at least once a year. The Employer may designate additional dates on the Salary Reduction Agreement form (or other written procedures) as to when a Participant may modify or terminate a Salary Reduction Agreement. Any election to modify or terminate a Salary Reduction Agreement will take effect within a reasonable period following such election and will apply only on a prospective basis. The Employer may allow an Employee to increase such Employee's deferral election up to the Elective Deferral Dollar Limit at any time during the last two months of the Plan Year. The rules for modifying a Salary Reduction Agreement are subject to the terms governing the applicable Investment Arrangement.
- (c) **Automatic Contribution Arrangement.** The Employer may elect under AA §6A-8 to provide for an automatic deferral election under the Plan. If the Employer elects to apply an automatic deferral election, the Employer will automatically withhold the amount designated under AA §6A-8 from Participants' Plan Compensation, unless the Participant completes a Salary Reduction Agreement electing a different deferral amount (including a zero deferral amount). Unless provided otherwise under AA §6A-8, an Employee who is automatically enrolled under a prior plan document will continue to be automatically enrolled under the current Plan document. If a Participant's Salary Reduction Agreement expires and the Participant fails to complete a new affirmative Salary Reduction Agreement subsequent to the prior Salary Reduction Agreement expiring, the Participant becomes subject to the automatic deferral percentage as specified in the Plan pursuant to the automatic contribution arrangement provisions. Each year, the Participant can always complete a new affirmative election and designate a new deferral percentage.
- (1) **Automatic Contribution Arrangement (ACA) other than an EACA.** The Employer may elect under AA §6A-8(a) to provide for an automatic deferral election under the requirements of an ACA that is not intended to be an EACA. Such an ACA must meet the requirements for automatic enrollment under applicable regulations under Code §403(b), but is not required to meet the requirements of an EACA as described in (2) below. A Participant in an ACA must receive notice of the right to make a different election (including an election not to defer) and must have a reasonable period of time to make such an election.
- (2) **Eligible Automatic Contribution Arrangement (EACA).** The Employer may elect under AA §6A-8(a) to provide for an automatic deferral election under the requirements of an EACA. If a Plan does not satisfy the requirements for an EACA for an entire Plan Year, the Plan will not be eligible for the special EACA provisions under subsection (ii) for such Plan Year, but will still be treated as an Automatic Contribution Arrangement. The failure to qualify as an EACA has no impact on the qualified status of the Plan or on the Employer's ability to

rely on the Favorable IRS Letter issued with respect to the Plan. Thus, the provisions under subsection (i) will continue to apply as selected in AA 6A-8 for the Plan Year, even if the Automatic Contributions Arrangement does not qualify as an EACA for the entire Plan Year.

- (i) **Definition of Eligible Automatic Contribution Arrangement (EACA).** The Plan will qualify as an EACA if the Plan provides for an automatic deferral election (as described in subsection (A)) and provides an annual written notice as described in subsection (D) below. Any Salary Deferrals withheld pursuant to an automatic deferral election will be deposited into the Participant's Salary Deferral Account.

- (A) **Automatic deferral election.** To qualify as an EACA, each Employee eligible to participate in the Plan must have a reasonable opportunity after receipt of the notice described in subsection (D) to make an affirmative election to defer (or an election not to defer) under the Plan before any automatic deferral election goes into effect. If an automatic deferral election applies under the Plan, such election will not apply to Participants who have entered into a Salary Reduction Agreement for an amount equal to or greater than the automatic deferral amount designated under AA §6A-8. The Employer also may elect to apply the automatic deferral election only to Participants who become eligible to participate after a specified date. If the Plan otherwise qualifies as an EACA but the automatic contribution arrangement does not apply to all eligible Employees (who have not entered into an affirmative deferral election), the Plan will not qualify for the extended 6-month correction period described in subsection (ii)(B) below.

An automatic deferral election ceases to apply with respect to any Employee who makes an affirmative election (that remains in effect) to make Salary Deferrals or to not have any Salary Deferrals made on such Employee's behalf. Salary Deferrals made pursuant to an automatic deferral election will cease as soon as administratively feasible after an Eligible Employee makes an affirmative deferral election. In addition, automatic deferrals will be reduced or stopped to meet the limitations under Code §§401(a)(17), 402(g), and 415 and to satisfy any suspension period required after a distribution.

Unless elected otherwise under AA §6A-7, a Participant's affirmative election to defer (or to not defer) will cease upon Severance from Employment. If a Participant's affirmative election to defer (or to not defer) ceases upon Severance from Employment, the Participant will be subject to the automatic deferral provisions of this subsection (A) upon rehire, including the default election provisions and the notice requirements under subsection (D) below.

- (B) **Uniformity requirement.** If an Eligible Employee does not make an affirmative deferral election, such Employee will be treated as having elected to make Salary Deferrals in an amount equal to a uniform percentage of Plan Compensation as set forth in AA §6A-8. For this purpose, an automatic deferral election will not fail to be a uniform percentage of Plan Compensation merely because:
- (I) The deferral percentage varies based on the number of years an eligible Employee has participated in the Plan (e.g., due to the application of an automatic increase provisions);
 - (II) The automatic deferral election does not reduce a Salary Deferral election in effect immediately prior to the effective date of the automatic deferral election; or
 - (III) The rate of Salary Deferrals is limited so as not to exceed the limits of Code §§401(a)(17), 402(g) (determined with or without Catch-Up Contributions) and 415.
- (C) **Automatic increase.** The Plan may provide under AA §6A-8 that the automatic deferral amount will automatically increase by a designated percentage each Plan Year. Unless designated otherwise under AA §6A-8(b)(4), in applying any automatic deferral increase under AA §6A-8, the initial deferral amount will apply for the period that begins when the employee first participates in the automatic contribution arrangement and ends on the last day of the following Plan Year. The automatic increase will apply for each Plan Year beginning with the Plan Year immediately following the initial deferral period and for each subsequent Plan Year. For example, if an Employee makes such Employee's first automatic deferral for the period beginning July 1, 2024, and no special election is made under AA §6A-8(b)(4), the first automatic increase would take effect on January 1, 2026 (assuming the Plan is using a calendar Plan Year) which is the first day of the Plan Year beginning after the first Plan Year following

the period for which the Employee makes such Employee's first automatic deferral under the Plan. Automatic increases must also comply with any applicable State law requirements.

- (D) **Annual notice requirement.** Each eligible Employee must receive a written notice describing the Participant's rights and obligations under the Plan which is sufficiently accurate and comprehensive to apprise the Employee of such rights and obligations and is written in a manner calculated to be understood by the average Plan Participant. The annual notice only needs to be provided to those Employees who are covered under the Automatic Contribution Arrangement. If it is impractical to provide the annual notice to a newly eligible Participant before the date such individual becomes eligible to participate under the Plan, the notice will be treated as timely if it is provided as soon as practicable after such date and the Employee is permitted to defer from Plan Compensation earned beginning on the date of participation.

- (I) **Contents of annual notice.** To qualify as an EACA, the annual notice must include a description of:

- (a) the level of Salary Deferrals which will be made on the Employee's behalf if the Employee does not make an affirmative election;
- (b) the Employee's right under the EACA to elect not to have Salary Deferrals made on the Employee's behalf (or to elect to have such Salary Deferrals made in a different amount or percentage of Plan Compensation);
- (c) how contributions under the EACA will be invested and, if the Plan provides for Participant direction of investment, how Salary Deferrals made pursuant to an automatic deferral election will be invested in the absence of an investment election by the Employee; and
- (d) the Employee's right to make a permissible withdrawal (as described under subsection (ii)(A) below), if applicable, and the procedures to elect such a withdrawal.

- (II) **Timing of annual notice.** The annual notice must be provided within a reasonable period before the beginning of each Plan Year (or, in the year an Employee becomes an eligible Employee, within a reasonable period before the Employee becomes an eligible Employee). In addition, a notice satisfies the timing requirements only if it is provided sufficiently early so that the Employee has a reasonable period of time after receipt of the notice and before the first Salary Deferral made under the arrangement to make an alternative deferral election.

The annual notice will be deemed timely if it is provided to each eligible Employee at least 30 days (and no more than 90 days) before the beginning of each Plan Year. In the case of an Employee who does not receive the notice within such period because the Employee becomes an eligible Employee after the 90th day before the beginning of the Plan Year, the timing requirement is deemed to be satisfied if the notice is provided no more than 90 days before the Employee becomes an eligible Employee (and no later than the date the Employee becomes an eligible Employee).

- (E) **Timing of automatic deferral.** Generally, the automatic deferral will commence as of the date the Employee is otherwise eligible to make Salary Deferrals under the Plan, if the Employee had completed a Salary Reduction Agreement. However, an automatic deferral will be treated as timely if the deferral is made pursuant to reasonable administrative procedures established by the Plan Administrator. If the Plan provides an Employee with a written notice as described in Section 3.03(c)(2)(i)(D) above no later than 30 days after such Employee's Entry Date, provides the Employee with the opportunity to make an affirmative Salary Reduction Agreement up to 30 days after the notice is provided, and in the absence of the Employee's affirmative Salary Reduction Agreement, provides that automatic deferrals will commence as soon as administratively practicable following the last day of the 30 day period, then the Plan will be treated as having a reasonable administrative procedure.

- (ii) **Special Rules for Eligible Automatic Contribution Arrangement (EACA).** If the Plan provides for an automatic deferral election provision under AA §6A-8 and such automatic deferral election qualifies as an EACA, the Employer may elect to offer special permissible withdrawals (as set forth in subsection

(A) below) and will qualify for the special delayed testing date for purposes of making refunds of Excess Aggregate Contributions (as described in subsection (B) below). To qualify as an EACA, the Plan must satisfy the provisions of subsection (i) for the entire Plan Year.

(A) **Permissible Withdrawals under EACA.** If so elected under AA §6A-8(c), any Employee who has Salary Deferrals contributed to the Plan pursuant to an automatic deferral election under an EACA may elect to withdraw such contributions (and earnings attributable thereto) in accordance with the requirements of this subsection (A). A permissible withdrawal under this subsection (A) may be made without regard to any elections under AA §10 and will not cause the Plan to fail the prohibition on in-service distribution applicable to Salary Deferrals under Section 8.08(c). In addition, such withdrawal may be made without regard to any notice or consent otherwise required under the Plan. Any Salary Deferrals that are distributed under this subsection (A) are not counted toward the Elective Deferral Dollar Limit.

(I) **Amount of distribution.** A distribution satisfies the requirement of this subsection (A) if the distribution is equal to the amount of Salary Deferrals made pursuant to the automatic deferral election through the effective date of the withdrawal election (as described in subsection (III)), adjusted for allocable gains and losses as of the date of the distribution.

The distribution amount determined under this subsection (I) may be reduced by any generally applicable fees. However, the Plan may not charge a greater fee for a permissible distribution under this subsection (A) than applies with respect to other Plan distributions.

(II) **Timing of permissible withdrawal election.** An election to withdraw Salary Deferrals under this subsection (A) must be made no later than 90 days after the date of the first default Salary Deferral under the EACA. The date of the first default Salary Deferral is the date that the Plan Compensation from which such Salary Deferrals are withheld would otherwise have been included in gross income. The Employer may designate an alternative period for making permissible withdrawals under AA §6A-8(c)(3).

(III) **Effective date of permissible withdrawal.** The effective date of a permissible withdrawal election cannot be later than the pay date for the second payroll period that begins after the election is made or, if earlier, the first pay date that occurs at least 30 days after the election is made. If an Employee does not make automatic deferrals to the Plan for an entire Plan Year (e.g., due to Severance from Employment), the Plan may allow such Employee to take a permissible withdrawal, but only with respect to default contributions made after the Employee's return to employment.

(IV) **Consequences of permissible withdrawal.** Any amount distributed under this subsection (A) is includible in the Employee's gross income for the Taxable Year in which the distribution is made. However, the portion of any distribution consisting of Roth Deferrals is not included in an Employee's gross income a second time. In addition, a permissible withdrawal under this subsection (A) is not subject to any penalty tax under Code §72(t). Unless the Employee affirmatively elects otherwise, any withdrawal request will be treated as an affirmative election to stop having Salary Deferrals made on the Employee's behalf as of the date specified in subsection (III) above.

(V) **Forfeiture of Matching Contributions.** In the case of any withdrawal made under this subsection (A), any Matching Contributions made with respect to such withdrawn Salary Deferrals must be forfeited. Any forfeiture of Matching Contributions under this subsection (V) will be made in accordance with the requirements of Section 7.13.

(B) **Expansion of corrective distribution period for EACAs.** If the Plan qualifies as an EACA (as defined in subsection (i) above), the corrective distribution provisions applicable to Excess Aggregate Contributions are modified to allow a corrective distribution no later than 6 months (instead of 2½ months) after the last day of the Plan Year in which such excess amounts arose.

(d) **Age 50 Catch-Up Contributions.** Unless otherwise elected under AA §6A-4 and subject to the terms of the applicable Investment Arrangement(s), a Participant who is aged 50 or over by the end of such Participant's taxable year beginning in the calendar year may make Age 50 Catch-Up Contributions under the Plan, provided such Age 50 Catch-Up Contributions are in excess of an otherwise applicable limit under the Plan. For this purpose, an otherwise applicable Plan limit is a limit in the Plan that applies to Salary Deferrals without regard to Age 50 Catch-up

Contributions, such as the Code §415 Limitation (described in Section 5.03) and the Elective Deferral Dollar Limit (described in Section 5.02).

- (1) **Age 50 Catch-Up Contribution Limit.** Age 50 Catch-up Contributions for a Participant for a calendar year may not exceed the Age 50 Catch-Up Contribution Limit. The Age 50 Catch-Up Contribution Limit for calendar years beginning in 2024 is \$7,500. For calendar years beginning after 2024, the Age 50 Catch-Up Contribution Limit will be adjusted for cost-of-living increases under Code §414(v)(2)(C).
 - (2) **Special treatment of Catch-Up Contributions.** Age 50 Catch-up Contributions are not subject to the Elective Deferral Dollar Limit or the Code §415 Limitation.
- (e) **Special Catch-Up Contributions for certain Employees of Qualified Organizations.** Unless otherwise elected under AA §6A-4 and subject to the terms of the applicable Investment Arrangement(s) and Treas. Reg. §1.403(b)-4(c)(3), solely for a Participant who is an Employee with 15 years of service (as defined in Treas. Reg. §1.403(b)-4(c)(3)) with an Employer that is a Qualified Organization (a “Qualified Employee”), the limit under Code §402(g) for a Participant’s taxable year is increased by the least of the following:
- (1) \$3,000;
 - (2) The excess of:
 - (i) \$15,000, reduced by
 - (ii) The total Special §403(b) Catch-up Contributions made for the Qualified Employee by the Qualified Organization for prior years; or
 - (3) The excess of:
 - (i) \$5,000 multiplied by the number of Years of Service of the Employee with the Qualified Organization, reduced by
 - (ii) The total Salary Deferrals made for the Employee by the Qualified Organization for prior years.
- (f) **Coordination of Age 50 Catch-Up Contributions and Special Catch-Up Contributions.** The Plan will treat any catch-up amount that is contributed by an Employee who is eligible for both the Age 50 Catch-Up Contribution and Special Catch-Up Contribution first as a Special Catch-Up Contribution to the extent permitted and then as an Age 50 Catch-Up Contribution. However, in no event may the amount of Salary Deferrals for a year exceed the Participant’s Plan Compensation for the year.
- (g) **Roth Deferrals.** If permitted under AA §6A-5 and subject to the terms of the applicable Investment Arrangement(s), a Participant may designate all or a portion of such Participant’s Salary Deferrals as Roth Deferrals. For this purpose, a Roth Deferral is a Salary Deferral that satisfies the following conditions.
- (1) **Irrevocable election.** The Participant makes an irrevocable election (at the time the Participant enters into such Participant’s Salary Reduction Agreement) designating all or a portion of such Participant’s Salary Deferrals as Roth Deferrals. The irrevocable election applies with respect to Salary Deferrals that are made pursuant to such election. A Participant may modify or change a Salary Reduction Agreement to increase or decrease the amount of Salary Deferrals designated as Roth Deferrals, provided such change or modification applies only with respect to Salary Deferrals made after such change or modification. (See subsection (b) above for rules regarding the timing of permissible changes or modifications to a Participant’s Salary Reduction Agreement.)
 - (2) **Subject to immediate taxation.** To the extent a Participant designates all or a portion of such Participant’s Salary Deferrals as Roth Deferrals, such amounts will be includible in the Participant’s income at the time the Participant would have received the contribution amounts in cash if the Employee had not made the Salary Deferral election.
 - (3) **Separate account.** Any amounts designated as Roth Deferrals will be maintained by the Plan in a separate Roth Deferral Account. The Plan will credit and debit all contributions and withdrawals of Roth Deferrals to such separate Account. The Plan will separately allocate gains, losses, and other credits and charges to the Roth Deferral Account on a reasonable basis that is consistent with such allocations for other Accounts under the Plan. However, in no event may the Plan allocate forfeitures under the Plan to the Roth Deferral Account. The Plan will separately track Participants’ accumulated Roth Deferrals and the earnings on such amounts.

- (4) **Satisfaction of Salary Deferral requirements.** Roth Deferrals are subject to the same requirements as apply to Salary Deferrals. Thus, Roth Deferrals are subject to the following requirements:
- (i) Roth Deferrals are always 100% vested;
 - (ii) Roth Deferrals are subject to the Elective Deferral Dollar Limit. For this purpose, all Salary Deferrals (both Pre-Tax Deferrals and Roth Deferrals) are aggregated in applying the Elective Deferral Dollar Limit;
 - (iii) Roth Deferrals are subject to the same distribution restrictions as apply to Salary Deferrals under Section 8.08(c); and
 - (iv) Roth Deferrals are subject to the required minimum distribution requirements under Code §401(a)(9).
- (5) **Rollover of Roth Deferrals.**
- (i) **Rollovers from this Plan.** For purposes of the rollover rules under Section 8.04, a Direct Rollover of a distribution from a Participant's Roth Deferral Account will only be made to another Roth Deferral Account under a qualified plan described in Code §401(a) or an annuity contract or custodial account described in Code §403(b) or to a Roth IRA described in §408A, and only to the extent the rollover is permitted under the rules of Code §402(c).
 - (ii) **Rollovers to this Plan.** Subject to the provisions under Article 4, a Participant may make a Rollover Contribution to such Participant's Roth Deferral Account only if the rollover is a Direct Rollover from another Roth Deferral Account under a qualified retirement plan (as described in Article 4) and only to the extent the rollover is permitted under the rules of Code §402(c). A rollover of Roth Deferrals may not be made to this Plan from a Roth IRA. Any rollover of Roth Deferrals to this Plan will be held in a separate Roth Rollover Account.
 - (iii) **Minimum rollover amount.** The Plan will not provide for a Direct Rollover (including an Automatic Rollover) for distributions from a Participant's Roth Deferral Account if it is reasonably expected (at the time of the distribution) that the total amount the Participant will receive as a distribution during the calendar year will total less than \$200. In addition, any distribution from a Participant's Roth Deferral Account is not taken into account in determining whether distributions from a Participant's other Accounts are reasonably expected to total less than \$200 during a year. However, Eligible Rollover Distributions from a Participant's Roth Deferral Account are taken into account in determining whether the total amount of the Participant's Account Balances under the Plan exceeds the applicable threshold for purposes of applying the Automatic Rollover provisions under Section 8.05.
 - (iv) **Separate treatment of Roth Deferrals.** The provisions under Section 8.04 that allow a Participant to elect a Direct Rollover of only a portion of an Eligible Rollover Distribution but only if the amount rolled over is at least \$500 is applied by treating any amount distributed from the Participant's Roth Deferral Account as a separate distribution from any amount distributed from the Participant's other Accounts in the Plan, even if the amounts are distributed at the same time.
- (h) **In-Plan Roth Conversions.** Effective on or after January 1, 2013, the Employer may elect under the §6-5(c) to permit In-Plan Roth Conversions under the Plan. For this purpose, an In-Plan Roth Conversion is a conversion of amounts held in a Participant's Plan Account, other than a Roth Deferral Account or Roth Rollover Account, into the Participant's In-Plan Roth Conversion Account under the Plan, pursuant to Code §402A(c)(4). Any election to make an In-Plan Roth Conversion during a Taxable Year may not be changed after the In-Plan Roth Conversion is completed. (For In-Plan Roth Conversions completed prior to January 1, 2013, a Participant had to be eligible to receive a distribution of the converted amounts at the time of the In-Plan Roth Conversion. The provisions of this Section 3.03 (f) do not affect an In-Plan Roth Conversion completed prior to January 1, 2013.)

An In-Plan Roth Conversion may be elected by a Participant, a Spousal beneficiary, or an Alternate Payee who is a Spouse or former Spouse. To the extent the term "Participant" is used for purposes of determining eligibility to make an In-Plan Roth Conversion, such term will also include a Spousal beneficiary and an Alternate Payee who is a Spouse or former Spouse.

- (I) **Amounts Eligible for In-Plan Roth Conversion.** If permitted under the Adoption Agreement, a Participant may convert any portion of such Participant's vested Account Balance (other than amounts attributable to Roth Deferrals or Roth Deferral rollovers) to an In-Plan Roth Conversion Account. Unless elected otherwise under the Adoption Agreement, a Participant need not be eligible to receive a distribution from the Plan at the time of

the In-Plan Roth Conversion. Any In-Plan Roth Conversion of otherwise nondistributable amounts can only occur via a Direct Rollover (unlike distributable amounts which may instead use a 60-day rollover method).

In addition, an In-Plan Roth Conversion will not be treated as a distribution for the following purposes:

- (i) **Participant loans.** A Participant loan directly transferred into an In-Plan Roth Conversion without changing the repayment schedule is not treated as a new loan. The Employer may elect in the Adoption Agreement to not permit Participant loans to be distributed as part of an In-Plan Roth Conversion.
 - (ii) **Spousal consent.** An In-Plan Roth Conversion is not treated as a distribution for purposes of applying the spousal consent requirements applicable to the Plan. Thus, a married Plan Participant is not required to obtain spousal consent in connection with an election to make an In-Plan Roth Conversion.
 - (iii) **Participant consent.** An In-Plan Roth Conversion is not treated as a distribution for purposes of applying the Participant consent requirements applicable under the Plan. Thus, amounts that are converted as part of an In-Plan Roth Conversion continue to be taken into account in determining whether the Participant's vested Account Balance exceeds \$5,000 for purposes of applying the Involuntary Cash-Out Distribution provisions and will not trigger the requirement for a notice of the Participant's right to defer receipt of the distribution.
 - (iv) **Protected benefits.** An In-Plan Roth Conversion is not treated as a distribution under the Plan. Thus, a Participant who had a distribution right (such as a right to an immediate distribution) prior to the In-Plan Roth Conversion cannot have that distribution right eliminated solely as a result of the election to make an In-Plan Roth Conversion. The Employer may have to maintain separate accounts with respect to different contribution types within the In-Plan Roth Conversion Account in order to protect distribution options related to such different contribution types.
 - (v) **Mandatory withholding.** An In-Plan Roth Conversion is not subject to 20% mandatory withholding under Code §3405(c).
 - (vi) **Distribution restrictions.** Generally, a distribution will be permitted from the In-Plan Roth Conversion Account to the extent permitted for regular Roth Deferrals under AA §10-1. However, as described in subsection (iv) above, additional distribution options may need to be protected with respect to specific contribution types. The distribution restrictions normally applicable to Roth Deferrals, as described in Section 8.09(c) of the Plan, do not apply to the extent the conversion is from a contribution type that is not otherwise subject to the distribution restrictions applicable to Roth Deferrals. In addition, distribution restrictions that otherwise apply with respect to a specific contribution type will continue to apply if such contribution type is converted to Roth Deferrals.
- (2) **Contribution types.** Unless elected otherwise under the AA, an In-Plan Roth Conversion may be made from any contribution type under the Plan, other than a Roth Deferral Account or Roth Rollover Account. The Employer may elect in AA §6A-5(c)(3) to limit the contribution types that are eligible for In-Plan Roth Conversion. In addition, the Employer may elect in AA §6A-5(c)(4) to limit In-Plan Roth Conversions to contribution accounts that are 100% vested.

3.04 **Matching Contributions.** The Employer may elect under AA §6B to authorize Matching Contributions under the Plan. If the Employer elects more than one Matching Contribution formula under AA §6B-2, each formula is applied separately. A Participant's aggregate Matching Contributions will be the sum of the Matching Contributions under all such formulas. Any Matching Contribution made under the Plan will be allocated to Participants' Matching Contribution Account. To receive an allocation of Matching Contributions, a Participant must satisfy any allocations conditions designated under the Plan.

A contribution will not be considered a Matching Contribution if such contribution is contributed before the underlying Salary Deferral or After-Tax Employee Contribution election is made or before an Employee performs the services with respect to which the underlying Salary Deferrals or After-Tax Employee Contributions are made (or when the cash that is subject to such election would be currently available, if earlier). A Matching Contribution will not be treated as failing to satisfy the requirements of this paragraph merely because contributions are occasionally made before the Employee performs the services with respect to which the underlying Salary Deferral or After-Tax Employee Contribution election is made (or when the cash that is subject to such elections would be currently available, if earlier) in order to accommodate bona fide administrative considerations (and such amounts are not paid early for the principal purpose of accelerating deductions).

- (a) **Contributions eligible for Matching Contributions.** The Matching Contribution formula(s) apply to Salary Deferrals made under the Plan, to the extent authorized under the Adoption Agreement. The Employer may elect under AA §6C-2(c) to include After-Tax Employee Contributions in the Matching Contribution formula(s). If the Matching

Contribution formula(s) applies to both Salary Deferrals and After-Tax Employee Contributions, such contributions are aggregated to determine the Matching Contributions under the Plan. Any reference to Salary Deferrals under the Matching Contribution formula(s) includes After-Tax Employee Contributions to the extent such amounts are eligible for Matching Contributions under the Plan.

In addition, the Employer may elect under AA §6B-3(b) to match Elective Deferrals under another 403(b) plan, a qualified plan under Code §401(a) or qualifying 457 plan maintained by the Employer. If the Employer elects to make a Matching Contribution based on the Employee's Elective Deferrals or Roth Deferrals under another 403(b) plan, a qualified plan under Code §401(a) or §457 plan, the Employer shall make a Matching Contribution on behalf of any eligible Participant who makes Elective Deferrals or Roth Deferrals to the plan designated under AA §6B-3(b). Any such Matching Contribution made to the Plan will be allocated in accordance with any special provisions added under AA §6B-3(b). Any such Matching Contributions will be in addition to any Matching Contributions made with respect to Salary Deferrals or After-Tax Employee Contributions under this Plan.

- (b) **Period for determining Matching Contributions.** AA §6B-5 sets forth the period for which the Matching Contribution formula(s) applies. For this purpose, the period designated in AA §6B-5 applies for purposes of determining the amount of Salary Deferrals (and After-Tax Employee Contributions, if applicable) taken into account in applying the Matching Contribution formula(s) and in applying any limits on the amount of Salary Deferrals that may be taken into account under the Matching Contribution formula(s).

If the Employer elects a discretionary Matching Contribution under AA §6B-2, the Employer may elect to make a different Matching Contribution for each period designated in AA §6B-5. Thus, for example, if the discretionary Matching Contribution is based on the Plan Year quarter under AA §6B-5, the Employer may elect to make a different level of Matching Contribution for each Plan Year quarter.

- (c) **True-up contributions.** If the Employer makes Matching Contributions more frequently than annually, the Employer may have to make true-up contributions for Participants. True-up contributions will be required if the Employer actually contributes Matching Contributions to the Plan on a more frequent basis than the period that is used to determine the amount of the Matching Contributions under AA §6B-5. For example, if Matching Contributions apply with respect to Salary Deferrals made for the Plan Year, but the Employer contributes the Matching Contributions on a quarterly basis, the Employer may have to make a true-up contribution to any Participant based on Salary Deferrals for the Plan Year. If a true-up contribution is required under this subsection, the Employer may make such additional contribution as required to satisfy the contribution requirements under the Plan.

If a period other than the Plan Year is selected under AA §6B-5, the Employer may make an additional discretionary Matching Contribution equal to the true-up contribution that would otherwise be required if Plan Year was selected under AA §6B-5. If an additional discretionary Matching Contribution is made under this subsection (c), such contribution must be provided to all eligible Participants who would otherwise be entitled to a true-up contribution based on Plan Compensation for the Plan Year.

- 3.05 **After-Tax Employee Contributions.** The Employer may elect under AA §6C-2 to allow Participants to make After-Tax Employee Contributions under the Plan. If permitted under AA §6C-2, as applicable, a Participant's compensation will be reduced by the amount the Participant elects to contribute as an After-Tax Employee Contribution. Any After-Tax Employee Contributions made under the Plan will be held in Participants' After-Tax Employee Contribution Account, which are always 100% vested. The Employer has a reasonable period of time to begin withholding After-Tax Employee Contributions with respect to an Eligible Participant.

A Participant may increase, decrease, discontinue or resume such Participant's After-Tax Employee Contributions as set forth in AA §6C-2(d), as applicable. An Employee must be permitted to modify or terminate an existing After-Tax Employee Contribution election at least once a year. The Employer may designate additional dates on the After-Tax Employee Contribution election form (or other written procedures) as to when a Participant may commence, modify or terminate After-Tax Employee Contributions. Alternatively, the Employer may designate under the Adoption Agreement, specific dates as of which a Participant may commence, modify or terminate After-Tax Employee Contributions. Any election to modify or terminate an After-Tax Employee Contribution election will take effect within a reasonable period following such election and will apply only on a prospective basis.

A Participant may withdraw amounts from such Participant's After-Tax Employee Contribution Account at any time, in accordance with the distribution rules under Section 8.08(a), except as otherwise provided under AA §10. No forfeitures will occur solely as a result of an Employee's withdrawal of After-Tax Employee Contributions. The Employer may collect Participants' After-Tax Employee Contributions using payroll reduction or other collection procedures. The Employer may designate in the Adoption Agreement or in separate administrative procedures any special rules regarding the acceptance of After-Tax Employee Contributions.

3.06 Allocation Conditions. In order to receive an allocation of Employer Contributions (other than Salary Deferrals) or an allocation of Matching Contributions, a Participant must satisfy any allocation conditions designated under AA §6-7 or AA §6B-7, as applicable. If the Employer elects under AA §6-7(c) or AA §6B-7(c) to apply a minimum service requirement, the Employer may elect to base such minimum service requirement on the basis of Hours of Service or on the basis of consecutive days of employment under the Elapsed Time method.

- (a) **Application to designated period.** Instead of applying the allocation conditions on the basis of the Plan Year, the Employer may elect in AA §6-7(d) or AA §6B-7(d) to apply the allocation conditions on the basis of designated periods. If the Employer elects to apply a last day of employment condition on the basis of designated periods, a Participant will not be entitled to an allocation of Employer Contributions or Matching Contributions for any period designated under AA §6-7(d)(1) or AA §6B-7(d)(1), as applicable, unless the Participant is employed by the Employer at the end of such designated period. If the Employer elects to apply an Hours of Service allocation condition on the basis of designated periods, a Participant will not be entitled to an allocation of Employer Contributions or Matching Contributions for any period designated under AA §6-7(d)(1) or AA §6B-7(d)(1), as applicable, unless the Participant satisfies the required service condition before the end of such designated period.

If the Employer elects to apply the allocation conditions on the basis of designated periods, the Employer may elect to apply any Hours of Service condition using the cumulative method (as described in subsection (1) below) or the period-by-period method (as described in subsection (2) below). The Employer may elect operationally to use either method in applying the Hours of Service condition, provided the Employer uses the same method for all affected Employees during any given period.

- (1) **Cumulative method.** Under the cumulative method, the Hours of Service condition is applied with respect to each designated period on a cumulative basis for the Plan Year. The required service condition for any period is determined by multiplying the required Hours of Service (or days of employment, if applicable) by a fraction, the numerator of which is the total number of periods completed during the Plan Year (including the current period) and the denominator of which is the total number of periods during the Plan Year. For example, if a Participant must complete 1,000 Hours of Service to receive an Employer Contribution or Matching Contribution under the Plan, and the Employer elects to apply such condition on the basis of Plan Year quarters under AA §6-7(d)(1)(i) or AA §6B-7(d)(1)(i), as applicable, a Participant would have to complete 250 Hours of Service by the end of the first Plan Year quarter [$1/4 \times 1,000$], 500 Hours of Service by the end of the second Plan Year quarter [$2/4 \times 1,000$], 750 Hours of Service by the end of the third Plan Year quarter [$3/4 \times 1,000$] and 1,000 Hours of Service by the end of the Plan Year [$4/4 \times 1,000$] to receive an allocation of the Employer Contribution or Matching Contribution for such period. If a Participant does not satisfy the required service condition for any designated period during the Plan Year, no Employer Contribution or Matching Contribution will be allocated to that Participant for such period.
- (2) **Period-by-period method.** Under the period-by-period method, the minimum service allocation condition is applied separately for each designated period. The required service condition for any period is determined by multiplying the required Hours of Service (or days of employment, if applicable) by a fraction, the numerator of which is one (1) and the denominator of which is the total number of periods during the Plan Year. For example, if a Participant must complete 1,000 Hours of Service to receive an Employer Contribution or Matching Contribution under the Plan, and the Employer elects to apply such condition on the basis of Plan Year quarters under AA §6-7(d)(1)(i) or AA §6B-7(d)(1)(i), as applicable, a Participant would have to complete 250 Hours of Service in each Plan Year quarter [$1/4 \times 1,000$] to receive an allocation of the Employer Contribution or Matching Contribution for such period. If a Participant does not satisfy the required service condition for any designated period during the Plan Year, no Employer Contribution or Matching Contribution will be allocated to that Participant for such period.

- (b) **Special rule for year of Plan termination.** A last day employment condition automatically applies for any Plan Year in which the Plan is terminated, regardless of whether the Employer has elected to apply a last day employment condition under AA §6-7(b) or AA §6B-7(b), as applicable. Thus, the Employer will not be obligated to make an Employer Contribution or Matching Contribution for the Plan Year in which the Plan terminates, unless the Employer provides for an Employer Contribution and/or Matching Contribution in its termination amendment. If there are unallocated forfeitures at the time of Plan termination, such forfeitures will be allocated to Participants under the Plan's procedures for allocating forfeitures.

3.07 Service with Predecessor Employers. If the Employer maintains the plan of a Predecessor Employer, any service with such Predecessor Employer is treated as service with the Employer for purposes of applying the allocation conditions under this Section. If the Employer does not maintain the plan of a Predecessor Employer, service with such Predecessor Employer does not count for purposes of applying the allocation conditions under this Section, unless the Employer specifically designates under AA §4-5 to credit service with such Predecessor Employer. Unless designated otherwise under AA §4-5, if the Employer takes into account service with a Predecessor Employer, such service will count for purposes of eligibility under Section 2 (see

Section 2.06), vesting under Section 7 (see Section 7.06) and for purposes of the minimum allocation conditions under this Section.

SECTION 4 ROLLOVER CONTRIBUTIONS AND TRANSFERS

This Section 4 provides the rules regarding Rollover Contributions and transfers that may be made under this Plan, subject to any limitations under the applicable Investment Arrangement. The Plan Administrator has the authority under Section 11 to accept Rollover Contributions under this Plan and to enter into transfer agreements concerning the transfer of assets from another plan to this Plan.

4.01 Rollover Contributions. Subject to the terms governing the applicable Investment Arrangement, an Employee (or former Employee) may make a Rollover Contribution to this Plan from a qualified retirement plan or from an IRA, if the acceptance of rollovers is permitted under AA §C-2 or if the Plan Administrator adopts administrative procedures regarding the acceptance of Rollover Contributions. Any Rollover Contribution an Employee (or former Employee) makes to this Plan will be held in the Employee's Rollover Contribution Account (or Roth Rollover Account), which is always 100% vested. Subject to the terms governing the applicable Investment Arrangement a Participant may withdraw amounts from such Participant's Rollover Contribution Account at any time, in accordance with the distribution rules under Section 8, except as prohibited under AA §10. Any amounts received as a Rollover Contribution under this Section 4.01 will not be treated as an Annual Addition for purposes of applying the Code §415 Limitation.

For purposes of this Section 4.01, a qualified retirement plan is a tax-qualified retirement plan described in Code §401(a) or Code §403(a), a Code §403(b) plan, or an eligible plan under §457(b) of the Code which is maintained by a State, political subdivision of a State, or any agency or instrumentality of a State or political subdivision of a State. To qualify as a Rollover Contribution under this Section, the Rollover Contribution must be transferred directly from the qualified retirement plan or IRA in a Direct Rollover or must be transferred to the Plan by the Employee within sixty (60) days following receipt of the amounts from the qualified plan or IRA. The Plan will not accept rollovers of non-deductible IRA contributions.

If Rollover Contributions are permitted, an Employee (or former Employee) may make a Rollover Contribution to the Plan even if the Employee is not a Participant with respect to any or all other contributions under the Plan, unless otherwise prohibited under AA §C-2 or separate administrative procedures adopted by the Plan Administrator. An Employee who makes a Rollover Contribution to this Plan prior to becoming a Participant shall be treated as a Participant only with respect to such Rollover Contribution Account but shall not be treated as a Participant with respect to other contribution types under the Plan until such Participant otherwise satisfies the eligibility conditions for participation under the Plan. To the extent Participant loans are authorized under the Plan, a "limited Participant" under this paragraph may request a Participant loan from the Rollover Contribution Account, unless provided otherwise under AA §B-3 or separate administrative procedures adopted by the Plan Administrator.

The Plan Administrator may refuse to accept a Rollover Contribution if the Plan Administrator reasonably believes the Rollover Contribution:

- (a) is not being made from a proper plan or IRA;
- (b) is not being made within sixty (60) days from receipt of the amounts from a qualified retirement plan or IRA;
- (c) could jeopardize the tax-exempt status of the Plan; or
- (d) could create adverse tax consequences for the Plan or the Employer.

Prior to accepting a Rollover Contribution, the Plan Administrator may require the Employee to provide satisfactory evidence establishing that the Rollover Contribution meets the requirements of this Section 4.01. The Plan Administrator may only accept a Rollover Contribution that includes After-Tax Employee Contributions or Roth Deferrals if the Plan Administrator obtains information regarding the Participant's tax basis (as determined under Code §72) on such amounts.

Under Treas. Reg. §1.401(a)(31)-1, Q&A-14, if the Plan accepts an invalid Rollover Contribution, the contribution will be treated, for purposes of applying the qualification requirements of Code §401(a) to the Plan, as if it were a valid Rollover Contribution if two conditions are satisfied:

- (a) When accepting the amount from the Employee as a Rollover Contribution, the Plan Administrator must reasonably conclude that the contribution is a valid Rollover Contribution; and
- (b) If the Plan Administrator later determines that the contribution was an invalid Rollover Contribution, the Plan Administrator must distribute the amount of the invalid Rollover Contribution, plus any earnings attributable thereto, to the Employee within a reasonable time after such determination.

The Plan Administrator may use reasonable criteria in determining whether a Rollover Contribution is valid. Thus, the Plan Administrator may access the EFAST2 database maintained by the DOL to assist in determining whether a potential Rollover

Contribution was distributed by a plan intended to be a qualified plan. If the Plan Administrator later determines that the Rollover Contribution was not valid, the Plan Administrator must have the amount rolled over plus any attributable earnings distributed within a reasonable period of time after such determination.

Effective for Taxable Years beginning after December 31, 2017, the period during which a Qualified Plan Loan Offset Amount may be contributed to the Plan as a Rollover Contribution is extended from 60 days after the date of the offset to the due date (including extensions) for filing the individual's Federal income tax return for the Taxable Year in which the Plan loan offset occurs. A Qualified Plan Loan Offset Amount is a Plan loan offset amount that is treated as distributed from a tax-qualified retirement plan described in Code §401(a) or Code §403(a), a Code §403(b) plan, or a governmental plan under Code §457(b) solely by reason of termination of the Plan or failure to meet the repayment terms of the loan because of Severance from Employment.

Notwithstanding any other provision of the Plan, the Plan Administrator may accept any Rollover Contribution that satisfies the requirements, including the time period to make Rollover Contributions, under Code §402(c) and applicable IRS regulations and other guidance. Thus, for example, the Plan Administrator may accept a Rollover Contribution as provided under Revenue Procedure 2016-47 relating to the waiver of the 60-day rollover period and acceptable self-certification by an Employee.

The Plan Administrator may apply different conditions for accepting Rollover Contributions from qualified retirement plans and IRAs. For example, the Plan Administrator may decide in its discretion whether to accept a Direct Rollover of a loan note from another retirement plan. Any conditions on Rollover Contributions must be applied uniformly to all Employees under the Plan.

- 4.02** **Contract Exchanges and Transfers.** Provided that the Plan allows contract exchanges or plan-to-plan transfers and subject to the terms governing the applicable Investment Arrangement, the Plan Administrator may accept such exchange or transfer from one Code §403(b) investment to another investment, provided the requirements under Sections 14.04 and 14.05 are satisfied. The Employer may set forth restrictions on contract exchanges and transfers in Addendum B of the Adoption Agreement.

SECTION 5 LIMITS ON CONTRIBUTIONS

5.01 Limits on Employer Contributions. Any contributions the Employer makes under the Plan are subject to the limitations set forth in this Section 5.

- (a) **Limitation on Salary Deferrals.** Any Salary Deferrals made under the Plan are subject to the Elective Deferral Dollar Limit, as described in Section 5.02 below.
- (b) **Limitation on total Employer Contributions.** All Employer Contributions the Employer makes under the Plan are subject to the Code §415 Limitation, as described in Section 5.03 below. For purposes of applying the Code §415 Limitation, Employer Contributions include any Employer Contributions, Salary Deferrals, or Matching Contributions made under the Plan.

5.02 Elective Deferral Dollar Limit. No Participant may contribute as Elective Deferrals to this Plan (and any other plan, contract or arrangement maintained by the Employer) during any calendar year, an amount that exceeds the Elective Deferral Dollar Limit in effect for the Participant's taxable year beginning in such calendar year. Additional restrictions apply if a Participant participates in a plan maintained by an unrelated employer.

The Elective Deferral Dollar Limit is \$23,000 for calendar years beginning in 2024. For calendar years beginning after 2024, the Elective Deferral Dollar Limit will be adjusted for cost-of-living increases under Code §402(g)(4). Any such adjustments will be in multiples of \$500.

The Elective Deferral Dollar Limit is increased by the Age 50 Catch-Up Contribution Limit and the Special Catch-Up Contribution Limit for eligible Participants. If the Plan does not provide for Age 50 Catch-up Contributions or the Special Catch-Up Contributions under AA §6A-4, the Elective Deferral Dollar Limit is not increased.

- (a) **Excess Deferrals.** Excess Deferrals are Elective Deferrals made during the Participant's taxable year that exceed the Elective Deferral Dollar Limit (as described above) for such year; counting only Elective Deferrals made under this Plan and any other plan, contract or arrangement maintained by the Employer. (See subsection (b)(6) below for provisions that apply when a Participant makes Elective Deferrals to a plan of an unrelated Employer.)
- (b) **Correction of Excess Deferrals.** If a Participant makes Excess Deferrals (i.e., Elective Deferrals in excess of the Elective Deferral Dollar Limit) under this Plan and any other plan maintained by the Employer, such Excess Deferrals (plus allocable income or loss) shall be distributed to the Participant no later than April 15 of the following calendar year.
 - (1) **Amount of corrective distribution.** The amount to be distributed from this Plan as a correction of Excess Deferrals equals the amount of Elective Deferrals the Participant contributes during the taxable year to this Plan and any other plan maintained by the Employer in excess of the Elective Deferral Dollar Limit, reduced by any corrective distribution of Excess Deferrals the Participant receives during the calendar year from this Plan or other plan(s) maintained by the Employer.
 - (2) **Allocable gain or loss.** A corrective distribution of Excess Deferrals must include any allocable gain or loss for the taxable year in which the Excess Deferrals are contributed to the Plan. The gain or loss allocable to Excess Deferrals may be determined in any reasonable manner, provided the manner used to determine allocable gain or loss is applied consistently for all Participants and in a manner that is reasonably reflective of the method used by the Plan for allocating income to Participants' Accounts.
 - (3) **Taxation of corrective distribution.** If a corrective distribution of Excess Deferrals is made by April 15 of the following calendar year, amounts attributable to the Excess Deferrals will be includible in the Participant's gross income in the Taxable Year in which such amounts are deferred under the Plan and amounts attributable to income or loss on the Excess Deferrals will be includible in gross income in the year of distribution. If a corrective distribution of Excess Deferrals is made after April 15, the amount of the corrective distribution attributable to Excess Deferrals will be includible in the Participant's gross income in both the Taxable Year in which such amounts are deferred under the Plan and the Taxable Year in which such amounts are distributed.
 - (4) **Coordination with other provisions.** A corrective distribution of Excess Deferrals made by April 15 of the following calendar year may be made without consent of the Participant or the Participant's Spouse, and without regard to any distribution restrictions applicable under Section 8. A corrective distribution of Excess Deferrals made by the appropriate April 15 also is not treated as a distribution for purposes of applying the required minimum distribution rules.

- (5) **Suspension of Salary Deferrals.** If a Participant's Salary Deferrals under this Plan, in combination with any Elective Deferrals the Participant makes during the calendar year under any other plan maintained by the Employer, equal or exceed the Elective Deferral Dollar Limit, the Employer may suspend the Participant's Salary Deferrals under this Plan for the remainder of the calendar year without the Participant's consent.
- (6) **Correction of Excess Deferrals under plans not maintained by the Employer.** The correction provisions under this subsection (b) apply only if a Participant makes Excess Deferrals under this Plan (or under this Plan and other plans maintained by the Employer). However, if a Participant has Excess Deferrals for a calendar year on account of making Elective Deferrals to a plan of an unrelated employer, the Participant may assign to this Plan any portion of such Participant's Elective Deferrals made under all plans during the calendar year to the extent such Elective Deferrals exceed the Elective Deferral Dollar Limit. The Participant must notify the Plan Administrator in writing on or before March 1 of the following calendar year of the amount of the Excess Deferrals to be assigned to this Plan. Upon receipt of a timely notification, the Excess Deferrals assigned to this Plan will be distributed (along with any allocable income or loss) to the Participant in accordance with the corrective distribution provisions under this subsection (b). A Participant is deemed to notify the Plan Administrator of Excess Deferrals to the extent such Excess Deferrals arise only under this Plan and any other plan maintained by the Employer.

5.03 Code §415 Limitation on Annual Additions.

- (a) **General limitation on Annual Additions.** A Participant's Annual Additions under the Plan for a Limitation Year may not exceed the Maximum Annual Addition as set forth below.
- (b) **Aggregation of §403(b) plans of the Employer.** If Annual Additions are credited to a Participant under any §403(b) plans of the Employer in addition to this Plan for a Limitation Year, the sum of the Participant's Annual Additions for the Limitation Year under this Plan and such other §403(b) plans may not exceed the Maximum Annual Addition as set forth below.
- (c) **Aggregation where Participant is in control of any Employer.** If a Participant is in control of any employer for a Limitation Year, the sum of the Participant's Annual Additions for the Limitation Year under this Plan, any other §403(b) plans of the Employer, any defined contribution plans maintained by controlled employers, and any §403(b) plans of any other employers may not exceed the Maximum Annual Addition as set forth below. For purposes of this paragraph, a Participant is in control of an employer based upon the rules of Code §§414(b), 414(c), and 415(h); and a defined contribution plan means a defined contribution plan that is qualified under Code §401(a) or §403(a), a §403(b) plan, or a simplified employee pension within the meaning of Code §408(k).
- (d) **Annual notice to Participants.** The Plan Administrator will provide written or electronic notice to Participants that explains the limitation in Section 5.03(c) in a manner calculated to be understood by the average Participant and informs Participants of their responsibility to provide information to the Plan Administrator that is necessary to satisfy Section 5.03(c). The notice will advise Participants that the application of the limitations in Section 5.03(c) will take into account information supplied by the Participant and that failure to provide necessary and correct information to the Plan Administrator could result in adverse tax consequences to the Participant, including the inability to exclude contributions to the Plan under Code §403(b). The notice will be provided annually, beginning no later than the year in which the Employee becomes a Participant.
- (e) **Coordination of limitation on Annual Additions where Employer has another §403(b) Pre-Approved Plan or Participant is in control of Employer.** Unless otherwise provided in AA §11-3, the Annual Additions which may be credited to a Participant under this Plan for any Limitation Year will not exceed the Maximum Annual Addition, reduced by the Annual Additions credited to the Participant under any other §403(b) Pre-Approved Plans of the Employer in addition to this Plan and, if the Participant is in control of an employer, any defined contribution plans maintained by controlled employers and §403(b) plans of any other employers. Contributions to the Participant's Accounts under this Plan will be reduced to the extent necessary to prevent this limitation from being exceeded.
- (f) **Excess Annual Additions.**
 - (1) If, notwithstanding Sections 5.03(a)-(e), a Participant's Annual Additions under this Plan, or under this Plan and plans aggregated with this Plan under Sections 5.03(b) and (c), result in an Excess Annual Addition for a Limitation Year, the Excess Annual Addition will be deemed to consist of the Annual Additions last credited, except Annual Additions to a defined contribution plan qualified under §401(a) of the Internal Revenue Code or a simplified employee pension maintained by an employer controlled by the Participant will be deemed to have been credited first.
 - (2) If an Excess Annual Addition is credited to a Participant under this Plan and another Section 403(b) pre-

approved plan of the Employer on the same date, the Excess Annual Addition attributable to this Plan will be the product of:

- (i) the total Excess Annual Addition credited as of such date, times
 - (ii) the ratio of (i) the Annual Additions credited to the Participant for the Limitation Year as of such date under this Plan to (ii) the total Annual Additions credited to the Participant for the Limitation Year as of such date under this Plan and all other §403(b) Pre-Approved Plans of the Employer.
- (3) Any Excess Annual Addition attributable to this Plan will be corrected in the manner described in Section 5.03(h).
- (g) **Coordination of limitation on Annual Additions where Employer has another §403(b) plan that is not a Pre-Approved Plan.** If Annual Additions are credited to the Participant for the Limitation Year under another §403(b) plan of the Employer which is not a §403(b) Pre-Approved Plan, the Annual Additions which may be credited to the Participant under this Plan for the Limitation Year will be limited in accordance with Sections 5.03(e) and (f) as though the other plan were a §403(b) Pre-Approved Plan unless the Employer provides other limitations in the Adoption Agreement.
- (h) **Correction of Excess Annual Additions.** A Participant's Excess Annual Additions for a Taxable Year are includible in the Participant's gross income for that taxable year. A Participant's Excess Annual Additions attributable to this Plan will be credited in the year of the excess to a separate account under the Plan for such Excess Annual Additions which will be maintained by the Vendor until the Excess Annual Additions are distributed. This separate account will be treated as a separate contract to which Code §403(c) (or another applicable provision of the Code) applies. Amounts in the separate account may be distributed at any time, notwithstanding any other provisions of the Plan.
- (i) **Coordination of limitation on Annual Additions.** All Code §403(b) annuity contracts purchased by an Employer for a Participant are treated as one Code §403(b) annuity contract for purposes of applying the limitations of Code §415. For these purposes, a 403(b) annuity contract includes Annuity Contracts, Custodial Accounts and Retirement Income Accounts.
- (j) **Definitions.**
- (I) **Annual Additions.** The sum of the following amounts credited to a Participant's Account for the Limitation Year:
- (i) Employer Contributions, including Matching Contributions, Salary Deferrals, Special Catch-Up Contributions, Mandatory Contributions, but not including Age 50 Catch-Up Contributions and contributions that have been distributed to the Participant as Excess Elective Deferrals;
 - (ii) After-Tax Employee Contributions;
 - (iii) Forfeitures;
 - (iv) Amounts allocated to an individual medical account, as defined in Code §415(l)(2), which is part of a pension or annuity plan, and amounts derived from contributions paid or accrued which are attributable to post-retirement medical benefits, allocated to the separate account of a key employee, as defined in Code §419A(d)(3), under a welfare benefit fund, as defined in Code §419(e); and
 - (v) Allocations under a simplified employee pension.

Amounts described in (i), (ii), (iii), and (v) are annual additions for purposes of both the dollar limitation under Section 5.03(i)(6)(i) and the percentage of compensation limitation under Section 5.03(i)(6)(ii). Amounts described in (iv) are annual additions solely for purposes of the dollar limitation under Section 5.03(i)(6)(i).

For this purpose, any Excess Amount applied in the Limitation Year to reduce Employer Contributions will be considered Annual Additions for such Limitation Year.

An Annual Addition is credited to a Participant's Account for a particular Limitation Year if such amount is allocated to the Participant's Account as of any date within that Limitation Year. An Annual Addition will not be deemed credited to a Participant's Account for a particular Limitation Year unless such amount is actually contributed to the Plan no later than 30 days after the time prescribed by law for filing the Employer's income tax return (including extensions) for the taxable year with or within which the Limitation Year ends. In the case

of After-Tax Employee Contributions, such amount shall not be deemed credited to a Participant's Account for a particular Limitation Year unless the contributions are actually contributed to the Plan no later than 30 days after the close of that Limitation Year.

- (2) **Employer.** For purposes of this Section 5.03, Employer shall mean the Employer that adopts this Plan, and all members of a controlled group of corporations (as defined in §414(b) of the Code as modified by §415(h)), all commonly controlled trades or businesses (as defined in §414(c) of the Code as modified by §415(h)) or affiliated service groups (as defined in §414(m)) of which the adopting Employer is a part, and any other entity required to be aggregated with the Employer pursuant to regulations under §414(o) of the Code.
- (3) **Excess Annual Addition.** The excess of the Annual Additions credited to the Participant for the Limitation Year under the Plan and plans aggregated with the Plan under Sections 5.03(b) and (c) over the Maximum Annual Addition for the Limitation Year under Section 5.03(i)(6).
- (4) **Includible Compensation.** An Employee's compensation received from the Employer that is includible in the Participant's gross income for Federal income tax purposes (computed without regard to Code §91, relating to United States citizens or residents living abroad). Includible Compensation for a minister who is self-employed means the minister's earned income as defined in Code §401(c)(2) (computed without regard to Code §911). Includible Compensation also includes any Elective Deferral or other amount contributed or deferred by the Employer at the election of the Employee that would be includible in gross income but for the rules of Code §§125, 132(f)(4), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b). Includible Compensation does not include any compensation received during a period when the Employer was not an eligible employer within the meaning of Treas. Reg. §1.403(b)-2(b)(8). Includible Compensation is increased by differential wage payments under Code §3401(h) for the most recent period that is a Year of Service and difficulty of care payments under Code §131(c)(1)(A) that are otherwise excludible from income. The amount of Includible Compensation is determined without regard to any community property laws. Except as provided in Treas. Reg. §1.401(a)(17)-1(d)(4)(ii) with respect to eligible participants in governmental plans, the amount of Includible Compensation of each Participant taken into account in determining contributions for any year shall not exceed the Compensation Limit.
- (5) **Limitation Year.** The Plan Year, unless the Employer elects another 12-consecutive month period under AA §11. All retirement plans under Code §403(b) maintained by the Employer must use the same Limitation Year. If there is a change of Limitation Year, a "short" Limitation Year exists for the period beginning with the first day of the Limitation Year and ending on the day before the change in Limitation Year is effective. For this purpose, if the Plan is terminated effective as of a date other than the last day of the Limitation Year, the Plan is treated as if it were amended to change its Limitation Year.

If the Plan has an initial Plan Year that is less than 12 months, the Limitation Year for such first Plan Year is the 12-month period ending on the last day of that Plan Year, unless otherwise specified in AA §11.

If the Participant is in control of an Employer pursuant to Section (c) above, the Limitation Year shall be the Limitation Year in the defined contribution plan controlled by the Participant.

- (6) **Maximum Annual Addition.** The Annual Addition that may be contributed or allocated to a Participant's account under the Plan for any Limitation Year shall not exceed the lesser of:
- (i) \$69,000 for 2024, as adjusted for increases in the cost-of-living under Code §415(d) for periods after 2024, or
 - (ii) 100 percent of the Participant's Includible Compensation for the Limitation Year.

The Includible Compensation limit referred to in (ii) shall not apply to any contribution for medical benefits after separation from service (within the meaning of Code §§401(h) or 419A(f)(2)) which is otherwise treated as an Annual Addition.

- (7) **§403(b) Pre-Approved Plan.** A §403(b) plan the form of which is the subject of a Favorable IRS Letter.
- (8) **Year of service.** For purposes of determining Includible Compensation under this Section 5.03, the year of service used to determine Includible Compensation is based on the most recent period during which the Employee is credited with a year of service under the following rules. For this purpose, such period may not end after the close of the Employee's taxable year and may not precede the taxable year by more than five years. The period used to calculate a year of service under this subsection may not exceed 12 months.

- (i) An Employee is credited with a year of service for each full year during which the individual is a full-time Employee of the Employer. For this purpose, a full year of service for a particular position is based on the usual annual work period of individuals employed full-time in that general type of employment at the place of employment.
 - (ii) An Employee is credited with a fractional year of service for each full year during which the individual is a part-time Employee of the Employer and for each part of a year during which the individual is a full-time or part-time Employee of the Employer. (See Treas. Reg. §1.403(b)-4(e) for additional rules for determining years of service.)
 - (iii) If at the close of a taxable year, an Employee has a period of service less than one year, such Employee will be considered as having one year of service for purposes of determining Includible Compensation.
- (k) **Few weeks rule.** If elected under the Adoption Agreement, Includible Compensation for a Limitation Year may include amounts earned during that Limitation Year but not paid during that Limitation Year solely because of the timing of pay periods and pay dates if:
- (1) These amounts are paid during the first few weeks of the next Limitation Year;
 - (2) The amounts are included on a uniform and consistent basis with respect to all similarly situated Employees; and
 - (3) No compensation is included in more than one Limitation Year.

SECTION 6
SPECIAL RULES AFFECTING GOVERNMENTAL 403(b) PLANS

- 6.01 Universal Availability for Salary Deferrals.** No special nondiscrimination rules apply to Salary Deferrals, other than the universal availability requirements set forth under Treas. Reg. §1.403(b)-5(b)(2), to make such Salary Deferrals as provided under Section 2.01(a) and this Section 6.01. The Employer will timely provide Eligible Participants with any applicable notice relating to the universal availability requirement.
- (a) **Eligible Participants.** Each Employee (other than an Employee excluded from participation under Section 2.02(b)) is an Eligible Participant, without regard to any age or service conditions applicable to other types of contributions to the Plan. An Eligible Participant shall be eligible to make Salary Deferrals as of such Participant's Employment Commencement Date.
 - (b) **Implementation of Participant's election to make Salary Deferrals.** The Plan Administrator may establish reasonable administrative procedures to implement a Participant's election to make Salary Deferrals. Such reasonable procedures will not cause the plan to violate the universal availability rule under Treas. Reg. §1.403(b)-5(b)(2). If the Plan provides notice of the right to defer no later than 30 days after such Participant's Employment Commencement Date, allows the Participant to make an election up to 30 days after notice is provided, and provides that the Participant's election will be effective as soon as administratively practicable, then the Plan will be treated as having reasonable administrative procedures that do not cause the plan to fail to satisfy Treas. Reg. §1.403(b)-5(b)(2).
 - (c) **Effective opportunity.** For purposes of the universal availability requirement, an Eligible Participant is not treated as being permitted to make Salary Deferrals to the Plan unless the Eligible Participant is provided an effective opportunity to make Salary Deferrals to the Plan. Whether an Eligible Participant has an effective opportunity is determined based on all the relevant facts and circumstances, including notice of the availability of the election, the period of time during which an election may be made, and any other conditions on elections. An effective opportunity is not considered to exist if there are any other rights or benefits (other than rights or benefits listed in Treas. Reg. §1.401(k)-1(e)(6)(i)(A), (B), or (D)) that are conditioned (directly or indirectly) upon an Eligible Participant making or failing to make a cash or deferred election with respect to a contribution to the Plan.
 - (d) **Special Rules.**
 - (1) **Code §501(c)(3) Organizations.** In the case of a Plan that covers the employees of more than one Code §501(c)(3) Organization, the universal availability requirement of this paragraph (d) applies separately to each common law entity (that is, applies separately to each Code §501(c)(3) Organization).
 - (2) **State entities.** In the case of a Plan that covers the employees of more than one State entity, the universal availability requirement applies separately to each entity that is not part of a common payroll.
 - (3) **Historical Treatment.** For purposes of the universal availability requirement, an Employer that historically has treated one or more of its various geographically distinct units as separate for Employee benefit purposes may treat each unit as a separate organization if the unit is operated independently on a day-to-day basis. Units are not geographically distinct if such units are located within the same Standard Metropolitan Statistical Area (SMSA).
- 6.02 Governmental Plan.** Provided the Plan is properly adopted by an entity that meets the requirements for establishing and maintaining a Governmental Plan under Code §414(d), this Plan is a Governmental Plan and qualifies under Code §403(b).
- (a) **Governmental Plan exemptions.** As a Governmental Plan, this Plan is exempt from Title I of ERISA and certain rules under Code §403(b), including (but not limited to):
 - (1) The minimum age and service rules.
 - (2) The minimum vesting requirements.
 - (3) The minimum coverage requirements under Code §410(b) and the nondiscrimination requirements under Code §401(a)(4), and 401(m).
 - (4) The joint and survivor annuity rules.
 - (5) The requirements for protecting benefits pursuant to a plan merger or a transfer of plan assets and liabilities.
 - (6) The anti-assignment rules.

- (7) The commencement of benefit requirements other than the rules relating to required minimum distributions under Code §401(a)(9).

- (b) **Adoption Agreement elections.** An Employer's election of provisions similar to requirements applicable to plans covered under Title I of ERISA or to otherwise inapplicable qualification requirements under Code §403(b) will not affect the Plan's status as a Governmental Plan. Provided the Employer is qualified to maintain a Governmental Plan, the Plan remains exempt from ERISA and certain Code requirements as a Governmental Plan.

6.03 Public School Plan of Indian Tribal Government Treated as Governmental Plan. A Plan of a Public School established and maintained by:

- (a) an Indian Tribal Government, as defined in Code §7701(a)(40),
- (b) a subdivision of an Indian Tribal Government, determined in accordance with Code §7871(d), or
- (c) an agency or instrumentality of either subsection (a) or (b) is treated as a Governmental Plan, provided the following conditions are satisfied.

The Plan must cover only Employees substantially all of whose services are in the performance of essential government functions, but not in the performance of commercial activities (whether or not essential government functions). The interpretation of these conditions, including the meaning of essential government function and commercial activities, is determined under applicable regulations. Provided the requirements of this Sections 6.03 are satisfied, the Plan may include a cash or deferred arrangement as provided under Code §403(b).

6.04 FICA Replacement Plan. An Employee who satisfies the requirements as a Qualified Participant under subsection (b) will be exempt from FICA tax as provided under Code §3121(b)(7)(F) if the requirements under this Section 6.04 are satisfied. The Plan may be identified as a FICA Replacement Plan under AA §2-3(d).

- (a) **Minimum benefit requirement.** The Plan must provide a minimum retirement benefit as set forth under this subsection (a). For this purpose, the Plan satisfies the minimum retirement benefit requirement with respect to an Employee if allocations to the Employee's Account (without regard to any earnings allocated to the Employee's Account) are at least 7.5% of the Employee's Plan Compensation for service with the Employer. Matching Contributions by the Employer may be taken into account for this purpose.

- (1) **Definition of Plan Compensation.** The definition of Plan Compensation used in determining whether the minimum retirement benefit requirement under this subsection (a) is satisfied must be at least equal to the Employee's base pay, provided such designation is reasonable under all the facts and circumstances. Thus, the Employer may elect under AA §5-3 to exclude items such as overtime pay, bonuses, or fringe benefits. In addition, the Employer may elect under AA §5-3(m) to exclude any compensation in excess of the contribution base described in Code §3121(x) as of the beginning of the Plan Year.

- (2) **Reasonable rate of earnings.** An Employee's Account must be credited with a reasonable rate of earnings.

- (3) **Employee Contributions.** Contributions from both the Employer and Employee may be used to make up the 7.5% allocation requirement under subsection (a). If the Plan only provides for Employee Contributions, the Plan will satisfy the minimum benefit requirement under subsection (a) if the total Employee Contributions are at least 7.5% of Plan Compensation.

- (b) **Qualified Participant.** An Employee is a Qualified Participant under the Plan with respect to the services performed on a given day if, on that day, the Employee has satisfied all conditions (other than vesting) for receiving an allocation under the Plan that meets the minimum retirement benefit requirement under subsection (a). An Employee will be a Qualified Participant on any day with respect to compensation earned during a period ending on that day and beginning on or after the beginning of the Plan Year, regardless of whether the allocations were made or accrued before the effective date of Code §3121(b)(7)(F).

- (1) **Part-Time, Seasonal and Temporary Employees.** A Part-Time, Seasonal, or Temporary Employee is not a Qualified Participant on a given day unless any benefit relied upon to meet the minimum benefit requirement under subsection (a) is 100% vested. A Part-Time, Seasonal or Temporary Employee's benefit is considered 100% vested on a given day if on that day the Employee is unconditionally entitled to a single-sum distribution on account of death or separation from service of an amount that is at least equal to 7.5% of Plan Compensation

for all periods of service taken into account in determining whether the Employee's benefit meets the minimum retirement benefit requirement under subsection (a).

- (2) **Alternative lookback rule.** The Employer may elect to apply the alternative lookback rule described in Treas. Reg. §31.3121(b)(7)-2(d)(3) in determining whether an Employee is a Qualified Participant. Under the alternative lookback rule, an Employee may be treated as a Qualified Participant throughout a calendar year if the Employee is a Qualified Participant at the end of the Plan Year ending in the previous calendar year. For this purpose, if the alternative lookback rule is used, an Employee may be treated as a Qualified Participant on any given day during the first Plan Year of participation if it is reasonable on such day to believe that the Employee will be a Qualified Participant on the last day of such Plan Year.
- (c) **Special rule for short period.** An Employee may not be treated as a Qualified Participant if Plan Compensation for less than a full plan year or other 12-month period is regularly taken into account in determining allocations to the Employee's Account for the Plan Year unless, under all of the facts and circumstances, such arrangement is not a device to avoid the imposition of FICA taxes. For example, an arrangement under which Plan Compensation taken into account under AA §5-3 is limited to the contribution base described in Code §3121(x) is not considered a device to avoid FICA taxes by reason of such limitation.

SECTION 7
PARTICIPANT VESTING AND FORFEITURES

- 7.01 **Vesting of Contributions.** A Participant's vested (i.e., nonforfeitable) interest in such Participant's Employer Contribution Account and Matching Contribution Account is determined based on the vesting schedule elected in AA §8. A Participant is always fully vested in such Participant's Salary Deferral Account, After-Tax Employee Contribution Account, and Rollover Contribution Account.

As a Governmental Plan, this Plan is not subject to the minimum vesting rules under the Code and Title I of ERISA, but must satisfy the pre-ERISA vesting requirements.

- 7.02 **Vesting Schedules.** A Participant's vested interest in such Participant's Employer Contribution Account and/or Matching Contribution Account is determined by multiplying the Participant's vesting percentage (determined under the applicable vesting schedule selected in AA §8) by the total amount under the applicable Account.

- (a) **Vesting schedule.** The Employer may choose any of the vesting schedules described in this subsection (a) as the normal vesting schedule with respect to Employer Contributions.

- (1) **Full and immediate vesting schedule.** Under the full and immediate vesting schedule, the Participant is always 100% vested in such Participant's Account Balance.

- (2) **5-year graded vesting schedule.** Under the 5-year graded vesting schedule, a Participant vests in such Participant's Employer Contribution Account and/or Matching Contribution Account in the following manner:

After 1 Year of Service – 20% vesting
After 2 Years of Service – 40% vesting
After 3 Years of Service – 60% vesting
After 4 Years of Service – 80% vesting
After 5 Years of Service – 100% vesting

- (3) **6-year graded vesting schedule.** Under the 6-year graded vesting schedule, a Participant vests in such Participant's Employer Contribution Account and/or Matching Contribution Account in the following manner:

After 2 Years of Service – 20% vesting
After 3 Years of Service – 40% vesting
After 4 Years of Service – 60% vesting
After 5 Years of Service – 80% vesting
After 6 Years of Service – 100% vesting

- (4) **3-year cliff vesting schedule.** Under the 3-year cliff vesting schedule, an Employee is 100% vested after 3 Years of Service. Prior to the third Year of Service, the vesting percentage is zero.

- (b) **Modified vesting schedule.** As a Governmental Plan, the Plan is not subject to the requirements of Code §411 and may modify the vesting schedule, provided the Plan satisfies the requirements of Code §§401(a)(4) and (7) as in effect before the enactment of ERISA. For this purpose, the modified vesting schedule must be at least as favorable as one of the following safe harbor vesting schedules:

- (1) **15-year cliff vesting schedule.** The Participant is fully vested after 15 years of creditable service. Service can be based on years of employment, years of participation or other creditable years of service.

- (2) **20-year graded vesting schedule.** The Participant is fully vested based on a graded vesting schedule of 5 to 20 years of creditable service. Service can be based on years of employment, years of participation or other creditable years of service.

- (3) **20-year cliff vesting for qualified public safety employees.** Participant is fully vested after 20 years of creditable service. Service can be based on years of employment, years of participation or other creditable years of service. The safe harbor schedule is available only with respect to the vesting schedule applicable to a group in which substantially all of the participants are qualified public safety employees (within the meaning of Code §72(t)(10)(B)).

(c) **Special vesting rules.**

- (1) **Normal Retirement Age.** Regardless of the Plan's vesting schedule, a Participant's right to such Participant's Account Balance is fully vested upon the date such Participant attains Normal Retirement Age (as defined in AA §7-1), provided the Participant is an Employee on or after such date.
- (2) **Separate Accounting.** The Plan Administrator will maintain separate bookkeeping account for each type of contribution made by the Employer on behalf of a Participant that is subject to a different vesting schedule. Any portion of such account in which the Participant is not vested shall be accounted for separately and treated as a contract to which Code §403(c) (or another applicable provision of the Internal Revenue Code) applies. On or after the date on which the Participant's interest in the separate account becomes nonforfeitable, the contract shall be treated as a Code §403(b) Annuity Contract if:
 - (i) No election has been made under Code §83(b) with respect to the contract;
 - (ii) The Participant's interest in the separate account has been subject to a substantial risk of forfeiture before becoming nonforfeitable;
 - (iii) Contributions subject to different vesting schedules have been maintained in separate accounts; and
 - (iv) The separate account at all times satisfied the requirements of section 403(b) except for the nonforfeatability requirement in Code §403(b)(1)(C).

If only a portion of the Participant's interest in a separate account becomes nonforfeitable in a year, then that portion of the contract will be considered a Code §403(b) Annuity Contract and the remaining forfeitable portion will be considered a separate contract to which Code §403(c) (or another applicable provision of the Internal Revenue Code) applies. Each contribution (and earning thereon) that is subject to a different vesting schedule must be maintained in a separate account for the Participant.

- (3) **100% vesting upon death, becoming Disabled, or Early Retirement Age.** The Employer may elect under AA §8-4 to allow a Participant's vesting percentage to automatically increase to 100% if, while employed with the Employer, the Participant dies, has a Severance from Employment due to becoming Disabled, becomes Disabled or reaches Early Retirement Age.
- (4) **Vesting upon merger, consolidation or transfer.** No accelerated vesting will be required solely because a Code §403(b) Plan is merged with another Code §403(b) Plan, or because assets are transferred from a Code §403(b) Plan to another Code §403(b) Plan.

7.03 Year of Service. An Employee's position on the vesting schedule is dependent on the Employee's Years of Service with the Employer. Generally, an Employee will earn a vesting Year of Service for each Vesting Computation Period during which the Employee completes at least 1,000 Hours of Service. Alternatively, the Employer may elect under AA §8-5 to modify the definition of Year of Service to require completion of any lesser number of Hours of Service or may elect to calculate Years of Service using the Elapsed Time method (as defined in subsection (b) below).

- (a) **Hours of Service.** Unless the Employer elects to use the Elapsed Time method under AA §8-5(c), vesting Years of Service will be determined based on an Employee's Hours of Service earned during the Vesting Computation Period.
 - (1) **Actual Hours of Service.** In determining an Employee's vesting Years of Service, the Employer will credit an Employee with the actual Hours of Service earned during the Vesting Computation Period, unless the Employer elects under AA §8-5(d) to determine Hours of Service using the Equivalency Method.
 - (2) **Equivalency Method.** Instead of counting actual Hours of Service in applying the Plan's vesting schedules, the Employer may elect under AA §8-5(d) to determine Hours of Service based on the Equivalency Method. Under the Equivalency Method, an Employee receives credit for a specified number of Hours of Service based on the period worked with the Employer.
 - (i) **Monthly.** Under the monthly Equivalency Method, an Employee is credited with 190 Hours of Service for each calendar month during which the Employee completes at least one Hour of Service with the Employer.
 - (ii) **Daily.** Under the daily Equivalency Method, an Employee is credited with 10 Hours of Service for each day during which the Employee completes at least one Hour of Service with the Employer.

- (iii) **Weekly.** Under the weekly Equivalency Method, an Employee is credited with 45 Hours of Service for each week during which the Employee completes at least one Hour of Service with the Employer.
 - (iv) **Semi-monthly.** Under the semi-monthly Equivalency Method, an Employee is credited with 95 Hours of Service for each semi-monthly period during which the Employee completes at least one Hour of Service with the Employer.
- (3) **Employee need not be employed for entire Vesting Computation Period.** If an Employee completes the required Hours of Service during a Vesting Computation Period, the Employee will receive credit for a Year of Service as of the end of such Vesting Computation Period, even if the Employee is not employed for the entire Vesting Computation Period.
- (b) **Elapsed Time method.** Instead of using Hours of Service in applying the Plan's vesting schedules, the Employer may elect under AA §8-5(c) to apply the Elapsed Time method for calculating an Employee's vesting service with the Employer. Under the Elapsed Time method, an Employee receives credit for the aggregate period of time worked for the Employer commencing with the Employee's first day of employment (or reemployment, if applicable) and ending on the date the Employee begins a Period of Severance which lasts at least 12 consecutive months. In calculating an Employee's aggregate period of service, an Employee receives credit for any Period of Severance that lasts less than 12 consecutive months. If an Employee's aggregate period of service includes fractional years, such fractional years are expressed in terms of days.
- (1) **Period of Severance.** For purposes of applying the Elapsed Time method, a Period of Severance is any continuous period of time during which the Employee is not employed by the Employer. A Period of Severance begins on the date the Employee retires, quits or is discharged, or if earlier, the 12-month anniversary of the date on which the Employee is first absent from service for a reason other than retirement, quit or discharge.
- In the case of an Employee who is absent from work for maternity or paternity reasons, the 12-consecutive month period beginning on the first anniversary of the first date of such absence shall not constitute a Period of Severance. For purposes of this paragraph, an absence from work for maternity or paternity reasons means an absence (i) by reason of the pregnancy of the Employee, (ii) by reason of the birth of a child of the Employee, (iii) by reason of the placement of a child with the Employee in connection with the adoption of such child by the Employee, or (iv) for purposes of caring for a child of the Employee for a period beginning immediately following the birth or placement of such child.
- (2) **Related Employers.** For purposes of applying the Elapsed Time method, service will be credited for employment with any Related Employer.
- (c) **Change in service crediting method.** If the service crediting method is changed from an Hours of Service method to the Elapsed Time method or from the Elapsed Time method to an Hours of Service method, the amount of service credited to an Employee will be determined under subsection (1) or (2) below. For this purpose, a change in service crediting method will occur if the Plan is amended to change the service crediting method or if the service crediting method is changed as a result of an Employee's change in employment status.
- (1) **Change to Elapsed Time method.** If the service crediting method is changed from an Hours of Service method to the Elapsed Time method, the amount of vesting service credited to an Employee will equal the sum of the service under subsections (i) and (ii) below:
- (i) The number of Years of Service equal to the number of Years of Service credited under the Hours of Service method before the Vesting Computation Period during which the change to the Elapsed Time method occurs.
 - (ii) For the Vesting Computation Period in which the change occurs, the greater of:
 - (A) the period of service that would be credited under the Elapsed Time method from the first day of that Vesting Computation Period through the date of the change, or
 - (B) the service that would be taken into account under the Hours of Service method for the Vesting Computation Period which includes the date of the change.

If the period of service described in subsection (A) is the greater amount, then subsequent periods of service are credited under the Elapsed Time method beginning with the date of the change. If the period of service described in subsection (B) applies, the Elapsed Time method will be used beginning with the first day of the

Vesting Computation Period that would have followed the Vesting Computation Period in which the change to the Elapsed Time method occurred.

If the change to the Elapsed Time method occurs as of the first day of a Vesting Computation Period, the use of the Elapsed Time method begins as of the date of the change, and the calculation in subsection (B) above does not apply. In such case, the Employee's service is determined under subsection (A) above plus the subsequent periods of service determined under the Elapsed Time method, starting with the effective date of the change.

- (2) **Change to Hours of Service method.** If the service crediting method is changed from the Elapsed Time method to an Hours of Service method, the Employee's Elapsed Time service earned as of the date of the change is converted into Years of Service under the Hours of Service method, determined as the sum of subsections (i) and (ii), below:

- (i) A number of Years of Service is credited that equals the number of 1-year periods of service credited under the Elapsed Time method as of the date of the change.
- (ii) For the Vesting Computation Period which includes the date of the change, the Employee is credited with an equivalent number of Hours of Service, using one of the Equivalency Methods defined in Section 7.03(a)(2) above for any fractional year that was credited under the Elapsed Time method as of the date of the change.

For the portion of the Vesting Computation Period following the date of the change, actual Hours of Service are counted. The Hours of Service credited for the portion of the Vesting Computation Period in which the Elapsed Time method was in effect are added to the actual Hours of Service credited for the remaining portion of the Vesting Computation Period to determine if the Employee has a Year of Service for that Vesting Computation Period.

7.04 Vesting Computation Period. Generally, the Vesting Computation Period is the Plan Year. Alternatively, the Employer may elect under AA §8-5(b) to use the 12-month period commencing on the Employee's date of hire (or reemployment date, if applicable) and each subsequent 12-month period commencing on the anniversary of such date or the Employer may elect to use any other 12-consecutive month period as the Vesting Computation Period.

7.05 Excluded service. Generally, except as provided under Section 7.07 with respect to service excluded under the Break in Service rules, all service with the Employer counts for purposes of applying the Plan's vesting schedules. However, the Employer may elect under AA §8-3 to exclude certain service with the Employer in calculating an Employee's vesting Years of Service.

- (a) **Service before the Effective Date of the Plan.** The Employer may elect under AA §8-3(a) to exclude service earned during any period prior to the date the Employer established the Plan or a Predecessor Plan. For this purpose, a Predecessor Plan is a plan maintained by the Employer that is terminated within the 5-year period immediately preceding or following the establishment of this Plan. A Participant's service under a Predecessor Plan must be counted for purposes of determining the Participant's vested percentage under this Plan.
- (b) **Service before a specified age.** The Employer may elect under AA §8-3(b) to exclude service before an Employee attains a specified age (not to exceed age 18). An Employee will be credited with a Year of Service for the Vesting Computation Period during which the Employee attains the required age, provided the Employee satisfies all other conditions required for a Year of Service.

7.06 Service with Predecessor Employers. If the Employer maintains the plan of a Predecessor Employer, any service with such Predecessor Employer is treated as service with the Employer for purposes of applying the provisions of this Plan. If the Employer does not maintain the plan of a Predecessor Employer, service with such Predecessor Employer does not count for vesting purposes under this Section 7, unless the Employer specifically designates under AA §4-5 to credit service with such Predecessor Employer for vesting. Unless designated otherwise under AA §4-5, if the Employer takes into account service with a Predecessor Employer, such service will count for purposes of eligibility under Section 2 (see Section 2.06) vesting under this Section 7, and for purposes of the minimum allocation conditions under Section 3.06.

7.07 Break in Service Rules. In addition to any service excluded under Section 7.05, the Employer may elect under AA §8-5 to disregard an Employee's vesting service with the Employer under the Break in Service rules set forth in this Section 7.07. **Governmental Plans are not subject to the Break in Service rules under Title I of ERISA and can modify the Break in Service rules of the Plan accordingly.**

- (a) **Break in Service.** An Employee incurs a Break in Service for any Vesting Computation Period (as defined in Section 7.04) during which the Employee does not complete more than five hundred (500) Hours of Service with the Employer. However, if the Employer elects under AA §8-5(a) to require less than 1,000 Hours of Service to earn a vesting Year of Service, a Break in Service will occur for any Vesting Computation Period during which the Employee does not complete more than one-half (1/2) of the Hours of Service required to earn a vesting Year of Service. In applying these Break in Service rules, Years of Service and Breaks in Service are measured on the same Vesting Computation Period.
- (b) **One-Year Break in Service rule.** Under the One-Year Break in Service rule, if an Employee incurs a one-year Break in Service, such Employee will not be credited with any service earned prior to such one-year Break in Service for purposes of applying the Plan's vesting schedules until the Employee has completed a Year of Service after the Employee's return to employment. The Employer must elect to apply the One-Year Break in Service rule under AA §8-5(f).

If a Participant has service disregarded under the One-Year Break in Service rule, such Participant will have such Participant's service reinstated upon returning to employment as of the first day of the Vesting Computation Period during which the Participant completes a Year of Service.

- (c) **Nonvested Participant Break in Service rule.** Under the Nonvested Participant Break in Service rule, if an Employee is totally nonvested (i.e., 0% vested) in such Employee's Account Balance attributable to Employer and Matching Contributions, and such Employee incurs five (5) or more consecutive one-year Breaks in Service (or, if greater, a consecutive period of Breaks in Service at least equal to the Employee's aggregate number of Years of Service with the Employer), the Plan will disregard all service earned prior to such consecutive Breaks in Service for purposes of applying the vesting schedules under the Plan. If the Employer elects the Elapsed Time method of crediting service, an Employee will be treated as incurring five consecutive Breaks in Service when such Employee incurs a Period of Severance of at least 60 months.

If the Employee continues in employment with the Employer after incurring the requisite Break in Service, such Employee will be treated as a new Employee for purposes of determining vesting under the Plan. For this purpose, a Participant who has made Salary Deferrals under the Plan will be treated as having a vested interest in the Plan. Thus, the Nonvested Participant Break in Service rule may not be used with respect to any contributions under the Plan (even if such Participant is totally nonvested in such Participant's Account Balance attributable to Employer and Matching Contributions) for a Participant who has made Salary Deferrals under the Plan. The Employer must elect to apply the Nonvested Participant Break in Service rule under AA §8-5(e). Unless elected otherwise under AA §8-5, the Nonvested Participant Break in Service rule applies only with respect to an Employee who has had a Severance from Employment. In determining an Employee's aggregate Years of Service for purposes of applying the Nonvested Participant Break in Service rule, any Years of Service otherwise disregarded under a previous application of this rule are not counted.

- (d) **Five-Year Forfeiture Break in Service.** A Participant's vesting service also may be disregarded if the Participant incurs a Five-Year Forfeiture Break in Service, as described in Section 7.09(b) below.

7.08 Special Vesting Rule - In-Service Distribution When Account Balance is Less than 100% Vested. If amounts are distributed from a Participant's Employer Contribution Account or Matching Contribution Account at a time when the Participant's vested percentage in such amounts is less than 100% and the Participant may increase the vested percentage in the Account Balance:

- (a) A separate accounting will be maintained for the Participant's interest in the Plan as of the time of the distribution, and
- (b) At any relevant time, the Participant's vested portion of the separate accounting will be equal to an amount ("X") determined by the formula:

$$X = P (AB + D) - D$$

Where:

P is the vested percentage at the relevant time;

AB is the Account Balance at the relevant time; and

D is the amount of the distribution.

7.09 Forfeiture of Benefits. A Participant will forfeit the nonvested portion of such Participant's Employer Contribution and/or Matching Contribution Account upon the occurrence of any of the events described below. The Plan Administrator has the responsibility to determine the amount of a Participant's forfeiture. Until an amount is forfeited pursuant to this Section, a

Participant's entire Account must remain in the Plan and continue to share in gains and losses. A Participant will not forfeit any of such Participant's nonvested Account until the occurrence of one of the following events.

- (a) **Cash-Out Distribution.** Following Severance from Employment, a Participant may receive a total distribution of such Participant's vested benefit under the Plan (a Cash-Out Distribution) as provided in Section 8. If a Participant receives a Cash-Out Distribution upon Severance from Employment, the Participant's nonvested benefit under the Plan will be forfeited in accordance with subsection (1) below. If at the time of Severance from Employment, a Participant is totally nonvested in such Participant's entire Account Balance, the Participant will be deemed to receive a total Cash-Out Distribution of such Participant's entire vested Account Balance (i.e., a deemed Cash-Out Distribution of zero dollars) as of the date of Severance from Employment, subject to the forfeiture provisions under subsection (1) below.

A Cash-Out Distribution does not occur until such time as the Participant receives a distribution of such Participant's entire vested Account Balance, including amounts attributable to Salary Deferrals. If a Participant receives a distribution of less than the entire vested portion of such Participant's Account Balance (including any additional amounts to be allocated under subsection (1)(ii) below), the Participant will not be treated as receiving a Cash-Out Distribution until such time as the Participant receives a distribution of the remainder of the vested portion of such Participant's Account Balance.

- (1) **Timing of forfeiture.** Unless elected otherwise under AA §8-7(b), if a Participant receives a Cash-Out Distribution of such Participant's vested Account Balance, the Participant will immediately forfeit the nonvested portion of such Account Balance, as of the date of the distribution or deemed distribution (as determined under subsection (i) or (ii) below, whichever applies). (See Section 7.11 below for a discussion of the treatment of forfeitures under the Plan.)
- (i) **No further allocations.** For purposes of applying the Cash-Out Distribution rules, a Participant who has a Severance from Employment and who receives a total distribution of such Participant's vested Account Balance will be treated as receiving the Cash-Out Distribution as of the date the Participant receives such distribution (or in the case of a deemed Cash-Out Distribution as of the date the Participant has a Severance from Employment), provided the Participant is not entitled to any further allocations under the Plan for the Plan Year in which the Participant has a Severance from Employment. The Participant will forfeit such Participant's nonvested benefit as of the date the Participant receives the Cash-Out Distribution, in accordance with the provisions under Section 7.11.
- (ii) **Additional allocations.** For purposes of applying the Cash-Out Distribution rules, if upon Severance from Employment, a Participant is entitled to an additional allocation for the Plan Year in which the Participant has a Severance from Employment, such Participant will not be deemed to receive a Cash-Out Distribution until such time as the Participant receives a distribution of such Participant's entire vested Account Balance, including any amounts that are still to be allocated under the Plan. Thus, a Participant who has a Severance from Employment and who is entitled to an additional allocation (e.g., an additional Employer Contribution) for the Plan Year of Severance from Employment will not be deemed to have a total Cash-Out Distribution until the Participant receives a distribution of such additional amounts. In the case of a deemed Cash-Out Distribution, if the Participant is entitled to an additional allocation under the Plan for the Plan Year in which the Participant has a Severance from Employment, the deemed Cash-Out Distribution is deemed to occur on the first day of the Plan Year following the Plan Year in which the Severance from Employment occurs, provided the Participant is still totally nonvested in such Participant's Account Balance.
- (iii) **Modification of Cash-Out Distribution rules.** The Employer may elect under AA §8-7(a) to modify the Cash-Out Distribution provision under subsection (a) above to provide that the Cash-Out Distribution and related forfeiture occur immediately upon distribution (or deemed distribution) of the vested Account Balance of a Participant who has had a Severance from Employment, without regard to whether the Participant is entitled to an additional allocation under the Plan.
- (iv) **Forfeiture upon Break in Service.** In any event, the Plan may forfeit the nonvested portion of a Participant's Employer Contribution and/or Matching Contribution Account if the Participant incurs a five-year Break in Service. Alternatively, if elected under AA §8-7(b), the Plan may forfeit the nonvested portion of a Participant's Employer Contribution and/or Matching Contribution Account immediately upon Severance from Employment.
- (2) **Repayment of Cash-Out Distribution.** If a Participant receives a Cash-Out Distribution that results in a forfeiture under subsection (a) above, and the Participant resumes employment covered under the Plan, such Participant may repay to the Plan the amount received as a Cash-Out Distribution. For this purpose, to be entitled to a restoration of benefits (as described below), the Participant must repay the entire amount of the

Cash-Out Distribution, including any amounts attributable to Salary Deferrals. A Participant will only be permitted to repay such Participant's Cash-Out Distribution if such repayment is made before the earlier of:

- (i) five (5) years after the first date on which the Participant is subsequently re-employed by the Employer, or
- (ii) the date the Participant incurs a Five-Year Forfeiture Break in Service (as defined in subsection (b) below).

If a Participant receives a deemed Cash-Out Distribution, and the Participant resumes employment covered under this Plan before the date the Participant incurs a Five-Year Forfeiture Break in Service, the Participant is deemed to repay the Cash-Out Distribution immediately upon such Participant's reemployment.

- (3) **Restoration of forfeited benefit.** If a rehired Participant repays a Cash-Out Distribution in accordance with subsection (2) above, any amounts that were forfeited on account of such Cash-Out Distribution (unadjusted for any interest that might have accrued on such amounts after the distribution date) will be restored to the Plan no later than the end of the Plan Year following the Plan Year in which the Participant repays the Cash-Out Distribution (or is deemed to repay the Cash-Out Distribution under subsection (2) above). No amount will be restored under the Plan, however, until such time as the Participant repays the entire amount of the Cash-Out Distribution. (However, see subsection (d) below for a discussion of special rules that apply if a Participant's Cash-Out Distribution includes a distribution of Salary Deferrals.) In no event will a Participant be entitled to a restoration under this subsection (3) if the Participant returns to employment after incurring a Five-Year Forfeiture Break in Service (as defined in subsection (b) below).
- (4) **Sources of restoration.** If a Participant's forfeited benefit is required to be restored under subsection (3), the restoration of such forfeited benefits will occur from the following sources. If the following sources are not sufficient to completely restore the Participant's benefit, the Employer must make an additional contribution to the Plan.
 - (i) Any unallocated forfeitures for the Plan Year of the restoration.
 - (ii) Any unallocated earnings for the Plan Year of the restoration.
 - (iii) Any portion of a discretionary Employer Contribution to the extent such contribution has not been allocated to Participants' Accounts for the Plan Year of the restoration.

- (b) **Five-Year Forfeiture Break in Service.** If a Participant has five (5) consecutive one-year Breaks in Service (a "Five-Year Forfeiture Break in Service"), all Years of Service after such Breaks in Service will be disregarded for the purpose of vesting in the portion of the Participant's Employer Contribution Account and/or Matching Contribution Account that accrued before such Breaks in Service. A Participant who incurs a Five-Year Forfeiture Break in Service will forfeit the nonvested portion of such Participant's Employer Contribution and/or Matching Contribution Account as of the end of the Vesting Computation Period in which the Participant incurs the fifth consecutive Break in Service. Except as provided under Section 7.07, a Participant who is rehired after incurring a Five-Year Forfeiture Break in Service will be credited with both pre-break and post-break service for purposes of determining such Participant's vested percentage in amounts that accrue under the Plan after the Five-Year Forfeiture Break in Service.

- (c) **Missing Participant, Beneficiary or Alternate Payee.** If the Plan is able to make a distribution to a Participant, Beneficiary or Alternate Payee without consent (as permitted under Section 8.03) and such Participant, Beneficiary or Alternate Payee cannot be located within a reasonable period following a reasonable diligent search, the Plan Administrator may forfeit the missing Participant's or Beneficiary's Account, as provided in subsection (2) below. (Alternatively, as allowed under state and federal law, the Plan Administrator may escheat such Accounts to the applicable state unclaimed property fund.) An Employer will be deemed to have performed a reasonable diligent search if it performs the actions described in subsection (1) below. However, the Plan Administrator will be deemed to have waited a reasonable period following a reasonable diligent search if the Plan Administrator waits at least 6 months following the completion of the actions described in subsection (1) below. For purposes of applying this subsection (c), a Participant, Beneficiary or Alternate Payee is considered missing only if the Plan may make a distribution to such Participant, Beneficiary or Alternate Payee without consent. (See Section 8.05 for the availability of Automatic Rollover rules that permit the Plan Administrator to automatically rollover a Participant's Involuntary Cash-Out Distribution to an IRA upon the Participant's failure to consent to a distribution, without the need to locate the Participant.)

- (1) **Reasonable diligent search.** The Plan Administrator will be deemed to have performed a reasonable diligent search if it performs the following actions:

- (i) Send a certified letter to the Participant's or Beneficiary's last known address.
 - (ii) Check related plan records of the Employer (e.g., health plan records) to determine if a more current address exists for the Participant, Beneficiary or Alternate Payee.
 - (iii) If the Participant cannot be located, the Plan Administrator may attempt to identify and contact any individual that the Participant has designated as a Beneficiary under the Plan for updated information concerning the location of the missing Participant.
 - (iv) In addition to the search methods discussed above, the Plan Administrator may use other search methods, including the use of Internet search tools, commercial locator services, and credit reporting agencies to locate the missing Participant.
- (2) **Forfeiture of Account of missing Participant, Beneficiary or Alternate Payee.** If a Participant, Beneficiary or Alternate Payee is deemed to be missing (as described in subsection (c) above), the Plan Administrator may forfeit the distributable amount attributable to such missing Participant, Beneficiary or Alternate Payee, as permitted under applicable laws and regulations and subject to the terms of the applicable Investment Arrangement. If, after an amount is forfeited under this subsection (2), the missing Participant, Beneficiary or Alternate Payee is located, the Plan will restore the forfeited amount (unadjusted for gains or losses) to such Participant, Beneficiary or Alternate Payee within a reasonable time. However, if a missing Participant, Beneficiary or Alternate Payee has not been located by the time the Plan terminates, the forfeiture of such Participant's, Beneficiary's or Alternate Payee's distributable amount will be irrevocable.
- (3) **Expenses attributable to search for missing Participant.** Reasonable expenses attendant to locating a missing Participant may be charged to such Participant's Account, provided that the amount of such expenses is reasonable. The Plan Administrator may take into account the size of a Participant's Account in relation to the cost of the search when deciding how extensive a search is required before declaring such Participant as missing under subsection (c).
- (d) **Excess Deferrals.** If a Participant receives a distribution of Excess Deferrals, the portion of such Participant's Matching Contribution Account (whether vested or not) which is attributable to such distributed amounts shall be forfeited. A forfeiture of Matching Contributions under this subsection (d) occurs in the Plan Year in which the Participant receives the distribution of Excess Deferrals.

7.11 **Allocation of Forfeitures.** The Employer may elect in AA §8-6 how it wishes to allocate forfeitures under the Plan. Forfeitures may be allocated in the Plan Year in which the forfeitures occur or in the Plan Year following the Plan Year in which the forfeitures occur. In applying the forfeiture provisions under the Plan, if there are any unused forfeitures as of the end of the Plan Year designated in AA §8-6, as applicable, any remaining forfeiture will be used (as designated in AA §8-6) in the immediately following Plan Year.

- (a) **Reallocation as additional contributions.** The Employer may elect in AA §8-6 to reallocate forfeitures as additional contributions under the Plan. If the Employer elects to reallocate forfeitures as additional contributions, the Employer may elect, in its discretion, to allocate such amounts as additional Employer Contributions and/or additional Matching Contributions. Forfeitures allocated under this subsection (a) will be allocated in the same manner as selected under AA §6-3 or AA §6B-2 with respect to the contribution type being allocated. If no allocation method is selected for a particular contribution type, forfeitures will be reallocated as a pro rata allocation (as described in AA §6-3(a)) if such amount is reallocated as an additional Employer Contribution or as a discretionary Matching Contribution (as described in AA §6B-2(a)) if such amount is reallocated as an additional Matching Contribution. In applying the provisions of this subsection (a), no allocation of forfeitures will be made to any Participant with respect to forfeitures that arise out of such Participant's own Account.
- (b) **Reduction of contributions.** The Employer may elect in AA §8-6 to use forfeitures to reduce Employer Contributions and/or Matching Contributions under the Plan. If the Employer elects to use forfeitures to reduce contributions, the Employer may, in its discretion, use such forfeitures to reduce Employer Contributions, Matching Contributions, or both. The Employer may adjust its contribution deposits in any manner, provided the total Employer Contributions made for the Plan Year properly take into account the forfeitures that are to be used to reduce such contributions for that Plan Year. If contributions are allocated over multiple allocation periods, the Employer may reduce its contribution for any allocation periods within the Plan Year in which the forfeitures are to be allocated so that the total amount allocated for the Plan Year is proper. If the Employer elects to use forfeitures to reduce contributions and there are forfeitures remaining after all required contributions have been reduced to zero, then Employer may elect to reallocate any remaining forfeitures as additional contributions, pursuant to subsection (a).

- (c) **Payment of Plan expenses.** The Employer may elect under AA §8-6 to first use forfeitures to pay Plan expenses for the Plan Year in which the forfeitures would otherwise be applied. If any forfeitures remain after the payment of Plan expenses under this subsection, the remaining forfeitures will be allocated as selected under AA §8-6.
- (d) **Forfeiture rules for other contribution types.**
 - (1) **Prior Employer and/or Matching Contributions.** If the Plan maintains Employer Contribution and/or Matching Contribution Accounts, but the Plan no longer provides for such contributions, such amounts will continue to vest under the vesting schedule applicable to such contributions under the prior Plan or under any vesting schedule designated under Appendix A of the Adoption Agreement. If there are any forfeitures related to such prior contributions, such amounts may be reallocated as an additional Employer Contribution or as an additional Matching Contribution in accordance with the provisions of subsection (a), to the extent such contributions are authorized under the Plan, or may be used to reduce any Employer Contribution or Matching Contribution, consistent with the provisions of subsection (b) above. If the Plan does not provide for either Employer Contributions or Matching Contributions, the Employer may reallocate forfeitures of prior contributions as an Employer Contribution (using the pro rata allocation formula) or as a discretionary Matching Contribution. Alternatively, the Employer may use such forfeitures to pay Plan expenses as authorized under subsection (c). The Employer may elect to use such forfeitures in the Plan Year the forfeiture occurs or in the following Plan Year.
 - (2) **Other contributions.** If a Participant has any other amounts under the Plan which are treated as forfeited (e.g., a forfeiture for a missing Participant under Section 7.10(c) of the Plan), such amounts may be forfeited in accordance with the provisions under subsection (1) above.

SECTION 8 PLAN DISTRIBUTIONS

Subject to the terms of any Investment Arrangement associated with the Plan, a Participant may receive a distribution of such Participant's vested Account Balance at the time and in the manner provided under this Section 8. A Participant must begin receiving required minimum distributions under the Plan (in accordance with the provisions of Section 8.10).

- 8.01** **Available Forms of Distribution.** Subject to the terms governing the applicable Investment Arrangement, the Employer may elect under AA §9-1 the forms of distribution that are available to a Participant, Beneficiary or Alternate Payee under the Plan. Different distribution options may apply depending on whether a distribution is made upon Severance from Employment, death, disability or as an in-service withdrawal. Available distribution options under AA §9-1 may include a lump sum of all or a portion of the Participant's vested Account Balance, installments, annuity payments, or any other form designated in AA §9-1. Any distribution options selected under the Plan must comply with the required minimum distribution rules under Section 8.10.

If the Plan provides for installment payments as an optional form of distribution, such payments may be made in monthly, quarterly, semi-annual, or annual payments over a period not exceeding the life expectancy of the Participant and such Participant's designated Beneficiary. The Plan Administrator may permit a Participant, Beneficiary or Alternate Payee to accelerate the payment of all, or any portion, of an installment distribution. If the Plan provides for annuity payments, the Plan must purchase an annuity that provides for payments over a period that does not extend beyond either the life of the Participant (or the lives of the Participant and his/her designated Beneficiary) or the life expectancy of the Participant (or the life expectancy of the Participant and his/her designated Beneficiary). (The availability of installments and or annuity payments may be restricted under AA §9-1(c).)

To the extent that there are Annuity Contracts under the Plan, the records of which are kept by a Vendor other than the Pre-Approved Plan Provider, and to the extent such Annuity Contracts contain provisions not otherwise expressly written in the Plan, those provisions are incorporated as part of the Plan, but solely with respect to Account Balances allocated to those Annuity Contracts.

- 8.02** **Amount Eligible for Distribution.** For purposes of determining the amount a Participant may receive as a distribution from the Plan, a Participant's vested Account Balance is determined as of the Valuation Date which immediately precedes the date the Participant receives such Participant's distribution from the Plan. For this purpose, the Participant's Account Balance must be increased for any contributions allocated to the Participant's Account since the most recent Valuation Date and must be reduced for any distributions the Participant received from the Plan since the most recent Valuation Date. A Participant does not share in any allocation of gains or losses attributable to the period between the Valuation Date and the date of the distribution under the Plan, unless the Plan Administrator establishes an alternative policy.

- (a) **Individual or Participant-Directed Accounts.** In the case of a Participant-directed Account, an individual Custodial Account or individual Annuity Contract, the determination of the value of the Participant's Account for distribution purposes is subject to the funding and valuation procedures applicable to such directed Account, individual Custodial Account or individual Annuity Contract.
- (b) **Permissible distribution events.** In no event may Participants receive distributions under the Plan until the conditions set forth below are satisfied. The Employer and the terms of the applicable Investment Arrangement may further restrict the distribution conditions under the Adoption Agreement.

- (1) **Salary Deferral Account.** A Participant may not receive a distribution of any amounts held under a Salary Deferral Account unless the Participant satisfies one of the following conditions:
- (i) The Participant has a Severance from Employment with the Employer.
 - (ii) The Participant has attained age 59 ½.
 - (iii) The Participant dies or becomes Disabled.
 - (iv) The Participant qualifies for a Hardship distribution a Qualified Reservist Distribution or a Qualified Birth or Adoption Distribution.
- (2) **Custodial Account.** A Participant may not receive a distribution of any amounts attributable to Matching Contributions or Employer Contributions held under a Custodial Account unless the Participant satisfies one of the following conditions:
- (i) The Participant has a Severance from Employment with the Employer.

- (ii) The Participant has attained age 59 ½.
 - (iii) The Participant dies or becomes Disabled.
 - (iv) The Participant qualifies for a Qualified Reservist Distribution or a Qualified Birth or Adoption Distribution.
- (3) **Annuity Contract.** A Participant may not receive a distribution of any amounts attributable to Matching Contributions or Employer Contributions held under an Annuity Contract unless the Participant satisfies one of the following conditions:
- (i) The Participant has a Severance from Employment with the Employer.
 - (ii) The Participant qualifies for a distribution due to the occurrence of some event, such as after affixed number of years or the attainment of a stated age, as specified under the Adoption Agreement.
 - (iii) The Participant dies or becomes Disabled.
 - (iv) The Participant qualifies for a Hardship distribution, a Qualified Reservist Distribution or a Qualified Birth or Adoption Distribution.
- (4) **Special rule regarding deemed Severance from Employment for military service.** For purposes of Plan distributions, The Employer may elect under the Adoption Agreement to treat a Participant as having a deemed Severance from Employment during any period the Participant is performing service in the uniformed services described in Code §3401(h)(2)(A). A Participant who elects to receive a distribution pursuant to the preceding sentence may not make an Elective Deferral or an After-Tax Employee Contribution during the 6-month period beginning on the date of the distribution.

8.03 Participant Consent. Unless required by the Investment Arrangement, State or local law, or designated in AA §9, Participant consent to a distribution is not required for the Plan to make a distribution.

8.04 Direct Rollovers. Notwithstanding any provision in the Plan to the contrary, a Participant may elect, at the time and the manner prescribed by the Plan Administrator, to have all or any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan in a Direct Rollover. If an Eligible Rollover Distribution is less than \$500, the Participant may not elect a Direct Rollover of only a portion of such distribution (i.e., a Participant must elect a complete Direct Rollover if the Eligible Rollover Distribution is less than \$500). For purposes of this Section 8.04, a Participant includes a Participant or former Participant. In addition, this Section applies to any distribution from the Plan made to a Participant's surviving Spouse or to a Participant's Spouse or former Spouse who is the Alternate Payee under a QDRO.

(a) **Definitions.**

- (1) **Eligible Rollover Distribution.** An Eligible Rollover Distribution is any distribution of all or any portion of a Participant's Account Balance, except an Eligible Rollover Distribution does not include:
- (i) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Participant or the joint lives (or joint life expectancies) of the Participant and the Participant's Beneficiary, or for a specified period of ten years or more;
 - (ii) any distribution to the extent such distribution is a required minimum distribution under Code §401(a)(9), as described under Section 8.10;
 - (iii) any Hardship distribution, as described in Section 8.08(e);
 - (iv) any distribution if it is reasonably expected (at the time of the distribution) that the total amount the Participant will receive as a distribution during the calendar year will total less than \$200; or
 - (v) a distribution made to satisfy the requirements of Code §415 or a distribution to correct Excess Deferrals or Excess Aggregate Contributions.
- (2) **Eligible Retirement Plan.** For purposes of applying the Direct Rollover provisions under this Section 8.048.04, an Eligible Retirement Plan is:

- (i) a qualified plan described in Code §401(a);
- (ii) an individual retirement account described in Code §408(a);
- (iii) an individual retirement annuity described in Code §408(b);
- (iv) an annuity plan described in Code §403(a);
- (v) effective for rollover distributions occurring after December 18, 2015, a simple retirement account to the extent rollovers are allowed under Code §408(p)(1)(B);
- (vi) a Code §403(b) plan; or
- (vii) an eligible plan under Code §457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan.

The definition of Eligible Retirement Plan also applies in the case of a distribution to a surviving Spouse, or to a Spouse or former Spouse who is the Alternate Payee under a QDRO.

To the extent any portion of an Eligible Rollover Distribution is attributable to Roth Deferrals, an Eligible Retirement Plan with respect to such portion of the distribution shall include only another designated Roth account of the Participant or a Roth IRA. To the extent any portion of an Eligible Rollover Distribution is attributable to After-Tax Employee Contributions, an Eligible Retirement Plan with respect to such portion of the distribution shall include only an individual retirement account or annuity described in Code §408(a) or (b) or a qualified defined contribution plan described in Code §401(a) or §403(a) that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not includible in gross income.

- (3) **Direct Rollover.** A Direct Rollover is a payment made directly from the Plan to the Eligible Retirement Plan specified by the Participant. The Plan Administrator may develop reasonable procedures for accommodating Direct Rollover requests.

- (b) **Direct Rollover notice.** A Participant entitled to an Eligible Rollover Distribution must receive a written explanation of such Participant's right to a Direct Rollover, the tax consequences of not making a Direct Rollover, and, if applicable, any available special income tax elections. The notice must be provided within 30 – 180 days prior to the Participant's Annuity Starting Date, in the same manner as described in Section 8.04(c). The Direct Rollover notice must be provided to all Participants, unless the total amount the Participant will receive as a distribution during the calendar year is expected to be less than \$200.

If a Participant has a Severance from Employment and is eligible for a distribution which is not subject to Participant consent, and the Participant does not respond to the Direct Rollover notice indicating whether a Direct Rollover is desired and the name of the Eligible Retirement Plan to which the Direct Rollover is to be made, the Plan Administrator may distribute the Participant's entire vested Account Balance in the form of an Automatic Rollover (pursuant to Section 8.05). The same rule applies to another recipient who does not respond to a Direct Rollover notice. (However, see Section 8.05(b) for special rules that apply to Involuntary Cash-Out Distributions below \$1,000.) If a distribution would qualify for Automatic Rollover, the Direct Rollover notice must describe the procedures for making an Automatic Rollover, including the name, address, and telephone number of the IRA trustee and information regarding IRA maintenance and withdrawal fees and how the IRA funds will be invested. The Direct Rollover notice also must describe the timing of the Automatic Rollover and the recipient's ability to affirmatively opt out of the Automatic Rollover.

- (c) **Direct Rollover by non-Spouse beneficiary.** Effective for Plan Years beginning after December 31, 2009, the Plan must permit a non-Spouse beneficiary (as defined in Code §401(a)(9)(E)) to make a direct rollover of an eligible rollover distribution to an individual retirement account under Code §408(a) or an individual retirement annuity under Code §408(b) that is established on behalf of the designated beneficiary and that will be treated as an inherited IRA pursuant to the provisions of Code §402(c)(11). A non-Spouse rollover made after December 31, 2009 will be subject to the direct rollover requirements under Code §401(a)(31), the rollover notice requirements under Code §402(f) or the mandatory withholding requirements under Code §3405(c).
- (d) **Direct Rollover of non-taxable amounts.** Notwithstanding any other provision of the Plan, effective for taxable years beginning on or after January 1, 2007, an Eligible Rollover Distribution may include the portion of any distribution that

is not includible in gross income. For this purpose, an Eligible Retirement Plan includes a Defined Contribution or Defined Benefit Plan qualified under Code §401(a) and a tax-sheltered annuity plan under Code §403(b), provided the rollover is accomplished through a direct rollover and the recipient Eligible Retirement Plan separately accounts for any amounts attributable to the rollover of any nontaxable distribution and earnings thereon.

- (e) **Rollovers to Roth IRA.** For distributions occurring on or after January 1, 2008, a Participant, Beneficiary or Alternate Payee (including a non-spousal beneficiary to the extent permitted under subsection (c) above), may rollover an Eligible Rollover Distribution (as defined in subsection (a)(1)) to a Roth IRA, provided the Participant (or beneficiary) satisfies the requirements for making a Roth contribution under Code §408A(c)(3)(B). Any amounts rolled over to a Roth IRA will be included in gross income to the extent such amounts would have been included in gross income if not rolled over (as required under Code §408A(d)(3)(A)). For purposes of this subsection (e), the Plan Administrator is not responsible for assuring the Participant (or beneficiary) is eligible to make a rollover to a Roth IRA.

8.05 Automatic Rollover. The Automatic Rollover rules in this Section 8.058.05 are effective for all Involuntary Cash-Out Distributions (as defined in subsection (b)) made on or after March 28, 2005.

- (a) **Automatic Rollover requirements.** If a Participant is entitled to an Involuntary Cash-Out Distribution (as defined in subsection (b)), and the Participant does not elect to receive a distribution of such amount (either as a Direct Rollover to an Eligible Retirement Plan or as a direct distribution to the Participant), then the Plan Administrator may pay the distribution in a Direct Rollover to an individual retirement plan (IRA) designated by the Plan Administrator. (The Automatic Rollover provisions under this subsection (a) apply to any Involuntary Cash-Out Distribution for which the Participant fails to consent to a distribution, without regard to whether the Participant can be located. See Section 7.09(c) for alternatives if the Participant cannot be located after a reasonable diligent search.)
- (b) **Involuntary Cash-Out Distribution.** An Involuntary Cash-Out Distribution is any distribution that is made from the Plan without the Participant's consent. Unless elected otherwise under the AA, an Involuntary Cash-Out Distribution, for purposes of applying the Automatic Rollover requirements under this Section 8.05, does not include any amounts equal to or less than \$1,000. For purposes of applying the Automatic Rollover provisions of this Section 8.06, including the \$1,000 threshold, a Participant's Roth Deferral Account and the Participant's other Accounts are treated as held under separate plans. (See Section 8.03 for the Participant consent requirements with respect to distributions under the Plan.)

8.06 Distribution Upon Severance from Employment. Subject to the required minimum distribution provisions under Section 8.10 and the terms governing the applicable Investment Arrangement, a Participant who has a Severance from Employment for any reason (other than death) is entitled to receive a distribution of such Participant's vested Account Balance in accordance with this Section 8.06. (See Section 8.07 for the applicable rules when a Participant dies before distribution of such Participant's vested Account Balance is completed.)

- (a) **Account Balance not exceeding \$5,000.** If a Participant's vested Account Balance does not exceed \$5,000 (or other Cash-Out threshold designated under AA §9) at the time of distribution, the only distribution option available under the Plan is a lump sum option. The Participant will be eligible to receive a distribution of such Participant's vested Account Balance as of the date selected in AA §9. The Employer may elect in AA §9 to require a Participant to consent to a distribution where such Participant's vested Account Balance does not exceed \$5,000. However, this will not change the distribution options described in this subsection (a), unless the Employer specifically modifies such options under AA §9. In any event, the Participant's consent must be obtained before any distribution regardless of the amount, if such participant is the sole owner of the investment vehicle under the Plan.
- (b) **Account Balance exceeding \$5,000.** If a Participant's vested Account Balance exceeds \$5,000 (or other Cash-Out threshold designated under AA §9) at the time of distribution, the Participant may elect to receive a distribution of such Participant's vested Account Balance in any form permitted under AA §9. The Participant will be eligible to receive a distribution of such Participant's vested Account Balance as of the date selected in AA §9.

8.07 Distribution Upon Death. Except as otherwise required under State law and subject to the required minimum distribution rules in Section 8.10 and the terms governing the applicable Investment Arrangement, a Participant's vested Account Balance will be distributed to the Participant's Beneficiary(ies) in accordance with this Section 8.07. (See subsection (c) for rules regarding the determination of Beneficiaries upon the death of the Participant.) The form of benefit payable with respect to a deceased Participant will depend on whether the Participant dies before or after distribution of such Participant's Account Balance has commenced. A Beneficiary may make a valid disclaimer of the benefits such Beneficiary is entitled to under the Plan.

- (a) **Death after commencement of benefits.** If a Participant begins receiving a distribution of such Participant's benefits under the Plan, and subsequently dies prior to receiving the full value of such Participant's vested Account Balance, the remaining benefit will continue to be paid to the Participant's Beneficiary(ies) in accordance with the form of payment

that has already commenced. If a Participant commences distribution prior to death only with respect to a portion of such Participant's Account Balance, then the rules in subsection (b) apply to the rest of the Account Balance.

- (b) **Death before commencement of benefits.** If a Participant dies before commencing distribution of such Participant's benefits under the Plan, the form and timing of any death benefits will depend on whether the value of the death benefit exceeds \$5,000 (or other threshold designated under AA §9). In no event will any death benefit be paid in a manner that is inconsistent with the required minimum distribution rules under Section 8.10. The Beneficiary of any pre-retirement death benefit described in this subsection (b) may postpone the commencement of the death benefit to a date that is not later than the latest commencement date permitted under Section 8.10, unless such election is prohibited in AA §9-1.
- (c) **Determining a Participant's Beneficiary.** Subject to the terms governing the applicable Investment Arrangement, the determination of a Participant's Beneficiary(ies) to receive any death benefits under the Plan will be based on the Participant's Beneficiary designation under the Plan. If a Participant does not designate a Beneficiary to receive the death benefits under the Plan, distribution will be made to the default Beneficiaries, as set forth in subsection (3) below. (unless otherwise provided in a QDRO). Except as elected in AA §9 or as may be otherwise applicable under State law, a Spouse's consent to the Participant's Beneficiary designation is not required. However, if spousal consent is elected under AA §9, any designation of a Beneficiary other than the Participant's Spouse, must satisfy the consent requirements under subsection (1) and (2) below. Spousal consent must be in the form of a spousal election as described in Section 9.
- (1) **Post-retirement death benefit.** If a Participant dies after commencing distribution of benefits under the Plan (but prior to receiving a distribution of such Participant's entire vested Account Balance under the Plan), the Beneficiary of any post-retirement death benefit is the Participant's surviving Spouse, unless (i) there is no surviving Spouse, (ii) the surviving Spouse has consented to the designation of an alternate Beneficiary(ies), or (iii) the surviving Spouse makes a valid disclaimer of the death benefit.
- (2) **Pre-retirement death benefit.** If a Participant dies before commencing distribution of such Participant's benefits under the Plan, the determination of the Participant's Beneficiary will be determined as follows:
- The surviving Spouse (determined at the time of the Participant's death) will be treated as the sole Beneficiary, regardless of any contrary Beneficiary designation, unless there is no surviving Spouse, or the Spouse has consented to the Beneficiary designation or makes a valid disclaimer. (See Section 9.03 for rules regarding the determination of a Participant's marital status.)
- (3) **Default beneficiaries.** Subject to the terms governing the applicable Investment Arrangement and to the extent a Beneficiary has not been named by the Participant and is not designated under the terms of this Plan to receive all or any portion of the deceased Participant's death benefit, such amount shall be distributed to the Participant's surviving Spouse (if the Participant was married at the time of death). If the Participant does not have a surviving Spouse at the time of death, distribution will be made to the Participant's surviving children (including legally adopted children but not step-children), in equal shares. If the Participant has no surviving children, distribution will be made to the Participant's estate. The Employer may modify the default beneficiary rules described in this subparagraph under AA §9-5(a).
- (4) **Identification of Beneficiaries.** The Plan Administrator may request proof of the Participant's death and may require the Beneficiary to provide evidence of such Beneficiary's right to receive a distribution from the Plan in any form or manner the Plan Administrator may deem appropriate. The Plan Administrator's determination of the Participant's death and of the right of a Beneficiary to receive payment under the Plan shall be conclusive. If a distribution is to be made to a minor or incompetent Beneficiary, payments may be made to the person's legal guardian, conservator recognized under state law, or custodian in accordance with the Uniform Gifts to Minors Act or similar law as permitted under the laws of the state where the Beneficiary resides. The Plan Administrator will not be liable for any payments made in accordance with this subsection (4) and will not be required to make any inquiries with respect to the competence of any person entitled to benefits under the Plan.
- (5) **Death of Beneficiary.** Unless specified otherwise in the Participant's Beneficiary designation form or under AA §9-5(a), if a Beneficiary does not predecease the Participant but dies before distribution of the death benefit is made to the Beneficiary, the death benefit will be paid to the Beneficiary's estate. If the Participant and the Participant's Beneficiary die simultaneously, and the Participant's Beneficiary designation form does not address simultaneous death, the determination of the death beneficiary will be determined under any state simultaneous death laws, to the extent applicable. If no applicable state law applies, the death benefit will be paid to the any contingent beneficiaries named under the Participant's beneficiary designation. If there are no contingent beneficiaries, the death benefit will be paid to the Participant's default beneficiaries, as described in subsection (3).

- (6) **Divorce from Spouse.** Unless designated otherwise under AA §9-5(c), if a Participant designates such Participant's Spouse as Beneficiary and subsequent to such Beneficiary designation, the Participant and Spouse are divorced, the designation of the Spouse as Beneficiary under the Plan is automatically rescinded unless specifically provided otherwise under a divorce decree or QDRO, or unless the Participant enters into a new Beneficiary designation naming the prior Spouse as Beneficiary. In addition, the provisions under this subsection (6) will not apply if the Participant has entered into a Beneficiary designation that specifically overrides the provisions of this subsection (6).

8.08 In-Service Distributions. Subject to the terms governing the applicable Investment Arrangement, the Employer may elect under AA §10 to permit in-service distributions under the Plan. If an in-service distribution is not specifically permitted under AA §10, a Participant may not receive a distribution from the Plan until Severance from Employment, death or disability.

- (a) **After-Tax Employee Contributions and Rollover Contributions.** A Participant may withdraw at any time, upon written request, all or any portion of such Participant's Account Balance attributable to After-Tax Employee Contributions or Rollover Contributions. No forfeiture will occur solely as a result of an Employee's withdrawal of After-Tax Employee Contributions.
- (b) **Employer Contributions.** The Employer may elect under AA §10 the extent to which in-service distributions will be permitted from Employer Contributions (including Matching Contributions, if applicable) under the Plan. (See subsection (c) below for the in-service distribution rules applicable to Salary Deferrals.) If permitted under AA §10, Employer Contributions may be withdrawn upon the occurrence of a specified event (including a Hardship, as defined in subsection (e)) or upon the completion of a certain number of years, provided no distribution on account of years may be made with respect to Employer Contributions that have been accumulated in the Plan for less than 2 years, unless the Participant has been a Participant in the Plan for at least 5 years. (See Section 7.08 for special vesting rules that apply if a Participant takes an in-service distribution prior to becoming 100% vested in such contributions.) Mandatory Contributions are treated as Employer Contributions for purposes of in-service distributions, unless otherwise specified in the Adoption Agreement.
- (c) **Salary Deferrals.** Any Salary Deferrals (including any earnings on such amounts) generally may not be distributed prior to the Participant's severance from employment, death, or disability. However, the Employer may elect under AA §10 to permit an in-service distribution of such amounts upon attainment of a specified age (no earlier than age 59½) or upon a Hardship (as defined in subsection (e)).
- (d) **Qualified Reservist Distributions.** If elected in the Adoption Agreement, a Participant may receive a Qualified Reservist Distribution, as defined in subsection (1) below. If a Participant takes a Qualified Reservist Distribution, such distributions will not be subject to the 10% penalty tax under Code §72(t).
- (1) **Qualified Reservist Distribution.** Qualified Reservist Distribution means any distribution to an individual if:
- (i) such distribution is from amounts attributable to elective deferrals described in Code §402(g)(3)(A) or (C) or Code §501(c)(18)(D)(iii),
 - (ii) such individual was (by reason of being a member of a reserve component (as defined in §101 of Title 37 of the United States Code)) ordered or called to active duty for a period in excess of 179 days or for an indefinite period, and
 - (iii) such distribution is made during the period beginning on the date of such order or call and ending at the close of the active duty period.
- (2) **Active duty.** A Qualified Reservist Distribution will only be available for individuals who are ordered or called into active duty after September 11, 2001.
- (e) **Hardship distribution.** Subject to the terms governing the applicable Investment Arrangements and the restrictions under Section 8.08(e)(5) and if otherwise permitted under the Plan, the Employer may elect under AA §10-1 or AA §10-2 of the Adoption Agreement to authorize an in-service distribution upon the occurrence of Hardship. A distribution is made on account of Hardship only if the distribution both is made on account of an immediate and heavy financial need and is necessary to satisfy the financial need.
- (1) **Deemed (safe harbor) immediate and heavy financial need.** A distribution is deemed to be made on account of an immediate and heavy financial need of the Employee if the distribution satisfies one of the following needs:

- (i) Expenses incurred or necessary for medical care (as described in Code §213(d)) of the Participant, the Participant's Spouse or dependents (determined without regard to whether the expenses exceed 7.5% of adjusted gross income);
- (ii) Costs directly related to the purchase (excluding mortgage payments) of a principal residence for the Participant;
- (iii) Payment of tuition, related educational fees and room and board for up to the next 12 months of post-secondary education for the Participant, the Participant's Spouse, children or dependents;
- (iv) Payments necessary to prevent the eviction of the Participant from, or a foreclosure on the mortgage of, the Participant's principal residence;
- (v) Payments for funeral or burial expenses for the Participant's deceased parent, Spouse, child or dependent;
- (vi) Expenses for the repair of damage to the Participant's principal residence that would qualify for the casualty deduction under Code §165 (determined without regard to Code §165(h)(5) and whether the loss exceeds 10% of adjusted gross income);
- (vii) Expenses and losses (including loss of income) incurred by the Participant on account of a disaster declared by the Federal Emergency Management Agency (FEMA) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Pub. L. 100-707, provided that the Participant's principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster; or
- (viii) for any other event that the IRS recognizes as a deemed immediate and heavy financial need Hardship distribution event under ruling, notice or other guidance of general applicability.

For purposes of determining eligibility for a Hardship distribution under this subsection (1), a dependent is determined under Code §152. However, the determination of dependent for purposes of tuition and related educational fees under subsection (iii) above will be made without regard to Code §§152(b)(1), (b)(2), and (d)(1)(B) and the determination of dependent for purposes of funeral or burial expenses under subsection (v) above will be made without regard to Code §152(d)(1)(B).

A Participant must provide the Plan Administrator with a written request for a Hardship distribution. The Plan Administrator may require written documentation, as it deems necessary, to sufficiently document the existence of a proper Hardship event. The Plan Administrator may develop procedures to assist in determining whether a distribution is made on account of an immediate and heavy financial need, including Employee certification of such need.

- (2) **Non-deemed immediate and heavy financial need.** The Employer may elect in the Adoption Agreement to permit Participants to take a Hardship distribution without satisfying one of the needs in subsection (1) above by setting forth nondiscriminatory and objective standards under AA §10-3(c).
- (3) **Distribution necessary to satisfy financial need.**
 - (i) **Distribution may not exceed amount of need.** A distribution is treated as necessary to satisfy an immediate and heavy financial need of an Employee only to the extent the amount of the distribution is not in excess of the amount required to satisfy the financial need (including any amounts necessary to pay any federal, State, or local income taxes or penalties reasonably anticipated to result from the distribution). The Plan Administrator may develop procedures to assist in determining whether a distribution is necessary to satisfy an immediate and heavy financial need, including Employee certification of such need.
 - (ii) **No alternative means reasonably available.** A distribution is not treated as necessary to satisfy an immediate and heavy financial need of an employee unless each of the following requirements is satisfied:
 - (A) The Employee has obtained all other currently available distributions, but not Hardship distributions, under the Plan and all other plans of deferred compensation, whether qualified or nonqualified, maintained by the Employer;

- (B) The Employee has provided to the Plan Administrator a representation in writing (including the use of an electronic medium as defined in Treas. Reg. §1.401(a)-21(e)(3)), or in such other form as may be prescribed by the IRS, that he or she has insufficient cash or other liquid assets reasonably available to satisfy the need; and
- (C) The Plan Administrator does not have actual knowledge that is contrary to the representation.
- (iii) **Additional conditions.** The Plan generally may provide for additional conditions to demonstrate that a distribution is necessary to satisfy an immediate and heavy financial need of an employee. For example, a plan may provide that, before a Hardship distribution may be made, an Employee must obtain all nontaxable loans (determined at the time a loan is made) available under the Plan and all other plans maintained by the Employer.
- (iv) **No suspensions allowed for Hardship distributions made on or after January 1, 2020.** The Plan may not provide for a suspension of an Employee's Salary Deferrals or After-Tax Employee Contributions under any plan described in Code §§401(a) or 403(a), any Code §403(b) plan, or any eligible governmental plan described in Treas. Reg. §1.457-2(f) as a condition of obtaining a Hardship distribution for Hardship distributions made on or after January 1, 2020.
- (4) **Sources for Hardship distributions.** Subject to the terms governing the applicable Investment Arrangements, and except as restricted under Subsection (5) below, for Plan Years beginning after December 31, 2018 (or such later date specified under the AA §10-1), the Employer may permit Hardship distributions from the vested portion of a Participant's Employer Contribution Account, Matching Contribution Account, Pre-Tax Salary Deferral Account, and Roth Deferral Account held in Annuity Contracts, as applicable. With respect to amounts held in a Custodial Account, the Employer may permit Hardship distributions from the Participant's Pre-Tax Salary Deferral Account and Roth Deferral Account.
- A Hardship distribution (except for those from a Salary Deferral Account and as restricted under subsection (5)(ii) below) may include earnings on these Accounts, regardless of when amounts were contributed or earned. The Employer may designate the Accounts (including earnings, if allowed) from which a Participant may receive a Hardship distribution under AA §10-1 and AA §10-2. The Plan Administrator may adopt distribution ordering rules consistent with the sources available for Hardship distributions under separate administrative procedures.
- (5) **Availability to Employees who has a Severance from Employment.** If a Hardship distribution is permitted under AA §10-1 or AA §10-2, a Participant may take such a Hardship distribution after Severance from Employment to the extent no other distribution is available from the Plan, subject to the terms governing the applicable Investment Arrangements.
- (6) **Application of Hardship distributions rules with respect to primary beneficiaries.** If elected under AA §10-3(e) of the Plan, if the Plan otherwise permits Hardship distributions based on the deemed immediate and heavy needs under subsection (1)(i) (medical expenses), (1)(iii) (educational expenses) or (1)(v) (funeral expenses) above, the existence of an immediate and heavy financial need may be determined with respect to a primary beneficiary under the Plan. For this purpose, a primary beneficiary is an individual who is named as a beneficiary under the Plan and has an unconditional right to all or a portion of a Participant's Account Balance upon the death of the Participant. Any Hardship distribution with respect to a primary beneficiary must satisfy all the other requirements applicable to Hardship distributions under Section 8.08(e) of the Plan.
- (f) **Qualified Birth or Adoption Distributions (QBADs).** As provided for under SECURE Act §113, effective no earlier than for Plan Years beginning after December 31, 2019, if elected under the Adoption Agreement, the permissible distribution events may include QBADs. The Employer may restrict in a nondiscriminatory manner the availability of QBADs to Participants who has incurred a Severance from Employment or certain active Participants under the Elective Provisions. The Plan Administrator may use the guidance provided under IRS Notice 2020-68 and other applicable guidance in applying the rules under this Section 8.09(f).

(1) **Definitions.**

- (i) **QBAD.** A QBAD (as defined under Code §72(t)(2)(H)(iii)(I)) is a distribution from the Plan to a Participant if made during the one-year period beginning on the date on which a child of the Participant is born or on which the legal adoption by the individual of an Eligible Adoptee is finalized.

- (ii) **Eligible Adoptee.** An Eligible Adoptee (as defined under Code §72(t)(2)(H)(iii)(II)) is any individual (other than a child of the Participant's spouse) who has not attained age 18 or is physically or mentally incapable of self-support. The determination of whether an individual is physically or mentally incapable of self-support is made in the same manner as the determination of whether an individual is disabled under Code §72(m)(7), which defines when an individual is disabled for purposes of the exception to the 10% additional tax under Code §72(t)(2)(A)(iii).
 - (2) **\$5,000 limitation.** The Plan is not treated as violating any Code requirement merely because it treats a distribution (that would otherwise be a QBAD) to an individual as a QBAD, provided that the aggregate amount of such distributions to that Participant from all plans maintained by the Employer does not exceed \$5,000.
 - (i) Each parent may receive a QBAD of up to \$5,000 with respect to the same child or Eligible Adoptee.
 - (ii) An individual is permitted to receive a QBAD with respect to the birth of more than one child or the adoption of more than one Eligible Adoptee if the distributions are made during the one-year period following the date on which the children are born or the legal adoption for the Eligible Adoptees is finalized.
 - (3) **Recontributions to applicable Eligible Retirement Plans.** Any portion of a QBAD may, at any time after the date on which the distribution was received, be recontributed to an applicable Eligible Retirement Plan to which an Eligible Rollover Distribution can be made. If the Employer adds the ability for Plan Participants to receive QBADs to the Plan, a Participant who has received a QBAD may recontribute, up to the amount that was distributed from the Plan to the Participant, provided the Participant otherwise is eligible to make Rollover Contributions to the Plan at the time the Participant wishes to recontribute the QBAD. The Plan will ensure that one or more Investment Arrangements are available to accept the recontribution. In the case of a recontribution made with respect to a QBAD from an applicable Eligible Retirement Plan other than an IRA, an individual is treated as having received the distribution as an Eligible Rollover Distribution (as defined in Code §402(c)(4)) and as having transferred the amount to an applicable Eligible Retirement Plan in a direct trustee-to-trustee transfer within 60 days of the distribution.
 - (4) **Other applicable rules.** The following rules apply to QBADs:
 - (i) A distribution to an individual will not be treated as a QBAD with respect to any child or Eligible Adoptee unless the individual includes the name, age, and the Taxpayer Identification Number (TIN) of the child or Eligible Adoptee on the individual's tax return;
 - (ii) A QBAD is includible in gross income, but it is not subject to the 10% additional tax under Code §72(t)(1);
 - (iii) In making a determination whether an individual is eligible for a QBAD, the Employer or Plan Administrator is permitted to rely on reasonable representations from the individual, unless the Employer or Plan Administrator has actual knowledge to the contrary; and
 - (iv) A QBAD is not treated as an Eligible Rollover Distribution for purposes of the direct rollover rules of Code §401(a)(31), the notice requirement under Code §402(f), and the mandatory withholding rules under Code §3405.
 - (g) **Portability of lifetime income options.** Effective for Plan Years beginning after December 31, 2019 and as provided under Code §§403(b)(11)(D) and 403(b)(7)(A)(i)(VI), the Plan may allow a Qualified Distribution of a Lifetime Income Investment and a distribution of a Lifetime Income Investment in the form of a Qualified Plan Distribution Annuity Contract, provided such distribution is made within the 90-day period ending on the date when the Lifetime Income Investment is no longer authorized to be held as an investment option under the Plan. The Plan Administrator may administratively apply the rules of Code §§403(b)(11)(D) and 403(b)(7)(A)(i)(VI) to any applicable Plan investment meeting the definition of a Lifetime Income Investment.
- (1) **Definitions.**
- (i) **Qualified Distribution.** A Qualified Distribution is a direct trustee-to-trustee transfer to an Eligible Retirement Plan.
 - (ii) **Lifetime Income Investment.** A Lifetime Income Investment is an investment option designed to provide an Employee with election rights that (1) are not uniformly available with respect to other

investment options under the Plan; and (2) are rights to a Lifetime Income Feature available through a contract or other arrangement offered under the Plan, as defined under Code §401(a)(38)(B)(ii). The Plan Administrator will determine whether an investment option under the Plan is a Lifetime Income Investment.

(iii) **Lifetime Income Feature.** A Lifetime Income Feature is (1) a feature that guarantees a minimum level of income annually (or more frequently) for at least the remainder of the life of the Employee or the joint lives of the Employee and the Employee's Designated Beneficiary, or (2) an annuity payable on behalf of the Employee under which payments are made in substantially equal periodic payments (not less frequently than annually) over the life of the Employee or the joint lives of the Employee and the Employee's Designated Beneficiary, as defined under Code §401(a)(38)(B)(iii).

(iv) **Qualified Plan Distribution Annuity Contract.** A Qualified Plan Distribution Annuity Contract is an annuity contract purchased for a Participant and distributed to the Participant by the Plan, as defined under Code §401(a)(38)(B)(iv).

(2) **Administration of portability of lifetime income options.** The Plan Administrator may administratively apply the rules of Code §§403(b)(11)(D) and 403(b)(7)(A)(i)(VI) to any applicable Plan investment meeting the definition of a Lifetime Income Investment. The Plan Administrator will separately document the manner of application of the rules under this Section 8.08(g) and apply the rules in a consistent and nondiscriminatory manner.

(h) **Qualified Distributions for Retired Public Safety Officers.** A Participant who is an eligible retired public safety officer may elect, after separation from service, to have qualified health insurance premiums deducted from amounts to be distributed from the Plan that would otherwise be includible in gross income, and to have such amounts paid directly to the insurer or group health plan. The distribution shall be excluded from the Participant's gross income to the extent that the aggregate amount of the distribution does not exceed the lesser of the amount used to pay the qualified health insurance premiums of the Participant, the Participant's Spouse, and the Participant's dependents (as defined in Code §152), or \$3,000, determined by aggregating all distributions with respect to the Participant that are used to pay qualified health insurance premiums from all eligible retirement plans of the Employer.

(1) **Qualified health insurance premiums.** The term "qualified health insurance premiums" means premiums for coverage for the Participant, the Participant's Spouse, and the Participant's dependents (as defined in Code Section 152) by an accident or health insurance plan (including under a self-insured plan) or qualified long-term care insurance contract (within the meaning of Code Section 7702B(b)).

(2) **Eligible retired public safety officer.** The term "eligible retired public safety officer" means an individual who separated from service, either by reason of disability or after attainment of Normal Retirement Age, as a public safety officer with the Employer. For this purpose, a public safety officer is an individual serving the Employer in an official capacity, with or without compensation, as a law enforcement officer, a firefighter, a chaplain, or a member of a rescue squad or ambulance crew.

8.09 Sources of Distribution. Except as otherwise provided in the Investment Arrangement, and unless provided otherwise in separate administrative provisions adopted by the Plan Administrator, in applying the distribution provisions under this Section 8.09, distributions will be made on a pro rata basis from all Accounts from which a distribution is permitted under this Section 8. Alternatively, the Plan Administrator may permit Participants to direct the Plan Administrator as to which Account the distribution is to be made. Regardless of a Participant's direction as to the source of any distribution, the tax effect of such a distribution will be governed by Code §72 and the regulations thereunder.

(a) **Exception for Hardship withdrawals.** If the Plan permits a Hardship withdrawal from both Salary Deferrals (including Roth Deferrals) and Employer Contributions (including Employer Matching Contributions), a Hardship distribution will first be treated as having been made from a Participant's Employer Contribution Account and then from the Employer's Matching Contribution Account, to the extent such Hardship distribution is available with respect to such Accounts. Only when all available amounts have been exhausted under the Participant's Employer Contribution Account and/or Matching Contribution Account will a Hardship distribution be made from a Participant's Pre-Tax Deferral Account and/or Roth Deferral Account. (See subsection (b) below for the ordering rules for distributions from the Pre-Tax Deferral and Roth Deferral Accounts.) The Plan Administrator may modify the ordering rules under this subsection (a) under separate administrative procedures.

(b) **Roth Deferrals.** Unless designated otherwise under AA §6A-5 or separate administrative procedures, if a Participant has both a Pre-Tax Deferral Account and a Roth Deferral Account, the Participant may designate the extent to which a distribution or withdrawal of Salary Deferrals will come from the Pre-Tax Deferral Account or the Roth Deferral Account. Alternatively, the Employer may provide under AA §6A-5 (or under separate administrative procedures) that

any distribution or withdrawal of Salary Deferrals will be made on a pro rata basis from the Pre-Tax Deferral Account and the Roth Deferral Account. Alternatively, the Employer may designate any other order of distribution and withdrawals under AA §6A-5 or separate administrative procedures.

- (c) **In-kind distributions.** Nothing in this Section 8 precludes the Plan Administrator from making a distribution in the form of property, or other in-kind distribution.

8.10 Required Minimum Distributions. The Plan shall comply with the required minimum distribution requirements of Code §401(a)(9) and applicable regulations thereunder in accordance with the terms governing each Investment Arrangement (if applicable), unless and to the extent otherwise permitted by law and in regulations or other rules of general applicability published by the Department of the Treasury or the Internal Revenue Service. For purposes of applying the distribution rules of Code §401(a)(9) of the Code, each Investment Arrangement is treated as an individual retirement account (IRA) and distributions shall be made in accordance with the provisions of Treas. Reg. §1.408-8, except as provided in Treas. Reg. §1.403(b)-6(e). The Employer may develop administrative procedures to assist the Plan in complying with the required minimum distribution requirements of Code §401(a)(9) and applicable regulations. Effective for Participants turning age 70 ½ after December 31, 2019, and for the distribution of a Participant's Accumulated Benefit who dies after December 31, 2019, the amendments made by the SECURE Act are hereby reflected.

8.11 Correction of Plan Defects. Nothing in this Section 8 precludes the Plan Administrator from making a distribution to a Participant to correct a Plan defect consistent with the correction procedures under the IRS' EPCRS program and other applicable legislative guidance.

8.12 Special Rules relating to Coronavirus-Related Distributions and Loans from the Plan. This Section §8.12 incorporates CARES Act §2202 relating to special disaster-related rules for retirement plans. The provisions of this Section §8.12 apply only to the extent a distribution or loan was made to a qualified individual as provided under CARES Act §2202. If the Plan did not operationally apply the rules under this Section §8.12, such provisions did not apply to the Plan. The Plan Administrator documented through administrative procedures (including designating accounts from which Coronavirus-Related Distributions and loans could have been taken) or otherwise the manner in which the Plan operationally applied the rules under this Section §8.12. To the extent this Section 8.12 applies to the Plan, the provisions supersede any inconsistent provisions of the Plan or loan program. The Plan administered this Section 8.12 consistent with the guidance provided under IRS Notice 2020-50.

- (a) **Coronavirus-Related Distributions.** As provided under CARES Act §2202(a), the Plan could (but was not required to) make Coronavirus-Related Distributions, subject to the limits under Section 8.12(a)(4), without regard to certain distribution restrictions otherwise applicable under the Plan.

- (1) **Definition of Coronavirus-Related Distribution.** The term Coronavirus-Related Distribution means a distribution from the Plan made:

(i) on or after January 1, 2020, and before December 31, 2020,

(ii) to an individual:

(A) who was diagnosed with the virus SARS-CoV-2 or with coronavirus disease 2019 (collectively referred to herein as "COVID-19") by a test approved by the Centers for Disease Control and Prevention, including a test authorized under the Federal Food, Drug, and Cosmetic Act; or

(B) whose Spouse or dependent (as defined in Code §152) was diagnosed with COVID-19 by such a test; and

(C) who experienced adverse financial consequences as a result of:

(I) the individual being quarantined, being furloughed or laid off or having work hours reduced due to COVID-19;

(II) the individual being unable to work due to lack of childcare due to COVID-19;

(III) closing or reducing hours of a business owned or operated by the individual due to COVID-19;

(IV) the individual having pay or self-employment income reduced due to COVID-19;

(V) the individual having a job offer rescinded or start date for a job delayed due to COVID-19; or

- (VI) the individual's Spouse or a member of the individual's household (i.e., someone who shares the individual's principal residence) being quarantined, being furloughed or laid off or having work hours reduced due to COVID-19, being unable to work due to lack of childcare due to COVID-19, having pay or self-employment income reduced due to COVID-19, or having a job offer rescinded or start date for a job delayed due to COVID-19; or
- (VII) closing or reducing hours of a business owned or operated by the individual's Spouse or a member of the individual's household due to COVID-19.
- (2) **Amounts not treated as Coronavirus-Related Distributions.** The following amounts were not treated as Coronavirus-Related Distributions:
- (i) corrective distributions of Elective Deferrals and After-Tax Employee Contributions that were returned to the Employee (together with the income allocable thereto) in order to comply with the Code §415 limitations;
 - (ii) Excess Deferrals under Code §402(g);
 - (iii) Excess Aggregate Contributions;
 - (iv) loans that were treated as deemed distributions pursuant to Code §72(p);
 - (v) the costs of current life insurance protection;
 - (vi) distributions that were permissible withdrawals from an Eligible Automatic Contribution Arrangement within the meaning of Code §414(w); and
 - (vii) distributions of premiums for accident or health insurance under Treas. Reg. §1.402(a)-1(e)(1)(i).
- (3) **Employee certification.** The Plan Administrator could have relied on an Employee's certification that the Employee satisfied the conditions of Section 8.12(a)(1) in determining whether any distribution was a Coronavirus-Related Distribution unless the Plan Administrator had actual knowledge to the contrary. The Plan Administrator had no obligation to inquire into whether an individual had satisfied the conditions for a Coronavirus-Related Distribution.
- (4) **Limit on amount of Coronavirus-Related Distributions.** The aggregate amount of Coronavirus-Related Distributions received by an individual for any Taxable Year (from all plans maintained by the Employer and any member of a controlled group under Code §§414(b), (c), (m) or (o) which included the Employer) could not exceed \$100,000.
- (5) **Repayment of Coronavirus-Related Distribution.** A Participant who received a Coronavirus-Related Distribution from the Plan may, at any time during the three-year period beginning on the day after the receipt of such distribution, make one or more Rollover Contributions to an Eligible Retirement Plan (including this Plan, if the Participant is otherwise eligible to make Rollover Contributions) in an aggregate amount that does not exceed the amount of such Coronavirus-Related Distribution. In accepting a Rollover Contribution under this Section 8.12(a)(5), the Plan Administrator is entitled to the relief under Q&A-14 of Treas. Reg. §1.401(a)(31)-1. The Plan Administrator in accepting the Rollover Contribution must reasonably conclude that the recontribution is eligible for direct rollover treatment under CARES Act §2202(a)(3). The Plan Administrator may rely on an Employee's certification that the Employee satisfies the conditions for making such a Rollover Contribution unless the Plan Administrator has actual knowledge to the contrary.
- (6) **Exemption from certain transfer and withholding rules.** For purposes of the Direct Rollover rules of Code §401(a)(31), the notice requirements of Code §402(f) and withholding rules of Code §3405, a Coronavirus-Related Distribution was not treated as an Eligible Rollover Distribution.
- (b) **Special Loan Rules.** As provided under CARES Act §2202(b), the Plan Administrator was authorized (but not required) to revise the applicable loan requirements under the Plan to reflect (1) and/or (2) below. For purposes of this Section 8.12(b), a Qualified Individual means any individual who is described in Section 8.12(a)(1)(ii) above.
- (1) **Increased Participant loan limits.** Notwithstanding the Participant loan limitations under the Plan, for purposes of determining the permissible Participant loans for Qualified Individuals made during the 180-day period

beginning on March 27, 2020, the loan limit under Code §72(p)(2)(A) could have been applied by substituting “\$100,000” for “\$50,000” and the adequate security requirement under Code §72(p)(2)(A)(ii) could have been applied using “the Participant’s vested Account Balance” rather than “one-half (½) of the Participant’s vested Account Balance.”

- (2) **Delayed loan repayment date.** If a Qualified Individual had an outstanding Participant loan on or after March 27, 2020:
- (i) if the due date pursuant to Code §§72(p)(2)(B) or (C) for any repayment with respect to such loan occurred during the period beginning on March 27, 2020 and ending on December 31, 2020, such due date could have been delayed for one year;
 - (ii) any subsequent repayments with respect to such loan could have been appropriately adjusted to reflect the delay in the due date under Section 8.12(b)(2)(i) above and any interest accrued during such delay; and in determining the five-year period and the term of the loan under Code §72(p)(2)(B) and (C), the one-year delay period described in Section 8.12(b)(2)(i) above could have been disregarded.

8.13 Special Rules relating to Disaster-Related Distributions and Loans from the Plan. This Section 8.13 incorporates the provisions of the Disaster Tax Relief Act of 2020 §302 and any other federally-declared disaster relief legislation or guidance, which authorizes special disaster-related distributions and/or loans for retirement plans. The provisions of this Section 8.13 apply only to the extent a distribution or loan was made to a qualified individual as provided under any applicable federally-declared disaster relief legislation or guidance. If the Plan did not operationally apply the rules under this Section 8.13, such provisions do not apply to the Plan. The Plan Administrator documented through administrative procedures (including designating accounts from which special disaster-related distributions and loans could have been taken) or otherwise the manner in which the Plan operationally applied the rules under this Section 8.13. To the extent this Section 8.13 applies to the Plan, these provisions supersede any inconsistent provisions of the Plan or loan program.

8.14 Distribution on Plan Termination. Notwithstanding anything to the contrary in the Plan, in the event the Plan is terminated, all Account Balances shall be distributed as soon as administratively feasible. If a Participant, Beneficiary or Alternate Payee (collectively, a “distributee”) affirmatively elects to receive such distribution, distribution shall be made as elected in accordance with this Section 8. If a distributee does not affirmatively elect to receive such distribution, distribution shall be made to the extent administratively feasible in accordance with one of the options available under Revenue Ruling 2011-7 and Revenue Ruling 2020-23, and any other available guidance. To the extent the distribution in accordance with such guidance is not administratively feasible, the Plan Administrator shall cause the Account of each non-electing distributee to be paid in a single lump sum, or, if such person cannot be located within a reasonable time, shall instead cause the lump sum distribution to be transferred to an IRA established for the benefit of the distributee with a Vendor that accepts involuntary rollovers. (Alternatively, as allowed under state and federal law, the Plan Administrator may escheat such Accounts to the applicable state unclaimed property fund.)

SECTION 9
JOINT AND SURVIVOR ANNUITY REQUIREMENTS

- 9.01** **QJSA and QPSA Rules Not Applicable to Plan.** The Joint and Survivor Annuity rules under the Code and Title I of ERISA do not apply to the Plan. Unless the Employer has elected otherwise under AA §9 or as may be otherwise applicable under state or local law, no spousal consent is required with respect to a distribution of the Participant's Account, a designation of a Beneficiary other than the Participant's Spouse, or a Participant loan secured by the Participant's Account.
- 9.02** **Spousal consent.** If the Employer elects under AA §9 to require spousal consent to a Plan distribution, alternate Beneficiary designation, or a Participant loan, the Spouse's consent will be required and provided pursuant to a spousal election. For this purpose, a spousal election is a written election signed by both the Participant and the Participant's Spouse that specifically acknowledges the effect of the election. The Spouse's consent must be witnessed by a plan representative or notary public. If the spousal election permits the Participant to change a payment form or Beneficiary designation without any further consent by the Spouse, the spousal election must acknowledge that the Spouse has the right to limit consent to a specific Beneficiary, and a specific form of benefit, as applicable, and that the Spouse voluntarily elects to relinquish either or both of such rights.
- 9.03** **Determination of Spousal Status.**
- (a) **Definition of Spouse.** For this purpose, a Participant will be deemed to not have a Spouse if the Participant is legally separated or has been abandoned and the Participant has a court order to such effect. Notwithstanding the preceding sentence, to the extent provided in a QDRO, a former Spouse shall be treated as a current (or surviving) spouse for purposes of the Plan, and the Participant's current spouse shall not be so treated.
 - (b) **One-year marriage rule.** The Employer may elect under AA §9-5(b), for purposes of applying the death distribution provisions under this Section 9, that an individual will not be considered the surviving Spouse of the Participant if the Participant and the surviving Spouse have not been married for the entire one-year period ending on the date of the Participant's death unless otherwise provided in a QDRO.

SECTION 10
INVESTMENT ARRANGEMENTS AND PARTICIPANT ACCOUNTS

10.01 **Permissible Investment Arrangements.** Amounts contributed to this Plan may only be invested in Annuity Contracts, Custodial Accounts or a combination of these Investment Arrangements. The 403(b) Fund will consist of all Annuity Contracts and Custodial Accounts held under the Plan and identified under Addendum B of the Adoption Agreement. The terms of each Investment Arrangement under the Plan, excluding those terms that are inconsistent with the Plan or Code §403(b), are incorporated by reference in the Plan.

10.02 **Annuity Contract Requirements.**

The Annuity Contract:

- (a) must meet the requirements of Code §403(b)(1),
- (b) may only be offered by an Insurance Company,
- (c) may be owned by the Participant, and a group Annuity Contract may be held by the Employer. An Annuity Contract may be fixed, variable or a combination of fixed and variable, and
- (d) must provide that it is nontransferable and meets the requirements of Code §401(g).

A life insurance contract, an endowment contract, a health or accident insurance contract, or a property, casualty, or liability insurance contract do not constitute an Annuity Contract. However, this does not apply for contracts issued before September 24, 2007.

10.03 **Custodial Account Requirements.**

- (a) The Custodial Account must meet the requirements of Code §403(b)(7).
- (b) The assets of a Custodial Account must be held by a bank or approved non-bank trustee or custodian under Code §401(f).
- (c) The assets of the Custodial Account must be invested exclusively in regulated investment company within the meaning of Code §851(a).

10.04 **Participant Accounts.** The Plan Administrator will direct the Custodian/Insurance Company, the Vendor and/or a Plan Service provider to establish and maintain a separate Account (or multiple Accounts, if appropriate) for each Participant to reflect the Participant's entire interest under the Plan. To the extent applicable, the Plan Administrator may direct the Custodian and/or Insurance Company to establish and maintain separate sub-Accounts for a Participant. Accounts may include, but are not limited to:

- Pre-Tax Deferral Account
- Roth Deferral Account
- Employer Contribution Account
- Matching Contribution Account
- After-Tax Employee Contribution Account
- Mandatory Contribution Account
- Rollover Contribution Account
- Roth Rollover Account
- In-Plan Roth Conversion Account
- Transfer Account

The Plan Administrator will maintain separate Accounts for the vested and non-vested portions of any Employer Contribution Account and Matching Contribution Account, for any excess amounts under Code §415.

10.05 **Value of Participant Accounts.** The value of a Participant's Account consists of the fair market value of the Participant's share of the Plan assets, as determined by the Custodian/Insurance Company or by another Plan service provider, or as provided in this Section 10.05.

- (a) **Periodic valuation.** The Custodian/Insurance Company must value Plan assets at least annually.

(b) **Daily valuation.** If the Employer elects daily valuation under AA §11-1(a) or, if in operation, the Employer elects to have the Plan daily valued, the Plan Administrator may adopt reasonable procedures for performing such valuations. Unless otherwise set forth in the written procedures, a daily valued Plan will have its assets valued at the end of each business day during which the New York Stock Exchange is open. The Plan Administrator has authority to interpret the provisions of this Plan in the context of a daily valuation procedure. This includes, but is not limited to, the determination of the value of the Participant's Account for purposes of Participant loans, distribution and consent rights, and corrective distributions.

(c) **Interim valuations.** The Plan Administrator may perform interim valuations.

10.06 Adjustments to Participant Accounts. As of each Valuation Date under the Plan, each Participant's Account is adjusted in the following manner.

(a) **Distributions and forfeitures from a Participant's Account.** A Participant's Account will be reduced by any distributions and forfeitures from the Account since the previous Valuation Date.

(b) **Contributions and forfeitures allocated to a Participant's Account.** A Participant's Account will be credited with any contribution or forfeiture allocated to the Participant since the previous Valuation Date.

(c) **Net income or loss.** A Participant's Account will be adjusted for any net income or loss in accordance with the provisions under Section 10.07.

10.07 Procedures for Determining Net Income or Loss. Except as otherwise provided in the Investment Arrangement, the Plan Administrator may establish any reasonable procedures for determining net income or loss under Section 10.06(c). Such procedures may be reflected in a funding agreement governing the applicable investments under the Plan and the terms of any applicable Investment Arrangement under the Plan.

10.08 Investments under the Plan.

(a) **Investment options.** Amounts contributed to this Plan may only be invested in Annuity Contracts, Custodial Accounts or a combination of these investment vehicles. The choice of investments is subject to the terms governing the applicable Investment Arrangement.

(b) **Individual/Pooled Accounts.** The Plan may maintain individual or pooled accounts for Participants.

10.09 Information Sharing. Each Vendor and the Plan Administrator shall exchange such information as may be necessary to satisfy Code §403(b) or other requirements of applicable law. In the case of a Vendor which is not eligible to receive Elective Deferrals under the Plan (including a Vendor which has ceased to be a Vendor eligible to receive Elective Deferrals under the Plan and a Vendor holding assets under the Plan), the Eligible Employer shall keep the Vendor informed of the name and contact information of the Plan Administrator in order to coordinate information necessary to satisfy Code §403(b) or other requirements of applicable law.

10.10 Participant-directed investments. Unless otherwise indicated in the Adoption Agreement or separate investment procedures, and except as otherwise required in an Investment Arrangement s, each Participant shall have the exclusive right, in accordance with the provisions of the Plan, to direct the investment of all or a portion of the amounts allocated to the separate Accounts of the Participant under the Plan. (A reference to Participant under this Section 10.10 also applies to any Beneficiary or Alternate Payee eligible to direct investments under the Plan.)

(a) **Limits on participant investment direction.** The Employer may elect under AA §C-1 or under separate investment procedures to limit Participant direction of investment to specific types of contributions or with respect to specific investment options. The terms of the governing Investment Arrangement may impose additional limitations. If Participant investment direction is limited to specific investment options, it shall be the sole and exclusive responsibility of the Employer, Plan Administrator or Vendor to select the investment options. In no case may Participants direct that investments be made in collectibles, other than U.S. Government or State issued gold and silver coins nor may adoption or modification of an investment procedure impose a limitation and/or restriction that would be prohibited under Section 14.01(b).

(b) **Failure to direct investment.** The Investment Arrangement and/or the Plan Administrator will designate how accounts will be invested in the absence of proper affirmative direction from the Participant. The Plan or Plan Administrator may designate a default fund under the Plan.

10.11 Life Insurance. Plan assets may not be held under a life insurance contract issued on or after September 24, 2007. If Plan assets include life insurance contracts issued before September 24, 2007, those contracts will continue to be held pursuant to

the terms of the plan relating to life insurance as in effect immediately prior to September 24, 2007 until discontinued by the Participant.

SECTION 11
PLAN ADMINISTRATION AND OPERATION

- 11.01 Plan Administrator.** The Employer is the Plan Administrator, unless the Employer designates in writing an alternative Plan Administrator and such party accepts the designation. The Plan Administrator has the responsibilities described in this Section 11.
- 11.02 Allocation of Administrative Functions.** Administrative functions, including functions to comply with Code §403(b) and other tax requirements, may be allocated among various persons pursuant to service agreements or other written documents. However, in no case shall administrative functions be allocated to Participants (other than permitting Participants to make investment elections for self-directed accounts). Any administrative functions not allocated to other persons are reserved to the Administrator.
- 11.03 Administrative and Vendor Addendums.** Persons to whom administrative functions have been allocated and the specific functions allocated to such persons shall be identified in Addendum A – Allocation of Administrative Functions – in the Adoption Agreement. Service agreements and other records or information pertaining to the administration of the Plan may be included or incorporated by reference in Addendum A. Addendum B of the Adoption Agreement will include a list of all the Vendors of Investment Arrangements approved for use under the Plan, including sufficient information to identify the approved Investment Arrangements. Addendums A and B may be modified from time to time. A modification of the Addendums is not an amendment of the Plan.
- 11.04 Information Provided by a Participant.** Each Participant shall provide at the time of initial enrollment, and later if there are any changes, any information necessary or advisable for the administration of the Plan, including any information required under the terms governing the Investment Arrangement.
- 11.05 Duties, Powers and Responsibilities of the Plan Administrator.** The Plan Administrator will administer the Plan for the exclusive benefit of the Plan Participants, Beneficiaries and Alternate Payees, and in accordance with the terms of the Plan. If the terms of the Plan are unclear, the Plan Administrator may interpret the Plan. This right to interpret the Plan is an express grant of discretionary authority to resolve ambiguities in the Plan document and to make discretionary decisions regarding the interpretation of the Plan's terms, including who is eligible to participate under the Plan, and the benefit rights of a Participant, Beneficiary or Alternate Payee. Unless an interpretation or decision is determined to be arbitrary and capricious, the Plan Administrator will not be held liable for any interpretation of the Plan terms or decision regarding the application of a Plan provision.
- (a) **Delegation of duties, powers and responsibilities.** The Employer, as Plan Administrator, may delegate its duties, powers or responsibilities to one or more persons under Addendum A. Such delegation must be in writing and accepted by the person or persons receiving the delegation. The Employer may not delegate responsibilities to Plan Participants. The Employer must agree to such delegation by an alternative Plan Administrator. In delegating responsibilities, the Plan may, under Addendum A, incorporate by reference other documents, including annuity policies and custodial agreements.
- (b) **Specific Plan Administrator responsibilities.** The Plan Administrator has the general responsibility to control and manage the operation of the Plan. This responsibility includes, but is not limited to, the following:
- (1) To interpret and enforce the provisions of the Plan and applicable rules under Code §403(b) including those related to Plan eligibility, vesting, benefits and other tax requirements;
 - (2) To communicate with the appropriate persons with respect to the crediting of Plan contributions, the disbursement of Plan distributions and other relevant matters;
 - (3) To develop separate procedures (if necessary) consistent with the terms of the Plan to assist in the administration of the Plan, including the adoption of a separate or modified loan policy), procedures for direction of investment by Participants, procedures for determining whether domestic relations orders are QDROs), and procedures for the determination of investment earnings to be allocated to Participants' Accounts;
 - (4) To maintain all records necessary for tax and other administration purposes;
 - (5) To furnish and to file all appropriate notices, reports and other information to Participants, Beneficiaries, the Employer, the Custodian, Insurance Company and government agencies (as necessary);
 - (6) To provide information relating to Plan Participants and Beneficiaries;

- (7) To retain the services of other persons, including investment managers, attorneys, consultants, advisers and others, to assist in the administration of the Plan;
- (8) To review and decide on claims for benefits under the Plan;
- (9) To correct any defect or error in the operation of the Plan;
- (10) To establish a "funding policy and method" for the Plan for purposes of ensuring the Plan is satisfying its financial objectives and is able to meet its liquidity needs.

11.06 Plan Administration Expenses. All reasonable expenses related to plan administration may be paid from Plan assets, except to the extent the expenses are paid (or reimbursed) by the Employer. For this purpose, Plan expenses include, but are not limited to, all reasonable costs, charges and expenses incurred in connection with the administration of the Plan.

11.07 Qualified Domestic Relations Orders (QDROs).

(a) **In general.** The Plan Administrator must develop written procedures for determining whether a domestic relations order is a QDRO and for administering distributions under a QDRO. For this purpose, the Plan Administrator may use the default QDRO procedures set forth in subsection (h) below or may develop separate QDRO procedures. If applicable, the procedures must recognize the requirements under applicable State law.

(b) **Definitions related to QDROs.**

- (1) **QDRO.** A QDRO is a domestic relations order that creates or recognizes the existence of an Alternate Payee's right to receive, or assigns to an Alternate Payee the right to receive, all or a portion of the benefits payable with respect to a Participant under the Plan. (See Code §414(p).) The QDRO must contain certain information and meet other requirements described in this Section 11.07.
- (2) **Domestic relations order.** A domestic relations order is a judgment, decree, or order (including the approval of a property settlement) that is made pursuant to state domestic relations law (including community property law).
- (3) **Alternate Payee.** An Alternate Payee must be a Spouse, former Spouse, child, or other dependent of a Participant.
- (4) **Revision of QDRO.** A domestic relations order otherwise meeting the requirements to be a QDRO under Code §414(p) shall not fail to be treated as a QDRO solely because:
 - (i) the order is issued after, or revises, another domestic relations order or QDRO; or
 - (ii) of the time at which the order is issued, including orders issued after the death of the Participant.

Any QDRO described in this Section 11.07 shall be subject to the same requirements and protections which apply to QDROs under Code §414(p)(7).

(c) **Recognition as a QDRO.** To be a QDRO, an order must be a domestic relations order (as defined in subsection (b)(2) above) that relates to the provision of child support, alimony payments, or marital property rights for the benefit of an Alternate Payee. The Plan Administrator is not required to determine whether the court or agency issuing the domestic relations order had jurisdiction to issue an order, whether state law is correctly applied in the order, whether service was properly made on the parties, or whether an individual identified in an order as an Alternate Payee is a proper Alternate Payee under state law.

(d) **Contents of QDRO.** A QDRO must contain the following information:

- (1) the name and last known mailing address of the Participant and each Alternate Payee;
- (2) the name of each plan to which the order applies;
- (3) the dollar amount or percentage (or the method of determining the amount or percentage) of the benefit to be paid to the Alternate Payee; and
- (4) the number of payments or time period to which the order applies.

- (e) **Impermissible QDRO provisions.**
- (1) The order must not require the Plan to provide an Alternate Payee or Participant with any type or form of benefit, or any option, not otherwise provided under the Plan;
 - (2) The order must not require the Plan to provide for increased benefits (determined on the basis of actuarial value);
 - (3) The order must not require the Plan to pay benefits to an Alternate Payee that are required to be paid to another Alternate Payee under another order previously determined to be a QDRO; and
 - (4) The order must not require the Plan to pay benefits to an Alternate Payee in the form of a Qualified Joint and Survivor Annuity for the lives of the Alternate Payee and his or her subsequent Spouse.
- (f) **Immediate distribution to Alternate Payee.** Even if a Participant is not eligible to receive an immediate distribution from the Plan, an Alternate Payee may receive a QDRO benefit immediately in a lump sum, provided such distribution is consistent with the QDRO provisions.
- (g) **Fee for QDRO determination.** The Plan Administrator may condition the making of a QDRO determination on the payment of a fee by a Participant or an Alternate Payee, or both (either directly or as a charge against the Participant's Account).
- (h) **Default QDRO procedure.** If the Plan Administrator chooses this default QDRO procedure or if the Plan Administrator does not establish a separate QDRO procedure, this subsection (h) will apply as the procedure the Plan Administrator will use to determine whether a domestic relations order is a QDRO. This default QDRO procedure incorporates the requirements set forth below.
- (1) **Access to information.** The Plan Administrator will provide access to Plan and Participant benefit information sufficient for a prospective Alternate Payee to prepare a QDRO. Such information might include the summary plan description, other relevant plan documents, and a statement of the Participant's benefit entitlements. The disclosure of this information is conditioned on the prospective Alternate Payee providing to the Plan Administrator information sufficient to reasonably establish that the disclosure request is being made in connection with a domestic relations order.
 - (2) **Notifications to Participant and Alternate Payee.** The Plan Administrator will promptly notify the affected Participant and each Alternate Payee named in the domestic relations order of the receipt of the order. The Plan Administrator will send the notification to the address included in the domestic relations order. Along with the notification, the Plan Administrator will provide a copy of the Plan's procedures for determining whether a domestic relations order is a QDRO.
 - (3) **Alternate Payee representative.** The prospective Alternate Payee may designate a representative to receive copies of notices and Plan information that are sent to the Alternate Payee with respect to the domestic relations order.
 - (4) **Evaluation of domestic relations order.** Within a reasonable period of time, the Plan Administrator will evaluate the domestic relations order to determine whether it is a QDRO. A reasonable period will depend on the specific circumstances. The domestic relations order must contain the information described in subsection (d). If the order is only deficient in a minor respect, the Plan Administrator may supplement information in the order from information within the Plan Administrator's control or through communication with the prospective Alternate Payee.
 - (i) **Separate accounting.** Upon receipt of a domestic relations order, the Plan Administrator will separately account for and preserve the amounts that would be payable to an Alternate Payee until a determination is made with respect to the status of the order. During the period in which the status of the order is being determined, the Plan Administrator will take whatever steps are necessary to ensure that amounts that would be payable to the Alternate Payee, if the order were a QDRO, are not distributed to the Participant or any other person. The separate accounting requirement may be satisfied, at the Plan Administrator's discretion, by a segregation of the assets that are subject to separate accounting.
 - (ii) **Separate accounting until the end of "18-month period."** The Plan Administrator will continue to separately account for amounts that are payable under the QDRO until the end of an "18-month period." The "18-month period" will begin on the first date following the Plan's receipt of the order upon which a payment would be required to be made to an Alternate Payee under the order. If, within the "18-month

period," the Plan Administrator determines that the order is a QDRO, the Plan Administrator must pay the Alternate Payee in accordance with the terms of the QDRO. If, however, the Plan Administrator determines within the "18-month period" that the order is not a QDRO, or, if the status of the order is not resolved by the end of the "18-month period," the Plan Administrator may pay out the amounts otherwise payable under the order to the person or persons who would have been entitled to such amounts if there had been no order. If the order is later determined to be a QDRO, the order will apply only prospectively; that is, the Alternate Payee will be entitled only to amounts payable under the order after the subsequent determination.

- (iii) **Preliminary review.** The Plan Administrator will perform a preliminary review of the domestic relations order to determine if it is a QDRO. If this preliminary review indicates the order is deficient in some manner, the Plan Administrator will allow the parties to attempt to correct any deficiency before issuing a final decision on the domestic relations order. The ability to correct is limited to a reasonable period of time.
- (iv) **Notification of determination.** The Plan Administrator will notify in writing the Participant and each Alternate Payee of the Plan Administrator's decision as to whether a domestic relations order is a QDRO. In the case of a determination that an order is not a QDRO, the written notice will contain the following information:
 - (A) references to the Plan provisions on which the Plan Administrator based its decision;
 - (B) an explanation of any time limits that apply to rights available to the parties under the Plan (such as the duration of any protective actions the Plan Administrator will take); and
 - (C) a description of any additional material, information, or modifications necessary for the order to be a QDRO and an explanation of why such material, information, or modifications are necessary.
- (v) **Treatment of Alternate Payee.** If an order is accepted as a QDRO, the Plan Administrator will act in accordance with the terms of the QDRO as if it were a part of the Plan. An Alternate Payee will be considered a Beneficiary under the Plan and be afforded the same rights as a Beneficiary. The Plan Administrator will provide any appropriate disclosure information relating to the Plan to the Alternate Payee.

11.08 Claims Procedure. The Plan Administrator may establish procedures for administering benefit claims. Such benefit claims procedures should provide claimants with a reasonable opportunity to have a full and fair review of a denied claim. The Plan Administrator is authorized to conduct an examination of the relevant facts to determine the merits of a Participant's or Beneficiary's claim for Plan benefits.

11.09 Operational Rules for Short Plan Years. The following operational rules apply if the Plan has a Short Plan Year. A Short Plan Year is any Plan Year that is less than a 12-month period, either because of the amendment of the Plan Year, or because the Effective Date of a new Plan is less than 12 months prior to the end of the first Plan Year.

- (a) If the Plan is amended to create a Short Plan Year, and an Eligibility Computation Period or Vesting Computation Period is based on the Plan Year, the applicable computation period begins on the first day of the Short Plan Year, but such period ends on the day which is 12 months from the first day of such Short Plan Year. Thus, the computation period that begins on the first day of the Short Plan Year overlaps with the computation period that starts on the first day of the next Plan Year. This rule applies only to an Employee who has at least one Hour of Service during the Short Plan Year.

If a Plan has an initial Short Plan Year, the rule in the above paragraph applies only for purposes of determining an Employee's Vesting Computation Period and only if the Employer elects under AA §8-3 to exclude service earned prior to the adoption of the Plan. For eligibility and vesting (where service prior to the adoption of the Plan is not ignored), if the Eligibility Computation Period or Vesting Computation Period is based on the Plan Year, the applicable computation period will be determined on the basis of the Plan's normal Plan Year, without regard to the initial short Plan Year.

- (b) If Employer Contributions and/or Matching Contributions are allocated for a Short Plan Year, any allocation condition under AA §6-7 or AA §6B-7 that requires a Participant to complete a specified number of Hours of Service to receive an allocation of such Employer Contributions and/or Matching Contributions will not be prorated as a result of such Short Plan Year unless otherwise specified in AA §6-7 or AA §6B-7, if applicable.

- (c) The Compensation Limit will be prorated to reflect the number of months (or partial months) included in the Short Plan Year unless the compensation used for such Short Plan Year is a period of 12 months.

In all other respects, the Plan shall be operated for the Short Plan Year in the same manner as for a 12-month Plan Year, unless the context requires otherwise. If the terms of the Plan are ambiguous with respect to the operation of the Plan for a Short Plan Year, the Plan Administrator has the authority to make a final determination on the proper interpretation of the Plan.

SECTION 12
CUSTODIAL ACCOUNTS/ANNUITY CONTRACTS

- 12.01** **Creation of Custodial Account.** If the Employer elects in the Adoption Agreement to fund the Plan using Custodial Accounts, the Employer (or, if applicable each Participant) will execute a custodial agreement with the Custodian, as a Vendor, in which Participants' Accounts are invested. The custodial agreement will describe the duties and responsibilities of the Custodian. The Custodian will be listed in Addendum B – Vendors of Investment Arrangements. The terms governing each Investment Arrangement under the Plan, excluding those terms that are inconsistent with the Plan or Code §403(b), are incorporated by reference in the Plan.
- 12.02** **Annuity Contracts.** If the Employer elects in the Adoption Agreement to provide Annuity Contracts as an investment option, the Employer will list the Vendor of the Annuity Contract in Addendum B – Vendors of Investment Arrangements. The terms governing each Investment Arrangement under the Plan, excluding those terms that are inconsistent with the Plan or Code §403(b), are incorporated by reference in the Plan.

SECTION 13
PARTICIPANT LOANS

- 13.01 Availability of Participant Loans.** Subject to the terms governing the applicable Investment Arrangement, the Employer may elect under Appendix B of the Adoption Agreement to permit Participants to take loans from their vested Account Balance under the Plan. Unless otherwise elected in Appendix B of the Adoption Agreement, loans are not available to a Beneficiary or an Alternat Payee. If the Employer elects to permit loans under the Plan and subject to the terms of the Investment Arrangement, the Employer may elect to use the default loan policy under this Section 13, as modified under Appendix B of the Adoption Agreement, or may establish an outside loan policy for purposes of administering Participant loans under the Plan. If the Employer adopts a separate written loan policy, the terms of such separate loan policy will control over the terms of this Plan with respect to the administration of any Participant loans. Any separate written loan policy must satisfy the requirements under Code §72(p) and the regulations thereunder. Participant loans are subject to the terms of any Investment Arrangements associated with the Plan.

To receive a Participant loan, a Participant must sign (including, where applicable, using electronic or other means recognized as sufficient) a promissory note along with a pledge or assignment of the portion of the Account Balance used for security on the loan. The loan will be evidenced by a legally enforceable agreement which specifies the amount and term of the loan, and the repayment schedule.

The Plan may not make any Participant loan through any credit card or any other similar arrangement.

See Sections 8.12 and 8.13 relating to special loan rules coronavirus-related loans and federal disaster-related loans.

- 13.02 Must be Available in Reasonably Equivalent Manner.** Participant loans must be made available to Participants in a reasonably equivalent manner. The Employer may elect under AA §B-8 to limit the availability of Participant loans to specified events.

- 13.03 Loan Limitations.** A Participant loan may not be made to the extent such loan (when added to the outstanding balance of all other loans made to the Participant) exceeds the lesser of:

- (a) \$50,000 (reduced by the excess, if any, of the Participant's highest outstanding balance of loans from the Plan during the one-year period ending on the day before the date on which such loan is made, over the Participant's outstanding balance of loans from the Plan as of the date such loan is made) or
- (b) one-half (½) of the Participant's vested Account Balance, determined as of the Valuation Date coinciding with or immediately preceding such loan, adjusted for any contributions or distributions made since such Valuation Date

If elected under AA §B-4, a Participant may take a loan of the Participant's total vested Account Balance up to \$10,000, even if greater than 50% of the Participant's vested Account Balance. However, if a Participant takes a loan in excess of 50% of the Participant's vested Account Balance, such loan is still subject to the adequate security requirements under Section 13.06.

In applying the limitations under this Section 13.03, all plans maintained by the Employer are aggregated and treated as a single plan. In addition, any assignment or pledge of any portion of the Participant's interest in the Plan and any loan, pledge, or assignment with respect to any insurance contract purchased under the Plan will be treated as loan under this Section.

- 13.04 Limit on Amount and Number of Loans.** Unless elected otherwise under AA §B-5 and/or AA §B-6, or under a separate written loan policy, and except as otherwise provided in an Investment Arrangement, a Participant may not receive a Participant loan of less than \$1,000 nor may a Participant have more than one Participant loan outstanding at any time.

- (a) **Loan renegotiation.** A Participant may renegotiate a loan without violating the one outstanding loan requirement to the extent such renegotiated loan is a new loan (i.e., the renegotiated loan separately satisfies the reasonable interest rate requirement under Section 13.05, the adequate security requirement under Section 13.06, and the periodic repayment requirement under Section 13.07) and the renegotiated loan does not exceed the limitations under Section 13.03 above, treating both the replaced loan and the renegotiated loan as outstanding at the same time. However, if the term of the renegotiated loan does not end later than the original term of the replaced loan, the replaced loan may be ignored in applying the limitations under Section 13.03 above.
- (b) **Participant must be creditworthy.** The Plan Administrator may refuse to make a loan to any Participant who is determined to be not creditworthy. For this purpose, a Participant is not creditworthy if, based on the facts and circumstances, it is reasonable to believe that the Participant will not repay the loan. A Participant who has defaulted on a previous loan from the Plan and has not repaid such loan (with accrued interest) at the time of any subsequent loan will be treated as not creditworthy until such time as the Participant repays the defaulted loan (with accrued interest).

- 13.05** **Reasonable Rate of Interest.** All Participant loans will be charged a reasonable rate of interest. For this purpose, the interest rate charged on a Participant loan must be commensurate with the interest rates charged by persons in the business of lending money for loans under similar circumstances. The Employer may identify alternative methods for determining a reasonable rate of interest under AA §B-7 or under a separate written loan policy. The Plan Administrator must periodically review its interest rate assumptions to ensure the interest rate charged on Participant loans is reasonable.

If a Participant is in "military service" while such Participant has an outstanding Participant loan, the applicable interest charged on such loan during the period while the Participant is in "military service" will not exceed 6% per year provided the Participant provides written notice and a copy of such Participant's call-up or extension orders to the Plan Administrator within 180 days following the Participant's termination or release from "military service." For this purpose, "military service" is as defined in the Soldier's and Sailor's Civil Relief Act of 1940 as modified by the Servicemembers Civil Relief Act of 2003. The Participant may voluntarily waive this 6% interest limitation and the Plan Administrator may petition the court to retain the original interest rate if the ability to repay is not affected by the Participant's activation to military duty.

- 13.06** **Adequate Security.** All Participant loans must be adequately secured. The Participant's vested Account Balance shall be used as security for a Participant loan provided the outstanding balance of all Participant loans made to such Participant does not exceed 50% of the Participant's vested Account Balance, determined immediately after the origination of each loan, and, if applicable, the spousal consent requirements have been satisfied. The Plan Administrator may require a Participant to provide additional collateral to receive a Participant loan if the Plan Administrator determines such additional collateral is required to protect the interests of Plan Participants. A separate loan policy or written modifications to this loan policy may prescribe alternative rules for obtaining adequate security.

- 13.07** **Periodic Repayment.** A Participant loan must provide for level amortization with payments to be made not less frequently than quarterly. A Participant loan must be payable within a period not exceeding five (5) years from the date the Participant receives the loan from the Plan, unless the loan is for the purchase of the Participant's principal residence, in which case the loan must be payable within a reasonable time commensurate with the repayment period permitted by commercial lenders for similar loans. Loan repayments must be made through payroll withholding, except to the extent the Plan Administrator determines payroll withholding is not practical given the level of a Participant's wages, the frequency with which the Participant is paid, or other circumstances.

- (a) **Unpaid leave of absence.** A Participant with an outstanding Participant loan may suspend loan payments to the Plan for up to 12 months for any period during which the Participant's pay is insufficient to fully repay the required loan payments. Upon the Participant's return to employment (or after the end of the 12-month period, if earlier), the Participant's outstanding loan will be re-amortized over the remaining period of such loan to make up for the missed payments. The re-amortized loan may extend beyond the original loan term so long as the loan is paid in full by whichever of the following dates comes first:

- (1) the date which is five (5) years from the original date of the loan (or the end of the suspension, if sooner); or
- (2) the original loan repayment deadline (or the end of the suspension period, if later) plus the length of the suspension period.

Alternatively, upon a Participant's return to employment (or after the end of the 12-month period, if earlier), the Plan Administrator may allow the Participant's outstanding loan payments to resume at the same loan payment amount as of the time of the loan suspension, with a balloon payment of the remaining balance due by the earlier of (1) the date which is five (5) years from the original date of the loan (or the end of the suspension, if sooner), or (2) the original loan repayment deadline (or the end of the suspension period, if later) plus the length of the suspension period.

A Participant with an outstanding Participant loan may suspend loan payments to the Plan for up to 12 months for any period during which the Participant is on an unpaid leave of absence. Upon the Participant's return to employment (or after the end of the 12-month period, if earlier), the Participant's outstanding loan will be reamortized over the remaining period of such loan to make up for the missed payments. The reamortized loan may extend beyond the original loan term so long as the loan is paid in full by whichever of the following dates comes first: (1) the date which is five (5) years from the original date of the loan (or the end of the suspension, if sooner), or (2) the original loan repayment deadline (or the end of the suspension period, if later) plus the length of the suspension period. Alternatively, the Participant may resume loan payments under the pre-leave of absence amortization schedule with a balloon payment due at the end of the loan term.

- (b) **Military leave.** A Participant with an outstanding Participant loan also may suspend loan payments for any period such Participant is on military leave, in accordance with Code §414(u)(4). Upon the Participant's return from military leave (or the expiration of five years from the date the Participant began such Participant's military leave, if earlier), loan payments will recommence under the amortization schedule in effect prior to the Participant's military leave, without regard to the five-year maximum loan repayment period. Alternatively, the loan may be reamortized to require a

different level of loan payment, as long as the amount and frequency of such payments are not less than the amount and frequency under the amortization schedule in effect prior to the Participant's military leave.

13.08 Spousal consent. If the Employer elects under the AA to require spousal consent to a Plan loan, the Spouse's consent will be required with respect to a loan. A Spouse's consent, if required, must conform to any requirement imposed by the Employer or applicable State or local law.

13.09 Designation of Accounts. A Participant loan will be treated as a segregated investment on behalf of the individual Participant for whom the loan is made or may be treated as a general investment of the Plan. Unless designated otherwise under the AA or under a separate loan procedure and except as otherwise provided in an Investment Arrangement and the loan agreement, loan amounts may be taken from any available contribution type under the Plan. The Plan Administrator may determine the contribution types from which a loan is taken or may follow directions of the Participant. Each payment of principal and interest paid by a Participant on such Participant's loan shall be credited to the same Participant Accounts and investment funds within such Accounts from which the loan was taken, except as otherwise provided in an Investment Arrangement or loan agreement.

13.10 Procedures for Loan Default. A Participant will be considered to be in default with respect to a loan if any scheduled repayment with respect to such loan is not made by the end of the calendar quarter following the calendar quarter in which the missed payment was due.

If a Participant defaults on a Participant loan, the Plan may not offset the Participant's Account Balance until the Participant is otherwise entitled to an immediate distribution of the portion of the Account Balance which will be offset and such amount being offset is available as security on the loan, pursuant to Section 13.06. For this purpose, a loan default is treated as an immediate distribution event to the extent the law does not prohibit an actual distribution of the type of contributions which would be offset as a result of the loan default (determined without regard to the consent requirements under Sections 8.03 and 9.02, so long as spousal consent was properly obtained at the time of the loan, if required under Section 9.02). The Participant may repay the outstanding balance of a defaulted loan (including accrued interest through the date of repayment) at any time.

Pending the offset of a Participant's Account Balance following a defaulted loan, the following rules apply to the amount in default.

- (a) Interest continues to accrue on the amount in default until the time of the loan offset or, if earlier, the date the loan repayments are made current or the amount is satisfied with other collateral.
- (b) A subsequent offset of the amount in default is not reported as a taxable distribution, except to the extent the taxable portion of the default amount was not previously reported by the Plan as a taxable distribution.
- (c) The post-default accrued interest included in the loan offset is not reported as a taxable distribution at the time of the offset.

A separate loan policy or written modifications to this loan policy may modify the procedures for determining a loan default.

13.11 Severance from Employment.

- (a) **Offset of outstanding loan.** If permitted under the Investment Arrangement, the loan agreement and any loan policy, a Participant loan becomes due and payable in full immediately upon the Participant's Severance from Employment. Upon a Participant's Severance from Employment, the Participant may repay the entire outstanding balance of the loan (including any accrued interest) within a reasonable period following Severance from Employment. If the Participant does not repay the entire outstanding loan balance, the Participant's vested Account Balance will be reduced by the remaining outstanding balance of the loan (without regard to the consent requirements under Sections 8.03 and 9.02, so long as spousal consent was properly obtained at the time of the loan, if required), to the extent such Account Balance is available as security on the loan, pursuant to Section 13.06, and the remaining vested Account Balance will be distributed in accordance with the distribution provisions under Section 8. If the outstanding loan balance of a deceased Participant is not repaid, the outstanding loan balance shall be treated as a distribution to the Participant and shall reduce the death benefit amount payable to the Beneficiary under Section 8.07.
- (b) **Direct Rollover.** Unless otherwise elected under the Adoption Agreement, upon Severance from Employment, a Participant may request a Direct Rollover of the loan note (provided the distribution is an Eligible Rollover Distribution as defined in Section 8.04(a)(1)) to another plan (other than an IRA) which agrees to accept a Direct Rollover of the loan note. A Participant may not engage in a Direct Rollover of a loan to the extent the Participant has already received a deemed distribution with respect to such loan.

- (c) **Modified loan policy.** A separate loan policy or written modifications to this loan policy may modify this Section 13.11, including, but not limited to: (1) a provision to permit loan repayments to continue beyond Severance from Employment; (2) to prohibit the Direct Rollover of a loan note; and (3) to provide for other events that may accelerate the Participant's repayment obligation under the loan.

- 13.12 **Mergers, Transfers or Direct Rollovers from another Plan/Change in Loan Record Keeper.** Except as otherwise provided in an Investment Arrangement and related loan agreement, and subject to applicable requirements in the Code and regulations, any Participant loan transferred into the Plan as the result of a merger, consolidation, or plan to plan transfer, or rolled over to the Plan from another plan, shall be administered in accordance with the provisions of the note reflecting such loan, and shall remain outstanding until repaid in accordance with its terms, except that the Employer may permit the renegotiation of the terms of the loan to the extent necessary to ensure the administration of such loan continues to satisfy the requirements of Code §72(p) and the regulations thereunder. In addition, if there is a change in the person or persons to whom the record keeping of Participant loans has been delegated, a loan shall continue to be administered in accordance with the provisions of the note reflecting such loan, and shall remain outstanding until repaid in accordance with its terms, except that the Employer may permit the renegotiation of the terms of a loan to the extent necessary to ensure the administration of the loan after the change in the loan record keeper continues to satisfy the requirements of Code §72(p) and the regulations thereunder, regardless of any contrary election under AA §B-14.
- 13.13 **Amendment of Plan to Eliminate Participant Loans.** The Plan may be amended at any time to eliminate Participant loans on a prospective basis. However, the elimination of a Participant loan feature may not result in the acceleration of payment of any existing Participant loans, unless the terms of the Participant loan permit such acceleration.

SECTION 14
PLAN AMENDMENTS, TERMINATION, MERGERS, EXCHANGES, AND TRANSFERS

14.01 Plan Amendments.

- (a) **Amendment by the Provider.** The Provider (as described in §4.21 of Revenue Procedure 2021-37 or its successor) may amend any part of the plan. However, for purposes of reliance on a Favorable IRS Letter, the Provider will no longer have the authority to amend the Plan on behalf of the Employer and the Plan will be treated as an individually designed plan, where: (1) the Employer makes any amendment to a Standardized Plan other than an amendment that is permissible pursuant to §9.05 of Revenue Procedure 2021-37; (2) the Employer amends the Plan to incorporate a type of plan that is not permitted under the Pre-Approved Plan program, as described in §6.03 of Revenue Procedure 2021-37; (3) the Internal Revenue Service, in its sole discretion, determines that a Nonstandardized Plan is an individually designed plan due to the nature and extent of amendments to the Plan; (4) the Employer chooses to discontinue participation in a §403(b) Pre-Approved Plan that has been amended by the Provider without substituting another §403(b) Pre-Approved Plan; or (5) the Employer amends the Plan to remove any required provisions as described in §5 of Revenue Procedure 2021-37 from the Plan. The Provider may amend the Plan to reflect a change of a Provider's name, in which case the Provider must notify the IRS, in writing, of the change in name and certify that it still meets the conditions to be a Provider described in §4.21 of Revenue Procedure 2021-37.

For purposes of Provider amendments, the Mass Submitter (as defined in §4.14 of Revenue Procedure 2021-37) shall be recognized as the agent of the Provider. If the Provider does not adopt the amendments made by the Mass Submitter, it will no longer be identical to or a minor modifier of the Mass Submitter plan.

The Provider will maintain, or have maintained on its behalf, a record of the Employers that have adopted the Plan, and the Provider will make reasonable and diligent efforts to ensure that adopting Employers have actually received and are aware of all Plan amendments and that such Employers adopt new documents when necessary.

- (b) **Amendment by the Employer.** The Employer shall have the right at any time to amend the Adoption Agreement in the following manner without affecting the Plan's status as a Pre-Approved Plan. (The ability to amend the Plan as authorized under this subsection (b) applies only to the Employer that executes the Employer Signature Page of the Adoption Agreement. Any amendment to the Plan by the Employer under this subsection (b) also applies to any other Employer that participates under the Plan as a Participating Employer.)
- (1) The Employer may change any optional selections under the Adoption Agreement.
 - (2) The Employer may add overriding language to the Adoption Agreement when such language is necessary to satisfy Code §415 because of the required aggregation of multiple plans, in accordance with §5.09 of Revenue Procedure 2021-37.
 - (3) The Employer may change the administrative selections under Appendix C of the Adoption Agreement by replacing the appropriate page(s) within the Adoption Agreement. Such amendment does not require re-execution of the Employer Signature Page of the Adoption Agreement.
 - (4) The Employer may amend Addendum A – Allocation of Administrative Functions – and Addendum B – Vendors of Investment Arrangements - in the Adoption Agreement. Such amendment does not require re-execution of the Employer Signature Page of the AA.
 - (5) The Employer may add certain sample or model amendments published by the IRS which specifically provide that their adoption will not cause the Plan to fail to be identical to the §403(b) Pre-Approved Plan.
 - (6) The Employer may add or change provisions permitted under the Plan and/or specify or change the effective date of a provision as permitted under the Plan.
 - (7) The Employer may adopt any amendments that it deems necessary to satisfy the requirements for resolving qualification failures under the IRS' compliance resolution programs.

The Employer may amend the Plan at any time for any other reason. The Plan will not lose its status as a Pre-Approved Plan, unless the amendment causes the Plan to include provisions that are not allowed in a Pre-Approved Plan under Revenue Procedure 2021-37.

- (c) **Method of amendment.** An amendment to the Plan may be adopted as a modification to the Adoption Agreement and/or Basic Plan Document or as a separate snap-on amendment. An amendment to the Plan may be adopted as part of

a properly executed board resolution or other authorized action of the Employer. Any such amendment must be executed by the board of directors or a duly authorized officer of the Employer.

14.02 Plan Termination. The Employer may terminate this Plan at any time by delivering to the Plan Administrator written notice of such termination. However, to the extent that the Plan holds Salary Deferral Accounts and/or Custodial Accounts, Plan termination is only permitted if the Employer does not make contributions to any Code §403(b) plan that is not part of the Plan during the period beginning on the date of Plan termination and ending 12 months after the distribution of all assets from the terminated Plan. The Employer may terminate the Plan pursuant to a Board resolution or other appropriate Employer action. The Employer should amend the Plan to reflect the effective date of the Plan termination and any applicable laws or regulations effective as of the date of termination.

- (a) **Full and immediate vesting.** Upon a full or partial termination of the Plan (or the complete discontinuance of contributions), all amounts credited to an affected Participant's Account become 100% vested, regardless of the Participant's vested percentage. The Plan Administrator has discretion to determine whether a partial termination has occurred.
- (b) **Distribution upon Plan termination.** Upon the termination of the Plan, the Plan Administrator shall direct the distribution of Accumulated Benefits (regardless of the amount) to Participants in accordance with the provisions under Section 8 and subject to any restrictions contained in the terms governing the applicable Investment Arrangement as soon as administratively practicable after termination of the Plan.
- (c) **Termination upon merger, liquidation or dissolution of the Employer.** The Plan may terminate upon the liquidation or dissolution of the Employer provided however, that in any such event, arrangements may be made for the Plan to be continued by any successor to the Employer.
- (d) **Missing Participants.** Upon termination of the Plan, if any Participant cannot be located after a reasonable diligent search, the Plan Administrator may make a direct rollover to an IRA selected by the Plan Administrator. For this purpose, the Plan Administrator will adopt procedures similar to the procedures required under Section 8.05 for making Automatic Rollovers in applying the provisions under this subsection (d). An Automatic Rollover under this subsection (d) may be made on behalf of any missing Participant, regardless of the value of such Participant's vested Account Balance under the Plan. (Alternatively, as allowed under state and federal law, the Plan Administrator may escheat such Accounts to the applicable state unclaimed property fund.)
- (e) **Participants with outstanding loans.** A Participant loan becomes due and payable in full immediately upon the termination of the Plan. Upon the Plan's termination, the Participant may repay the entire outstanding balance of the loan (including any accrued interest) within a reasonable period upon Plan termination. If the Participant does not repay the entire outstanding loan balance, the Participant's vested Account Balance will be reduced by the remaining outstanding balance of the loan. The Plan Administrator may develop administrative procedures with respect to the timing and manner of repayment or offset of the Participant's vested Account Balance.

14.03 Merger or Consolidation. In the event the Plan is merged or consolidated with another plan, each Participant must be entitled to a benefit immediately after such merger or consolidation that is at least equal to the benefit the Participant would have been entitled to had the Plan terminated immediately before such merger or consolidation.

14.04 Contract exchanges within the Plan. Subject to the terms governing the applicable Investment Arrangement, the Plan Administrator may, but is not required to permit Participant-directed exchanges of Section 403(b) contracts among the Vendors of Investment Arrangements approved for use under the Plan. Such exchanges must satisfy the following conditions:

- (a) The Plan provides for the exchange;
- (b) The Participant, Beneficiary or Alternate Payee has an Accumulated Benefit immediately after the exchange that is at least equal to the Accumulated Benefit of that Participant, Beneficiary or Alternate Payee immediately before the exchange (taking into account the Accumulated Benefit of that Participant, Beneficiary or Alternate Payee under both Section 403(b) Contracts immediately before the exchange);
- (c) The other Section 403(b) contract is subject to distribution restrictions with respect to the Participant that are not less stringent than those imposed on the contract being exchanged, and the Employer enters into an agreement with the issuer of the other Section 403(b) contract under which the employer and the issuer will from time to time in the future provide each other with the following information:
 - (1) Information necessary for the resulting Section 403(b) contract, or any other contract to which contributions have been made by the employer, to satisfy Code §403(b), including information concerning the Participant's employment and information that takes into account other Section 403(b) contracts or employer plans (such as

whether a Severance from Employment has occurred for purposes of the distribution restrictions in Treas. Reg. §1.403(b)-6 and whether the hardship withdrawal rules of Treas. Reg. §1.403(b)-6(d)(2) are satisfied).

- (2) Information necessary for the resulting Section 403(b) contract, or any other contract to which contributions have been made by the Employer, to satisfy other tax requirements (such as whether a plan loan satisfies the conditions in Code §72(p)(2) so that the loan is not a deemed distribution under Code §72(p)(1)).

14.05 Plan-To-Plan Transfers. Subject to the terms governing the applicable Investment Arrangement, the Plan Administrator may, but is not required to, permit plan-to-plan transfers. The Plan Administrator may decide in a separate policy whether the Plan accepts plan-to-plan transfers into the Plan and separately whether the Plan allows plan-to-plan transfers from the plan. Plan-to-plan transfers must satisfy the following conditions:

- (a) In the case of a transfer for a Participant, the Participant is an Employee or former Employee of the Employer (or the business of the employer) for the receiving plan;
- (b) In the case of a transfer for a Beneficiary of a deceased Participant, the Participant was an Employee or former Employee of the Employer (or business of the Employer) for the receiving plan;
- (c) The transferor plan provides for transfers;
- (d) The receiving plan provides for the receipt of transfers;
- (e) The Participant, Beneficiary or Alternate Payee whose assets are being transferred has an Accumulated Benefit immediately after the transfer that is at least equal to the Accumulated Benefit of that Participant, Beneficiary or Alternate Payee immediately before the transfer;
- (f) The receiving plan provides that, to the extent any amount transferred is subject to any distribution restrictions under Treas. Reg. §1.403(b)-6, the receiving plan imposes restrictions on distributions to the Participant, Beneficiary or Alternate Payee whose assets are being transferred that are not less stringent than those imposed on the transferor plan; and
- (g) If a plan-to-plan transfer does not constitute a complete transfer of the Participant's or Beneficiary's interest in the Plan, the transferee plan treats the amount transferred as a continuation of a pro rata portion of the Participant's or Beneficiary's interest in the Plan.

14.06 Transfers to purchase permissive service credits. The Plan Administrator may, but is not required to, permit transfers to purchase service credits as provided under this Section.

- (a) If a Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in Code §414(d)) that provides for the acceptance of plan-to-plan transfers with respect to the Participant, then the Participant may elect to have any portion of the Participant's Accumulated Benefit transferred to the defined benefit governmental plan. A transfer may be made before the Participant has had a Severance from Employment.
- (b) A transfer may be made only if the transfer is either for the purchase of permissive service credits (as defined in Code §415(n)(3)(A)) under the receiving defined benefit governmental plan or a repayment to which Code §415 does not apply by reason of Code §415(k)(3).

SECTION 15
MISCELLANEOUS

- 15.01** **Exclusive Benefit.** Except as provided under Section 15.02, no part of the Plan assets may revert to the Employer prior to the satisfaction of all liabilities under the Plan nor will such Plan assets be used for, or diverted to, a purpose other than the exclusive benefit of Participants or their Beneficiaries.

No amendment may authorize or permit any portion of the assets held under the Plan to be used for or diverted to a purpose other than the exclusive benefit of Participants or their Beneficiaries, except to the extent such assets are used to pay taxes or administrative expenses of the Plan. An amendment also may not cause or permit any portion of the assets held under the Plan to revert to or become property of the Employer.

- 15.02** **Return of Contributions.** Upon written request by the Plan Administrator, the Custodian/Insurance Company must return any Plan contributions (adjusted for any income or loss in value, if any) made because of a good-faith mistake of fact within one year of the contribution.

- 15.03** **General Compliance with Code §403(b).**

- (a) A Participant may not transfer his interest in the Plan, except as allowed by IRS regulations and approved by the Plan Administrator.
- (b) A Participant may not make Salary Deferrals under the Plan and all other plans, contracts or arrangements maintained by the Employer in any calendar year which exceeds the dollar limitation in effect under Code §402(g)(1).
- (c) Except as otherwise permitted under the Code and regulations, distributions of a Participant's benefits from the Plan shall begin no later than the Participant's required beginning date under Code §401(a)(9) and all payments shall satisfy the minimum distribution and incidental death benefit requirements of Code §401(a)(9).
- (d) In form and in operation, the Plan shall satisfy the direct rollover rules under Code §§403(b)(10) and 401(a)(31).

- 15.04** **Alienation or Assignment.** Except as permitted under applicable statute or regulation, a Participant, Beneficiary or Alternate Payee may not assign, alienate, transfer or sell any right or claim to a benefit or distribution from the Plan, and any attempt to assign, alienate, transfer or sell such a right or claim shall be void, except as permitted by statute or regulation. Any such right or claim under the Plan shall not be subject to attachment, execution, garnishment, sequestration, or other legal or equitable process. This prohibition against alienation or assignment also applies to the creation, assignment, or recognition of a right to a benefit payable with respect to a Participant pursuant to a domestic relations order, unless such order is determined to be a QDRO pursuant to Section 11.07, or any domestic relations order entered before January 1, 1985.

This Section 15.04 shall not preclude the following:

- (a) The enforcement of a Federal tax levy made pursuant to Code §6331.
- (b) The collection by the United States on a judgment resulting from an unpaid tax assessment.
- (c) Any arrangement for the recovery by the plan of overpayments of benefits previously made to a participant.

This Section 15.04 shall not apply to an offset of a Participant's benefits as a result of a judgment of conviction for a crime involving the Plan.

- 15.05** **Participants' Rights.** The adoption of this Plan by the Employer does not give any Participant, Beneficiary, or Employee a right to continued employment with the Employer and does not affect the Employer's right to discharge an Employee or Participant at any time. This Plan also does not create any legal or equitable rights in favor of any Participant, Beneficiary, or Employee against the Employer or Plan Administrator. Unless the context indicates otherwise, any amendment to this Plan is not applicable to determine the benefits accrued (and the extent to which such benefits are vested) by a Participant or former Employee whose has a Severance from Employment before the effective date of such amendment, except where application of such amendment to the Participant who has a Severance from Employment or former Employee is required by statute, regulation or other guidance of general applicability. Where the provisions of the Plan are ambiguous as to the application of an amendment to a Participant who has a Severance from Employment or former Employee, the Plan Administrator has the authority to make a final determination on the proper interpretation of the Plan.

- 15.06** **Military Service.** To the extent required under Code §414(u), an Employee who returns to employment with the Employer following a period of qualified military service will receive any contributions, benefits and service credit required under Code §414(u), provided the Employee satisfies all applicable requirements under the Code and regulations. In addition, the survivors

of any Participant who dies on or after January 1, 2007, while performing qualified military service, are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) that would have been provided under the Plan had the Participant resumed employment and then terminated employment on account of death.

The Employer may, for benefit accrual purposes, treat an individual who dies or becomes disabled while performing qualified military service as if that individual had resumed employment in accordance with USERRA reemployment rights on the day preceding the death or disability and then terminated employment on the actual date of death or disability.

- 15.07 **Annuity Contracts.** Any annuity contract distributed under the Plan must be nontransferable. In addition, the terms of any annuity contract purchased and distributed to a Participant or to a Participant's Spouse must comply with all requirements under this Plan.
- 15.08 **IRS Levy.** The Plan Administrator may pay from a Participant's, Beneficiary's or Alternate Payee's Accumulated Benefit the amount that the Plan Administrator finds is lawfully demanded under a levy issued by the Internal Revenue Service with respect to that Participant or Beneficiary or is sought to be collected by the United States Government under a judgment resulting from an unpaid tax assessment against the Participant, Beneficiary or Alternate Payee. As provided under Code §6343(f) and effective for Taxable Years beginning after December 31, 2017, if it is later determined that such levy was wrongful and is returned to the Participant or Beneficiary, such Participant or Beneficiary may contribute the returned amount plus interest as a Rollover Contribution to the Plan.
- 15.09 **Use of IRS compliance programs.** Nothing in this Plan document should be construed to limit the availability of the IRS' voluntary compliance programs. An Employer may take whatever corrective actions are permitted under the IRS voluntary compliance programs or other statutory authority as is deemed appropriate by the Plan Administrator or Employer.
- 15.10 **Governing Law.** The provisions of this Plan shall be construed, administered, and enforced in accordance with the provisions of applicable Federal Law and, to the extent applicable, the laws of the State (which includes an Indian tribe (as defined under 25 U.S.C. § 5304), the District of Columbia, or any State, commonwealth, territory, or possession of the United States the laws of the state in in which the Employer has its principal place of business.
- 15.11 **Waiver of Notice.** Any person entitled to a notice under the Plan may waive the right to receive such notice, to the extent such a waiver is not prohibited by law, regulation or other pronouncement.
- 15.12 **Use of Electronic Media.** The Plan Administrator may use telephonic or electronic media to satisfy any notice requirements required by this Plan, to the extent permissible under regulations (or other generally applicable guidance). In addition, a Participant's consent to immediate distribution, as required by Section 8.03, may be provided through telephonic or electronic means, to the extent permissible under regulations (or other generally applicable guidance). The Plan Administrator also may use telephonic or electronic media to conduct plan transactions such as enrolling participants, making (and changing) salary reduction elections, electing (and changing) investment allocations, applying for Plan loans, and other transactions, to the extent permissible under regulations (or other generally applicable guidance).
- 15.13 **Severability of Provisions.** In the event that any provision of this Plan shall be held to be illegal, invalid or unenforceable for any reason, the remaining provisions under the Plan shall be construed as if the illegal, invalid or unenforceable provisions had never been included in the Plan.
- 15.14 **Binding Effect.** The Plan, and all actions and decisions made thereunder, shall be binding upon all applicable parties, and their heirs, executors, administrators, successors and assigns.

SECTION 16 PARTICIPATING EMPLOYERS

- 16.01 Participation by Participating Employers.** An Employer (other than the Employer that executes the Employer Signature Page of the Adoption Agreement) may elect to participate under this Plan by executing a Participating Employer Adoption Page under the Adoption Agreement. A Participating Employer (including a Related Employer) may not contribute to this Plan unless it executes the Participating Employer Adoption Page and after obtaining consent from the Employer that executed the Employer Signature Page of the Adoption Agreement. If an unrelated Employer executes a Participating Employer Adoption Page, the Plan will be a Multiple Employer Plan (see Section 16.07 for special rules applicable to Multiple Employer Plans).
- 16.02 Participating Employer Adoption Page.**
- (a) **Application of Plan provisions.** By executing a Participating Employer Adoption Page, a Participating Employer adopts all the provisions of the Plan, including the elective choices made by the signatory Employer under the Adoption Agreement. Subject to the consent described in Section 16.01, the Participating Employer may elect under the Participating Employer Adoption Page to modify the elective provisions under the Adoption Agreement as they apply to the Participating Employer.
 - (b) **Plan amendments.** In addition, unless provided otherwise under the Participating Employer Adoption Page, a Participating Employer is bound by any amendments made to the Plan in accordance with Section 14.01.
 - (c) **Investment Arrangements.** The Participating Employer agrees to use the same Vendors of Investment Arrangements designated in Addendum B – Vendors of Investment Arrangements. The Participating Employer may add additional Vendors of Investment Arrangements under Addendum B, subject to the consent of the Employer that executed the Employer Signature Page of the Adoption Agreement and to authorization under such Employer's agreements with the Investment Arrangement providers.
- 16.03 Compensation of Related Employers.** In applying the provisions of this Plan, Total Compensation includes amounts earned with a Related Employer, regardless of whether such Related Employer executes a Participating Employer Adoption Page. The Employer may elect under AA §5-3(h) to exclude amounts earned with a Related Employer that does not execute a Participating Employer Adoption Page for purposes of determining an Employee's Plan Compensation.
- 16.04 Allocation of Contributions and Forfeitures.** Unless selected otherwise under the Participating Employer Adoption Page, any contributions made by a Participating Employer (and any forfeitures relating to such contributions) will be allocated to all Participants employed by the Employer and Participating Employers in accordance with the provisions under this Plan. A Participating Employer may elect under the Participating Employer Adoption Page to allocate its contributions (and forfeitures relating to such contributions) only to the Participants employed by the Participating Employer making such contributions. If so elected, Employees of the Participating Employer will not share in an allocation of contributions (or forfeitures relating to such contributions) made by any other Participating Employer (except in such individual's capacity as an Employee of that other Participating Employer). Thus, for example, a Participating Employer may make a different discretionary contribution and allocate such contribution only to its Employees. Where contributions are allocated only to the Employees of a contributing Participating Employer, a separate accounting must be maintained of Employees' Account Balances attributable to the contributions of a particular Participating Employer. This separate accounting is necessary only for contributions that are not 100% vested, so that the allocation of forfeitures attributable to such contributions can be allocated for the benefit of the appropriate Employees.
- 16.05 Discontinuance of Participation by a Participating Employer.** A Participating Employer may discontinue its participation under the Plan at any time. To document a Participating Employer's cessation of participation, the following procedures should be followed: (1) the Participating Employer should adopt a resolution that formally terminates active participation in the Plan as of a specified date, (2) the Employer that has executed the Employer Signature Page of the Adoption Agreement should re-execute such page, indicating an amendment by page substitution through the deletion of the Participating Employer Adoption Page executed by the withdrawing Participating Employer, and (3) the withdrawing Participating Employer should provide any notices to its Employees that are required by law. Discontinuance of participation means that no further benefits accrue after the effective date of such discontinuance with respect to employment with the withdrawing Participating Employer. The portion of the Plan attributable to the withdrawing Participating Employer may continue as a separate plan, under which benefits may continue to accrue, through the adoption by the Participating Employer of a successor plan (which may be created through the execution of a separate Adoption Agreement by the Participating Employer) or by spin-off of the portion of the Plan attributable to such Participating Employer followed by a merger or transfer into another existing plan, as specified in a merger or transfer agreement.
- 16.06 Operational Rules for Related Employer Groups.** If an Employer has one or more Related Employers, the Employer and such Related Employer(s) constitute a Related Employer group. In such case, the following rules apply to the operation of the Plan.

- (a) If the term "Employer" is used in the context of administrative functions necessary to the operation, establishment, maintenance, or termination of the Plan, only the Employer executing the Employer Signature Page under the Adoption Agreement, and any Related Employer executing a Participating Employer Adoption Page, is treated as the Employer.
- (b) Hours of Service are determined by treating all members of the Related Employer group as the Employer.
- (c) The term Excluded Employee is determined by treating all members of the Related Employer group as the Employer, except as specifically provided in the Plan.
- (d) Compensation is determined by treating all members of the Related Employer group as the Employer, except as specifically provided in the Plan.
- (e) An Employee generally is not treated as a Severance from Employment if the Employee is employed by any member of the Related Employer group.
- (f) The Code §415 Limitation described in Section 5.03 is applied by treating all members of the Related Employer group as the Employer.

In all other contexts, the term "Employer" generally means a reference to all members of the Related Employer group, unless the context requires otherwise. If the terms of the Plan are ambiguous with respect to the treatment of the Related Employer group as the Employer, the Plan Administrator has the authority to make a final determination on the proper interpretation of the Plan.

16.07 Special rules for Multiple Employer Plans. If an Employer (other than a Related Employer) executes a Participating Employer Adoption Page under the Adoption Agreement, the Plan is treated as a Multiple Employer Plan. If the Plan is a Multiple Employer Plan, the following rules apply.

- (a) **Eligibility requirements.** If the Plan is a Multiple Employer Plan, the eligibility rules under Section 2 are applied as if the Employees of all Employers participating in the Multiple Employer Plan are employed by a single Employer.
- (b) **Vesting rules.** If the Plan is a Multiple Employer Plan, the vesting rules under Section 7 are applied as if the Employees of all Employers participating in the Multiple Employer Plan are employed by a single Employer.
- (c) **Code §415 Limit.** If the Employer is a Multiple Employer Plan, the Code §415 Limit under Section 5.03 is applied as if the Employees of all Employers participating in the Multiple Employer Plan are employed by a single Employer. Thus, if a Participant receives contributions from more than one Employer within the Multiple Employer Plan, such contributions must be aggregated for purposes of applying the Code §415 Limit. For this purpose, Includible Compensation from all participating Employers may be considered in applying the Code §415 Limit.
- (d) **Other rules applicable to Multiple Employer Plans.** To the extent not addressed in this Section 16.07, rules similar to the rules under Code §413(c) and applicable regulations will apply to a Multiple Employer Plan as applicable to Code §403(b) plans. The Plan Administrator may develop administrative procedures consistent with the rules applicable to a Code §403(b) plan.
- (e) **Cessation of participation.** Any Participating Employer that fails to comply with an applicable provision may be required to cease participation under the Plan.

APPENDIX A
ACTUARIAL FACTORS
(For use with age-based allocation formula)

Actuarial Factor Table. The following table sets forth Actuarial Factors based on a testing age of 65, an interest rate of 8.5% and a UP-1984 mortality table. The Actuarial Factors in this table must be modified if the Employer uses a testing age other than age 65 or selects a different interest rate or mortality table under AA §6-3(f). To determine a Participant's Actuarial Factor, use the factor corresponding to the number of years to the Participant's testing age. The number of years to the testing age is determined by counting the number of years from the last day of the current Plan Year to the last day of the Plan Year in which the Participant reaches the testing age. If the Participant has reached the testing age as of the last day of the current Plan Year, the number of years is 0 for that year and all subsequent years.

Years to Testing Age	Actuarial Factor	Years to Testing Age	Actuarial Factor
0	0.07949	25	0.01034
1	0.07326	26	0.00953
2	0.06752	27	0.00878
3	0.06223	28	0.00810
4	0.05736	29	0.00746
5	0.05286	30	0.00688
6	0.04872	31	0.00634
7	0.04490	32	0.00584
8	0.04139	33	0.00538
9	0.03814	34	0.00496
10	0.03516	35	0.00457
11	0.03240	36	0.00422
12	0.02986	37	0.00389
13	0.02752	38	0.00358
14	0.02537	39	0.00330
15	0.02338	40	0.00304
16	0.02155	41	0.00280
17	0.01986	42	0.00258
18	0.01831	43	0.00238
19	0.01687	44	0.00219
20	0.01555	45	0.00202
21	0.01433	46	0.00186
22	0.01321	47	0.00172
23	0.01217	48	0.00158
24	0.01122	49	0.00146



Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
1111 Constitution Ave., NW
Washington, DC 20224

GRAY ROBINSON PA
301 EAST PINE STREET, SUITE 1400
ORLANDO, FL 32801

Date: 11/29/2024
Employer ID number: 59-1300132
Case number: 202300663
File folder number: FFN: 317A364BH12-001
Letter Serial number: Q706066a
Plan number: 12-001
Plan description: Non-Standardized Pre-Approved 403(b) Plan
Date of submission: 05/01/2023
Person to contact: Name: Janell Hayes
ID number: 1000203103
Telephone: 513-975-6319
Hours: 10:00 a.m. to 5:00 p.m.
EST. Mon-Fri

Dear Applicant:

Why you're receiving this letter

In our opinion, we found the form of the plan shown above is acceptable for use by eligible employers for the benefit of their employees under Internal Revenue Code (IRC) Section 403(b).

What you need to do

You must provide to each eligible employer who adopts this plan:

- . A copy of this letter.
- . A copy of the approved plan.
- . Copies of later amendments including their dates of adoption.
- . The plan provider's contact information including their address and telephone number.

What you should know

Our opinion relates only to the satisfaction of the plan's form with the requirements of IRC Section 403(b) contained in the 2022 Cumulative List of Notice 2022-8, 2022-7 Internal Revenue Bulletin (IRB) 491, and certain other requirements of IRC Section 403(b) as detailed in Section 13 of Revenue Procedure (Rev. Proc.) 2021-37, 2021-38 IRB 385. We didn't consider the effect of other federal or local statutes.

Our opinion on the acceptability of the form of the plan isn't a determination of an eligible employer's plan satisfying the requirements of IRC Section 403(b). An eligible employer that adopts this plan can generally rely on this letter as described and outlined below.

An eligible employer that adopts an IRC Section 403(b) nonstandardized plan may rely on this letter that the form of the plan satisfies the requirements of IRC Section 403(b) if the employer has not amended the plan other than to choose options provided under the plan or to make amendments that are described in Section 9.03 of Rev. Proc. 2021-37 relating to employer amendments that will not affect reliance.

The IRS doesn't issue a determination letter to an eligible employer who adopts this plan, except as noted in Section 25 of Rev. Proc. 2023-37, 2023-51 IRB 1491. For example, an adopting employer of a nonstandardized plan that makes amendments to the plan that are not extensive may obtain reliance that the form of the plan, as amended, satisfies the requirements of IRC Section 403(b) by requesting a determination letter using Form 5307, Application for Determination for Adopters of Modified Nonstandardized Pre-Approved Plans.

Additionally, see Section 8.02(1) - (3) of Rev. Proc. 2021-37 for exceptions with respect to IRC Sections 401(a)(4), 410(b), 414(s), and 415.

For other rules and procedures related to an IRC Section 403(b) pre-approved plan submitted for the second remedial amendment cycle, generally see Rev. Proc. 2021-37.

As stated in the plan, the provisions of this plan override any conflicting provision contained in any investment arrangements under the plan or any other documents that may be incorporated by reference into an adopting eligible employer's plan. This opinion letter doesn't cover any provisions contained in the investment arrangements or any other documents incorporated by reference outside the plan or adoption agreement, such as a collective bargaining agreement.

An eligible employer who adopts this plan may not rely on this letter when the employer:

- . Uses the plan to amend or restate a plan which didn't previously meet the requirements of IRC Section 403(b).
- . Adopts the plan before the opinion letter is issued.
- . Doesn't correctly complete the adoption agreement or other elective provisions in the plan.
- . Has any investment arrangement under the plan or any other document that may be incorporated by reference that provides that they govern if there's a conflict between their terms and the terms of the plan.
- . Amends the plan other than by choosing options provided under the plan or by making amendments other than those that are described in Section 9.03 of Rev. Proc. 2021- 37 (relating to employer amendments that will not affect reliance).

Our opinion doesn't:

- . Consider issues which the Department of Labor administers under Title I of the Employee Retirement Income Security Act (ERISA).
- . Constitute a determination that the plan is an IRC Section 414(d) governmental plan.
- . Constitute a determination that the adopting employer is a church within the meaning of IRC Section 3121(w)(3)(A) or a qualified church-controlled organization within the meaning of IRC Section 3121(w)(3)(B) (QCCO).

If this plan is not a Retirement Income Account plan described under IRC Section 403(b)(9), the adopting employer must be an eligible employer within the meaning of Treasury Regulations Section 1.403(b)-2(b)(8).

If this plan is a Retirement Income Account plan described under IRC Section 403(b)(9), the plan must either be established or maintained by a church, or a convention or association of churches, including an organization described in IRC Section 414(e)(3)(A). For a Retirement Income Account plan, the adopting employer may be a church, QCCO, non-QCCO, or minister; however, if the plan is not established by a church, or a convention or association of churches, including an organization described in IRC Section 414(e)(3)(A), the plan must be maintained by a church, or a convention or association of churches, including an organization described in IRC Section 414(e)(3)(A).

This is not a determination regarding language in the plan that reflects Section 3 of the Defense of Marriage Act, Pub. L. 104199, 110 Stat. 2419 (DOMA) or U.S. v. Windsor, 570 U.S. 12 (2013), which invalidated Section 3 of DOMA, except to the extent that the definition of spouse is relevant for purposes of required minimum distributions under IRC Section 401(a)(9) and spousal rollover rights under IRC Section 402(c)(9).

This letter doesn't rule on whether this plan meets any requirements that apply due to a plan's coverage of multiple employers that are not in a single controlled group.

A pre-approved plan restatement that generally is effective as of a certain date should not be treated as superseding a

previously adopted interim plan amendment that is effective before or after the restatement's effective date and that has not been incorporated or reflected in the restatement, provided that the pre-approved plan is operated in a manner consistent with the interim plan amendment. A plan is presumed to be operating in compliance with an interim plan amendment in any case in which the operation of the plan cannot be determined.

Who can you contact

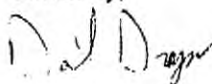
If you, the pre-approved plan provider, have questions, you can call the telephone number at the top of the first page of this letter. This number is only for the provider's use. Individual participants or adopting eligible employers with questions about the plan should contact you.

If you prefer, you can write to the address at the top of the first page of this letter. When you write, include a copy of this letter, your telephone number and the hours we can reach you.

Let us know if you change or stop sponsorship of this plan.

Keep this letter for your records.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Dragoo".

Daniel Dragoo
Director, EP Rulings & Agreements

EXHIBIT “B”

PARRISH MEDICAL CENTER 403(B) PLAN PRE-APPROVED CYCLE 1 403(b) PLAN CARES/SECURE ACTS INTERIM AMENDMENT

ARTICLE I
PURPOSE OF INTERIM AMENDMENT

- 1.01 Adoption by Pre-Approved Plan Provider.** Pursuant to Revenue Procedure 2021-37 and Section 14.01(a) of the Plan, the Pre-Approved Plan Provider (hereinafter referred to as the Provider) is amending the Plan on behalf of all adopting Employers. This Pre-Approved Cycle 1 403(b) Plan CARES/SECURE Acts Interim Amendment (“Interim Amendment”) is intended to qualify as a “good-faith” amendment to document the Plan’s compliance with various laws, as listed under Article II, and other guidance issued by the Internal Revenue Service. The Plan Administrator will interpret the provisions consistent with any current or future guidance related to the applicable provisions. A copy of this amendment will be provided to all adopting Employers and made a part of their Plans.
- 1.02 Application.** To the extent that this Interim Amendment applies to a Plan, it supersedes any contrary provisions under the Plan, except as provided under IA §1.03. Unless the Employer wishes to override the pre-selected elections (defaults), if any, made by the Provider as elected under the Interim Amendment Elective Provisions (“Elective Provisions”) in Article VI, no signature is required by the Employer to adopt this Interim Amendment. This Interim Amendment applies to the signatory Employer and any other Participating Employers of the Plan.
- 1.03 Prior Amendments.** If the Employer previously amended the Plan to implement one or more of the provisions addressed by this Interim Amendment, such amendment(s) shall remain in effect and shall not be superseded, unless otherwise provided under the Elective Provisions. The Employer may use the Elective Provisions of this Interim Amendment to memorialize prior amendments.

If a Provider previously adopted the Provider-level CARES/Disaster Interim Amendment, the provisions of such amendment are also incorporated into this CARES/SECURE Acts Interim Amendment.

ARTICLE II
APPLICABLE LAWS AND PLANS COVERED BY INTERIM AMENDMENT

- 2.01 Applicable Laws.** This Interim Amendment includes provisions that are required or allowed under the following laws:
- (a) Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”)
 - (b) Setting Every Community Up for Retirement Enhancement Act (“SECURE Act”)
 - (c) Taxpayer Certainty and Disaster Tax Relief Act of 2019 (“Disaster Tax Relief Act of 2019”)
 - (d) Taxpayer Certainty and Disaster Tax Relief Act of 2020 (“Disaster Tax Relief Act of 2020”)
- 2.02 Application to Cycle 1 403(b) Plans.** The Interim Amendment applies to the following types of ASC Institute Cycle 1 403(b) Pre-Approved Plans: the Pre-Approved 403(b) Plans, #08-001 - #08-005, and the Pre-Approved Retirement Income Account 403(b) Plan, #09-001. Certain provisions of this Interim Amendment may not be applicable to all types of Plans or a specific adopting Employer. Application of the Interim Amendment may depend on the Investment Arrangement(s) associated with the Plan.

ARTICLE III
AMENDMENT RELATING TO THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT

- 3.01 In General.** On March 27, 2020, the CARES Act became law. Provisions of the CARES Act may have affected certain Plan provisions. The provisions of the CARES Act were effective at various times, as reflected in the provisions under this Article III. The Plan Administrator administered the provisions of this Article III consistent with a “good-faith” interpretation of the CARES Act. To the extent this Article III applies to the Plan, the provisions of this Article III supersede any inconsistent provisions of the Plan.
- 3.02 Coronavirus-Related Distributions and Loans from the Plan.** This IA §3.02 incorporates CARES Act §2202 relating to special disaster-related rules for retirement plans. The provisions of this IA §3.02 apply only to the extent a distribution or loan was made to a qualified individual as provided under CARES Act §2202. If the Plan did not operationally apply the rules under this IA §3.02, such provisions did not apply to the Plan. The Plan Administrator documented through administrative procedures (including designating accounts from which Coronavirus-Related Distributions and loans could have been taken) or otherwise the manner in which the Plan operationally applied the rules under this IA §3.02. To the extent this IA §3.02

applies to the Plan, the provisions supersede any inconsistent provisions of the Plan or loan program. The Plan administered this IA §3.02 consistent with the guidance provided under IRS Notice 2020-50.

- (a) **Coronavirus-Related Distributions.** As provided under CARES Act §2202(a), the Plan could (but was not required to) make Coronavirus-Related Distributions, subject to the limits under IA §3.02(a)(4), without regard to certain distribution restrictions otherwise applicable under the Plan.

- (1) **Definition of Coronavirus-Related Distribution.** The term Coronavirus-Related Distribution means a distribution from the Plan made:

- (i) on or after January 1, 2020, and before December 31, 2020,
- (ii) to an individual:
 - (A) who was diagnosed with the virus SARS-CoV-2 or with coronavirus disease 2019 (collectively referred to herein as “COVID-19”) by a test approved by the Centers for Disease Control and Prevention, including a test authorized under the Federal Food, Drug, and Cosmetic Act; or
 - (B) whose spouse or dependent (as defined in Code §152) was diagnosed with COVID-19 by such a test; and
 - (C) who experienced adverse financial consequences as a result of:
 - (I) the individual being quarantined, being furloughed or laid off or having work hours reduced due to COVID-19;
 - (II) the individual being unable to work due to lack of childcare due to COVID-19;
 - (III) closing or reducing hours of a business owned or operated by the individual due to COVID-19;
 - (IV) the individual having pay or self-employment income reduced due to COVID-19;
 - (V) the individual having a job offer rescinded or start date for a job delayed due to COVID-19; or
 - (VI) the individual’s spouse or a member of the individual’s household (i.e., someone who shares the individual’s principal residence) being quarantined, being furloughed or laid off or having work hours reduced due to COVID-19, being unable to work due to lack of childcare due to COVID-19, having pay or self-employment income reduced due to COVID-19, or having a job offer rescinded or start date for a job delayed due to COVID-19; or
 - (VII) closing or reducing hours of a business owned or operated by the individual’s spouse or a member of the individual’s household due to COVID-19.

- (2) **Amounts not treated as Coronavirus-Related Distributions.** The following amounts were not treated as Coronavirus-Related Distributions:

- (i) corrective distributions of Elective Deferrals and After-Tax Employee Contributions that were returned to the Employee (together with the income allocable thereto) in order to comply with the Code §415 limitations;
- (ii) Excess Deferrals under Code §402(g);
- (iii) Excess Aggregate Contributions;
- (iv) loans that were treated as deemed distributions pursuant to Code §72(p);
- (v) the costs of current life insurance protection;
- (vi) distributions that were permissible withdrawals from an Eligible Automatic Contribution Arrangement within the meaning of Code §414(w); and

- (vii) distributions of premiums for accident or health insurance under Treas. Reg. §1.402(a)-1(e)(1)(i).
- (3) **Employee certification.** The Plan Administrator could have relied on an Employee's certification that the Employee satisfied the conditions of IA §3.02(a)(1) in determining whether any distribution was a Coronavirus-Related Distribution unless the Plan Administrator had actual knowledge to the contrary. The Plan Administrator had no obligation to inquire into whether an individual had satisfied the conditions for a Coronavirus-Related Distribution.
- (4) **Limit on amount of Coronavirus-Related Distributions.** The aggregate amount of Coronavirus-Related Distributions received by an individual for any taxable year (from all plans maintained by the Employer and any member of a controlled group under Code §§414(b), (c), (m) or (o) which included the Employer) could not exceed \$100,000.
- (5) **Repayment of Coronavirus-Related Distribution.** A Participant who received a Coronavirus-Related Distribution from the Plan may, at any time during the three-year period beginning on the day after the receipt of such distribution, make one or more Rollover Contributions to an Eligible Retirement Plan (including this Plan, if the Participant is otherwise eligible to make Rollover Contributions) in an aggregate amount that does not exceed the amount of such Coronavirus-Related Distribution. In accepting a Rollover Contribution under this IA §3.02(a)(5), the Plan Administrator is entitled to the relief under Q&A-14 of Treas. Reg. §1.401(a)(31)-1. The Plan Administrator in accepting the Rollover Contribution must reasonably conclude that the recontribution is eligible for direct rollover treatment under CARES Act §2202(a)(3). The Plan Administrator may rely on an Employee's certification that the Employee satisfies the conditions for making such a Rollover Contribution unless the Plan Administrator has actual knowledge to the contrary.
- (6) **Exemption from certain transfer and withholding rules.** For purposes of the Direct Rollover rules of Code §401(a)(31), the notice requirements of Code §402(f) and withholding rules of Code §3405, a Coronavirus-Related Distribution was not treated as an Eligible Rollover Distribution.
- (b) **Special Loan Rules.** As provided under CARES Act §2202(b), the Plan Administrator was authorized (but not required) to revise the applicable loan requirements under the Plan to reflect (1) and/or (2) below. For purposes of this IA §3.02(b), a Qualified Individual means any individual who is described in IA §3.02(a)(1)(ii) above.
 - (1) **Increased Participant loan limits.** Notwithstanding the Participant loan limitations under the Plan, for purposes of determining the permissible Participant loans for Qualified Individuals made during the 180-day period beginning on March 27, 2020, the loan limit under Code §72(p)(2)(A) could have been applied by substituting "\$100,000" for "\$50,000" and the adequate security requirement under Code §72(p)(2)(A)(ii) could have been applied using "the Participant's vested Account Balance" rather than "one-half (½) of the Participant's vested Account Balance."
 - (2) **Delayed loan repayment date.** If a Qualified Individual had an outstanding Participant loan on or after March 27, 2020:
 - (i) if the due date pursuant to Code §§72(p)(2)(B) or (C) for any repayment with respect to such loan occurred during the period beginning on March 27, 2020 and ending on December 31, 2020, such due date could have been delayed for one year;
 - (ii) any subsequent repayments with respect to such loan could have been appropriately adjusted to reflect the delay in the due date under IA §3.02(b)(2)(i) above and any interest accrued during such delay; and
 - (iii) in determining the five-year period and the term of the loan under Code §72(p)(2)(B) and (C), the one-year delay period described in IA §3.02(b)(2)(i) above could have been disregarded.

3.03 **Required Minimum Distributions for 2020.**

- (a) **Temporary waiver of required minimum distribution rules for 2020.** As provided under Code §401(a)(9)(I), added by CARES Act §2203 and effective as of January 1, 2020 (or such later date designated under the Elective Provisions), the applicable required minimum distribution rules of the Plan did not apply for the 2020 calendar year. A Participant or beneficiary who would have been required to receive a required minimum distribution for the 2020 calendar year (or a Participant with a Required Beginning Date of April 1, 2021 who would have received a required minimum distribution in 2021 for the 2020 calendar year) ("2020 RMD"), but for the enactment of Code §401(a)(9)(I), and who would have satisfied that requirement by receiving a distribution that is either (1) equal to the 2020 RMD, or (2) one or more payments (that include the 2020 RMD) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Participant's Designated Beneficiary, or for a period of at least 10

years (“2020 Extended RMD”), may elect whether to receive the 2020 RMD or the 2020 Extended RMD. If a Participant did not specifically elect to take the 2020 RMD or 2020 Extended RMD from the Plan, such distribution was not made for the 2020 calendar year. The Employer may modify this default rule under the Elective Provisions, provided such modification satisfies the requirements under Code §401(a)(9)(I) and any applicable IRS guidance.

In addition, solely for purposes of applying the Direct Rollover provisions of the Plan, certain additional distributions in 2020, as elected by the Employer under the Elective Provisions, were treated as Eligible Rollover Distributions. If no election is made by the Employer in the Elective Provisions, the Plan offered a Direct Rollover only for distributions that were Eligible Rollover Distributions in the absence of Code §401(a)(9)(I).

If all or any portion of a distribution made during 2020 was treated as an Eligible Rollover Distribution, but would not have been treated as such if the applicable required minimum distribution requirements of the Plan had applied during 2020, such distribution could not be treated as an Eligible Rollover Distribution for purposes of the Direct Rollover rules under Code §401(a)(31), Code §402(f) and Code §3405(c).

The Plan could have applied the temporary waiver of required minimum distributions for 2020 in accordance with the terms of the applicable Investment Arrangement. If so, this should be indicated under the Elective Provisions and the Employer is not required to make further elections relating to the temporary waiver of required minimum distributions for 2020.

- (b) **Special rules regarding the temporary waiver of required minimum distribution rules for 2020.** In applying the provisions of the applicable section of the Plan for the 2020 calendar year, the following special rules apply:
- (1) The Required Beginning Date with respect to any individual was determined without regard to this IA §3.03 for purposes of applying the required minimum distribution rules applicable to the Plan;
 - (2) If Code §401(a)(9)(B)(ii) applies, the five-year period described in such provision was determined without regard to the 2020 calendar year;
 - (3) If the Plan permitted a Participant or beneficiary to elect whether the five-year rule or the life expectancy rule applied in determining required minimum distributions and the election period ended in the 2020 calendar year, the Plan Administrator could have extended the election deadline to the end of 2021;
 - (4) The Plan Administrator and Participants could have applied the transitional relief and special rules under Code §401(a)(9)(I) and IRS Notice 2020-51 relating to the temporary waiver of required minimum distributions for 2020 in any reasonable and consistent manner; and
 - (5) The Employer may describe any special rules that were applicable to the temporary waiver of the required minimum distribution rules for 2020 under the Elective Provisions, provided such special rules are consistent with CARES Act §2203, Code §401(a)(9)(I) and IRS Notice 2020-51.

ARTICLE IV AMENDMENT RELATING TO THE DISASTER TAX RELIEF ACT OF 2020

4.01 In General. On December 27, 2020, the Disaster Tax Relief Act of 2020, which was enacted as part of the Consolidated Appropriations Act, 2021, became law. Provisions of the Disaster Tax Relief Act of 2020 may have affected certain Plan provisions. The provisions of the Disaster Tax Relief Act of 2020 are effective as reflected in the provisions under this Article IV. The Plan Administrator administered the provisions of this Article IV consistent with a “good-faith” interpretation of the Disaster Tax Relief Act of 2020. To the extent this Article IV applies to the Plan, these provisions supersede any inconsistent provisions of the Plan.

4.02 Special Disaster-Related Rules. This IA §4.02 incorporates the provisions of the Disaster Tax Relief Act of 2020 §302 relating to special disaster-related rules for retirement plans. The provisions of this IA §4.02 apply only to the extent a distribution or loan was made to a qualified individual as provided under the Disaster Tax Relief Act of 2020 §302. If the Plan did not operationally apply the rules under this IA §4.02, such provisions do not apply to the Plan. The Plan Administrator documented through administrative procedures (including designating accounts from which special disaster-related distributions and loans could have been taken) or otherwise the manner in which the Plan operationally applied the rules under this IA §4.02. To the extent this IA §4.02 applies to the Plan, these provisions supersede any inconsistent provisions of the Plan or loan program.

- (a) **Eligibility for Qualified Disaster Distribution.** If administratively permitted by the Plan Administrator, a Participant could have taken a Qualified Disaster Distribution without regard to any distribution restrictions otherwise applicable under the Plan.

- (1) **Definitions.**
- (i) **Qualified Disaster Distribution.** A Qualified Disaster Distribution (as defined under the Disaster Tax Relief Act of 2020 §302(a)(4)(A)) is a distribution from the Plan made:
 - (A) on or after the first day of the Incident Period of a Qualified Disaster and before June 25, 2021, and
 - (B) to an individual whose principal place of abode at any time during the Incident Period of such Qualified Disaster was located in the Qualified Disaster Area with respect to such Qualified Disaster and who had sustained an economic loss by reason of such Qualified Disaster.
 - (ii) **Qualified Disaster Area.** A Qualified Disaster Area is any area with respect to which a major disaster was declared, during the period beginning on January 1, 2020, and ending on February 25, 2021, by the President under Robert T. Stafford Disaster Relief and Emergency Assistance Act §401 if the Incident Period of the disaster with respect to which such declaration was made began on or after December 28, 2019, and ended on or before December 27, 2020. Such term did not include any area with respect to which such a major disaster had been so declared only by reason of COVID-19.
 - (iii) **Qualified Disaster.** A Qualified Disaster is, with respect to any Qualified Disaster Area, the disaster by reason of which a major disaster was declared with respect to such area.
 - (iv) **Incident Period.** An Incident Period is, with respect to any Qualified Disaster, the period specified by the Federal Emergency Management Agency as the period during which such disaster occurred (except that such period shall not be treated as ending after January 26, 2021).
- (2) **Limit on amount of Qualified Disaster Distributions.** The aggregate amount of Qualified Disaster Distributions received by an individual for any taxable year (from all plans maintained by the Employer and any member of a controlled group which included the Employer) could not have exceeded the excess (if any) of \$100,000, over the aggregate amounts treated as Qualified Disaster Distributions received by such individual for all prior taxable years.
- (3) **Qualified Disaster Distributions treated as meeting certain Plan distribution requirements.** A Qualified Disaster Distribution is treated as meeting the requirements of Code §401(k)(2)(B)(i) and, in the case of a money purchase pension plan, a Qualified Disaster Distribution which was an in-service withdrawal is treated as meeting the distribution rules under Code §401(a).
- (b) **Repayment of Qualified Disaster Distribution.** As provided under the Disaster Tax Relief Act of 2020 §302(a)(3), a Participant who received a Qualified Disaster Distribution from the Plan or another Eligible Retirement Plan (as defined in Code §402(c)(8)(B)) may, at any time during the three-year period beginning on the day after the receipt of such distribution, make one or more Rollover Contributions to the Plan in an aggregate amount that does not exceed the amount of such Qualified Disaster Distribution. This IA §4.02(b) only applies if the Plan permits Rollover Contributions.
- (c) **Recontributions of Withdrawals for Home Purchases.** As provided under the Disaster Tax Relief Act of 2020 §302(b), a Participant who received a Qualified Distribution may make one or more Rollover Contributions to the Plan during the applicable period in an aggregate amount not to exceed the amount of such Qualified Distribution. For this purpose, a Qualified Distribution is any Hardship Distribution which was to be used to purchase or construct a principal residence in a Qualified Disaster Area, but which was not so used on account of the Qualified Disaster with respect to such area, and which was received during the period beginning on the date which is 180 days before the first day of the Incident Period of such Qualified Disaster and ending on the date which is 30 days after the last day of such Incident Period. This IA §4.02(c) only applies if the Plan permits Rollover Contributions.
- (d) **Special Loan Rules.** As provided under the Disaster Tax Relief Act of 2020 §302(c), the Plan Administrator could (but was not required to) revise the applicable loan requirements under the Plan to reflect (1) and (2) below.
- (1) **Increased Participant loan limits.** Notwithstanding the Participant loan limitations under the Plan, for purposes of determining the permissible Participant loans for a Qualified Individual during the 180-day period beginning on December 27, 2020, the loan limit under Code §72(p)(2)(A) could have been applied by substituting “\$100,000” for “\$50,000” and the adequate security requirement under Code §72(p)(2)(A)(ii) could have been applied using “the Participant’s vested Account Balance” rather than “one-half (½) of the Participant’s vested Account Balance.” A Qualified Individual for this purpose was any Participant whose principal place of abode at any time during the Incident Period of any Qualified Disaster is located in the

Qualified Disaster Area with respect to such Qualified Disaster, and who had sustained an economic loss by reason of such Qualified Disaster.

- (2) **Delayed loan repayment date.** If a Qualified Individual (as defined in IA §4.02(d)(1) above) had an outstanding Participant loan on or after the first day of the Incident Period of a Qualified Disaster and ending on the date which is 180 days after the last day of the Incident Period:
- (i) the due date for repayment of the Participant loan could have been delayed for one year;
 - (ii) any subsequent repayments with respect to such loan could have been appropriately adjusted to reflect the delay in the due date under IA §4.02(d)(2)(i) and any interest accruing during such delay; and
 - (iii) in determining the five-year period and the term of the loan under Code §72(p)(2)(B) and (C), the one-year delay period described in IA §4.02(d)(2)(i) could have been disregarded.

ARTICLE V

AMENDMENT RELATING TO THE SECURE ACT AND DISASTER TAX RELIEF ACT OF 2019

5.01 In General. On December 20, 2019, the Further Consolidated Appropriations Act of 2019, which includes the SECURE Act and the Disaster Tax Relief Act of 2019 became law. The provisions of the Acts are effective at various times, as reflected in the provisions under this Article V. The Plan Administrator shall administer the provisions of this Article V consistent with a “good-faith” interpretation of these laws.

5.02 Modification of required minimum distribution rules.

- (a) **Increase in age for Required Beginning Date for mandatory distributions.** As provided under Code §401(a)(9)(C)(i)(I) as amended by SECURE Act §114, effective for distributions required to be made after December 31, 2019, with respect to Participants who attain age 70½ after such date, all references to “age 70½” under the applicable required minimum distribution provisions of the Plan are replaced with “age 72.” For purposes of determining required minimum distributions for calendar years beginning on or after January 1, 2022 (or such later date as specified in applicable regulations or guidance), the Plan Administrator must apply the provisions of this IA §5.02(a) consistent with proposed Treas. Reg §§1.401(a)(9)-1 through 1.401(a)(9)-9 issued on February 24, 2022 (or subsequent applicable final regulations).
- (b) **Modifications of required minimum distribution rules for Designated Beneficiaries.** As provided under Code §401(a)(9)(H) as amended by SECURE Act §401, effective for distributions with respect to Participants who die after December 31, 2019 (or such later effective date applicable to the Plan), the applicable required minimum distribution rules under the Plan must be administered consistent with the following rules as provided under SECURE Act §401. (See IA §5.02(b)(1)(v) for effective date rules applicable to plans maintained pursuant to a Collective Bargaining Agreement and for Governmental Plans.) For purposes of determining required minimum distributions for calendar years beginning on or after January 1, 2022 (or such later date as specified in applicable final regulations or guidance), the Plan Administrator must apply the provisions of this IA §5.02(b) consistent with proposed Treas. Reg §§1.401(a)(9)-1 through 1.401(a)(9)-9 issued on February 24, 2022 (or subsequent applicable final regulations or guidance). Application of the provisions of this IA §5.02(b) may depend on the Investment Arrangement(s) associated with the Plan.
- (1) **10-year rule.** As provided under Code §401(a)(9)(H)(i), if a Participant dies before the distribution of the Participant’s entire vested Account Balance (regardless of whether the Participant dies before, on or after beginning required minimum distributions under the Plan), the entire vested Account Balance of the Participant will be distributed by the end of the calendar year that includes the 10th anniversary of the date of the Participant’s death. This is referred to as the “10-year rule.”
- (i) **Exception to 10-year rule for Eligible Designated Beneficiaries.** As provided under Code §401(a)(9)(H)(ii) and Code §401(a)(9)(B)(iii), if any portion of the Participant’s interest is payable to an Eligible Designated Beneficiary, such portion may be distributed (in accordance with applicable regulations) over the life of such Eligible Designated Beneficiary (or over a period not extending beyond the life expectancy of such Eligible Designated Beneficiary), provided such distribution begins not later than one year after the date of the Participant’s death (except as provided under Code §401(a)(9)(B)(iv) relating to a surviving spouse) or such later date as the Secretary of Treasury may prescribe by regulations. This is referred to as the “life expectancy rule.” If the conditions of this exception are not satisfied, the 10-year rule under subparagraph (1) applies.

- (ii) **Elective provisions for Eligible Designated Beneficiaries.** Unless the Employer elects otherwise under the Elective Provisions or the Plan applies the required minimum distribution rules in accordance with the terms of the Plan's applicable Investment Arrangement(s), required minimum distributions under the Plan to an Eligible Designated Beneficiary when the Participant dies prior to the Required Beginning Date shall be made by applying the Plan's pre-SECURE Act elections (including administrative and default elections) applicable to required minimum distributions, except that the 10-year rule under IA §3.02(b)(1) shall be substituted for the pre-SECURE Act 5-year rule as appropriate. For example, if the pre-SECURE Act Plan allowed the Participant or Designated Beneficiary to elect between the life expectancy rule and the 5-year rule prior to the SECURE Act effective date, then the Plan allows the Eligible Designated Beneficiary to elect between the life expectancy rule and the 10-year rule on or after the SECURE Act effective date.

Alternatively, the Employer may elect under the Elective Provisions to (1) apply the life expectancy rule, (2) apply the 10-year rule (including a fixed number of years less than 10), or (3) allow the Participant or the Eligible Designated Beneficiary to elect whether the 10-year rule or the life expectancy rule applies. If the Participant or Eligible Designated Beneficiary is allowed to elect whether the life expectancy rule or the 10-year rule applies and such Participant or Eligible Designated Beneficiary does not timely make such an election, then the Employer must elect under the Elective Provisions whether the life expectancy rule or the 10-year rule applies.

- (A) **Timing of election.** Any Participant or Eligible Designated Beneficiary election permitted under this IA §5.02(b)(1)(ii) must be made no later than the end of the earlier of the calendar year by which distributions must be made in order to satisfy the 10-year rule and the calendar year in which distributions would be required to begin in order to satisfy the requirements of the life expectancy rule or, if applicable, by the time of the permitted delay if the surviving Spouse is the sole beneficiary as provided under Code §401(a)(9)(B)(iv).
- (B) **Irrevocable election.** If a Participant or Eligible Designated Beneficiary elects under this IA §5.02(b)(1)(ii) to apply either the 10-year rule or the life expectancy rule, then, as of the last date the election may be made, the election is irrevocable with respect to the Eligible Designated Beneficiary (and all subsequent Designated Beneficiaries) and applies to all subsequent calendar years.
- (iii) **Rules upon death of an Eligible Designated Beneficiary.** Generally, if an Eligible Designated Beneficiary dies before the Participant's entire vested Account Balance is distributed, the exception under IA §5.02(b)(1)(i) above shall not apply to any beneficiary of such Eligible Designated Beneficiary and the remainder of such portion shall be distributed by the end of the 10th calendar year following the calendar year of the death of such Eligible Designated Beneficiary.
- (iv) **Special rule in case of certain trusts for disabled or chronically ill Eligible Designated Beneficiary.** The Plan may apply the special rules for certain "applicable multi-beneficiary trusts" as described under Code §§401(a)(9)(H)(iv) and (v), as added by SECURE Act §401.
- (v) **Special effective date rules.**
- (A) **Collective bargaining agreements.** In the case of a Plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more Employers that were ratified before December 20, 2019, the amendments to Code §§401(a)(9)(E) and (H) and under this IA §5.02(b) apply to distributions with respect to Employees who die in calendar years beginning after December 31, 2021, or if earlier, the later of: (1) the date on which the last of the collective bargaining agreements terminated (without regard to any extension of the agreement to which the parties agree) on or after December 20, 2019, or (2) December 31, 2019.
- (B) **Governmental Plans.** In the case of a Governmental Plan, the amendments to Code §§401(a)(9)(E) and (H) and this IA §5.02(b) apply to distributions with respect to Employees who die after December 31, 2021.

(2) **Definitions for purposes of this IA §5.02(b).**

- (i) **Designated Beneficiary.** The term Designated Beneficiary means any individual designated as a beneficiary by the Participant or under the terms of the Plan.

- (ii) **Eligible Designated Beneficiary.** The term Eligible Designated Beneficiary means, with respect to any Participant, any Designated Beneficiary who is:

- (A) the surviving Spouse of the Participant;
- (B) subject to IA §5.02(b)(2)(iii) below, a child of the Participant who has not reached age 21;
- (C) disabled (within the meaning of Code §72(m)(7));
- (D) a chronically ill individual (within the meaning of Code §7702B(c)(2), except that the requirements of Code §7702B(c)(2)(A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature);
- (E) an individual not described in any of the preceding subclauses who is not more than 10 years younger than the Participant; or
- (F) a Designated Beneficiary of a Participant if the Participant died before the effective date of Code §401(a)(9)(H) described in Prop. Treas. Reg. §1.401(a)(9)-1(b)(2)(i) and (ii), whichever applies to the Plan (or as provided under applicable final regulations).

The determination of whether a Designated Beneficiary is an Eligible Designated Beneficiary shall be made as of the date of death of the Participant.

- (iii) **Special rules for children.** An individual described in IA §5.02(b)(2)(ii)(B) above shall cease to be an Eligible Designated Beneficiary as of the date the individual reaches age 21 and any remainder of the portion of the individual's interest to which Code §401(a)(9)(H)(ii) applies shall be distributed under the 10-year rule.

5.03 Prohibition from making loans through credit cards. As provided under SECURE Act §108, effective for Participant loans made after December 20, 2019, a Plan may not make any Participant loan through any credit card or any other similar arrangement.

5.04 Special disaster-related distributions and loans. This IA §5.04 incorporates the provisions of the Disaster Tax Relief Act of 2019 §202 relating to special disaster-related rules for retirement plans. The provisions of this IA §5.04 applied only to the extent a distribution or loan was made to a qualified individual as provided under the Disaster Tax Relief Act of 2019 §202. If the Plan did not operationally apply the rules under this IA §5.04, such provisions do not apply to the Plan. The Plan Administrator documented through administrative procedures (including designating accounts from which special disaster-related distributions and loans could have been taken) or otherwise the manner in which the Plan operationally applied the rules under this IA §5.04. To the extent this IA §5.04 applies to the Plan, these provisions supersede any inconsistent provisions of the Plan or loan program.

- (a) **Eligibility for Qualified Disaster Distribution.** If administratively permitted by the Plan Administrator, a Participant could have taken a Qualified Disaster Distribution without regard to any distribution restrictions otherwise applicable under the Plan.

(1) **Definitions.**

- (i) **Qualified Disaster Distribution.** A Qualified Disaster Distribution (as defined under the Disaster Tax Relief Act of 2019 §202(a)(4)(A)) is a distribution from the Plan made:

- (A) on or after the first day of the Incident Period of a Qualified Disaster and before June 17, 2020, and
- (B) to an individual whose principal place of abode at any time during the Incident Period of such Qualified Disaster was located in the Qualified Disaster Area with respect to such Qualified Disaster and who had sustained an economic loss by reason of such Qualified Disaster.

- (ii) **Qualified Disaster Area.** A Qualified Disaster Area is any area with respect to which a major disaster was declared, during the period beginning on January 1, 2018, and ending on February 18, 2020, by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act §401 if the Incident Period of the disaster with respect to which such declaration was made began on or before

December 20, 2019. Such term shall not include the California wildfire disaster (as defined in §20101 of subdivision 2 of division B of the Bipartisan Budget Act of 2018).

- (iii) **Qualified Disaster.** A Qualified Disaster is, with respect to any Qualified Disaster Area, the disaster by reason for which a major disaster was declared with respect to such area.
- (iv) **Incident Period.** An Incident Period is, with respect to any Qualified Disaster, the period specified by the Federal Emergency Management Agency as the period during which such disaster occurred (except that such period shall not be treated as ending after January 19, 2020).
- (2) **Limit on amount of Qualified Disaster Distributions.** The aggregate amount of Qualified Disaster Distributions received by an individual for any taxable year (from all plans maintained by the Employer and any member of a controlled group which included the Employer) could not have exceeded the excess (if any) of \$100,000, over the aggregate amounts treated as Qualified Disaster Distributions received by such individual for all prior taxable years. This limitation was applied separately with respect to distributions made due to each Qualified Disaster.
- (3) **Qualified Disaster Distributions treated as meeting certain Plan distribution requirements.** A Qualified Disaster Distribution under the Plan is treated as meeting the requirements of Code §401(k)(2)(B)(i).
- (b) **Repayment of Qualified Disaster Distribution.** As provided under the Disaster Tax Relief Act of 2019 §202(a)(3), a Participant who received a Qualified Disaster Distribution from the Plan or another Eligible Retirement Plan (as defined in Code §402(c)(8)(B)) may, at any time during the three-year period beginning on the day after the receipt of such distribution, make one or more Rollover Contributions to the Plan in an aggregate amount that does not exceed the amount of such Qualified Disaster Distribution. This IA §5.04(b) only applies if the Plan permits Rollover Contributions.
- (c) **Recontributions of Withdrawals for Home Purchases.** As provided under the Disaster Tax Relief Act of 2019 §202(b), a Participant who received a Qualified Disaster Distribution may make one or more Rollover Contributions to the Plan during the applicable period in an aggregate amount not to exceed the amount of such Qualified Disaster Distribution. For this purpose, a Qualified Disaster Distribution is any Hardship Distribution which (1) was to be used to purchase or construct a principal residence in a Qualified Disaster Area, but was not so used on account of the Qualified Disaster with respect to such area, and (2) was received during the period beginning on the date which is 180 days before the first day of the Incident Period of such Qualified Disaster and ending on the date which is 30 days after the last day of such Incident Period. This IA §5.04(c) only applies if the Plan permits Rollover Contributions.
- (d) **Special Loan Rules.** As provided under the Disaster Tax Relief Act of 2019 §202(c), the Plan Administrator could (but was not required to) revise the applicable loan requirements under the Plan to reflect IA §5.04(d)(1) and/or IA §5.04(d)(2) below.
 - (1) **Increased Participant loan limits.** Notwithstanding the Participant loan limitations under the Plan, for purposes of determining the permissible Participant loans for a Qualified Individual during the 180-day period beginning on December 20, 2019, the loan limit under Code §72(p)(2)(A) could have been applied by substituting “\$100,000” for “\$50,000” and the adequate security requirement under Code §72(p)(2)(A)(ii) could have been applied using “the Participant’s vested Account Balance” rather than “one-half (½) of the Participant’s vested Account Balance.” A Qualified Individual for this purpose was any Participant whose principal place of abode at any time during the Incident Period of any Qualified Disaster was located in the Qualified Disaster Area with respect to such Qualified Disaster, and who had sustained an economic loss by reason of such Qualified Disaster.
 - (2) **Delayed loan repayment date.** If a Qualified Individual (as defined in IA §5.04(d)(1) above) had an outstanding Participant loan on or after the first day of the Incident Period of a Qualified Disaster and that ended on the date which was 180 days after the last day of the Incident Period:
 - (i) the due date for repayment of the Participant loan could have been delayed for one year;
 - (ii) any subsequent repayments with respect to such loan could have been appropriately adjusted to reflect the delay in the due date under IA §5.04(d)(2)(i) and any interest accruing during such delay; and
 - (iii) in determining the five-year period and the term of the loan under Code §72(p)(2)(B) and (C), the one-year delay period described in subparagraph (i) could have been disregarded.

5.05 Elimination of notice requirement for nonelective Safe Harbor 403(b) Plans. As provided under SECURE Act §103(a) and consistent with IRS Notice 2020-86, effective for Plan Years beginning after December 31, 2019, the annual safe harbor notice requirements do not apply to a Safe Harbor 403(b) Plan that satisfies the requirements of Code §401(k)(12) by providing Safe Harbor Employer Contributions (as defined under Section 1.119 of the Plan) or the requirements of Code §401(k)(13) by providing QACA Safe Harbor Employer Contributions (as defined under Section 1.101). However, a Safe Harbor 403(b) Plan must provide each Eligible Employee with an effective opportunity to make or change an election to make Salary Deferrals at least once each Plan Year.

(a) **Special rules applicable to the elimination of the notice requirement if the Plan provides for Safe Harbor Employer Contributions.** If the Plan provides for Safe Harbor Employer Contributions, the following special rules apply:

- (1) If the Plan intends to satisfy the deemed compliance with the ACP test rules under Section 6.04(h) of the Plan and Code §401(m)(11)(A), the Plan must continue to satisfy the annual notice requirements under Section 6.04(a)(4) of the Plan. However, if the Plan does not intend to satisfy the deemed compliance with the ACP test rules (and thus performs the ACP test), then the annual notice requirements under Section 6.04(a)(4) of the Plan do not apply.
- (2) All other applicable notice requirements under the Plan continue to apply.
- (3) The notice requirements under Treas. Reg. §§1.401(k)-3(g)(1)(ii)(A)(2) and 1.401(m)-3(h)(1)(ii)(A)(2) relating to the possible mid-year reduction or suspension of Safe Harbor Employer Contributions continue to apply.
- (4) If the Plan adopts an amendment to reduce or suspend Safe Harbor Employer Contributions during a Plan Year and later readopts an amendment to provide the Safe Harbor Employer Contributions for the entirety of such Plan Year, the Plan is not required to satisfy the ACP test (as applicable) for the Plan Year.
- (5) The contingent and supplemental notice requirements under the retroactive plans amendment requirements of Code §401(k)(12)(F) and as discussed under Section 6.04(a)(4)(iii) do not apply, unless the Plan intends to qualify as a safe harbor design as set forth under Code §401(m)(11) (i.e., deemed compliance with the ACP test).

(b) **Special rules applicable to the elimination of the notice requirement if the Plan provides for QACA Safe Harbor Employer Contributions.** If the Plan provides for QACA Safe Harbor Employer Contributions, the following special rules apply:

- (1) Even if the Plan intends to satisfy the deemed compliance with the ACP test rules under Section 6.04(h) of the Plan and Code §401(m)(11)(A), the Plan is not required to satisfy the annual notice requirements under Section 6.04(b)(5) of the Plan. If the Plan does not intend to satisfy the deemed compliance with the ACP test rules (and thus performs the ACP test), then the annual notice requirements under Section 6.04(a)(4) of the Plan do not apply.
- (2) All other applicable notice requirements under the Plan continue to apply.
- (3) The notice requirements under Treas. Reg. §§1.401(k)-3(g)(1)(ii)(A)(2) and 1.401(m)-3(h)(1)(ii)(A)(2) relating to the possible mid-year reduction or suspension of QACA Safe Harbor Employer Contributions continue to apply.
- (4) If the Plan adopts an amendment to reduce or suspend QACA Safe Harbor Employer Contributions during a Plan Year and later readopts an amendment to provide the QACA Safe Harbor Employer Contributions for the entirety of such Plan Year, the Plan is not required to satisfy the ACP test (as applicable) for the Plan Year.
- (5) The contingent and supplemental notice requirements under the retroactive plans amendment rules of Treas. Reg. §1.401(k)-3(f) do not apply.

5.06 Delay in adopting provisions for nonelective Safe Harbor 403(b) Plan as provided under SECURE Act §§103(b) and (c).

(a) **Amendment into a 3% nonelective Safe Harbor 403(b) Plan.** Effective for Plan Years beginning after December 31, 2019, an Employer may amend the Plan at any time before the 30th day before the close of the Plan Year to satisfy the requirements of a Safe Harbor 403(b) Plan by making a Safe Harbor Employer Contribution of at least 3% of Plan Compensation or a QACA Safe Harbor Employer Contribution of at least 3% of Plan Compensation, as applicable.

The Employer may designate the percentage of Plan Compensation and the Plan Year for which the Plan is intended to be a Safe Harbor 403(b) Plan under the Elective Provisions.

- (b) **Amendment into a 4% nonelective Safe Harbor 403(b) Plan.** Effective for Plan Years beginning after December 31, 2019, an Employer may amend the Plan to satisfy the requirements of a Safe Harbor 403(b) Plan by making Safe Harbor Employer Contributions or QACA Safe Harbor Employer Contributions, as applicable, after the 30th day before the close of the Plan Year if (1) the Plan is amended to provide for a Safe Harbor Employer Contribution of at least 4% of Plan Compensation or a QACA Safe Harbor Employer Contribution of at least 4% of Plan Compensation, as applicable for all Eligible Employees for that Plan Year and (2) the Plan is amended no later than the last day for distributing Excess Contributions for the Plan Year. The Employer may designate the percentage of Plan Compensation and the Plan Year for which the Plan is intended to be a Safe Harbor 403(b) Plan under the Elective Provisions.

5.07 Portability of lifetime income options. Effective for Plan Years beginning after December 31, 2019 and as provided under Code §§403(b)(11)(D) and 403(b)(7)(A)(i)(VI), the Plan may allow a Qualified Distribution of a Lifetime Income Investment and a distribution of a Lifetime Income Investment in the form of a Qualified Plan Distribution Annuity Contract, provided such distribution is made within the 90-day period ending on the date when the Lifetime Income Investment is no longer authorized to be held as an investment option under the Plan. The Plan Administrator may administratively apply the rules of Code §§403(b)(11)(D) and 403(b)(7)(A)(i)(VI) to any applicable Plan investment meeting the definition of a Lifetime Income Investment. The Plan Administrator will separately document the manner of application of the rules under this IA §5.07 and apply the rules in a consistent and nondiscriminatory manner.

(a) **Definitions.**

- (1) **Qualified Distribution.** A Qualified Distribution is a direct trustee-to-trustee transfer to an Eligible Retirement Plan.
- (2) **Lifetime Income Investment.** A Lifetime Income Investment is an investment option designed to provide an Employee with election rights that (1) are not uniformly available with respect to other investment options under the Plan; and (2) are rights to a Lifetime Income Feature available through a contract or other arrangement offered under the Plan, as defined under Code §401(a)(38)(B)(ii). The Plan Administrator will determine whether an investment option under the Plan is a Lifetime Income Investment.
- (3) **Lifetime Income Feature.** A Lifetime Income Feature is (1) a feature that guarantees a minimum level of income annually (or more frequently) for at least the remainder of the life of the Employee or the joint lives of the Employee and the Employee's Designated Beneficiary, or (2) an annuity payable on behalf of the Employee under which payments are made in substantially equal periodic payments (not less frequently than annually) over the life of the Employee or the joint lives of the Employee and the Employee's Designated Beneficiary, as defined under Code §401(a)(38)(B)(iii).
- (4) **Qualified Plan Distribution Annuity Contract.** A Qualified Plan Distribution Annuity Contract is an annuity contract purchased for a Participant and distributed to the Participant by the Plan, as defined under Code §401(a)(38)(B)(iv).
- (b) **Restrictions on in-service distributions.** Effective no earlier than for Plan Years beginning after December 31, 2019, to the extent that the Plan Administrator applies the rules under subparagraph (a) above, the Plan does not violate the in-service distribution restrictions described under Section 8.03(b) of the Plan.

5.08 Qualified Birth or Adoption Distributions ("QBADs"). As provided for under SECURE Act §113, effective no earlier than for Plan Years beginning after December 31, 2019, if elected under the Elective Provisions, the permissible distribution events may include QBADs. The Employer may restrict in a nondiscriminatory manner the availability of QBADs to terminated Participants or certain active Participants under the Elective Provisions. The Plan Administrator may use the guidance provided under IRS Notice 2020-68 in applying the rules under this IA §5.08.

(a) **Definitions.**

- (1) **Qualified Birth or Adoption Distribution ("QBAD").** A QBAD (as defined under Code §72(t)(2)(H)(iii)(I)) is a distribution from the Plan to a Participant if made during the one-year period beginning on the date on which a child of the Participant is born or on which the legal adoption by the individual of an Eligible Adoptee is finalized.
- (2) **Eligible Adoptee.** An Eligible Adoptee (as defined under Code §72(t)(2)(H)(iii)(II)) is any individual (other than a child of the Participant's spouse) who has not attained age 18 or is physically or mentally incapable of self-support. The determination of whether an individual is physically or mentally incapable of self-support is

made in the same manner as the determination of whether an individual is disabled under Code §72(m)(7), which defines when an individual is disabled for purposes of the exception to the 10% additional tax under Code §72(t)(2)(A)(iii).

- (b) **\$5,000 limitation.** The Plan is not treated as violating any Code requirement merely because it treats a distribution (that would otherwise be a QBAD) to an individual as a QBAD, provided that the aggregate amount of such distributions to that Participant from all plans maintained by the Employer does not exceed \$5,000.
- (1) Each parent may receive a QBAD of up to \$5,000 with respect to the same child or Eligible Adoptee.
- (2) An individual is permitted to receive a QBAD with respect to the birth of more than one child or the adoption of more than one Eligible Adoptee if the distributions are made during the one-year period following the date on which the children are born or the legal adoption for the Eligible Adoptees is finalized.
- (c) **Recontributions to applicable Eligible Retirement Plans.** Any portion of a QBAD may, at any time after the date on which the distribution was received, be recontributed to an applicable Eligible Retirement Plan to which an Eligible Rollover Distribution can be made. If the Employer adds the ability for Plan Participants to receive QBADs to the Plan, a Participant who has received a QBAD may recontribute, up to the amount that was distributed from the Plan to the Participant, provided the Participant otherwise is eligible to make Rollover Contributions to the Plan at the time the Participant wishes to recontribute the QBAD. In the case of a recontribution made with respect to a QBAD from an applicable Eligible Retirement Plan other than an IRA, an individual is treated as having received the distribution as an Eligible Rollover Distribution (as defined in Code §402(c)(4)) and as having transferred the amount to an applicable Eligible Retirement Plan in a direct trustee-to-trustee transfer within 60 days of the distribution.
- (d) **Other applicable rules.** The following rules apply to QBADs:
- (1) A distribution to an individual will not be treated as a QBAD with respect to any child or Eligible Adoptee unless the individual includes the name, age, and the Taxpayer Identification Number (TIN) of the child or Eligible Adoptee on the individual's tax return.
- (2) A QBAD is includible in gross income, but it is not subject to the 10% additional tax under Code §72(t)(1).
- (3) In making a determination whether an individual is eligible for a QBAD, the Employer or Plan Administrator is permitted to rely on reasonable representations from the individual, unless the Employer or Plan Administrator has actual knowledge to the contrary.
- (4) A QBAD is not treated as an Eligible Rollover Distribution for purposes of the direct rollover rules of Code §401(a)(31), the notice requirement under Code §402(f), and the mandatory withholding rules under Code §3405.

5.09 Increase of cap for QACA Safe Harbor 403(b) Plan. As provided for under SECURE Act §102, effective for Plan Years beginning after December 31, 2019 and as elected under the Elective Provisions, the Employer may increase the limitation on the default rates under a QACA Safe Harbor 403(b) Plan up to 15% after the initial period that a Participant's deemed election applies. The automatic deferral percentage in a QACA Safe Harbor 403(b) Plan may not exceed 10% during the initial period. The initial period begins when the Employee first begins making automatic deferrals under the QACA Safe Harbor 403(b) Plan and ends on the last day of the following Plan Year, unless otherwise indicated in the Adoption Agreement.

5.10 Including Difficulty of Care Payments in Total Compensation. Effective for Plan Years beginning after December 31, 2015, as provided under Code §415(c)(8) the following paragraph (f) is added to the definition of Total Compensation:

- “(f) **Special rules for difficulty of care payments.** In the case of a Participant who for a taxable year excludes from gross income under Code §131 a qualified foster care payment which is a difficulty of care payment, the Participant's Total Compensation shall be increased by the amount of the excludable difficulty of care payments made by the Employer. Any contribution that is allowable due to such increase shall be treated as an After-Tax Employee Contribution and shall not cause the Plan to be treated as failing applicable plan requirements under Code §403(b).”

5.11 Adoption of Retirement Income Account by a QCCO or NQCCO. Notwithstanding any other provision of the Plan, as provided under SECURE Act §111, the Retirement Income Account 403(b) Plan (#09-001) may permit the participation of an Employee described in Code §414(e)(3)(B), effective July 1, 2020. Thus, a Qualified Church-Controlled Organization (QCCO) and a Non-Qualified Church-Controlled Organization (NQCCO) (as defined below) may adopt the Retirement Income Account 403(b) Plan (#09-001) and the Note under AA §1-3(a) indicating that QCCOs and NQCCOs may not adopt the Retirement Income Account 403(b) Plan (#09-001) no longer applies. The Plan Administrator will administer the Plan consistent with a “good-faith” interpretation of the provisions of Code §403(b)(9)(B), as amended.

- (a) **Application of the nondiscrimination rules.** The nondiscrimination rules of Code §403(b)(12) apply to any Employee participating in the Retirement Income Account 403(b) Plan other than an Employee of a Church-Related Organization or QCCO. Thus, the Plan provisions relating to the nondiscrimination rules applicable to a Church retirement/welfare board and a self-employed Minister apply for this purpose. The adopting Employer must identify whether it is a Church-Related Organization, QCCO, NQCCO or any other employer that may adopt a Retirement Income Account. In the case of Multiple Employer Plan, Participating Employers that are not part of the same Related Employer group must identify whether it is a Church-Related Organization, QCCO, NQCCO or any other employer that may adopt a Retirement Income Account.
- (b) **Definitions.**
- (1) **Qualified Church-Controlled Organization (QCCO).** An organization described in Code §3121(w)(3)(B) and the Treasury Regulations thereunder, and generally refers to any church controlled, tax-exempt organization described in Code§501(c)(3) of the Internal Revenue Code, other than an organization which:
- (i) offers goods, services, or facilities for sale, other than on an incidental basis, to the general public, other than goods, services, or facilities which are sold at a nominal charge which is substantially less than the cost of providing such goods, services, or facilities; and
 - (ii) normally receives more than 25% of its support from either: (1) governmental sources, or (2) receipts from admissions, sales of merchandise, performance of services, or furnishing of facilities, in activities which are not unrelated trades or businesses, or both.
- (2) **Non-Qualified Church-Controlled Organization (NQCCO).** A church-controlled, tax-exempt organization described in Code §501(c)(3) that does not meet the definition of a Qualified Church-Controlled Organization (QCCO).

ARTICLE VI
PRE-APPROVED CYCLE 1 403(b) PLAN
CARES/SECURE ACTS INTERIM AMENDMENT
ELECTIVE PROVISIONS

These Elective Provisions provide for elections related to the Interim Amendment. If the adopting Employer agrees to the default for a particular provision or the provision does not apply to the Employer's Plan, the adopting Employer does not need to make an election for that provision. If the adopting Employer wishes to override any of the defaults, the adopting Employer should make the appropriate election(s) in the Elective Provisions below and sign where indicated.

Application of the Interim Amendment and the Elective Provisions may depend on the Investment Arrangement(s) associated with the Plan.

CS-1. TEMPORARY WAIVER OF REQUIRED MINIMUM DISTRIBUTIONS FOR 2020 (See IA §3.03)

[Note: Do not complete these Elective Provisions if the Plan was not in existence during 2020 or if the temporary waiver otherwise did not apply to the Plan.]

- ☐ (a) **Temporary waiver of required minimum distributions determined under applicable Investment Arrangement(s).** The Plan applied the temporary waiver of required minimum distributions for 2020 in accordance with the terms of the applicable Investment Arrangement(s). *[Note: If this CS-1(a) is elected, no elections are necessary under CS-1(b) below.]*

- ☐ (b) **Default if Participant fails to elect.** For purposes of applying the required minimum distribution rules for the 2020 calendar year, effective January 1, 2020 (or such later date as designated below), a Participant (including an Alternate Payee or beneficiary of a deceased Participant) who was eligible to receive a required minimum distribution for the 2020 calendar year could elect whether to receive the 2020 RMD or 2020 Extended RMD (as defined in IA §3.03). If a Participant did not specifically elect to take the 2020 RMD or 2020 Extended RMD from the Plan, such distribution was not made for the 2020 calendar year. The Employer may modify this default rule below, provided such modification satisfies the requirements under Code §401(a)(9)(I) and any applicable IRS guidance.

- ☐ (1) **2020 RMDs and 2020 Extended RMDs were made.** 2020 RMDs and 2020 Extended RMDs were made to Participants who were otherwise required to receive a required minimum distribution for the 2020 calendar year, unless the Participant elected to not receive such distribution.
- ☐ (2) **2020 RMDs were not made, but 2020 Extended RMDs were made.** 2020 RMDs were not made for the 2020 calendar year, but 2020 Extended RMDs were made for the 2020 calendar year, unless the Participant elected otherwise.
- ☐ (3) **2020 RMDs were made, but 2020 Extended RMDs were not made.** 2020 RMDs were made for the 2020 calendar year, but 2020 Extended RMDs were not made for the 2020 calendar year, unless the Participant elected otherwise.
- ☐ (4) **Direct Rollovers.** Unless elected otherwise below, the Plan offered a Direct Rollover only for distributions that were Eligible Rollover Distributions in the absence of Code §401(a)(9)(I).

Instead of the default above, the following were treated as Eligible Rollover Distributions in 2020:

- ☐ (i) 2020 RMDs
- ☐ (ii) 2020 RMDs and 2020 Extended RMDs
- ☐ (iii) 2020 RMDs, but only if paid with an additional amount that is an Eligible Rollover Distribution without regard to Code §401(a)(9)(I)
- ☐ (iv) Describe: _____
- ☒ (5) **Describe other modifications of the default participant election rules:** The Default rules of this CS-1 apply unless the Investment Arrangement(s) provide otherwise.
- ☐ (6) **Effective date.** Instead of January 1, 2020, the effective date of the amendment providing for a choice of whether a Participant or beneficiary could receive 2020 RMDs was effective: _____

- ☐ ☐ (c) **Describe any special rules, including any special effective dates, the Plan applied to required minimum distributions for 2020:** _____

CS-2. REQUIRED MINIMUM DISTRIBUTION ELECTIONS (IA §5.02(b)(1)(ii)).

If the Plan applies the required minimum distribution rules under Code §401(a)(9) in accordance with the terms of the Plan's Investment Arrangement(s), then such Investment Arrangement(s) will continue to determine the required minimum distributions under the Plan and **no elections are required under this IA CS-2.**

Alternatively, if the Plan determines the application of the required minimum distribution rules under Code §401(a)(9), effective for distributions with respect to Participants who die after December 31, 2019 (or such later effective date applicable to the Plan. See IA §5.02(b)(1)(v)) and before the applicable Required Beginning Date, the Plan's pre-SECURE Act elections (including administrative and default elections) applicable to required minimum distributions continue to apply to **Eligible Designated Beneficiaries**, except that the 10-year rule will be substituted for the 5-year rule, as appropriate. **To override this default provision, complete (a) and/or (b) below.**

☒ (a) **Application of life expectancy and 10-year rules to Eligible Designated Beneficiaries.** Instead of the default, the Plan will apply the following rule:

- ☒ (1) Effective January 1, 2022, the life expectancy rule applies to all Eligible Designated Beneficiaries.
- ☐ (2) Effective _____, the 10-year rule applies to all Eligible Designated Beneficiaries.
- ☐ (3) Effective _____, the entire interest of an Eligible Designated Beneficiary will be distributed by the end of the _____ calendar year [may not be greater than 9th] following the year the Participant dies.
- ☐ (4) Effective _____, the Participant or Eligible Designated Beneficiary may elect to apply either the 10-year rule or the life expectancy rule to determine the required minimum distributions when the Participant dies before his/her Required Beginning Date. If no election is timely made:
 - ☐ (i) the life expectancy rule applies.
 - ☐ (ii) the 10-year rule applies.
 - ☐ (iii) the 10-year rule, reduced to _____ years applies.
- ☐ (5) Describe the manner (including effective date) in which the 10-year rule and life expectancy rule apply to Eligible Designated Beneficiaries:

☒ (b) **Special rules.** Describe any special rules that apply for purposes of the required minimum distribution rules under Code §401(a)(9): The provisions of this CS-2 apply unless the Investment Arrangements provide otherwise.

[Note: Any special rules for determining required minimum distributions for calendar years beginning on or after January 1, 2022 (or such later date as specified in applicable regulations or guidance) must comply with proposed Treas. Reg §§1.401(a)(9)-1 through 1.401(a)(9)-9 issued on February 24, 2022 (or subsequent applicable final regulations).]

CS-3. DELAYED ADOPTION OF SAFE HARBOR 403(b) PLAN (IA §5.06)

(a) **Amendment into a 3% nonelective Safe Harbor 403(b) Plan accounts (See IA §5.06(a)).** Unless an election is made below, the Plan is not amended and the current Plan provisions will continue to apply. [Applies only to 501(c)(3), Church and Retirement Income Accounts that are subject to ERISA. Do not complete if plan will not provide for a Safe Harbor contribution.]

- ☐ (1) The Plan is amended to add a ____% [insert amount of at least 3%] Safe Harbor 403(b) Plan Employer Contribution, effective for the _____ [insert applicable Plan Year] Plan Year. The elected percentage will continue to apply for future Plan Years, unless otherwise provided in CS-3(a)(3) or by a subsequent Plan amendment.
- ☐ (2) The Plan is amended to add a ____% [insert amount of at least 3%] QACA Safe Harbor 403(b) Plan Employer Contribution, effective for the _____ [insert applicable Plan Year] Plan Year. The elected percentage will continue to apply for future Plan Years, unless otherwise provided in CS-3(a)(3) or by a subsequent Plan amendment.
- ☐ (3) Describe any special provisions applicable to the adoption of a 3% nonelective Safe Harbor 403(b) Plan: _____

(b) **Amendment into a 4% nonelective Safe Harbor 403(b) Plan accounts See IA §5.06(b).** Unless an election is made below, the Plan is not amended and the current Plan provisions will continue to apply.

- ☐ (1) The Plan is amended to add a ____% [insert amount of at least 4%] Safe Harbor 403(b) Plan Employer Contribution, effective for the _____ [insert applicable Plan Year] Plan Year. The elected percentage

will continue to apply for future Plan Years, unless otherwise provided in CS-3(b)(3) below or by a subsequent Plan amendment.

- ☐ (2) The Plan is amended to add a ____% [insert amount of at least 4%] QACA Safe Harbor 403(b) Plan Employer Contribution, effective for the ____ [insert applicable Plan Year] Plan Year. The elected percentage will continue to apply for future Plan Years, unless otherwise provided in CS-3(b)(3) below or by a subsequent Plan amendment.
- ☐ (3) For Plan Years following the effective date stated under CS-2(b)(1) or (2), the Safe Harbor Employer Contribution will be ____% [insert amount of at least 3%].
- ☐ (4) Describe any special provisions applicable to the adoption of a 4% nonelective Safe Harbor 403(b) Plan: _____

CS-4. QUALIFIED BIRTH OR ADOPTION DISTRIBUTIONS (“QBADS”). (See IA §5.08)

Unless an election is made below, the Plan does not allow for QBADS.

- ☐ (a) Qualified Birth or Adoption Distributions are available from the following sources to Plan Participants as of _____ [insert date no earlier than the first day of the Plan Year beginning after December 31, 2019]: [**Note:** May be checked even if no in-service distributions are otherwise permitted under the Plan.]
 - ☐ (1) All available sources
 - ☐ (2) Pre-Tax Deferral Account
 - ☐ (3) Roth Deferral Account (including In-Plan Roth Conversion Account)
 - ☐ (4) Matching Contribution Account
 - ☐ (5) Qualified Matching Contribution (QMAC) Account
 - ☐ (6) Employer Contribution Account
 - ☐ (7) Qualified Nonelective Contribution (QNEC) Account
 - ☐ (8) Safe Harbor Contribution Account(s)
 - ☐ (9) Rollover Contribution Account
 - ☐ (10) After-Tax Employee Contribution Account
 - ☐ (11) Transfer Account
 - ☐ (12) Describe available sources: _____
- ☐ (b) If CS-4(a) is elected, QBADS are available to all Participants who have the applicable Account(s), unless otherwise indicated below.
 - ☐ (1) QBADS are not available to terminated Participants.
 - ☐ (2) QBADS will only be permitted if the Participant is 100% vested in the source from which the withdrawal is taken.
 - ☐ (3) Describe the Participants who may receive QBADS: _____
- ☐ (c) Describe any special rules related to QBADS: _____

CS-5. INCREASE OF CAP FOR QACA SAFE HARBOR 403(b) PLAN. (See IA §5.09) [Applies only to 501(c)(3) and Church and Retirement Income Accounts that are subject to ERISA. Do not complete if plan does not provide for a QACA Safe Harbor contribution.]

Unless an election is made below, the Employer does not elect to increase the cap for its QACA Safe Harbor 403(b) Plan.

- ☐ (a) The cap on the automatic increase of the automatic deferral amount as specified under AA §6A-8(a)(3)(ii)(B) is increased to ____% [insert number greater than 10, not more than 15], effective as of _____ [insert date no earlier than the first day of the Plan Year beginning after December 31, 2019].
- ☐ (b) Describe any special rules related to the increase of cap for QACA Safe Harbor 403(b) Plan: _____

CS-6. ADOPTION OF RETIREMENT INCOME ACCOUNT (09-001) BY A QCCO OR NQCCO. (See IA §5.11)

Effective July 1, 2020, Employees described in Code §414(e)(3)(B) may participate in the Retirement Income Account 403(b) Plan (09-001). This includes Qualified Church-Controlled Organizations, Non-Qualified Church-Controlled Organizations and certain other Employers with Employees described in Code §414(e)(3)(B). Such Employers, including Participating Employers, wishing to adopt the Retirement Income Account 403(b) Plan (09-001) should complete CS-6(a) and CS-6(c) and the Retirement Income Account 403(b) Plan (09-001) Adoption Agreement. Participating Employers should complete CS-6(b) and CS-6(c) and complete the Participating Employer Adoption Page of the Retirement Income Account 403(b) Plan (09-001) Adoption Agreement.

[Note: A Church-Related Organization (including a Church), a Self-Employed Minister or a Church/Retirement/Welfare Board wishing to adopt the Retirement Income Account 403(b) Plan (09-001) need not complete this CS-6 and should instead complete the Adoption Agreement only.]

(a) **Type of Employer.**

☐ (1) Qualified Church-Controlled Organization (as defined in IA §5.11(b)(1)).

☐ (2) Non-Qualified Church-Controlled Organization (as defined in IA §5.11(b)(2)).

☐ (3) Other organization with Employees described in Code §414(e)(3)(B)
[Describe] _____

(b) **Type of Participating Employer.**

☐ (1) Qualified Church-Controlled Organization (as defined in IA §5.11(b)(1)).

☐ (2) Non-Qualified Church-Controlled Organization (as defined in IA §5.11(b)(2)).

☐ (3) Other organization with Employees described in Code §414(e)(3)(B)
[Describe] _____

(c) **Effective Date of Plan adoption:** _____ [Date can be no earlier than July 1, 2020]

CS-7. SPECIAL PROVISIONS.

If the Employer wishes to provide additional or clarifying provisions to this Interim Amendment, the Employer may include such provisions below.

☐ Describe any special rules related to this Interim Amendment: _____

APPLICATION OF INTERIM AMENDMENT

Pursuant to Revenue Procedure 2021-37 and Section 14.01(a) of the Plan, this Interim Amendment has been adopted by the Pre-Approved Plan Provider on behalf of all adopting Employers. If the Employer wishes to override the Provider's (default) elections, the Employer (or the authorized representative of the Employer) must execute this Interim Amendment by signing below. This amendment applies to the signatory Employer and all Participating Employers under the Plan.

North Brevard County Hospital District d/b/a Parrish Medical Center 403(b) Plan

Name of Plan

North Brevard County Hospital District d/b/a Parrish Medical Center

(Name of Employer)

George Mikitarian

(Name of Authorized Representative, if applicable)

President/CEO

(Title)

(Signature)

(Date)

**RESOLUTION OF THE
RETIREMENT PLANNING COMMITTEE OF THE
NORTH BREVARD COUNTY HOSPITAL DISTRICT
RECOMMENDING A RESTATEMENT OF THE
NORTH BREVARD HOSPITAL DISTRICT
D/B/A PARRISH MEDICAL CENTER 457(b) PLAN**

The Retirement Planning Committee, (the “Committee”) of North Brevard County Hospital District, d/b/a Parrish Medical Center, at a meeting duly called and held, at which a quorum was present, hereby adopts the following recitals and resolutions:

WHEREAS, the North Brevard County Hospital District (the “District”) is a special hospital district of the State of Florida created by special act of the Florida Legislature in 1953 by Chapter 28924, Laws of Florida, re-codified by Ch. 2003-362, Laws of Florida; and

WHEREAS, the District established the North Brevard County Hospital District, a Special Tax District operating the North Brevard County Hospital District d/b/a Parrish Medical Center 403(b) Plan (the “Plan”), effective as of January 1, 2004; and

WHEREAS, the Committee assists in the administration of the Plan and provides recommendations to the District regarding the Plan; and

WHEREAS, the District reserved the right to amend the Plan; and

RESOLVED, the Committee hereby recommends that the District restate the Plan to maintain its continued compliance with the Internal Revenue Code and other legal requirements. The restated Plan (which includes an “Adoption Agreement” and a “Basic Plan Document”) is attached hereto as Exhibit “A”.

FURTHER RESOLVED, that any and all actions heretofore taken by any officer or director of the District in connection with the actions contemplated herein is, ratified, confirmed and approved in all respects; and be it

FURTHER RESOLVED, that the applicable officers are hereby authorized to take the actions necessary to implement this resolution.

This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2025.

RETIREMENT PLANNING COMMITTEE
OF NORTH BREVARD COUNTY HOSPITAL
DISTRICT

Sign: _____

Print: _____

Title: _____

ATTEST:

By: _____

EXHIBIT “A”

**NORTH BREVARD COUNTY HOSPITAL
D/B/A
PARRISH MEDICAL CENTER
457(b) PLAN**

**ADOPTION AGREEMENT
AND
BASIC PLAN DOCUMENT**

GOVERNMENTAL 457(b) PLAN ADOPTION AGREEMENT

By executing this Governmental 457(b) Plan Adoption Agreement (the "Agreement"), the undersigned Employer agrees to establish or continue a 457(b) Plan for its Employees. The Plan adopted by the Employer consists of the Governmental 457(b) Basic Plan Document (the "BPD") and the elections made under this Agreement (collectively referred to as the "Plan"). An Employer may jointly co-sponsor the Plan by signing a Participating Employer Adoption Page, which is attached to this Agreement. **This Plan is effective as of the Effective Date identified on the Signature Page of this Agreement.**

In completing the provisions of this Adoption Agreement, unless designated otherwise, selections under the Deferral column apply to all Salary Deferrals (including Roth Deferrals and Catch-Up Contributions).

[Note: Certain vendor agreements associated with the Plan may restrict the application of certain Plan provisions. Additionally, some State and local laws may restrict the election of certain provisions under the Plan. Please consult with legal counsel to assess the impact of State laws, local laws and/or applicable vendor agreements on the Plan.]

SECTION 1 EMPLOYER INFORMATION

1-1 EMPLOYER INFORMATION.

Name: North Brevard County Hospital District d/b/a Parrish Medical Center

Address: 951 North Washington Ave.

City, State, Zip Code: Titusville, FL 32796

Telephone: 321-268-6111

1-2 EMPLOYER IDENTIFICATION NUMBER (EIN). 59-6020427

1-3 TYPE OF EMPLOYER. (Optional)

[Note: To adopt this Plan, the Employer must be a State, political subdivision of a State, or any agency or instrumentality of a State or political subdivision of a State, as provided under Code §457(e)(1)(A). A non-governmental tax-exempt organization, as described under Code §457(e)(1)(B), may not adopt this Plan.]

☐ (a) State

☐ (b) Political Subdivision of a State

☒ (c) Agency or Instrumentality of a State

☐ (d) Other governmental entity: (Describe) _____

1-4 EMPLOYER'S TAX YEAR END. (Optional) The Employer's tax year ends December 31

1-5 RELATED EMPLOYERS. (Optional) List any Related Employers. A Related Employer must execute a Participating Employer Adoption Page for Employees of that Related Employer to participate in this Plan.

North Brevard Medical Support, Inc.

SECTION 2 PLAN INFORMATION

2-1 PLAN NAME. Parrish Medical Center 457(b) Plan

Original Effective Date: January 1, 2004

Restatement Effective Date: January 1, 2025

Plan identifier (optional): _____

2-2 TYPE OF PLAN. This Plan is a Governmental 457(b) Plan.

☐ The Plan is intended to be a FICA Replacement Plan (as defined under Section 3.08 of the BPD).

2-3 **TYPE OF CONTRIBUTIONS.** (Check all that apply.)

- ☒ (a) Salary Deferral Contributions
☐ (b) Employer Matching Contributions
☐ (c) Employer Contributions
☒ (d) Rollover Contributions

2-4 **PLAN YEAR.**

- ☒ (a) Calendar year.
☐ (b) The 12-consecutive month period ending on _____ each year.
☐ (c) Other: _____

2-5 **PLAN ADMINISTRATOR.**

- ☐ (a) The Employer identified in AA §1-1.
☒ (b) Name: The Employer and the Retirement Planning Committee
Address: 951 North Washington Avenue Titusville, FL 32796
Telephone: 321-268-6111

2-6 **FROZEN PLAN.** Check this AA §2-6 if the Plan is a frozen Plan to which no contributions will be made. (See Section 3.01(c) of the BPD).

- ☐ This Plan is a frozen Plan effective _____

[Note: As a frozen Plan, the Employer will not make any contributions with respect to Plan Compensation earned after such date and no Participant will be permitted to make any contributions to the Plan after such date. In addition, no Employee will become a Participant after the date the Plan is frozen.]

2-7 **DEFINITION OF DISABLED.** An individual is considered Disabled for purposes of applying the provisions of this Plan if:

- ☐ (a) The individual is covered by the Employer's disability insurance plan and is determined to be disabled under such plan.
☐ (b) The individual is determined to be disabled by the Social Security Administration under Section 223(d) of the Social Security Act for purposes of determining eligibility for Social Security benefits.
☒ (c) The Plan Administrator determines an individual is unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. The permanence and degree of such impairment shall be supported by medical evidence. The Plan Administrator may establish reasonable procedures for determining whether a Participant is Disabled.

[Note: An Employer may elect any or all of the elections above. If more than one is selected, the hierarchy for determining whether an individual is considered Disabled is in the order listed above, unless described otherwise under separate administrative procedures or as described below.]

- ☐ (d) Alternative definition of Disabled: _____

[Note: Any alternative definition described in this subsection (d) will apply uniformly to all Participants under the Plan. The Employer may describe different definitions of Disabled for different purposes under the plan.]

SECTION 3
ELIGIBLE EMPLOYEES

3-1 **ELIGIBLE EMPLOYEES.** In addition to the Employees identified in Section 2.02 of the BPD, the following Employees are excluded from participation under the Plan with respect to the contribution source(s) identified in this AA §3-1. (See Sections 2.02(d) and (e) of the BPD for rules regarding the effect on Plan participation if an Employee changes between an eligible and ineligible class of employment.)

Deferral	Match	ER	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(a) No exclusions.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(b) Collectively Bargained Employees (as defined in Section 1.11 of the BPD), unless the Collective Bargaining Agreement provides otherwise.

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(c) Non-resident aliens who receive no compensation from the Employer which constitutes U.S. source income.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(d) Employees who normally work less than ____ hours a week.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(e) Employees eligible for a 401(k), a 403(b) plan or another 457(b) plan sponsored by the Employer.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(f) Part-Time Employees (as defined in Section 1.39 of the BPD).
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(g) Seasonal Employees (as defined in Section 1.57 of the BPD).
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(h) Temporary Employees (as defined in Section 1.60 of the BPD).
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(i) Employees in an appointed or elected position.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(j) Employees paid on an hourly basis.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(k) Employees paid on a salaried basis.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(l) All other Employees except Part-Time, Temporary and Seasonal Employees.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(m) Other: _____

3-2 **INDEPENDENT CONTRACTORS.** Unless elected otherwise under subsection (a) below, Independent Contractors (as defined in Section 1.35 of the BPD) of the Employer are excluded from participation in the Plan.

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(a) Independent Contractors may participate in the Plan.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(b) Describe any special rules applicable to Independent Contractors: _____

[Note: Select under subsection (a) the types of contributions for which Independent Contractors are eligible. If the Employer elects to allow Independent Contractors to participate in the Plan, the term Employee as used in the Plan shall include the eligible Independent Contractors, as appropriate.]

SECTION 4 MINIMUM AGE AND SERVICE REQUIREMENTS

4-1 **ELIGIBILITY REQUIREMENTS – MINIMUM AGE AND SERVICE.** An Eligible Employee (as defined in AA §3-1) who satisfies the minimum age and service conditions under this AA §4-1 will be eligible to participate under the Plan as of such Eligible Employee's Entry Date (as defined in AA §4-2 below).

(a) **Service Requirement.** An Eligible Employee must complete the following minimum service requirements to participate in the Plan.

Deferral	Match	ER	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(1) There is no minimum service requirement for participation in the Plan.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(2) One Year of Service (as defined in Section 2.03(a)(1) of the BPD and AA §4-3).
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(3) The completion of at least ____ Hours of Service during the first ____ months of employment (or the first ____ days of employment) or the completion of a Year of Service (as defined in AA §4-3), if earlier. <ul style="list-style-type: none"> <input type="checkbox"/> (i) An Employee who completes the required Hours of Service satisfies eligibility at the end of the designated period, regardless if the Employee actually works for the entire period. <input type="checkbox"/> (ii) An Employee who completes the required Hours of Service must also be employed continuously during the designated period of employment. (See Section 2.03(a)(1) of the BPD for rules regarding the application of this subsection (ii).)

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(4) The completion of ____ Hours of Service during an Eligibility Computation Period. <i>[Note: If this (4) is chosen, an Employee satisfies the service requirement immediately upon completion of the designated Hours of Service.]</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(5) Full-time Employees are eligible to participate as set forth in subsection (i). Employees who are “part-time” Employees must complete a Year of Service (as defined in AA §4-3). For this purpose, a full-time Employee is any Employee not defined in subsection (ii).
			(i) Full-time Employees must complete the following minimum service requirements to participate in the Plan:
			<input type="checkbox"/> (A) There is no minimum service requirement for participation in the Plan.
			<input type="checkbox"/> (B) The completion of at least ____ Hours of Service during the first ____ months of employment or the completion of a Year of Service (as defined in AA §4-3), if earlier.
			<input type="checkbox"/> (C) Under the Elapsed Time method as defined in AA §4-3 below.
			<input type="checkbox"/> (D) Describe: _____
			(ii) Part-time Employees must complete a Year of Service (as defined in AA §4-3).
			<input type="checkbox"/> (A) For this purpose, a part-time Employee is any Employee whose normal work schedule is less than:
			<input type="checkbox"/> (I) ____ hours per week.
			<input type="checkbox"/> (II) ____ hours per month.
			<input type="checkbox"/> (III) ____ hours per year.
			<input type="checkbox"/> (B) Describe part-time Employees for this purpose: _____
			<i>[Note: A part-time employee must be described as an individual who works less than a specified number of hours during a standard work week.]</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(6) Eligibility service will be determined under the Elapsed Time method as described in AA §4-3 below.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(7) Describe eligibility conditions: _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Describe eligibility conditions: _____
(b) Minimum Age Requirement. An Eligible Employee (as defined in AA §3-1) must have attained the following age with respect to the contribution source(s) identified in this AA §4-1(b).			

Deferral	Match	ER	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(1) There is no minimum age for Plan eligibility.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(2) Age 21.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(3) Age ____.
<input type="checkbox"/> (c) Special eligibility rules. The following special eligibility rules apply with respect to the Plan: _____			
<i>[Note: This subsection (c) may be used to apply the eligibility conditions selected under this AA §4-1 separately with respect to different Employee groups or different contribution formulas under the Plan.]</i>			

4-2 **ENTRY DATE.** An Eligible Employee who satisfies the minimum age and service requirements in AA §4-1 shall be eligible to participate in the Plan as of such Eligible Employee’s Entry Date. For this purpose, the Entry Date is the following date with respect to the contribution source(s) identified under this AA §4-2. *[Note: If any of (b) – (g) is completed for a contribution source, also complete one of (h) – (l) for the same contribution source.]*

Deferral	Match	ER	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(a) Immediate. The date the minimum age and service requirements are satisfied.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(b) Semi-annual. The first day of the 1st and 7th month of the Plan Year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(c) Quarterly. The first day of the 1st, 4th, 7th and 10th month of the Plan Year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(d) Monthly. The first day of each calendar month.

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(e) Payroll period. The first day of the payroll period.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(f) The first day of the Plan Year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(g) Describe Entry Date:

An Eligible Employee's Entry Date (as defined above) is determined based on when the Employee satisfies the minimum age and service requirements in AA §4-1. For this purpose, an Employee's Entry Date is the Entry Date:

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(h) next following satisfaction of the minimum age and service requirements.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(i) coinciding with or next following satisfaction of the minimum age and service requirements.
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(j) nearest the satisfaction of the minimum age and service requirements.
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(k) preceding the satisfaction of the minimum age and service requirements.
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(l) coinciding with or preceding the satisfaction of the minimum age and service requirements.

This section may be used to describe any special rules for determining Entry Dates under the Plan. For example, if different Entry Date provisions apply for the same contribution sources with respect to different groups of Employees, such different Entry Date provisions may be described below.

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(m) Describe special rules for determining Entry Dates under the Plan: _____

4-3 **DEFAULT ELIGIBILITY RULES.** In applying the minimum age and service requirements under AA §4-1 above, the following default rules apply with respect to all contribution sources under the Plan:

- **Year of Service.** An Employee earns a Year of Service for eligibility purposes upon completing 1,000 Hours of Service during an Eligibility Computation Period. Hours of Service are calculated based on actual hours worked during the Eligibility Computation Period. (See Section 1.33 of the BPD for the definition of Hours of Service.)
- **Eligibility Computation Period.** If one Year of Service is required for eligibility, the Plan will determine subsequent Eligibility Computation Periods on the basis of Plan Years (see Section 2.03(a)(2)(i) of the BPD). If more than one Year of Service is required for eligibility, the Plan will determine subsequent Eligibility Computation Periods on the basis of Anniversary Years (see Section 2.03(a)(2)(ii) of the BPD).

To override the default eligibility rules, complete the applicable sections of this AA §4-3. If this AA §4-3 is not completed for a particular contribution source, the default eligibility rules apply.

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(a) Year of Service. Instead of 1,000 Hours of Service, an Employee earns a Year of Service upon the completion of ____ Hours of Service during an Eligibility Computation Period.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(b) Eligibility Computation Period. The Plan will use Anniversary Years for all Eligibility Computation Periods.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(c) Elapsed Time method. [<i>Note: Check the same contribution source as checked in AA §4-1(a) above.</i>] Eligibility service will be determined under the Elapsed Time method. An Eligible Employee (as defined in AA §3-1) must complete a period of service, as designated below, to participate in the Plan. (See Section 2.03(a)(5) of the BPD.) <ul style="list-style-type: none"> <input type="checkbox"/> (1) For Deferral, must complete a ____ period of service <input type="checkbox"/> (2) For Match, must complete a ____ period of service <input type="checkbox"/> (3) For ER, must complete a ____ period of service

Deferral Match ER

- ☐ ☐ ☐ (d) **Equivalency Method.** For purposes of determining an Employee's Hours of Service for eligibility, the Plan will use the Equivalency Method (as defined in Section 2.03(a)(4) of the BPD). The Equivalency Method will apply to:
- ☐ (1) All Employees.
 - ☐ (2) Employees who are not paid on an hourly basis. For Employees for whom the Employer maintains hourly records, eligibility will be determined based on actual hours worked.
- If this (d) is checked, Hours of Service for eligibility will be determined under the following Equivalency Method.
- ☐ (3) **Monthly.** 190 Hours of Service for each month worked.
 - ☐ (4) **Weekly.** 45 Hours of Service for each week worked.
 - ☐ (5) **Daily.** 10 Hours of Service for each day worked.
 - ☐ (6) **Semi-monthly.** 95 Hours of Service for each semi-monthly period worked.
 - ☐ (7) **Hours worked.** 870 hours worked treated as 1,000 Hours of Service and 435 hours worked treated as 500 Hours of Service.
 - ☐ (8) **Regular time hours.** 750 regular time hours treated as 1,000 Hours of Service and 375 regular time hours treated as 500 Hours of Service.
- ☐ ☐ ☐ (e) **Special eligibility provisions.** The following special eligibility provisions apply: _____

4-4 **EFFECTIVE DATE OF MINIMUM AGE AND SERVICE REQUIREMENTS.** The minimum age and/or service requirements under AA §4-1 apply to all Employees under the Plan. An Employee will participate with respect to all contribution sources under the Plan as of such Employee's Entry Date, taking into account all service with the Employer, including service earned prior to the Effective Date.

To allow Employees employed on a specified date to enter the Plan without regard to the minimum age and/or service conditions, complete this AA §4-4.

Deferral Match ER

- ☐ ☐ ☐ (a) **Automatic Eligibility.** An Eligible Employee who is employed by the Employer on the following designated date will enter the Plan on the designated date without regard to minimum age and/or service conditions:
- ☐ (1) the Effective Date of this Plan (as designated on the Employer Signature Page, as applicable)
 - ☐ (2) the date the Plan is executed by the Employer (as indicated on the Employer Signature Page)
 - ☐ (3) _____ [insert date]
- ☐ ☐ ☐ (b) **Describe** other effective date provisions: _____

4-5 **SERVICE WITH PREDECESSOR EMPLOYER.** Service with the following Predecessor Employers will be counted for purposes of determining eligibility, vesting and/or allocation conditions under this Plan.

☐ (a) Identify Predecessor Employer(s):

The Plan will count service with the following Predecessor Employers:

Name of Predecessor Employer	Eligibility	Vesting	Allocation Conditions
<input type="checkbox"/> (1) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

☐ (b) The following special rules apply with respect to service with a Predecessor Employer: _____

SECTION 5 COMPENSATION DEFINITIONS

5-1 **TOTAL COMPENSATION.** Total Compensation is based on the definition set forth under this AA §5-1. See Section 1.61 of the BPD for a specific definition of the various types of Total Compensation.

- ☒ (a) W-2 Wages
- ☐ (b) Code §415 Compensation
- ☐ (c) “Simplified” Code §415 Compensation
- ☐ (d) Wages under Code §3401(a)

[For purposes of determining Total Compensation, each definition includes pre-tax contributions to a Code §125 cafeteria plan, Code §401(k), Code §403(b) or a Code §457 plan, and qualified transportation fringes under Code §132(f)(4).]

5-2 **POST-SEVERANCE COMPENSATION.**

- (a) **Exclusion of post-severance compensation from Total Compensation.** Total Compensation (as defined in Section 1.61 of the BPD) includes post-severance compensation, to the extent provided in Section 1.61(b) of the BPD. For this purpose, severance pay is always excluded from the definition of Plan Compensation. Other post-severance compensation paid within 2½ months after severance from employment with the Employer or the end of the calendar year in which severance occurs is included in Plan Compensation, unless excluded under this subsection (a). See Section 1.61(b) of the BPD.

The following amounts paid after a Participant’s severance from employment are excluded from Plan Compensation.

- ☐ (1) **Unused leave payments.** Payment 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.
 - ☒ (2) **Deferred compensation.** Payments received by an Employee pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid to the Employee at the same time if the Employee had continued in employment and only to the extent that the payment is includible in the Employee’s gross income.
- (b) **Continuation payments for disabled Participants.** Unless designated otherwise under this subsection (b), Total Compensation does not include continuation payments for disabled Participants. To count Total Compensation paid after Severance from Employment on account of disability (as defined in Code §22(e)(3)), check the box below.
- ☐ **Payments to disabled Participants.** Total Compensation shall include post-severance compensation paid to a Participant who is permanently and totally disabled, as defined in Code §22(e)(3).

5-3 **PLAN COMPENSATION.** Plan Compensation is **Total Compensation** (as defined in AA §5-1 above) with the following exclusions described below.

Deferral	Match	ER	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(a) No exclusions.
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(b) Salary Deferrals (as defined in Section 1.55 of the BPD), pre-tax contributions to a cafeteria plan or a Code §457 plan, and qualified transportation fringes under Code §132(f)(4) are excluded.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(c) All fringe benefits (cash and noncash), reimbursements or other expense allowances, moving expenses, deferred compensation, and welfare benefits are excluded.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(d) Compensation above \$___ is excluded.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(e) Amounts received as a bonus are excluded.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(f) Amounts received as commissions are excluded.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(g) Overtime payments are excluded.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(h) Shift differentials are excluded.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(i) Exclusions as described by the applicable Collective Bargaining Agreement.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(j) Amounts received for services performed for a non-signatory Related Employer are excluded.

Deferral Match ER

[Note: If this subsection is not elected, amounts received for services performed for a non-signatory Related Employer are INCLUDED in Plan Compensation.]

- | | | | |
|--------------------------|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (k) “Deemed §125 compensation” as defined under Total Compensation. (See Section 1.61(d) of the BPD.) |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (l) Amounts received after Severance from Employment are excluded. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (m) Differential Pay (as defined in Section 1.61(e) of the BPD) is excluded. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (n) Describe adjustments to Plan Compensation: _____ |

5-4 PERIOD FOR DETERMINING COMPENSATION.

- (a) **Compensation Period.** Plan Compensation will be determined on the basis of the following period(s) for the contribution sources identified in this AA §5-4. *[Note: If a period other than Plan Year applies for any contribution source, any reference to the Plan Year as it refers to Plan Compensation for that contribution source will be deemed to be a reference to the period designated under this AA §5-4.]*

Deferral Match ER

- | | | | |
|-------------------------------------|--------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (1) The Plan Year. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (2) The calendar year ending in the Plan Year. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (3) The Employer's fiscal tax year ending in the Plan Year. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (4) The 12-month period ending on _____ which ends during the Plan Year. |

- (b) **Compensation while a Participant.** Unless provided otherwise under this subsection (b), in determining Plan Compensation, only compensation paid while an individual is a Participant under the Plan with respect to a particular contribution source will be taken into account.

To count compensation for the entire Plan Year for a particular contribution source, including compensation paid while an individual is not a Participant with respect to such contribution source, check below. (See Section 1.45 of the BPD.)

Deferral Match ER

- | | | | |
|--------------------------|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | All compensation paid during the Plan Year will be taken into account, including compensation earned while an individual is not a Participant. |
|--------------------------|--------------------------|--------------------------|--|

SECTION 6 EMPLOYER CONTRIBUTIONS

6-1 EMPLOYER CONTRIBUTIONS. Is the Employer authorized to make Employer Contributions under the Plan?

- ☐ Yes
☒ No *[If No, skip to Section 6A.]*

[Note: Any Employer Contribution made pursuant to this AA §6 will count towards the Code §457(e)(15) Maximum Contribution Limit. See Section 5.01 of the BPD.]

6-2 EMPLOYER CONTRIBUTION FORMULA. For the period designated in AA §6-4(a) below, the Employer will make the following Employer Contributions on behalf of Participants who satisfy the allocation conditions designated in AA §6-5 below. Any Employer Contribution authorized under this AA §6-2 will be allocated in accordance with the allocation formula selected under AA §6-3 and AA §6-4, as applicable.

- ☐ (a) **Discretionary contribution.** The Employer will determine in its sole discretion how much, if any, it will make as an Employer Contribution.
- ☐ (b) **Fixed contribution.**
- | | |
|------------------------------|---|
| <input type="checkbox"/> (1) | _____ % of each Participant's Plan Compensation. |
| <input type="checkbox"/> (2) | \$_____ for each Participant. |
| <input type="checkbox"/> (3) | The Employer Contribution will be determined in accordance with the personal service contract or employment contract applicable to the Participant. |
| <input type="checkbox"/> (4) | The Employer Contribution will be determined in accordance with any Collective Bargaining Agreement(s) addressing retirement benefits of Collectively Bargained Employees under the Plan. |

- ☐ (c) **Service-based contribution.** The Employer will make:
- ☐ (1) **Discretionary.** A discretionary contribution determined as a uniform percentage of Plan Compensation or a uniform dollar amount for each period of service designated below.
 - ☐ (2) **Fixed percentage.** ____% of Plan Compensation paid for each period of service designated below.
 - ☐ (3) **Fixed dollar.** \$____ for each period of service designated below.
- The service-based contribution selected under this (c) will be based on the following periods of service:
- ☐ (4) Each Hour of Service
 - ☐ (5) Each week of employment
 - ☐ (6) Describe period: _____
- The service-based contribution is subject to the following rules:
- ☐ (7) Describe any special provisions that apply to service-based contribution: _____
- ☐ (d) **FICA Replacement Contribution.** (See Section 3.08 of the BPD).
- ☐ (1) The Employee will make the 7.5% of Plan Compensation mandatory contribution.
 - ☐ (2) The Employer will make the 7.5% of Plan Compensation mandatory contribution.
 - ☐ (3) The Employee will make a mandatory contribution equal to ____% of Plan Compensation and the Employer will make a mandatory contribution equal to ____% of Plan Compensation.
- [*Note: The combined Employer and Employee contribution must equal at least 7.5% of Plan Compensation.*]
- ☐ (e) **Contributions of accrued sick, PTO and/or vacation leave.**
- ☐ (1) The Employer will make and allocate Employer Contributions of amounts of accrued unpaid sick leave as follows: _____
 - ☐ (2) The Employer will make and allocate Employer Contributions of amounts of accrued unpaid PTO leave as follows: _____
 - ☐ (3) The Employer will make and allocate Employer Contributions of amounts of accrued unpaid vacation leave as follows: _____
- ☐ (f) Describe Employer Contribution formula: _____

6-3 **ALLOCATION FORMULA.**

- ☐ (a) **Pro rata allocation.** The Employer Contribution under AA §6-2(a) will be allocated as:
- ☐ (1) a uniform percentage of Plan Compensation or
 - ☐ (2) a uniform dollar amount
- ☐ (b) **Allocation under fixed Employer Contribution.** If a fixed Employer Contribution is selected in AA §6-2(b), the Employer Contribution will be allocated in accordance with the selections made in AA §6-2(b).
- ☐ (c) **Discretionary allocation.** The Employer Contribution under AA §6-2(a) will be allocated in the sole discretion of the Employer in a manner solely determined by the Employer.
- ☐ (d) **Service-based allocation.** The service-based Employer Contribution selected in AA §6-2(c) will be allocated in accordance with the selections made in AA §6-2(c).
- ☐ (e) **Describe other allocation method:** _____

6-4 **SPECIAL RULES.** No special rules apply with respect to Employer Contributions under the Plan, except to the extent designated under this AA §6-4.

- ☐ (a) **Period for determining Employer Contributions.** In determining the amount of the Employer Contributions to be allocated under this AA §6, the Employer Contribution will be based on Plan Compensation paid during the Plan Year, unless this (a) is selected and one of (1) – (4) is selected below.
- Alternatively, the Employer may elect to base the Employer Contributions on Plan Compensation paid during the following period:
- ☐ (1) Plan Year quarter
 - ☐ (2) calendar month
 - ☐ (3) payroll period
 - ☐ (4) Other: _____
- [*Note: Although Employer Contributions are determined on the basis of Plan Compensation paid during the period designated under this subsection (a), this does not require the Employer to actually make contributions or allocate contributions on the basis of such period.*]

- ☐ (b) **Limit on Employer Contributions.** The Employer Contribution elected in AA §6-2 may not exceed:
- ☐ (1) ____% of Plan Compensation
 - ☐ (2) \$____
 - ☐ (3) Describe: _____
- ☐ (c) **Offset of Employer Contribution.**
- ☐ (1) A Participant's allocation of Employer Contributions under AA §6-2 of this Plan is reduced by contributions under _____[insert name of plan(s)].
 - ☐ (2) In applying the offset under this subsection, the following rules apply: _____
- ☐ (d) **Special rules.** The following special provisions apply with respect to Employer Contributions: _____

6-5 **ALLOCATION CONDITIONS.** A Participant who has otherwise satisfied all conditions to receive an Employer Contribution, must satisfy any allocation conditions designated under this AA §6-5 to receive an allocation of Employer Contributions under the Plan. *[Note: The Plan may not impose allocation conditions on FICA Replacement Contributions.]*

- ☐ (a) **No allocation conditions** apply with respect to Employer Contributions under the Plan.
- ☐ (b) **Employment condition.** An Employee must be employed with the Employer on the last day of the Plan Year.
- ☐ (c) **Minimum service condition.** An Employee must be credited with at least:
 - ☐ (1) ____ Hours of Service during the Plan Year.
 - ☐ (2) ____ consecutive days of employment with the Employer during the Plan Year.
 - ☐ (3) ____ consecutive months of employment with the Employer during the Plan Year.
- ☐ (d) **Application to a specified period.** The allocation conditions selected under this AA §6-5 apply on the basis of the Plan Year. Alternatively, if an employment or minimum service condition applies under this AA §6-5, the Employer may elect under this subsection to apply the allocation conditions on a periodic basis as set forth below. See Section 3.06(a) of the BPD for a description of the rules for applying the allocation conditions on a periodic basis.
 - ☐ (1) **Period for applying allocation conditions.** Instead of the Plan Year, the allocation conditions set forth under subsection (2) below apply with respect to the following periods:
 - ☐ (i) Plan Year quarter
 - ☐ (ii) calendar month
 - ☐ (iii) payroll period
 - ☐ (iv) Other: _____
 - ☐ (2) **Application to allocation conditions.** If this subsection (2) is checked to apply allocation conditions on the basis of specified periods, to the extent an employment or minimum service allocation condition applies under this AA §6-5, such allocation condition will apply based on the period selected under subsection (1) above, unless designated otherwise below:
 - ☐ (i) Only the employment condition will be based on the period selected in subsection (1) above.
 - ☐ (ii) Only the minimum service condition will be based on the period selected in subsection (1) above.
 - ☐ (iii) Describe any special rules: _____
- ☐ (e) **Exceptions.**
 - ☐ (1) The above allocation condition(s) will **not** apply if an Employee, during the Plan Year:
 - ☐ (i) dies.
 - ☐ (ii) has a Severance from Employment due to becoming Disabled.
 - ☐ (iii) becomes Disabled.
 - ☐ (iv) has a Severance from Employment after attaining Normal Retirement Age.
 - ☐ If this box is checked, this waiver of allocation conditions applies only once during the Participant's employment with the Employer. Thus, if an Employee is rehired after such a waiver was applied to such Employee, the waiver of allocation conditions will not apply to a subsequent Severance from Employment.
 - ☐ (v) has a Severance from Employment after attaining Early Retirement Age.
 - ☐ If this box is checked, this waiver of allocation conditions applies only once during the Participant's employment with the Employer. Thus, if an Employee is rehired after such a waiver was applied to such Employee, the waiver of allocation conditions will not apply to a subsequent Severance from Employment.
 - ☐ (vi) is on an authorized leave of absence from the Employer.

- ☐ (2) The exceptions selected under subsection (1) do not apply to:
- ☐ (i) an employment condition designated under this AA §6-5.
 - ☐ (ii) a minimum service condition designated under this AA §6-5.
 - ☐ (iii) a Discretionary Employer Contribution.
 - ☐ (iv) a Fixed Employer Contribution.
- ☐ (f) **Equivalency Method.** For purposes of determining an Employee's Hours of Service for allocation purposes, the Plan will use the Equivalency Method (as defined in Section 2.03(a)(4) of the BPD). The Equivalency Method will apply to:
- ☐ (1) All Employees.
 - ☐ (2) Only Employees for whom the Employer does not maintain hourly records. For all other Employees, actual hours worked will be used.
- ☐ (g) **Elapsed Time Method.** For purposes of determining an Employee's service for allocation purposes, the Plan will use the Elapsed Time Method.
- ☐ (h) **Describe** any special rules governing the allocation conditions under the Plan: _____

6-6 **OPTIONAL TREATMENT OF EMPLOYER CONTRIBUTIONS AS ROTH CONTRIBUTIONS.** Unless elected otherwise below, a Participant may not elect to treat a nonforfeitable Employer Contribution made on behalf of such Participant as a Roth contribution.

- ☐ (a) A Participant MAY elect to treat a nonforfeitable Employer Contribution made on behalf of such Participant as a Roth contribution. [*Note: The Employer and/or Plan Administrator will develop operational procedures to assist in administering this election.*]
- ☐ (b) Describe any special rules relating to the optional treatment of nonforfeitable Employer Contributions as a Roth contribution: _____

6-7 **SPECIAL RULES APPLICABLE TO EMPLOYER CONTRIBUTIONS.** The following special rules apply to Employer Contributions: _____

SECTION 6A SALARY DEFERRALS

6A-1 **SALARY DEFERRALS.** Are Employees permitted to make Salary Deferrals under the Plan?

- ☒ Yes
- ☐ No [*If "No" is checked, skip to Section 6B.*]

6A-2 **MAXIMUM LIMIT ON SALARY DEFERRALS.** Unless designated otherwise under this AA §6A-2, a Participant may defer any amount up to the Code §457(e)(15) Maximum Contribution Limit.

- ☐ (a) **Salary Deferral Limit.** A Participant may not defer an amount in excess of:
- ☐ (1) _____% of Plan Compensation.
 - ☐ (2) \$_____.
- [*Note: If both (1) and (2) are checked, the deferral limit is the lesser of the amounts selected.*]
- Any limit described in subsection (1) or (2) above applies with respect to the following period:
- ☐ (3) Plan Year.
 - ☐ (4) the portion of the Plan Year during which the individual is eligible to participate.
 - ☐ (5) each separate payroll period during which the individual is eligible to participate.
- ☐ (b) **Limits on Salary Deferrals on bonus payments.** [*Note: This §6A-2(b) only may be selected if bonus payments are not excluded under AA §5-3.*]
- ☐ (1) The same limits specified in (a)(1) and (a)(2) above apply to bonus and non-bonus Plan Compensation. Employees may defer any amounts out of bonus payments, subject to the Code §457(e)(15) Maximum Contribution Limit and any other limit on Salary Deferrals under this AA 6A-2. The Employer may impose special limits on bonus payments under the Salary Deferral Election or in separate administrative procedures.
 - ☐ (2) A Participant may defer up to ____% (*not to exceed 100%*) of any bonus payment (subject to the Code §457(e)(15) Maximum Contribution Limit) without regard to any other limits described under this AA §6A-2. The Employer may impose special limits on bonus payments under the Salary Reduction Agreement election or in separate administrative procedures.

- ☐ (3) Describe special rules applicable to deferrals on bonus payments: _____
- (c) **Deferral of sick, vacation, PTO and back pay.** Unless otherwise elected below, a Participant may elect to defer accrued sick pay, accrued vacation pay, accrued PTO pay, or back pay if: (1) such pay is otherwise included in Plan Compensation; (2) the Participant timely enters into a Salary Reduction Agreement with respect to such pay; and (3) the Participant is an Employee in the month of deferral.
- ☐ A Participant may NOT defer accrued sick pay, accrued vacation pay, accrued PTO or back pay.
- ☐ (d) **Describe** any other limits that apply with respect to Salary Deferrals under the Plan: _____

6A-3 **MINIMUM DEFERRAL RATE.** Unless designated otherwise under this AA §6A-3, no minimum deferral requirement applies under the Plan. Alternatively, a Participant must defer at least the following amount in order to make Salary Deferrals under the Plan.

- ☐ (a) _____% of Plan Compensation for a payroll period.
- ☐ (b) \$_____ for a payroll period.
- ☐ (c) Describe. _____

6A-4 **CATCH-UP CONTRIBUTIONS.** Age 50 Catch-Up Contributions and Special 457 Catch-Up Contributions (as defined in Section 3.03(d) and (e) of the BPD) are permitted under the Plan, unless designated otherwise under this AA §6A-4.

- ☐ (a) Age 50 Catch-Up Contributions are not permitted under the Plan.
- ☐ (b) Special 457 Catch-Up Contributions are not permitted under the Plan.
- ☐ (c) Describe any special rules applicable to the Age 50 Catch-Up Contributions or Special 457 Catch-Up Contributions: _____

6A-5 **ROTH DEFERRALS.**

(a) **Availability of Roth Deferrals.**

- ☒ (1) Roth Deferrals are permitted under the Plan.
- ☐ (2) Roth Deferrals are not permitted under the Plan.

[Note: If Roth Deferrals are effective as of a date later than the Effective Date of the Plan, designate such special Effective Date in AA §6A-8 below.]

- (b) **Distribution of Roth Deferrals.** Unless designated otherwise under this subsection, to the extent a Participant takes a distribution or withdrawal from such Participant's Salary Deferral Account(s), the Participant may designate the extent to which such distribution is taken from the Pre-Tax Deferral Account or from the Roth Deferral Account. If a Participant fails to designate the Account, the Plan Administrator may distribute amounts pursuant to a separate administrative policy.

Alternatively, the Employer may designate the order of distributions for the distribution types listed below:

☐ (1) **Distributions and withdrawals.**

- ☐ (i) Any distribution will be taken on a pro rata basis from the Participant's Pre-Tax Deferral Account and Roth Deferral Account.
- ☐ (ii) Any distribution will be taken first from the Participant's Roth Deferral Account and then from the Participant's Pre-Tax Deferral Account.
- ☐ (iii) Any distribution will be taken first from the Participant's Pre-Tax Deferral Account and then from the Participant's Roth Deferral Account.

☐ (2) **Distribution of Excess Deferrals.**

- ☐ (i) Distribution of Excess Deferrals will be made from Roth and Pre-Tax Deferral Accounts in the same proportion that deferrals were allocated to such Accounts for the calendar year.
- ☐ (ii) Distribution of Excess Deferrals will be made first from the Roth Deferral Account and then from the Pre-Tax Deferral Account.
- ☐ (iii) Distribution of Excess Deferrals will be made first from the Pre-Tax Deferral Account and then from the Roth Deferral Account.

- (c) **In-Plan Roth Conversions.** Unless elected under this AA §6A-5(c), the Plan does not permit a Participant to make an In-Plan Roth Conversion under the Plan. To override this provision to allow Participants to make an In-Plan Roth Conversion, subsection (1) must be checked.

- ☐ (1) **Effective date.** Effective _____ [not earlier than 1/1/2013], a Participant may elect to convert all or any portion of such Participant's non-Roth vested Account Balance to an In-Plan Roth Conversion Account.

[**Note:** The Plan must provide for Roth Deferrals under AA §6A-5(a) as of the effective date designated in this subsection (1). An election under this subsection (1) does not affect an In-Plan Roth Conversion that was allowed under prior Plan provisions.]

(2) **In-Service Distribution.**

- ☐ (i) For a Participant to convert such Participant's eligible contributions to Roth through an In-Plan Roth Conversion, the Participant need not be eligible to take a distribution from the Plan. [**Note:** If this subsection (i) is checked, a Participant may convert any or all of the eligible contribution sources to Roth Deferrals through an In-Plan Roth Conversion.]
- ☐ (ii) For a Participant to convert such Participant's eligible contributions to Roth through an In-Plan Roth Conversion, a Participant must be eligible for a distribution of any amounts converted to Roth Deferrals through an In-Plan Roth Conversion. Thus, only amounts that are eligible for distribution under AA §9 are eligible for In-Plan Roth Conversion.

(3) **Contribution sources.** An Employee may elect to make an In-Plan Roth Conversion from all available contribution sources under the Plan. To override this default provision and limit the contribution sources available for In-Plan Roth Conversion, select the applicable contribution sources below:

- ☐ (i) Pre-tax Salary Deferrals
- ☐ (ii) Employer Contributions
- ☐ (iii) Matching Contributions
- ☐ (iv) Rollover Contributions
- ☐ (v) Describe: _____

(4) **Limits applicable to In-Plan Roth Conversions.** No special limits apply with respect to In-Plan Roth Conversions, unless designated otherwise under this subsection (4).

- ☐ (i) Roth conversions may only be made from contribution sources that are fully vested (i.e., 100% vested).
- ☐ (ii) A Participant may not make an In-Plan Roth Conversion of less than \$____ (may not exceed \$1,000).
- ☐ (iii) A Participant may not make an In-Plan Roth Conversion of any outstanding loan amount.
[**Note:** If this subsection (iii) is not checked, a Participant may convert amounts that are attributable to an outstanding loan, to the extent the loan relates to a contribution source that is eligible for conversion under subsection (3) above.]
- ☐ (iv) Only Participants who are current Employees are allowed to make In-Plan Roth Conversions.
- ☐ (v) The ability to make In-Plan Roth Conversions is limited to the following events: _____
- ☐ (vi) Describe: _____

(5) **Amounts available to pay federal and state taxes generated from an In-Plan Roth Conversion.** No special provisions apply to allow Participants to withdraw funds to pay federal or state taxes generated from an In-Plan Roth Conversion, except as provided otherwise under this subsection (5).

- ☐ (i) **In-service distribution.** If the Plan does not otherwise permit an in-service distribution at the time of the In-Plan Roth Conversion and this subsection (i) is checked, a Participant may elect to take an in-service distribution solely to pay taxes generated from the In-Plan Roth Conversion to the extent such in-service distribution would otherwise be permitted under Section 8.03 of the BPD.

[**Note:** If this subsection (i) is checked, a Participant may take an in-service distribution only to the extent such distribution would otherwise be permitted under the provisions of Section 8.03 of the BPD.]

- ☐ (ii) **Participant loan.** Generally, a Participant may request a loan from the Plan to the extent permitted under Section 13 of the BPD and AA Appendix B. However, to the extent a Participant loan is not otherwise allowed and this subsection (ii) is selected, a Participant may receive a Participant loan solely to pay taxes generated from an In-Plan Roth Conversion.

[**Note:** If this subsection (ii) is selected and Participant loans are not otherwise authorized under the Plan, any Participant loan made pursuant to this subsection (ii) will be made in accordance with the default loan policy described in Section 13 of the BPD.]

(6) **Distribution from In-Plan Roth Conversion Account.** Distributions from the In-Plan Roth Conversion Account will be permitted in the same manner as permitted for Roth Deferrals, as set forth under AA §9-2, unless designated otherwise under this subsection (6).

- ☐ Describe distribution options: _____

☐ (d) **Describe** any special rules that apply to Roth Deferrals under the Plan: _____

6A-6 **SALARY REDUCTION AGREEMENT ELECTIONS.**

- (a) **Change or revocation of Salary Reduction Agreement election:** A Participant's election to change or resume a Salary Reduction Agreement election will be effective as set forth under the Salary Reduction Agreement or other written procedures adopted by the Plan Administrator. Unless the Salary Reduction Agreement or other written procedures adopted by the Plan Administrator provide otherwise, a Participant may revoke a Salary Reduction Agreement election (on a prospective basis) at any time.
- (b) **Salary deferral elections of rehired participants:** Unless designated otherwise below, a Participant's affirmative Salary Reduction Agreement to defer (or to not defer) will cease upon Severance from Employment and the Participant will need to make a new election upon rehire.

- ☐ **Participant's affirmative election does not cease upon Severance from Employment.** If this subsection (b) is selected, a terminated Participant's affirmative Salary Reduction Agreement election to defer (or to not defer) **will not cease** upon Severance from Employment and the Participant's affirmative Salary Reduction Agreement election to defer (or to not defer) in effect at the time of Severance from Employment will apply upon rehire.

[Note: The Employer may modify the rules applicable to rehired Employees under the Salary Reduction Agreement or other administrative procedures.]

6A-7 **AUTOMATIC CONTRIBUTION ARRANGEMENT.** No automatic contribution provisions apply under Section 3.03(c) of the BPD, unless provided otherwise under this AA §6A-7. *[Note: Some States through anti-garnishment laws or otherwise may not allow Automatic Contribution Arrangements.]*

- ☐ (a) **Automatic deferral election.** Upon becoming eligible to make Salary Deferrals under the Plan (pursuant to AA §3 and AA §4), a Participant will be deemed to have entered into a Salary Deferral Election for each payroll period, unless the Participant completes a Salary Reduction Agreement election (subject to the limitations under AA §6A-2 and AA §6A-3) in accordance with procedures adopted by the Plan Administrator.

- ☐ (1) **Effective date of Automatic Contribution Arrangement.** The automatic deferral provisions under this AA §6A-7 are effective as of:

☐ (i) The Effective Date of this Plan as set forth under the Employer Signature Page.

☐ (ii) _____ *[insert date]*

☐ (iii) As set forth under a prior Plan document.

[Note: If this subsection (iii) is checked, the automatic deferral provisions under this AA §6A-7 will apply as of the original Effective Date of the automatic contribution arrangement. Unless provided otherwise under this AA §6A-7, an Employee who is automatically enrolled under a prior Plan document will continue to be automatically enrolled under the current Plan document.]

- ☐ (2) **Automatic Contribution Arrangement.** Check this subsection (2) if the Plan is designated as an Automatic Contribution Arrangement, as described under Section 3.03(c) of the BPD. *[Note: Unless an election is made under this AA §6A-7 that is inconsistent with the requirements of an Eligible Automatic Contribution Arrangement (EACA), the Automatic Contribution Arrangement will qualify as an EACA, as described in Section 3.03(c) of the BPD.]*

- ☐ (i) **Automatic Contribution Arrangement features determined under separate administrative procedures.** The Employer has described the features of its Automatic Contribution Arrangement in a separate administrative policy which is incorporated by reference into this Plan. To the extent that either (ii) or (iii) below is not completed, those features of the Automatic Contribution Arrangement will be determined by the terms of a separate administrative policy.

- ☐ (ii) **Automatic deferral percentage.**

☐ (A) ____% of Plan Compensation

☐ (B) \$____

- ☐ (iii) **Automatic increase.** If elected under this subsection (iii), the automatic deferral amount will increase each Plan Year by the following amount. (See Section 3.03(c) of the BPD.)

☐ (A) ____% of Plan Compensation

☐ (B) \$____

☐ (C) Describe: _____

Any automatic increase elected under this subsection (iii) will not cause the automatic deferral amount to exceed:

☐ (D) ____% of Plan Compensation

☐ (E) \$____

☐ (F) Describe: _____

- (3) **Application of automatic deferral provisions.** The automatic deferral election under subsection (2) will apply to new Participants and existing Participants as set forth under this subsection (3).
- (i) **New Participants.** The automatic deferral provisions apply to all Participants who become eligible on or after the effective date.
- (ii) **Current Participants.** The automatic deferral provisions apply to all other eligible Participants as follows:
- ☐ (A) Automatic deferral provisions apply to all current Participants who have not entered into a Salary Deferral Election (including an election not to defer under the Plan).
- ☐ (B) Automatic deferral provisions apply to all current Participants who have not entered into a Salary Deferral Election that is at least equal to the automatic deferral amount under subsection (2)(ii). Current Participants who have made a Salary Deferral Election that is less than the automatic deferral amount or who have not made a Salary Deferral Election will automatically be increased to the automatic deferral amount unless the Participant enters into a new Salary Deferral election on or after the effective date of the automatic deferral provisions.
- ☐ (C) Automatic deferral provisions do not apply to current Participants. Only new Participants described in subsection (i) above are subject to the automatic deferral provisions.
- ☐ (D) Describe: _____
- (iii) **Treatment of automatic deferrals.** Any Salary Deferrals made pursuant to an automatic deferral election will be treated as Pre-Tax Salary Deferrals, unless designated otherwise under this subsection (iii).
- ☐ Any Salary Deferrals made pursuant to an automatic deferral election will be treated as Roth Deferrals. [*Note: This subsection (iii) may only be checked if Roth Deferrals are permitted under AA §6A-5.*]
- ☐ (iv) **Expiration of affirmative deferral elections.** Unless this subsection (iv) is elected, for purposes of the automatic deferral provisions of the Plan, a Participant's affirmative elective deferral election will not expire. If this subsection (iv) is elected, a Participant's affirmative deferral election will expire:
- ☐ (A) at the end of each Plan Year.
- ☐ (B) Describe date that the affirmative election will expire: _____
- If a Participant fails to complete a new affirmative deferral election subsequent to the prior election expiring, the Participant becomes subject to the automatic deferral percentage as specified in the Plan pursuant to the automatic contribution arrangement provisions. Each year, the Participant can always complete a new affirmative election and designate a new deferral percentage.
- [*Note: Any Salary Deferral Election (including an election not to defer under the Plan) made after the effective date of the automatic deferral provisions will override such automatic deferral provisions.*]
- (4) **Application of automatic increase.** Unless designated otherwise under this subsection (4), if an automatic increase is selected under subsection (2)(iii) above, the automatic increase will take effect as of the first day of the second Plan Year following the Plan Year in which the automatic deferral election first becomes effective with respect to a Participant. (See Section 3.03(c)(2)(iii) of the BPD.)
- ☐ (i) **First Plan Year.** Instead of applying as of the second Plan Year, the automatic increase described in subsection (2)(iii) takes effect as of the appropriate date (as designated under subsection (iii) below) within the first Plan Year following the date automatic contributions begin.
- ☐ (ii) **Designated Plan Year.** Instead of applying as of the second Plan Year, the automatic increase described in subsection (2)(iii) takes effect as of the appropriate date (as designated under subsection (iii) below) within the _____ Plan Year following the Plan Year in which the automatic deferral election first becomes effective with respect to a Participant.
- ☐ (iii) **Effective date.** The automatic increase described under subsection (2)(iii) is generally effective as of the first day of the Plan Year. If this subsection (iii) is checked, instead of becoming effective on the first day of the Plan Year, the automatic increase will be effective on:
- ☐ (A) The anniversary of the Participant's date of hire.
- ☐ (B) The anniversary of the Participant's first automatic deferral contribution.
- ☐ (C) The first day of each calendar year.
- ☐ (D) Other date: _____
- ☐ (iv) **Special rules:** _____

- (5) **Treatment of Employees who have a Severance from Employment and who are rehired.** Unless designated otherwise below, in applying the automatic deferral provisions under this AA§6A-7, including the automatic increase provisions, a rehired Participant is treated as a new Employee (regardless of the amount of time since the rehired Employee had a Severance from Employment).
- ☐ (i) **Rehired Employees not treated as new Employee.** In applying the automatic deferral provisions under this AA§6A-7, including the automatic increase provisions, a rehired Participant is not treated as a new Employee. Thus, for example, a rehired Participant's deferral percentage will be calculated based on the date the individual first began making automatic deferrals under the Plan.
- ☐ (ii) **Describe special rules applicable to rehired employees:** _____
- ☐ (b) **Permissible Withdrawals under Automatic Contribution Arrangement.**
- ☐ (1) **Permissible withdrawals allowed.** If the Plan satisfies the requirements for an EACA (as set forth in Section 3.03(c) of the BPD), a Participant who has Salary Deferrals contributed to the Plan pursuant to an automatic deferral election under this AA §6A-7 may elect to withdraw such contributions (and earnings attributable thereto) within 90 days after the date such Salary Deferrals would otherwise have been included in gross income, unless designated otherwise under subsection (3) below. Unless elected otherwise below, if a Participant does not make automatic deferrals to the Plan for an entire Plan Year (e.g., due to Severance from Employment), the Plan may allow such Participant to take a permissive withdrawal, but only with respect to default contributions made after the Participant's return to employment.
- ☐ The ability to take permissible withdrawals does not apply to rehired Participants, even if such Participants have not made automatic deferrals to the Plan for an entire Plan Year due to Severance from Employment.
- ☐ (2) **No permissible withdrawals.** Although the Plan contains an automatic deferral election that is designed to satisfy the requirements of an EACA, the permissible withdrawal provisions under this subsection (b) are not available.
- ☐ (3) **Time period for electing a permissible withdrawal.** Instead of a 90-day election period, a Participant must request a permissible withdrawal no later than _____ [may not be less than 30 or more than 90] days after the date the Plan Compensation from which such Salary Deferrals are withheld would otherwise have been included in gross income.
- ☐ (c) **Other automatic contribution provisions:** _____

6A-8 **SPECIAL DEFERRAL EFFECTIVE DATES.** Unless designated otherwise under this AA §6A-8, a Participant is eligible to make Salary Deferrals under the Plan as of the Effective Date of the Plan (as designated in the Employer Signature Page). However, in no case may a Participant begin making Salary Deferrals prior to the later of the date the Employee becomes a Participant, the date the Participant executes a Salary Reduction Agreement or the date the Plan is adopted or effective. (See Section 3.03(a) of the BPD.)

To designate a later Effective Date for Salary Deferrals or Roth Deferrals, complete this AA §6A-8.

- ☐ (a) **Salary Deferrals.** A Participant is eligible to make Salary Deferrals under the Plan as of:
- ☐ (1) the date the Plan is executed by the Employer (as indicated on the Employer Signature Page).
- ☐ (2) _____ (insert date).
- ☒ (b) **Roth Deferrals.** The Roth Deferral provisions under AA §6A-5 are effective as of January 1, 2026. [Note: If Roth Deferrals are permitted under AA §6A-5 above, Roth Deferrals are effective as of the Effective Date applicable to Salary Deferrals under this AA §6A-8, unless a later date is designated under this subsection.]

SECTION 6B

MATCHING CONTRIBUTIONS

6B-1 **MATCHING CONTRIBUTIONS.** Is the Employer authorized to make Matching Contributions under the Plan?

- ☐ Yes
- ☒ No [Check this box if there are no Matching Contributions. If "No" is checked, skip to Section 7.]

[Note: Any Matching Contribution made pursuant to this AA §6B will count towards the Code §457(e)(15) Maximum Contribution Limit. See Section 5.01 of the BPD.]

6B-2 **MATCHING CONTRIBUTION FORMULA:** For the period designated in AA §6B-5 below, the Employer will make the following Matching Contribution on behalf of Participants who satisfy the allocation conditions under AA §6B-6 below.

- ☐ (a) **Discretionary match.** The Employer will determine in its sole discretion how much, if any, it will make as a Matching Contribution and how such Matching Contribution is allocated to Participants.

- ☐ (b) **Fixed match.** The Employer will make a Matching Contribution for each Participant equal to:
- ☐ (1) ____% of Salary Deferrals made for each period designated in AA §6B-5 below.
 - ☐ (2) \$____ for each period designated in AA §6B-5 below.
 - ☐ (3) The Employer Contribution will be determined in accordance with the personal service contract or employment contract applicable to the Participant.
 - ☐ (4) The Employer Contribution will be determined in accordance with any Collective Bargaining Agreement(s) addressing retirement benefits of Collectively Bargained Employees under the Plan.
- ☐ (c) **Tiered match.** The Employer will/may make a Fixed/Discretionary Matching Contribution to all Participants based on the following tiers of Salary Deferrals.
- ☐ (1) **Tiers as percentage of Plan Compensation.**

Salary Deferrals	Fixed Match	Discretionary Match
<input type="checkbox"/> (i) Up to ____% of Plan Compensation	_____%	<input type="checkbox"/>
<input type="checkbox"/> (ii) From ____% up to ____% of Plan Compensation	_____%	<input type="checkbox"/>
<input type="checkbox"/> (iii) From ____% up to ____% of Plan Compensation	_____%	<input type="checkbox"/>
<input type="checkbox"/> (iv) From ____% up to ____% of Plan Compensation	_____%	<input type="checkbox"/>

- ☐ (2) **Tiers as dollar amounts.**

Salary Deferrals	Fixed Match	Discretionary Match
<input type="checkbox"/> (i) Up to \$____	_____%	<input type="checkbox"/>
<input type="checkbox"/> (ii) From \$____ up to \$____	_____%	<input type="checkbox"/>
<input type="checkbox"/> (iii) From \$____ up to \$____	_____%	<input type="checkbox"/>
<input type="checkbox"/> (iv) Above \$____	_____%	<input type="checkbox"/>

- ☐ (d) **Year of Service match.** The Employer will/may make a fixed %/Discretionary Matching Contribution as a uniform percentage of Salary Deferrals to all Participants based on Years of Service with the Employer.

Years of Service	Matching %	Discretionary Match
<input type="checkbox"/> (1) From ____ up to ____ Years of Service	_____%	<input type="checkbox"/>
<input type="checkbox"/> (2) From ____ up to ____ Years of Service	_____%	<input type="checkbox"/>
<input type="checkbox"/> (3) From ____ up to ____ Years of Service	_____%	<input type="checkbox"/>
<input type="checkbox"/> (4) From ____ up to ____ Years of Service	_____%	<input type="checkbox"/>
<input type="checkbox"/> (5) Years of Service equal to and above ____	_____%	<input type="checkbox"/>

For this purpose, a Year of Service is each Plan Year during which an Employee completes at least 1,000 Hours of Service. Alternatively, a Year of Service is: _____

- ☐ (e) **Other Matching Contribution Formula:** _____

6B-3 CONTRIBUTIONS ELIGIBLE FOR MATCHING CONTRIBUTIONS (“ELIGIBLE CONTRIBUTIONS”). Unless designated otherwise under this AA §6B-3, all Salary Deferrals, including any Roth Deferrals, Age 50 Catch-Up Contributions and Special 457 Catch-Up Contributions, are eligible for the Matching Contributions designated under AA §6B-2.

- ☐ (a) **Matching Contributions.** Only the following contribution sources are eligible for a Matching Contribution under AA §6B-2:
- ☐ (1) Pre-tax Salary Deferrals
 - ☐ (2) Roth Deferrals
 - ☐ (3) Age 50 Catch-Up Contributions
 - ☐ (4) Special 457 Catch-Up Contributions

- ☐ (b) **Application of Matching Contributions to elective deferrals made under another plan maintained by the Employer.** If this subsection is checked, the Matching Contributions described in AA §6B-2 will apply to elective deferrals made under another plan maintained by the Employer.
- ☐ (1) The Matching Contribution designated in AA §6B-2 above will apply to elective deferrals under the following plan maintained by the Employer: _____
- ☐ (2) The following special rules apply in determining the amount of Matching Contributions under this Plan with respect to elective deferrals under the plan described in subsection (1): _____
- [Note: This subsection may be used to describe special provisions applicable to Matching Contributions provided with respect to elective deferrals under another plan maintained by the Employer, including another Code §457(b) plan, a §401(a) qualified plan, or Code §403(b) plan.]*
- ☐ (c) **Special rules.** The following special rules apply for purposes of determining the Matching Contribution under this AA §6B-3: _____

6B-4 **LIMITS ON MATCHING CONTRIBUTIONS.** In applying the Matching Contribution formula(s) selected under AA §6B-2 above, the following limits apply.

- ☐ (a) **No limits apply.** All Salary Deferrals are eligible for Matching Contributions.
- ☐ (b) **Limit on Salary Deferrals.** The Matching Contribution formula(s) selected in AA §6B-2 above apply only to Salary Deferrals that do not exceed:
- ☐ (1) _____% of Plan Compensation.
- ☐ (2) \$_____.
- ☐ (3) A discretionary amount determined by the Employer.
- ☐ (c) **Limit on Matching Contributions.** The total Matching Contribution provided under the formula(s) selected in AA §6B-2 above will not exceed:
- ☐ (1) _____% of Plan Compensation.
- ☐ (2) \$_____.
- ☐ (d) **Special limits:** _____

6B-5 **PERIOD FOR DETERMINING MATCHING CONTRIBUTIONS.** The Matching Contribution formula(s) selected in AA §6B-2 above (including any limitations on such amounts under AA §6B-4) are based on Salary Deferrals for the **Plan Year**. To apply a different period for determining the Matching Contributions and limits under AA §6B-2 and AA §6B-4, check one of (a) – (d) below.

- ☐ (a) payroll period ☐ (b) Plan Year quarter
- ☐ (c) calendar month ☐ (d) Other: _____

[Note: Although Matching Contributions (and any limits on those Matching Contributions) will be determined on the basis of the period designated under this AA §6B-5, this does not require the Employer to actually make contributions or allocate contributions on the basis of such period. See Section 3.04(c) of the BPD for a discussion of the “true up” requirements applicable to Matching Contributions.]

6B-6 **ALLOCATION CONDITIONS.** A Participant who has otherwise satisfied all conditions to receive a Matching Contribution, must satisfy any allocation conditions designated under this AA §6B-6 to receive an allocation of Matching Contributions under the Plan.

- ☐ (a) **No allocation conditions** apply with respect to Matching Contributions under the Plan.
- ☐ (b) **Employment condition.** An Employee must be employed with the Employer on the last day of the Plan Year.
- ☐ (c) **Minimum service condition.** An Employee must be credited with at least:
- ☐ (1) _____ Hours of Service during the Plan Year.
- ☐ (2) _____ consecutive days of employment with the Employer during the Plan Year.
- ☐ (3) _____ consecutive months of employment with the Employer during the Plan Year.
- ☐ (d) **Application to a specified period.** The allocation conditions selected under this AA §6B-6 apply on the basis of the Plan Year. Alternatively, if an employment or minimum service condition applies under this AA §6B-6, the Employer may elect under this subsection to apply the allocation conditions on a periodic basis as set forth below. (See Section 3.06(a) of the BPD for a description of the rules for applying the allocation conditions on a periodic basis.)
- ☐ (1) **Period for applying allocation conditions.** Instead of the Plan Year, the allocation conditions set forth under subsection (2) below apply with respect to the following periods:
- ☐ (i) Plan Year quarter
- ☐ (ii) calendar month

- ☐ (iii) payroll period
- ☐ (iv) Other: _____
- ☐ (2) **Application to allocation conditions.** To the extent an employment or minimum service allocation condition applies under this AA §6B-6, such allocation condition will apply based on the period selected under subsection (1) above, unless designated otherwise below:
- ☐ (i) Only the employment condition will be based on the period selected in subsection (1) above.
- ☐ (ii) Only the minimum service condition will be based on the period selected in subsection (1) above.
- ☐ (iii) Describe any special rules: _____
- ☐ (e) **Exceptions.**
- ☐ (1) The above allocation condition(s) will **not** apply if the Employee, during the Plan Year:
- ☐ (i) dies.
- ☐ (ii) has a Severance from Employment due to becoming Disabled.
- ☐ (iii) becomes Disabled.
- ☐ (iv) has a Severance from Employment after attaining Normal Retirement Age.
- ☐ If this box is checked, this waiver of allocation conditions applies only once during the Participant's employment with the Employer. Thus, if an Employee is rehired after such a waiver was applied to such Employee, the waiver of allocation conditions will not apply to a subsequent Severance from Employment.
- ☐ (v) has a Severance from Employment after attaining Early Retirement Age.
- ☐ If this box is checked, this waiver of allocation conditions applies only once during the Participant's employment with the Employer. Thus, if an Employee is rehired after such a waiver was applied to such Employee, the waiver of allocation conditions will not apply to a subsequent Severance from Employment.
- ☐ (vi) is on an authorized leave of absence from the Employer.
- ☐ (2) The exceptions selected under subsection (1) do not apply to:
- ☐ (i) an employment condition designated under this AA §6B-6.
- ☐ (ii) a minimum service condition designated under this AA §6B-6.
- ☐ (iii) a Discretionary Matching Contribution.
- ☐ (iv) a Fixed Matching Contribution.
- ☐ (f) **Equivalency Method.** For purposes of determining an Employee's Hours of Service for allocation purposes, the Plan will use the Equivalency Method (as defined in Section 2.03(a)(4) of the BPD). The Equivalency Method will apply to:
- ☐ (1) All Employees.
- ☐ (2) Only Employees for whom the Employer does not maintain hourly records. For Employees for whom the Employer maintains hourly records, eligibility will be determined based on actual hours worked.
- ☐ (g) **Elapsed Time Method.** For purposes of determining an Employee's service for allocation purposes, the Plan will use the Elapsed Time Method
- ☐ (h) **Describe** any special rules governing the allocation conditions under the Plan: _____

6B-7 **OPTIONAL TREATMENT OF MATCHING CONTRIBUTIONS AS ROTH CONTRIBUTIONS.** Unless elected otherwise below, a Participant may not elect to treat a nonforfeitable Matching Contribution made on behalf of such Participant as a Roth Deferrals.

- ☐ (a) A Participant MAY elect to treat a nonforfeitable Matching Contribution made on behalf of such Participant as a Roth Deferral. [**Note:** The Employer and/or Plan Administrator will develop operational procedures to assist in administering this election.]
- ☐ (b) Describe special any special rules relating to the optional treatment of nonforfeitable Matching Contributions as a Roth Deferral: _____

6B-8 **OPTIONAL TREATMENT OF QUALIFIED STUDENT LOAN PAYMENTS AS SALARY DEFERRALS FOR MATCHING CONTRIBUTIONS.** Unless elected otherwise below, Qualified Student Loan Payments are not treated as Salary Deferrals for Matching Contribution purposes under the Plan.

- ☐ (a) Effective ____ (no earlier than the first day of the Plan Year beginning after December 31, 2023), the Employer elects to make Matching Contributions on account of Qualified Student Loan Payments, as provided under BPD Section 3.04(e). The Employer may develop procedures to assist in the administration of this election and/or may specify any special rules under subsection (b) below.

- ☐ (b) Describe any special rules applicable to the optional treatment of Qualified Student Loan Payments as Salary Deferrals for Matching Contribution purposes: _____

6B-9 **SPECIAL RULES APPLICABLE TO MATCHING CONTRIBUTIONS.** The following special rules apply to Matching Contributions: _____

SECTION 7 RETIREMENT AGES

7-1 **NORMAL RETIREMENT AGE.** For purposes of applying the Special 457 Catch-Up Contribution under AA §6A-4(b) (and vesting, allocation and other provisions of the Plan referring to Normal Retirement Age, if applicable), Normal Retirement Age under the Plan is:

- ☐ (a) Age ____ (not earlier than age 65 or later than age 70 ½).
- ☐ (b) The earlier of age ____ (not earlier than age 65 or later than age 70 ½) or the date immediate retirement benefits are authorized under a pension plan maintained by the Employer (as set forth under Section 5.04(b) of the BPD).
- ☒ (c) The Participant may designate a Normal Retirement Age that is on or after the earlier of age 65 or the date immediate retirement benefits are authorized under a pension plan maintained by the Employer (as set forth under Section 5.04(b) of the BPD) but not later than age 70½.
- ☐ (d) The Participant may designate a Normal Retirement Age that is on or after age ____ (not earlier than age 65) but not later than age ____ (not later than age 70½).
- ☐ (e) Describe Normal Retirement Age: _____

Normal Retirement Age for Qualified Police (elect if applicable):

- ☐ (f) Age ____ (not earlier than age 40 or later than age 70 ½).
- ☐ (g) The earlier of age ____ (not earlier than age 40 or later than age 70 ½) or the date immediate retirement benefits are authorized under a pension plan maintained by the Employer (as set forth under Section 5.04(c) of the BPD).
- ☐ (h) The Participant may designate a Normal Retirement Age that is on or after the earlier of age 40 or the date immediate retirement benefits are authorized under a pension plan maintained by the Employer (as set forth under Section 5.04(b) of the BPD) but not later than age 70½.
- ☐ (i) The Participant may designate a Normal Retirement Age that is on or after age 65 but not later than age 70½.
- ☐ (j) Describe Normal Retirement Age for Qualified Police: _____

Normal Retirement Age for Firefighters (elect if applicable):

- ☐ (k) Age ____ (not earlier than age 40 or later than age 70 ½).
- ☐ (l) The earlier of age ____ (not earlier than age 40 or later than age 70 ½) or the date immediate retirement benefits are authorized under a pension plan maintained by the Employer (as set forth under Section 5.04(c) of the BPD).
- ☐ (m) The Participant may designate a Normal Retirement Age that is on or after the earlier of age 40 or the date immediate retirement benefits are authorized under a pension plan maintained by the Employer (as set forth under Section 5.04(b) of the BPD) but not later than age 70½.
- ☐ (n) The Participant may designate a Normal Retirement Age that is on or after age 65 but not later than age 70½.
- ☐ (o) Describe Normal Retirement Age for Firefighters: _____

[Note: A Participant's Normal Retirement Age must be the same as such Participant's normal retirement age under any other 457(b) plans sponsored by the Employer. The designation of a Normal Retirement Age under the Plan does not compel retirement with the Employer.]

SECTION 8 VESTING AND FORFEITURES

8-1 **CONTRIBUTIONS SUBJECT TO VESTING.** Does the Plan provide for Employer Contributions under AA §6 or Matching Contributions under AA §6B that are subject to vesting?

- ☐ Yes
- ☒ No [If "No" is checked, skip to Section 9.]

[Note: The imposition of a vesting schedule creates a substantial risk of forfeiture with respect to the contributions subject to the vesting schedule. If a contribution is subject to a substantial risk of forfeiture, such contribution is not counted toward the Maximum Contribution Limit until the substantial risk of forfeiture lapses (i.e., the contributions are vested.). Where an amount is subject to a substantial risk of forfeiture, gains or losses allocable to the amount deferred, through the date that the substantial risk of forfeiture lapses, are taken into account in determining the amount that is considered deferred in the year in which the substantial risk of forfeiture lapses.]

- 8-2 **VESTING SCHEDULE.** The vesting schedule under the Plan is as follows for both Employer Contributions and Matching Contributions, to the extent authorized under AA §6 and AA §6B. See Section 7.02(a) of the BPD for a description of the various vesting schedules under this AA §8-2. (Note: If the Employer imposes a vesting schedule, Employer Contributions and Matching Contributions, and attributable earnings, will count towards the Code §457(e)(15) Maximum Contribution Limit for the year in which the amounts become vested.)

ER	Match	
<input type="checkbox"/>	<input type="checkbox"/>	(a) Full and immediate vesting.
<input type="checkbox"/>	<input type="checkbox"/>	(b) 3-year cliff vesting schedule
<input type="checkbox"/>	<input type="checkbox"/>	(c) 6-year graded vesting schedule
<input type="checkbox"/>	<input type="checkbox"/>	(d) Modified vesting schedule
		___ % immediately on Plan participation
		___ % after 1 Year of Service
		___ % after 2 Years of Service
		___ % after 3 Years of Service
		___ % after 4 Years of Service
		___ % after 5 Years of Service
		100% after 6 Years of Service
<input type="checkbox"/>	<input type="checkbox"/>	(e) Other: _____

- 8-3 **VESTING SERVICE.** In applying the vesting schedules under this AA §8, the following service with the Employer is excluded.

- ☐ (a) None, all service with the Employer counts for vesting purposes.
- ☐ (b) Service before the original Effective Date of this Plan is excluded. (See Section 7.06 of the BPD for rules regarding Predecessor Service.)
- ☐ (c) Service completed before the Employee's ___ birthday is excluded.

- 8-4 **FULL VESTING.** An Employee's vesting percentage increases to 100% if, while employed with the Employer, the Employee:

- ☐ (a) dies.
- ☐ (b) has a Severance from Employment due to becoming Disabled.
- ☐ (c) becomes Disabled.
- ☐ (d) attains Normal Retirement Age.
- ☐ (e) Other: _____
- ☐ (f) Not applicable. No increase in vesting applies.

- 8-5 **DEFAULT VESTING RULES.** In applying the vesting requirements under this AA §8, the following default rules apply.

- **Year of Service.** An Employee earns a Year of Service for vesting purposes upon completing 1,000 Hours of Service during a Vesting Computation Period. Hours of Service are calculated based on actual hours worked during the Vesting Computation Period.
- **Vesting Computation Period.** The Vesting Computation Period is the Plan Year.

To override the default vesting rules, complete the applicable sections of this AA §8-5. If this AA §8-5 is not completed, the default vesting rules apply.

ER	Match	
<input type="checkbox"/>	<input type="checkbox"/>	(a) Year of Service. Instead of 1,000 Hours of Service, an Employee earns a Year of Service upon the completion of ____ [<i>must be less than 1,000</i>] Hours of Service during a Vesting Computation Period.
<input type="checkbox"/>	<input type="checkbox"/>	(b) Vesting Computation Period. Instead of the Plan Year, the Vesting Computation Period is: <div style="margin-left: 20px;"> <input type="checkbox"/> (1) The 12-month period beginning with the anniversary of the Employee's date of hire. <input type="checkbox"/> (2) Describe: _____ <i>[Note: Any Vesting Computation Period described in (2) must be a 12-consecutive month period and must apply uniformly to all Participants.]</i> </div>
<input type="checkbox"/>	<input type="checkbox"/>	(c) Elapsed Time Method. Vesting service will be determined under the Elapsed Time Method. (See Section 7.03(b) of the BPD.)
<input type="checkbox"/>	<input type="checkbox"/>	(d) Equivalency Method. For purposes of determining an Employee's Hours of Service for vesting, the Plan will use the Equivalency Method (as defined in Section 7.03(a)(2) of the BPD). The Equivalency Method will apply to: <div style="margin-left: 20px;"> <input type="checkbox"/> (1) All Employees. <input type="checkbox"/> (2) Employees who are not paid on an hourly basis. For Employees paid on an hourly basis, vesting will be determined based on actual hours worked. </div> <p>If this (d) is checked, Hours of Service for vesting will be determined under the following Equivalency Method.</p> <div style="margin-left: 20px;"> <input type="checkbox"/> (3) Monthly. 190 Hours of Service for each month worked. <input type="checkbox"/> (4) Weekly. 45 Hours of Service for each week worked. <input type="checkbox"/> (5) Daily. 10 Hours of Service for each day worked. <input type="checkbox"/> (6) Semi-monthly. 95 Hours of Service for each semi-monthly period. <input type="checkbox"/> (7) Hours worked. 870 hours worked treated as 1,000 Hours of Service and 435 hours worked treated as 500 Hours of Service. <input type="checkbox"/> (8) Regular time hours. 750 regular time hours treated as 1,000 Hours of Service and 375 regular time hours treated as 500 Hours of Service. </div>

8-6 **ALLOCATION OF FORFEITURES.** The Employer may decide in its discretion how to treat forfeitures under the Plan. Alternatively, the Employer may designate under this AA §8-6 how forfeitures occurring during a Plan Year will be treated. *[Note: No elections are required under this AA §8-6, if the Employer decides to use its discretion on how to treat forfeitures.]*

Any forfeitures occurring during a Plan Year will be:

ER	Match	
<input type="checkbox"/>	<input type="checkbox"/>	(a) N/A. All contributions are 100% vested. <i>[Do not complete the rest of this AA §8-6.]</i>
<input type="checkbox"/>	<input type="checkbox"/>	(b) Reallocated as additional Employer Contributions or as additional Matching Contributions.
<input type="checkbox"/>	<input type="checkbox"/>	(c) Used to reduce Employer and/or Matching Contributions.

For purposes of subsection (b) or (c), forfeitures will be applied:

<input type="checkbox"/>	<input type="checkbox"/>	(d) for the Plan Year in which the forfeiture occurs.
<input type="checkbox"/>	<input type="checkbox"/>	(e) for the Plan Year following the Plan Year in which the forfeitures occur.

Prior to applying forfeitures under subsection (b) or (c):

<input type="checkbox"/>	<input type="checkbox"/>	(f) Forfeitures may be used to pay Plan expenses. (See Section 7.08(c) of the BPD.)
<input type="checkbox"/>	<input type="checkbox"/>	(g) Forfeitures may not be used to pay Plan expenses.

In determining the amount of forfeitures to be reallocated under subsection (b), the same allocation conditions apply as for the source for which the forfeiture is being allocated under AA §6-5 or AA §6B-6, unless designated otherwise below.

<input type="checkbox"/>	<input type="checkbox"/>	(h) Forfeitures are not subject to any allocation conditions.
--------------------------	--------------------------	---

ER Match

- ☐ ☐ (i) Forfeitures are subject to a last day of employment allocation condition.
- ☐ ☐ (j) Forfeitures are subject to a ____ Hours of Service minimum service requirement.

In determining the treatment of forfeitures under this AA §8-6, the following special rules apply:

- ☐ ☐ (k) Describe: _____

8-7 SPECIAL RULES REGARDING CASH-OUT DISTRIBUTIONS.

- (a) **Additional allocations.** If a Participant who has a Severance from Employment receives a complete distribution of such Participant's vested Account Balance while still entitled to an additional allocation, the forfeiture provisions do not apply until the Participant receives a distribution of the additional amounts to be allocated.

To modify the default forfeiture rules, complete this AA §8-7(a).

- ☐ The forfeiture provisions will apply if a Participant who has a Severance from Employment takes a complete distribution, regardless of any additional allocations during the Plan Year.

- (b) **Timing of forfeitures.** A Participant who receives an Involuntary Cash-Out Distribution (as described in AA §9-4(a)) is treated as having an immediate forfeiture of such Participant's nonvested Account Balance.

To modify the forfeiture timing rules to delay the occurrence of a forfeiture upon an Involuntary Cash-Out Distribution, complete this AA §8-7(b).

- ☐ A forfeiture will occur at the end of the ____ year following the Involuntary Cash-Out Distribution.

8-8 SPECIAL VESTING RULES.

ER Match

- ☐ ☐ Describe special vesting provisions: _____

SECTION 9 DISTRIBUTION PROVISIONS
--

9-1 AVAILABLE FORMS OF DISTRIBUTION.

Lump sum distribution. Unless selected otherwise under subsection (e) below, a Participant may take a distribution of such Participant's entire vested Account Balance in a single lump sum.

Additional distribution options. To provide for additional distribution options, check the applicable distribution forms under this AA §9-1. If a lump sum distribution will not be provided under the Plan, check (e) below and indicate that no lump sum distribution is available under the Plan.

- ☐ (a) **Partial lump sum.** A Participant may take a distribution of less than the entire vested Account Balance upon Severance from Employment.

- ☐ **Minimum partial lump sum amount.** A Participant may not take a partial lump sum distribution of less than \$____.

- ☐ (b) **Installment distributions.** A Participant may take a distribution over a specified period not to exceed the life or life expectancy of the Participant (and a designated beneficiary).

- ☒ (c) **Installment distribution for required minimum distributions.** A Participant may take an installment distribution solely to the extent necessary to satisfy the required minimum distribution rules under Section 9 of the BPD.

- ☐ (d) **Annuity distributions.** A Participant may elect to have the Plan Administrator use the Participant's vested Account Balance to purchase an annuity.

- ☐ (e) **Describe:** _____

[Note: Any additional distribution option described in (e) will apply uniformly to all Participants under the Plan and may not be subject to the discretion of the Employer or Plan Administrator.]

9-2 PERMISSIBLE DISTRIBUTION EVENTS.

- ☐ (a) **Distribution events.** A Participant may withdraw all or any portion of such Participant's vested Account Balance, to the extent designated, upon the occurrence of the event(s) selected under this AA §9-2.

Deferral Match ER

- ☐ ☐ ☐ (1) No in-service distributions are permitted.

- | Deferral | Match | ER | |
|-------------------------------------|--------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (2) The attainment of age <u>70 ½</u> (no earlier than age 59½). |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (3) The occurrence of an Unforeseeable Emergency, as described in Section 8.08 of the BPD.
<div style="margin-left: 20px;"><input type="checkbox"/> Participants who receive a distribution on the occurrence of an Unforeseeable Emergency may not make Salary Deferrals to the Plan for a period of 6 months.</div> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (4) A Qualified Birth or Adoption Distribution, as described in Section 8.14 of the BPD. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (5) Upon a deemed Severance from Employment when an individual is on active duty for a period of at least 30 days while performing service in the Uniformed Services, as described under Section 15.05(c) of the BPD. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (6) An Emergency Personal Expense Distribution, as described in BPD Section 8.18. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (7) A Domestic Abuse Distribution, as described in BPD Section 8.19. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (8) A Qualified Disaster Recovery Distribution, as described in Section 8.17 of the BPD. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (9) A Qualified Long-Term Care Distribution, as described in Section 8.20 of the BPD. [<i>Note: Qualified Long-Term Care Distributions are not available under the Plan until after December 29, 2025.</i>] |
- ☐ (b) **Rollover Contributions.** Unless designated otherwise under this subsection (b), a Participant may withdraw amounts attributable to Rollover Contributions at any time. If this subsection (b) is selected, amounts attributable to Rollover Contributions may be distributed only upon the occurrence of the following event(s):
- ☐ (1) No in-service distributions are permitted.
 - ☐ (2) The attainment of age ____.
 - ☐ (3) The occurrence of an Unforeseeable Emergency, as described in Section 8.08 of the BPD.
 - ☐ (4) The Participant qualifies for a Qualified Birth or Adoption Distribution, as described in Section 8.14 of the BPD.
 - ☐ (5) Upon a deemed Severance from Employment when an individual is on active duty for a period of at least 30 days while performing service in the Uniformed Services, as described under Section 15.05(c) of the BPD.
 - ☐ (6) Describe: _____
- ☒ (c) **Distribution of Smaller Amounts.**
- ☐ (1) The Employer has discretion to make distribution of smaller amounts as described in Section 8.06 of the BPD.
 - ☐ (2) The Participant may withdraw a distribution of smaller amounts as described in Section 8.06 of the BPD.
 - ☒ (3) Special rules applicable to the distribution of smaller amounts: The Employer shall make a distribution of smaller amounts described in Section 8.06 of the BPD.
- ☐ (d) **Describe any special distribution rules applicable to a Participant's Transfer Account:** _____

9-3 **SPECIAL RULES FOR IN-SERVICE DISTRIBUTIONS.**

- ☐ (a) In-service distributions will only be permitted if the Participant is 100% vested in the amounts being withdrawn.
- ☐ (b) A Participant may take no more than ____ in-service distribution(s) in a Plan Year.
- ☐ (c) A Participant may not take an in-service distribution of less than \$____.
- ☐ (d) A Participant may not take a distribution after Severance from Employment for the following in-service distributions elected under AA §9-2.
 - ☐ (1) Unforeseeable Emergency Distributions.
 - ☐ (2) Qualified Birth or Adoption Distributions.
 - ☐ (3) Emergency Personal Expense Distributions.
 - ☐ (4) Domestic Abuse Distributions.
 - ☐ (5) Qualified Long-Term Care Distributions.

☐ (e) Describe any special in-service distribution rules: _____

9-4 **PARTICIPANT AND SPOUSAL CONSENT.**

- (a) **Involuntary Cash-Out Distribution.** A Participant who has a Severance from Employment with a vested Account Balance of \$5,000 (or \$7,000, effective for distributions made after December 31, 2023) or less will receive an Involuntary Cash-Out Distribution in the form of a lump sum distribution, unless elected otherwise under this AA §9-4. If a Participant's vested Account Balance exceeds \$5,000 (or \$7,000, effective for distributions made after December 31, 2023), the Participant generally must consent to a distribution from the Plan, except to the extent provided otherwise under this AA §9-4.
- ☐ (1) **No Involuntary Cash-Out Distributions.** The Plan does not provide for Involuntary Cash-Out Distributions. A Participant who has a Severance from Employment must consent to any distribution from the Plan. (See Section 14.02(a) of the BPD for special rules upon Plan termination.)
- ☒ (2) **Involuntary Cash-Out Distribution threshold.** Instead of a vested Account Balance Involuntary Cash-Out Distribution threshold of \$5,000 (or \$7,000, effective for distributions made after December 31, 2023), a Participant who has a Severance from Employment will receive an Involuntary Cash-Out Distribution:
- ☒ (i) If the Participant's vested Account Balance is less than or equal to \$1,000.
- ☐ (ii) Regardless of the value of the Participant's vested Account Balance (i.e., a Participant who has a Severance from Employment always will receive an Involuntary Cash-Out Distribution and no Participant consent is required).
- ☐ (3) **Application of Automatic Rollover rules.**
- ☐ (i) The Automatic Rollover rules described in Section 8.09(f) of the BPD do not apply to any Involuntary Cash-Out Distribution below \$1,000, unless elected otherwise under this subsection (i). If this subsection (i) is checked, the Automatic Rollover provisions apply to all Involuntary Cash-Out Distributions (including those below \$1,000).
- ☐ (ii) The Automatic Rollover rules only apply to Involuntary Cash-Out Distributions of Participants who have not attained Normal Retirement Age or age 62, if later.
- ☐ (4) **Distribution upon attainment of stated age.** Participant consent will not be required with respect to distributions made upon attainment of Normal Retirement Age (or age 62, if later), regardless of the value of the Participant's vested Account Balance.
- (5) **Treatment of Rollover Contributions.** In determining whether a Participant's vested Account Balance exceeds the Involuntary Cash-Out threshold for purposes of applying the distribution rules under this AA §9-4 and the Automatic Rollover provisions under Section 8.09(f) of the BPD, Rollover Contributions will be:
- ☐ (i) excluded.
- ☒ (ii) included.
- (b) **Spousal consent.** Spousal consent is not required for a Participant to receive a distribution or name an alternate Beneficiary, unless designated otherwise under this subsection (b).
- ☐ (1) **Distribution consent.** A Participant's spouse must consent to any distribution or loan, provided the Participant's vested Account Balance exceeds \$_____.
- ☐ (2) **Consent to Beneficiary.** A Participant's spouse must consent to naming someone other than the spouse as Beneficiary under the Plan.
- ☐ (3) **Spousal consent rights determined under administrative policy.** The Employer will establish spousal consent rights for the Plan under a separate administrative policy.
- ☐ (c) **Describe** any special rules relating to Participant or spousal consent: _____

9-5 **TIMING OF DISTRIBUTIONS.** The Plan Administrator will make distributions to a Participant (or Beneficiary) as soon as administratively feasible after the occurrence of an event, such as Severance from Employment, that allows a Participant or Beneficiary to receive a distribution. The Plan may condition the receipt of a distribution on Participant and/or spousal consent, as specified under AA §9-4.

9-6 **DETERMINATION OF BENEFICIARY.**

- (a) **Default beneficiaries.** Under Section 8.05(c) of the BPD, to the extent a Beneficiary has not been named by the Participant (subject to the spousal consent rules) to receive all or any portion of the deceased Participant's death benefit, such amount shall be distributed to the Participant's surviving spouse (if the Participant was married at the time of death) who shall be considered the designated Beneficiary. If the Participant does not have a surviving spouse at the time of death, distribution will be made to the Participant's surviving children (including legally adopted children, but not including step-children), as designated Beneficiaries, in equal shares. If the Participant has no surviving children, distribution will be made to the Participant's estate.

- ☒ If this subsection (a) is checked, the default beneficiaries under Section 8.05(c) of the BPD are modified as follows:
- ☐ (1) The Plan adopts the default beneficiary rules under Section 8.05(c) of the BPD, except, if the Participant does not have a surviving spouse at the time of death, distribution will be made to the Participant's children (including legally adopted children, but not including step-children), as designated Beneficiaries, **per stirpes**.
 - ☐ (2) The Plan adopts the default beneficiary rules under Section 8.05(c) of the BPD, except, if the Participant does not have a surviving spouse at the time of death, distribution will be made to the Participant's estate.
 - ☐ (3) The Plan adopts the default beneficiary rules under Section 8.05(c) of the BPD, except, if the Participant does not have a surviving spouse at the time of death, distribution will be made in the following order of priority: (1) to the Participant's children (including legally adopted children, but not including step-children), as designated Beneficiaries, **per stirpes**; (2) if there are no children, then to the Participant's surviving parents; and (3) if there are no surviving parents, to the Participant's estate.
 - ☒ (4) Describe other modifications to the default beneficiaries under Section 8.05(c) (3) of the BPD: In lieu of the provisions of Section 8.05(c)(3) of the BPD, to the extent a Beneficiary has not been named by the Participant to receive all or any portion of the deceased Participant's death benefit, such amount shall be distributed to the Participant's surviving spouse (if the Participant was married at the time of death). If the Participant does not have a surviving Spouse at the time of death, distribution will be made to the Participant's surviving children, in equal shares. If the Participant has no surviving children, distribution will be made to the Participant's surviving parents, in equal shares. In the event the Participant has no surviving Parents, distribution will be made to the Participant's estate.
- [Note: The description of the modifications to the default beneficiaries must be sufficiently clear for the Plan Administrator to determine the beneficiaries and the method of distribution of the Participant's death benefit.]*

- (b) **One-year marriage rule.** For purposes of determining whether an individual is considered the surviving spouse of the Participant, the determination is based on the marital status as of the date of the Participant's death, unless designated otherwise under this subsection (b).

- ☐ If this subsection (b) is checked, in order to be considered the surviving spouse, the Participant and surviving spouse must have been married for the entire one-year period ending on the date of the Participant's death. If the Participant and surviving spouse are not married for at least one year as of the date of the Participant's death, the spouse will not be treated as the surviving spouse for purposes of applying the distribution provisions of the Plan.

- (c) **Divorce of spouse.** Unless elected otherwise under this subsection (c), if a Participant designates such Participant's spouse as Beneficiary and subsequent to such Beneficiary designation, the Participant and spouse are divorced, the designation of the spouse as Beneficiary under the Plan is automatically rescinded as set forth under Section 8.05 of the BPD.

- ☐ If this subsection (c) is checked, a Beneficiary designation will not be rescinded upon divorce of the Participant and spouse.

[Note: Section 8.05 of the BPD and this subsection (c) will be subject to the provisions of a Beneficiary designation entered into by the Participant. Thus, if a Beneficiary designation specifically overrides the election under this subsection (c), the provisions of the Beneficiary designation will control. See Section 8.05 of the BPD.]

9-7 QUALIFIED DISTRIBUTIONS FOR RETIRED PUBLIC SAFETY OFFICERS.

Unless otherwise elected below, a Participant who is an eligible retired public safety officer may elect, after Severance from Employment, to have qualified health insurance premiums deducted from amounts to be distributed from the Plan that would otherwise be includible in gross income, and to have such amounts paid directly to the insurer or group health plan. (See Section 8.13 of the BPD.)

- ☐ If this subsection is checked, a Participant who is an eligible retired public safety officer may **NOT** elect to have qualified health insurance premiums deducted from amounts to be distributed from the Plan.

9-8 REQUIRED MINIMUM DISTRIBUTIONS

- (a) **Required Beginning Date.** In applying the required minimum distribution rules under Section 9 of the BPD, the Required Beginning Date is the later of attainment of age 72 (age 70 ½ for Participants who attained age 70 ½ prior to January 1, 2020) or Severance from Employment. To override this default provision, check this subsection (a).
- ☐ The Required Beginning Date is the date the Employee attains age 72 (age 70 ½ for Participants who attained age 70 ½ prior to January 1, 2020), even if the Employee is still employed with the Employer.

- (b) **Temporary Waiver for 2020 - Default if Participant failed to elect.** For purposes of applying the required minimum distribution rules for the 2020 calendar year, effective January 1, 2020 (or such later date as designated below), a Participant (including an Alternate Payee or beneficiary of a deceased Participant) who was eligible to receive a required minimum distribution for the 2020 calendar year could elect whether to receive the 2020 RMD or 2020 Extended RMD (as defined in Section 9.05(a) of the BPD). If a Participant did not specifically elect to take the 2020 RMD or 2020 Extended RMD from the Plan, such distribution was not made for the 2020 calendar year. The Employer may modify this default rule below, provided such modification satisfies the requirements under Code §401(a)(9)(I) and any applicable IRS guidance. (The temporary waiver for 2020 does not apply to Plans that are established after 2020 and no elections are required for such Plans.)
- ☐ (1) **2020 RMDs and 2020 Extended RMDs were made.** 2020 RMDs and 2020 Extended RMDs were made to Participants who were otherwise required to receive a required minimum distribution for the 2020 calendar year, unless the Participant elected to not receive such distribution.
 - ☐ (2) **2020 RMDs were not made, but 2020 Extended RMDs were made.** 2020 RMDs were not made for the 2020 calendar year, but 2020 Extended RMDs were made for the 2020 calendar year, unless the Participant elected otherwise.
 - ☐ (3) **2020 RMDs were made, but 2020 Extended RMDs were not made.** 2020 RMDs were made for the 2020 calendar year, but 2020 Extended RMDs were not made for the 2020 calendar year, unless the Participant elected otherwise.
 - ☐ (4) **Direct Rollovers.** Unless elected otherwise below, the Plan offered a Direct Rollover only for distributions that were Eligible Rollover Distributions in the absence of Code §401(a)(9)(I).
Instead of the default above, the following were treated as Eligible Rollover Distributions in 2020:
 - ☐ (i) 2020 RMDs
 - ☐ (ii) 2020 RMDs and 2020 Extended RMDs
 - ☐ (iii) 2020 RMDs, but only if paid with an additional amount that is an Eligible Rollover Distribution without regard to Code §401(a)(9)(I)
 - ☐ (iv) Describe: _____
 - ☐ (5) **Describe other modifications of the default participant election rules:** _____
 - ☐ (6) **Effective date.** Instead of January 1, 2020, the effective date of the amendment providing for a choice of whether a Participant or beneficiary could receive 2020 RMDs was effective: _____
 - ☐ (7) **Describe any special rules, including any special effective dates, the Plan applied to RMDs for 2020:** _____
- (c) **Required minimum distribution elections or rules.** Unless the Employer elects otherwise under this AA §9-8(c), RMDs under the Plan when the Participant dies prior to the Required Beginning Date shall be made as follows: (1) if the Participant does not have a Designated Beneficiary, distributions must satisfy the 5-year rule under Code §401(a)(9)(B)(ii); (2) if the participant has a Designated Beneficiary that is not an Eligible Designated Beneficiary, distributions must satisfy the 10-year rule; or (3) if the Participant has an Eligible Designated Beneficiary, distributions must satisfy the life expectancy rule. To override this default provision, complete (1) and/or (2) below.
- ☒ (1) **Application of life expectancy and 10-year rules to Eligible Designated Beneficiaries.** Instead of the default, the Plan will apply the following rule:
 - ☐ (i) The life expectancy rule applies to all Eligible Designated Beneficiaries.
 - ☐ (ii) The 10-year rule applies to all Eligible Designated Beneficiaries.
 - ☐ (iii) The entire interest of an Eligible Designated Beneficiary will be distributed by the end of the ____ calendar year [may not be greater than 9th] following the year the Participant dies.
 - ☒ (iv) The Participant or Eligible Designated Beneficiary may elect to apply either the 10-year rule or the life expectancy rule to determine the required minimum distributions when the Participant dies before such Participant's Required Beginning Date. If no election is timely made:
 - ☐ (A) the life expectancy rule applies to all Eligible Designated Beneficiaries.
 - ☒ (B) the 10-year rule applies to all Eligible Designated Beneficiaries.
 - ☐ (C) the 10-year rule, reduced to ____ years, applies to all Eligible Designated Beneficiaries.
 - ☐ (v) Describe the manner (including effective date) in which the 10-year rule and life expectancy rule apply to Eligible Designated Beneficiaries: _____
 - ☐ (2) **Special rules.** Describe any special rules that apply for purposes of the required minimum distribution rules under Code §401(a)(9): _____
[Note: Any special rules for determining required minimum distributions for calendar years beginning on or after January 1, 2022 (or such later date as specified in applicable regulations or guidance) must comply with proposed Treas. Reg §§1.401(a)(9)-1 through 1.401(a)(9)-9 issued on February 24, 2022 (or subsequent applicable final regulations).]

9-9 **SPECIAL DISTRIBUTION RULES.**

☐ Describe any additional distribution options or rules: _____

SECTION 10
MISCELLANEOUS PROVISIONS

10-1 **PLAN VALUATION.** The Plan is valued **annually**, as of the last day of the Plan Year. In addition, the Plan will be valued on the following dates:

Deferral Match ER

☒ ☐ ☐ (a) **Daily.** The Plan is valued at the end of each business day during which the New York Stock Exchange is open.

☐ ☐ ☐ (b) **Monthly.** The Plan is valued at the end of each month of the Plan Year.

☐ ☐ ☐ (c) **Quarterly.** The Plan is valued at the end of each Plan Year quarter.

☐ ☐ ☐ (d) **Describe:** _____

[Note: The Employer may elect operationally to perform interim valuations.]

10-2 **SPECIAL RULES FOR DETERMINING AMOUNT OF INCOME OR LOSS.** The following special rules apply in determining the amount of income or loss allocated to Participants' Accounts: _____

10-3 **MILITARY SERVICE PROVISIONS -- BENEFIT ACCRUALS.** The benefit accrual provisions under Section 15.05(b) of the BPD do not apply. To apply the benefit accrual provisions under Section 15.05(b) of the BPD, check the box below.

☐ (a) **Eligibility for Plan benefits.** Check this box if the Plan will provide the benefits described in Section 15.05(b) of the BPD. If this box is checked, an individual who dies or becomes disabled in qualified military service will be treated as reemployed for purposes of determining entitlement to benefits under the Plan.

☐ (b) **Describe special rules applicable to military service:** _____

10-4 **AUTOMATIC PORTABILITY TRANSACTIONS.** If elected below or as set forth in separate administrative procedures, the Employer may elect to accept amounts pursuant to an automatic portability transaction as described in Code §4975(f)(12) and BPD Section 4.03.

☐ (a) **Plan will accept automatic portability transactions.** Check this box if the Plan will accept amounts pursuant to an automatic portability transaction as described in Code §4975(f)(12) and BPD Section 4.03.

☐ (b) **Describe special rules applicable automatic portability transactions:** _____

10-5 **GOVERNING LAW.** Unless designated otherwise below, the provisions of this Plan shall be construed, administered, and enforced in accordance with the provisions of applicable Federal Law and, to the extent applicable, the laws of the state in which the Employer has its principal place of business.

☐ The provisions of the Plan shall be construed, administered, and enforced in accordance with the provisions of applicable Federal Law and, to the extent applicable, the laws of the state of _____.

10-6 **OTHER SPECIAL RULES APPLICABLE TO THIS PLAN.** The following special rules, including the applicability of any vendor agreements, apply to this Plan: _____

**APPENDIX A
SPECIAL EFFECTIVE DATES**

- ☐ A-1 **Eligible Employees.** The definition of Eligible Employee under AA §3 is effective as follows:

- ☐ A-2 **Minimum age and service conditions.** The minimum age and service conditions and Entry Date provisions specified in AA §4 are effective as follows:

- ☐ A-3 **Compensation definitions.** The compensation definitions under AA §5 are effective as follows:

- ☐ A-4 **Employer Contributions.** The Employer Contribution provisions under AA §6 are effective as follows:

- ☐ A-5 **Salary Deferrals.** The Salary Deferral provisions under AA §6A are effective as follows:

- ☐ A-6 **Matching Contributions.** The Matching Contribution provisions under AA §6B are effective as follows:

- ☐ A-7 **Retirement ages.** The retirement age provisions under AA §7 are effective as follows:

- ☐ A-8 **Vesting and forfeiture rules.** The rules regarding vesting and forfeitures under AA §8 are effective as follows:

- ☐ A-9 **Distribution provisions.** The distribution provisions under AA §9 are effective as follows:

- ☐ A-10 **Miscellaneous provisions.** The provisions under AA §10 are effective as follows:

- ☐ A-11 **Special effective date provisions for merged plans.** If any Code §457(b) plan has been merged into this Plan, the following provisions apply:

- ☐ A-12 **Other special effective dates:**

**APPENDIX B
LOAN POLICY**

Use this Appendix B to identify elections dealing with the administration of Participant loans. These elections may be changed without amending this Agreement by substituting an updated Appendix B with new elections.

B-1 Are **PARTICIPANT LOANS** permitted? (See Section 13 of the BPD.)

- ☐ (a) Yes
☒ (b) No

B-2 **LOAN PROCEDURES.**

- ☐ (a) Loans will be provided under the default loan procedures set forth in Section 13 of the BPD, unless modified under this Appendix B.
☐ (b) Loans will be provided under a separate written loan policy.

[Note: If this subsection (b) is checked, do not complete the rest of this Appendix B.]

B-3 **AVAILABILITY OF LOANS.** Participant loans are available to all Participants and Beneficiaries. Participant loans are not available to a former Employee or Beneficiary. To override this default provision, complete this AA §B-3.

- ☐ A former Employee or Beneficiary who has a vested Account Balance may request a loan from the Plan.

B-4 **LOAN LIMITS.** The default loan policy under Section 13.03 of the BPD allows Participants to take a loan provided all outstanding loans do not exceed 50% of the Participant's vested Account Balance. To override the default loan policy to allow loans up to \$10,000, even if greater than 50% of the Participant's vested Account Balance, check this AA §B-4.

- ☐ A Participant may take a loan equal to the greater of \$10,000 or 50% of the Participant's vested Account Balance.

[Note: If this AA §B-4 is checked, the Participant may be required to provide adequate security as required under Section 13.06 of the BPD.]

B-5 **NUMBER OF LOANS.** The default loan policy under Section 13.04 of the BPD restricts Participants to one loan outstanding at any time. To override the default loan policy and permit Participants to have more than one loan outstanding at any time, complete (a) or (b) below.

- ☐ (a) A Participant may have ____ loans outstanding at any time.
☐ (b) There are no restrictions on the number of loans a Participant may have outstanding at any time.

B-6 **LOAN AMOUNT.** The default loan policy under Section 13.04 of the BPD provides that a Participant may not receive a loan of less than \$1,000. To modify the minimum loan amount or to add a maximum loan amount, complete this AA §B-6.

- ☐ (a) There is no minimum loan amount.
☐ (b) The minimum loan amount is \$_____.
☐ (c) The maximum loan amount is \$_____.

B-7 **INTEREST RATE.** The default loan policy under Section 13.05 of the BPD provides for an interest rate commensurate with the interest rates charged by local commercial banks for similar loans. To override the default loan policy and provide a specific interest rate to be charged on Participant loans, complete this AA §B-7.

- ☐ (a) The prime interest rate
☐ plus ____ percentage point(s).
☐ (b) Describe: _____

[Note: Any interest rate described in this AA §B-7 must be reasonable and must apply uniformly to all Participants.]

B-8 **PURPOSE OF LOAN.** The default loan policy under Section 13.02 of the BPD provides that a Participant may receive a Participant loan for any purpose. To modify the default loan policy to restrict the availability of Participant loans, complete this AA §B-8.

- ☐ A Participant may only receive a Participant loan under the following circumstances: _____

- B-9 **APPLICATION OF LOAN LIMITS.** If Participant loans are not available from all contribution sources, the limitations under Code §72(p) and the adequate security requirements of the Department of Labor regulations will be applied by taking into account the Participant's entire Account Balance. To override this provision, complete this AA §B-9.
- ☐ The loan limits and adequate security requirements will be applied by taking into account only those contribution Accounts which are available for Participant loans.
- B-10 **CURE PERIOD.** The Plan provides that a Participant incurs a loan default if a Participant does not repay a missed payment by the end of the calendar quarter following the calendar quarter in which the missed payment was due. To override this default provision to apply a shorter cure period, complete this AA §B-10.
- ☐ The cure period for determining when a Participant loan is treated as in default will be _____ days (cannot exceed 90) following the end of the month in which the loan payment is missed.
- B-11 **PERIODIC REPAYMENT – PRINCIPAL RESIDENCE.** If a Participant loan is for the purchase of a Participant's primary residence, the loan repayment period for the purchase of a principal residence may not exceed ten (10) years.
- ☐ (a) The Plan does not permit loan payments to exceed five (5) years, even for the purchase of a principal residence.
- ☐ (b) The loan repayment period for the purchase of a principal residence may not exceed _____ years (may not exceed 30).
- ☐ (c) Loans for the purchase of a Participant's primary residence may be payable over any reasonable period commensurate with the period permitted by commercial lenders for similar loans.
- B-12 **SEVERANCE FROM EMPLOYMENT.** Section 13.10 of the BPD provides that a Participant loan becomes due and payable in full upon the Participant's Severance from Employment. To override this default provision, complete this AA §B-12.
- ☐ A Participant loan will not become due and payable in full upon the Participant's Severance from Employment.
- B-13 **DIRECT ROLLOVER OF A LOAN NOTE.** Section 13.10(b) of the BPD provides that upon Severance from Employment a Participant may request the Direct Rollover of a loan note. To override this default provision, complete this AA §B-13.
- ☐ A Participant may **not** request the Direct Rollover of the loan note upon Severance from Employment.
- B-14 **LOAN RENEGOTIATION.** The default loan policy provides that a Participant may renegotiate a loan, provided the renegotiated loan separately satisfies the reasonable interest rate requirement, the adequate security requirement, the periodic repayment requirement and the loan limitations under the Plan. The Employer may restrict the availability of renegotiations to prescribed purposes provided the ability to renegotiate a Participant loan is available on a non-discriminatory basis. To override the default loan policy and restrict the ability of a Participant to renegotiate a loan, complete this AA §B-14.
- ☐ (a) A Participant may **not** renegotiate the terms of a loan.
- ☐ (b) The following special provisions apply with respect to renegotiated loans: _____
- B-15 **SOURCE OF LOAN.** Participant loans may be made from all available contribution sources, to the extent vested, unless designated otherwise under this AA §B-15.
- ☐ Participant loans will not be available from the following contribution sources: _____
- B-16 **SPOUSAL CONSENT.** Spousal consent is not required for a Participant to receive a loan. To override this provision, complete this AA §B-16.
- ☐ Spousal consent is required to receive a Participant loan.
- B-17 **MODIFICATIONS TO DEFAULT LOAN PROVISIONS.**
- ☐ The following special rules will apply with respect to Participant loans under the Plan: _____
- [Note: Any provision under this AA §B-17 must satisfy the requirements under Code §72(p) and the regulations thereunder and will control over any inconsistent provisions of the Plan dealing with the administration of Participant loans.]*

APPENDIX C
ADMINISTRATIVE ELECTIONS

Use this Appendix C to identify certain elections dealing with the administration of the Plan. These elections may be changed without re-executing this Agreement by substituting an updated Appendix C with new elections.

C-1 DIRECTION OF INVESTMENTS. Are Participants permitted to direct investments?

☐ (a) No

☒ (b) Yes

Specify Accounts:

☒ (1) All Accounts

☐ (2) Pre-Tax Salary Deferral Account

☐ (3) Roth Deferral Account

☐ (4) Matching Contribution Account

☐ (5) Employer Contribution Account

☐ (6) Rollover Contributions Account

☐ (7) Transfer Account

☐ (8) Other: _____

☐ (c) Describe any special rules that apply for purposes of direction of investments: _____

C-2 ROLLOVER CONTRIBUTIONS. Does the Plan accept **Rollover Contributions**?

☐ (a) No

☒ (b) Yes

☐ (1) If this subsection (1) is checked, an Employee may make a Rollover Contribution to the Plan prior to becoming a Participant in the Plan.

☐ (2) Check this subsection (2) if the Plan will accept Rollover Contributions from former Employees with an Account Balance under the Plan.

☐ (3) Describe any special rules for accepting Rollover Contributions: _____

[Note: The Employer may designate in this subsection (3), or in separate written procedures, the extent to which it will accept rollovers from designated plan types. For example, the Employer may decide not to accept rollovers from certain designated plans (e.g., 403(b) plans, §457 plans or IRAs). Any special rollover procedures will apply uniformly to all Participants under the Plan.]

C-3 QDRO PROCEDURES. Do the **default QDRO procedures** under Section 11.06 of the BPD apply?

☐ (a) No

☒ (b) Yes

EMPLOYER SIGNATURE PAGE

PURPOSE OF EXECUTION. This Signature Page is being executed to effect:

- ☐ (a) The adoption of a **new plan**, effective _____ [Date can be no earlier than the first day of the Plan Year in which the Plan is adopted].
- ☒ (b) The **restatement** of an existing plan, effective January 1, 2025 [Date can generally be no earlier than the first day of the Plan Year in which the Plan is adopted].
- (1) Name of Plan(s) being restated: Parrish Medical Center 457(b) Plan
- (2) The original effective date of the plan(s) being restated: January 1, 2004
- ☐ (c) An **amendment** of the Plan. If this Plan is being amended, the updated pages of the Adoption Agreement may be substituted for the original pages in the Adoption Agreement. All prior Employer Signature Pages should be retained as part of this Adoption Agreement.
- (1) Effective Date(s) of amendment: ____ [Date can generally be no earlier than the first day of the Plan Year in which the Plan is adopted]
- (2) Name of plan being amended: _____
- (3) The original effective date of the plan(s) being amended: _____
- (4) Identify the section(s) of the Adoption Agreement being amended: _____

North Brevard County Hospital District d/b/a Parrish Medical Center
(Name of Employer)

George Mikitarian
(Name of authorized representative)

President/CEO
(Title)

(Signature)

(Date)

Employers should consult with legal counsel to ensure that the Plan meets applicable federal, State and local law requirements.

The IRS does not maintain a pre-approved plan program or a determination letter program for Code §457(b) plans. Employers who want the Internal Revenue Service to review their Code §457(b) plan document or consider any other document form issue may request a private letter ruling. See Revenue Procedure 2023-1 (or annual successor Revenue Procedure) for details.

TRUST DECLARATION

Effective date of Trust Declaration: January 1, 2025

The Trustee's Investment Powers are:

- ☐ (a) **Discretionary.** A Trustee is a Discretionary Trustee to the extent the Trustee has exclusive authority and discretion with respect to the investment, management or control of Plan assets.
- ☐ (b) **Nondiscretionary.** A Trustee is a Directed Trustee with respect to the investment of Plan assets to the extent the Trustee is subject to the direction of the Plan Administrator or the Employer.
- ☐ (c) **No Trustee.** Plan is funded exclusively with custodial accounts, annuity contracts, and/or insurance contracts. (See Section 12.12 of the BPD.)
- ☒ (d) **Determined under a separate trust agreement.**

Name of Trustee: Nationwide Trust Company, FSB

Title of Trust Agreement: Parrish Medical Center 457(b) Plan Trust

Address: 1 Nationwide Plaza

Columbus, OH 43215

Description of any special Trustee powers: _____

**ADDENDUM A
SPECIAL PROCEDURES TO ASSIST IN THE
ADMINISTRATION OF THE PLAN**

Section II of the Plan permits the adoption of special provisions to assist in the administration of the Plan. In accordance with Section II of the Plan, the following provisions have been adopted to assist in the administration of the Plan.

1. **Parrish Medical Center Retirement Planning Committee.** The Board of Directors of the Employer (“Board”) has appointed a committee of four or more persons to be known as the Retirement Planning Committee (“Committee”) to assist with the administration of the Plan.

At least one member of the Committee shall come from each of the following groups: a member of the Board; a member of the management group of the Employer; an Employee of the Employer; and a representative from the Employer’s community. If more than four members are named to the Committee, then additional members shall be named from the following groups in this order: the first additional member shall be a member of the management group of the Employer; the second additional member shall be an Employee of the Employer; the third additional member shall be a representative from the Employer’s community; the fourth additional member shall be a member of the Board. In no event shall there be more than eight members on the Committee.

The members shall hold office for three year terms, except that the terms of the initial members shall be staggered among one, two and three-year terms so that no more than three (3) members' terms will expire in the same year. If there are eight members, an initial group of one community representative, one Board member and one management group member shall be appointed to a three-year term, although the Board member’s term may not exceed his Board term. The next group of one community representative, one Employee, and one management group member shall be appointed to a two-year term; and the remaining two members (consisting of a Board member and an Employee) shall receive one-year terms.

The Board may remove any Committee member at any time upon the delivery of written notice to the Committee member. Any member may resign at any time by notice in writing filed with the Hospital Board and with the Chairman or Secretary of the Committee. In the event a Board member’s term on the Committee exceeds their term as Board member, that Board member’s successor shall replace that Board member on the Committee for the remainder of that term on the Committee. Other vacancies shall be filled promptly by the Board appointing replacement Committee members for the remainder of the term from the same group as the Committee member who resigned or was removed. In the event of removal or resignation, the Committee member shall be under a duty to account for and to transfer any assets or other information relating to this Plan to his successor.

2. **Organization of Committee.** The Committee shall elect a Chairman and a Vice-Chairman from among its members and a Secretary, who need not be a member of the Committee. It may appoint such agents, who need not be members of the Committee, as it may deem necessary for the effective performance of its duties, whether ministerial or discretionary, as the Committee may deem expedient or appropriate. The compensation, if any, of such agents shall be fixed by the Committee within limits set by the Hospital Board.

The action of the Committee shall be determined by the vote or other affirmative expression of a majority of its members in attendance where a quorum is present. The Chairman or the Vice- Chairman, in his absence, may execute any certificate or other written direction on behalf of the Committee.

The Committee shall hold and conduct meetings in accordance with Florida Statutes Chapter 286. Meetings may be called by the Chairman or any two members. A majority of the members of the Committee at the time in office shall constitute a quorum for the transaction of business.

Members of the Committee shall serve without compensation for services as such, but the Employer shall pay or reimburse the Committee for all expenses reasonably incurred by the Committee, including the compensation of its agents.

3. **Powers of the Committee.** The Committee shall have complete control of the administration of the Plan, subject to the provisions hereof and the approval of the Employer, with all powers necessary to enable it to properly carry out its duties in that respect. Not in limitation, but in amplification of the foregoing, the Committee shall have the power to construe the Plan and to determine all questions that may arise thereunder. In addition, the Committee shall have all of the duties, powers and responsibilities of the Plan Administrator set forth in Section 11 of the Plan (subject to the provisions hereof and the approval of the Employer). The decisions of the Committee upon all matters within the scope of its authority shall be final.

To enable the Committee to perform its functions, the Employer shall supply full and timely information to the Committee of all matters relating to the compensation of all Participants, their length of service, their retirement, death or other cause for termination of employment, and such other pertinent facts as the Committee may require.

The Employer shall notify the Custodian, Insurance Company and third party record keeper (“Necessary Party”) of the members of the Committee and any changes therein to the extent required by the Necessary Party. The Committee shall, thereupon, advise the

Necessary Party of such facts and issue to the Necessary Party such instructions as may be required by the Necessary Party in order for them to perform their duties under the Plan.

The Committee and the Employer shall be entitled to rely upon all tables, valuations, certificates and reports made by a Certified Public Accountant selected or approved by the Employer and the Committee, the Employer and its officers shall not be held liable in any respect for action taken or suffered by them in good faith in reliance upon the advice or opinion of any such accountant or counsel, and all action so taken or suffered shall be conclusive upon each of them and upon all other persons interested in the Plan.

The Committee shall have no power in any way to modify, alter, add to or subtract from any provisions of the Plan.

4. **Records of the Committee.** All acts and determinations of the Committee shall be duly recorded by the Secretary thereof, or under his supervision, and all such records, together with such other documents as may be necessary for the administration of the Plan shall be preserved in the custody of such Secretary. Such records and documents shall at all times be open for inspection and for the purpose of making copies by any persons designated by the Employer.

5. **Exception from Liability of the Committee.** The members of the Committee, and each of them, shall be free from all liability, joint or several, for their acts, omissions and conduct and for the acts, omissions and conduct of their duly constituted agents, in the administration of the Plan, except to the extent that such acts and consequences shall result from their own willful misconduct or gross negligence.

EXHIBIT A (Part 2)

**GOVERNMENTAL 457(b) PLAN
BASIC PLAN DOCUMENT**

TABLE OF CONTENTS

SECTION 1 PLAN DEFINITIONS

1.01	Account.....	1
1.02	Account Balance	1
1.03	Adoption Agreement (“Agreement” or “AA”).....	1
1.04	Age 50 Catch-Up Contributions	1
1.05	Age 50 Catch-Up Contribution Limit	1
1.06	Alternate Payee.....	1
1.07	Anniversary Years.....	1
1.08	Annuity Starting Date	1
1.09	Beneficiary	1
1.10	Code.....	1
1.11	Collectively Bargained Employee.....	1
1.12	Computation Period	2
	(a) Eligibility Computation Period	2
	(b) Vesting Computation Period	2
1.13	Custodian	2
1.14	Designated Beneficiary	2
1.15	Differential Pay.....	2
1.16	Direct Rollover.....	2
1.17	Disabled	2
1.18	Distribution Calendar Year	2
1.19	Effective Date	2
1.20	Elapsed Time.....	2
1.21	Eligible Employee	2
1.22	Eligible Rollover Distribution.....	2
1.23	Eligible Retirement Plan	2
1.24	Employee	2
1.25	Employer	2
1.26	Employer Contributions	2
1.27	Employment Commencement Date.....	2
1.28	Entry Date.....	2
1.29	Equivalency Method.....	2
1.30	Excess Amount.....	3
1.31	FICA Replacement Plan.....	3
1.32	Governmental Plan.....	3
1.33	Hour of Service	3
	(a) Performance of duties	3
	(b) Nonperformance of duties	3
	(c) Back pay award	3
	(d) Related Employers	3
1.34	Includible Compensation	3
1.35	Independent Contractor.....	3
1.36	Matching Contributions.....	3
1.37	Maximum Contribution Limit.....	3
1.38	Normal Retirement Age	3
1.39	Part-Time Employee.....	3
1.40	Participant.....	3
1.41	Participating Employer	4
1.42	Period of Severance	4
1.43	Plan	4
1.44	Plan Administrator.....	4
1.45	Plan Compensation.....	4
	(a) Determination period.....	4
	(b) Partial period of participation.....	4
1.46	Plan Year.....	4
1.47	Pre-Tax Deferrals	4
1.48	Predecessor Employer.....	4
1.49	Qualified Domestic Relations Order (QDRO).....	4
1.50	Reemployment Commencement Date	4
1.51	Related Employer	5

1.52	Required Beginning Date	5
1.53	Rollover Contribution	5
1.54	Roth Deferrals.....	5
1.55	Salary Deferrals	5
1.56	Salary Reduction Agreement.....	5
1.57	Seasonal Employee	5
1.58	Severance from Employment.....	5
1.59	Special 457 Catch-Up Contributions.....	5
1.60	Temporary Employee.....	5
1.61	Total Compensation	5
	(a) Definition of Total Compensation.....	6
	(b) Post-Severance Compensation	6
	(c) Continuation payments for disabled Participants	7
	(d) Deemed §125 compensation.....	7
	(e) Differential Pay	7
1.62	Valuation Date	7
1.63	Year of Service.....	8

SECTION 2 ELIGIBILITY AND PARTICIPATION

2.01	Eligibility	9
	(a) Salary Deferrals.....	9
	(b) Employer Contributions and Matching Contributions.....	9
2.02	Eligible Employees.....	9
	(a) Only Employees or Independent Contractors may participate in the Plan.....	9
	(b) Excluded Employees	9
	(c) Employees of Related Employers.....	9
	(d) Ineligible Employee becomes Eligible Employee.....	9
	(e) Eligible Employee becomes ineligible Employee.....	10
2.03	Minimum Age and Service Conditions	10
	(a) Application of age and service conditions	10
	(b) Entry Dates for Salary Deferrals, Employer Contributions and Matching Contributions.....	11
2.04	Participation on Effective Date of Plan.....	11
2.05	Service with Predecessor Employers.....	12
2.06	Rehired Employees	12

SECTION 3 PLAN CONTRIBUTIONS

3.01	Types and Timing of Contributions	13
	(a) Types of Contributions	13
	(b) Timing of Contributions	13
	(c) Frozen Plan.....	13
3.02	Employer Contribution Formulas.....	13
	(a) Discretionary Employer Contribution.....	13
	(b) Fixed Employer Contribution	13
	(c) Service-based Employer Contribution	13
	(d) Other Employer Contributions.....	13
	(e) Optional treatment of Employer Contributions as Roth Deferrals.....	13
3.03	Salary Deferrals	13
	(a) Salary Reduction Agreement	13
	(b) Change in Salary Reduction Agreement election	14
	(c) Automatic deferral election	14
	(d) Age 50 Catch-Up Contributions.....	17
	(e) Special 457 Catch-Up Contributions	17
	(f) Deferral of sick, vacation, PTO and back pay.	17
	(g) Roth Deferrals	18
	(h) In-Plan Roth Conversions.	19
3.04	Matching Contributions.....	19
	(a) Contributions eligible for Matching Contributions.....	19
	(b) Period for determining Matching Contributions.....	19
	(c) True-up contributions.....	20
	(d) Optional treatment of Matching Contributions as Roth contributions	20
	(e) Treatment of Qualified Student Loan Payments as Salary Deferrals for Matching Contributions.....	20

3.05	Rollover Contributions.....	20
3.06	Allocation Conditions.....	20
	(a) Application to designated period	21
	(b) Special rule for year of Plan termination	21
3.07	Service with Predecessor Employers.....	21
3.08	FICA Replacement Plan.....	21
	(a) Minimum retirement benefit requirement.....	21
	(b) Qualified Participant	21
	(c) Special rule for short period.....	21
SECTION 4		
ROLLOVER CONTRIBUTIONS, TRANSFERS AND AUTOMATIC PORTABILITY TRANSACTIONS		
4.01	Rollover Contributions.....	23
	(a) Special Accounting Rule for Rollovers.....	24
	(b) Refusal of Rollover Contributions.....	24
4.02	Transfers to the Plan	24
4.03	Automatic Portability Transactions	24
SECTION 5		
LIMITS ON CONTRIBUTIONS		
5.01	Maximum Contribution Limit.....	25
	(a) Components of the Maximum Contribution Limit	25
	(b) Limitation Period	25
	(c) Contributions Subject to the Maximum Contribution Limit.....	25
5.02	Basic Annual Limit.....	25
5.03	Age 50 Catch-Up Limit	25
5.04	Special 457 Catch-Up Limit	25
	(a) Underutilization Limitation	25
	(b) Normal Retirement Age.....	25
	(c) Special Rule for Qualified Police and Firefighters	25
5.05	Excess Deferrals under the Plan.....	25
5.06	Excess Deferrals Arising from Application of the Individual Limitation	26
	(a) Individual Limitation.....	26
	(b) Special Rules for Catch-Up Amounts under Multiple 457(b) Plans.....	26
SECTION 6		
SPECIAL RULES AFFECTING THIS GOVERNMENTAL 457(B) PLAN		
6.01	Plan Adoption as Governmental Plan.....	27
6.02	Failure to Satisfy Requirements of Code §457(b) Applicable to Governmental Code §457(b) Plans.....	27
6.03	Reporting to Internal Revenue Service and Participants	27
6.04	Taxation of Distributions	27
SECTION 7		
PARTICIPANT VESTING AND FORFEITURES		
7.01	Vesting of Contributions	28
7.02	Vesting Schedules	28
	(a) Vesting schedule	28
	(b) Special vesting rules	28
7.03	Year of Service.....	28
	(a) Hours of Service	28
	(b) Elapsed Time method	29
7.04	Vesting Computation Period.....	29
7.05	Excluded service	30
7.06	Service with Predecessor Employers.....	30
7.07	Forfeiture of Benefits.....	30
7.08	Allocation of Forfeitures	30
	(a) Reallocation as additional contributions	30
	(b) Reduction of contributions	30
	(c) Payment of Plan expenses.....	30
	(d) Frozen Plans	30
SECTION 8		
PLAN DISTRIBUTIONS		
8.01	Distribution Options.....	31

8.02	Amount Eligible for Distribution	31
8.03	Permissible Distribution Events	31
8.04	Severance from Employment.....	32
8.05	Distribution Upon Death.....	32
	(a) Death after commencement of benefits	32
	(b) Death before commencement of benefits.....	32
	(c) Determining a Participant's Beneficiary.....	32
	(d) Slayer Rule.....	32
8.06	Distributions of Smaller Amounts.....	33
	(a) Conditions for Distribution	33
	(b) Participant Election	33
8.07	Distributions under a Qualified Domestic Relations Order	33
8.08	Unforeseeable Emergency Distribution	33
	(a) Amount available for distribution	34
	(b) Definition of Unforeseeable Emergency	34
	(c) Availability of Other Resources	34
	(d) Employee certification.	34
8.09	Direct Rollovers	34
	(a) Eligible Rollover Distribution	34
	(b) Eligible Retirement Plan.....	34
	(c) Direct Rollover	35
	(d) Direct Rollover notice	35
	(e) Direct Rollover by Non-Spouse Beneficiary.....	35
	(f) Automatic Rollovers.....	35
8.10	Sources of Distribution.....	35
8.11	Transfers from the Plan to another Code §457(b) Plan.....	35
8.12	Permissive Service Credit Transfers	35
8.13	Qualified Distributions for Retirement Public Safety Officers	34
	(a) Qualified health insurance premiums	34
	(b) Eligible retired public safety officer	34
8.14	Qualified Birth and Adoption Distributions.....	34
	(a) Definitions	34
	(b) \$5,000 limitation.....	34
	(c) Recontributions to applicable Eligible Retirement Plans	34
	(d) Other applicable rules.....	34
8.15	Portability of lifetime income options	34
	(a) Qualified Distribution.....	34
	(b) Lifetime Income Investment.....	34
	(c) Lifetime Income Feature	34
	(d) Qualified Plan Distribution Annuity Contract	34
8.16	Special Disaster-Related Rules under the Taxpayer Certainty and Disaster Tax Relief Act of 2020.....	34
	(a) Eligibility for Qualified Disaster Distribution	34
	(b) Repayment of Qualified Disaster Distribution.....	34
	(c) Special Loan Rules	34
8.17	Qualified Disaster Recovery Distributions and loans from the Plan.....	40
	(a) Eligibility for Qualified Disaster Recovery Distribution.....	40
	(b) Repayment of Qualified Disaster Recovery Distribution.....	40
	(c) Special Loan Rules	40
8.18	Emergency Personal Expense Distributions.....	41
	(a) Definition of Emergency Person Expense Distribution.....	41
	(b) Limits and other rules applicable to Emergency Personal Expense Distributions	41
8.19	Domestic Abuse Distributions.....	41
	(a) Definition of Domestic Abuse Distribution	42
	(b) Definition of Domestic Abuse	42
	(c) Limits and other rules applicable to Domestic Abuse Distributions.....	42
8.20	Qualified Long-Term Care Distributions.....	42
	(a) Definition of Qualified Long-Term Care Distribution.....	42
	(b) Definon of Certified Long-Term Care Insurance	42
	(c) Long-Term Care Premium Statement.....	43

**SECTION 9
REQUIRED MINIMUM DISTRIBUTIONS**

9.01	Required Minimum Distributions during Participant's lifetime.....	44
(a)	Amount of Required Minimum Distribution for each Distribution Calendar Year.....	44
(b)	Lifetime Required Minimum Distributions continue through year of Participant's death	44
9.02	Required Minimum Distribution Rules After Participant's Death	44
(a)	10-year rule.....	45
(b)	Special rule in case of certain trusts for disabled or chronically ill Eligible Designated Beneficiary	45
9.03	Definitions	45
(a)	Designated Beneficiary	45
(b)	Eligible Designated Beneficiary	45
(c)	Distribution Calendar Year.....	46
(d)	Life expectancy	46
(e)	Account Balance.....	46
(f)	Required Beginning Date.....	46
9.04	Special Rules	46
(a)	Forms of Distribution	46
(b)	Treatment of trust beneficiaries as Designated Beneficiaries	46
(c)	Modification of Minimum Distribution Rules Relating to Qualified Longevity Annuity Contracts.....	46
(d)	Other SECURE 2.0 modifications to required minimum distribution rules	46
9.05	Required Minimum Distributions for 2020	52
(a)	Temporary waiver of required minimum distribution rules for 2020	52
(b)	Treatment of trust beneficiaries as Designated Beneficiaries	52

**SECTION 10
INVESTMENT VEHICLES AND PARTICIPANT ACCOUNTS**

10.01	Participant Accounts	53
10.02	Value of Participant Accounts.....	53
(a)	Periodic valuation.....	53
(b)	Daily valuation.....	53
(c)	Interim valuations	53
10.03	Adjustments to Participant Accounts	53
(a)	Distributions and forfeitures from a Participant's Account.....	53
(b)	Contributions and forfeitures allocated to a Participant's Account	53
(c)	Net income or loss.....	53
10.04	Procedures for Determining Net Income or Loss.....	53
10.05	Investments under the Plan.	53
(a)	Individual/Pooled Accounts.....	54
(b)	Participant direction of investments	54

**SECTION 11
PLAN ADMINISTRATION AND OPERATION**

11.01	Plan Administrator.....	55
11.02	Designation of Alternative Plan Administrator.....	55
(a)	Acceptance of responsibility by designated Plan Administrator	55
(b)	Multiple alternative Plan Administrators.	55
(c)	Resignation or removal of designated Plan Administrator.....	55
(d)	Employer responsibilities	55
11.03	Duties, Powers, and Responsibilities of the Plan Administrator.....	55
(a)	Delegation of duties, powers and responsibilities	55
(b)	Specific Plan Administrator responsibilities.	55
11.04	Plan Administration Expenses.....	56
(a)	Reasonable Plan administration expenses.....	56
(b)	Plan expense allocation.	56
11.05	Delegation of Administrative Responsibilities.....	56
11.06	Qualified Domestic Relations Orders (QDROs).....	56
(a)	In general.....	56
(b)	Definitions related to Qualified Domestic Relations Orders (QDROs).....	56
(c)	Recognition as a QDRO	57
(d)	Contents of QDRO	57
(e)	Impermissible QDRO provisions	57
(f)	Immediate distribution to Alternate Payee	57
(g)	Fee for QDRO determination.....	57

(h) Default QDRO procedure.....	57
11.07 Missing Participant or Beneficiary and Uncashed Checks.....	58

SECTION 12 TRUST AGREEMENT

12.01 Creation of Trust.....	59
12.02 Trustee.....	59
(a) Discretionary Trustee.....	59
(b) Directed Trustee.....	59
12.03 Trustee's Responsibilities Regarding Administration of Trust.....	59
12.04 Trustee's Responsibility Regarding Investment of Plan Assets.....	60
12.05 More than One Person as Trustee.....	60
12.06 Annual Valuation.....	61
12.07 Reporting to Plan Administrator and Employer.....	61
12.08 Reasonable Compensation.....	61
12.09 Resignation and Removal of Trustee.....	61
12.10 Indemnification of Trustee.....	61
12.11 Appointment of Custodian.....	61
12.12 Satisfaction of Trust Requirement Using Custodial Accounts or Annuity Contracts.....	62

SECTION 13 PARTICIPANT LOANS

13.01 Availability of Participant Loans.....	63
13.02 Must be Available in Reasonably Equivalent Manner.....	63
13.03 Loan Limitations.....	63
13.04 Limit on Amount and Number of Loans.....	63
(a) Loan renegotiation.....	63
(b) Participant must be creditworthy.....	63
13.05 Reasonable Rate of Interest.....	63
13.06 Adequate Security.....	64
13.07 Periodic Repayment.....	64
(a) Unpaid leave of absence.....	64
(b) Military leave.....	64
13.08 Designation of Accounts.....	64
13.09 Procedures for Loan Default.....	64
13.10 Termination of Employment.....	65
(a) Offset of outstanding loan.....	65
(b) Direct Rollover.....	65
(c) Modified loan policy.....	65
13.11 Amendment of Plan to Eliminate Participant Loans.....	65
13.12 Mergers, Transfers or Direct Rollovers from another Plan/Change in Loan Record Keeper.....	65

SECTION 14 PLAN AMENDMENTS, TERMINATION, MERGERS, EXCHANGES AND TRANSFERS

14.01 Plan Amendments.....	66
(a) Amendment by the Employer.....	66
(b) Reduction of Account Balance.....	66
14.02 Plan Termination.....	66
(a) Distribution upon Plan termination.....	66
(b) Termination upon merger, liquidation or dissolution of the Employer.....	66
(c) Missing Participants.....	66
14.03 Merger or Consolidation.....	66

SECTION 15 MISCELLANEOUS

15.01 Exclusive Benefit.....	67
15.02 Return of Employer Contributions.....	67
15.03 Alienation or Assignment.....	67
15.04 Participants' Rights.....	67
15.05 Military Service.....	67
(a) Death benefits under qualified military service.....	67
(b) Benefit accruals.....	67
(c) Plan distributions.....	68
(d) Make-Up Contributions.....	68

15.06 Annuity Contracts 68

15.07 Use of IRS compliance programs 68

15.08 Governing Law 68

15.09 Waiver of Notice 68

15.10 Use of Electronic Media 68

15.11 Severability of Provisions..... 69

15.12 Binding Effect 69

15.13 Same-Sex Spouses 69

SECTION 16
PARTICIPATING EMPLOYERS

16.01 Participation by Participating Employers 70

16.02 Participating Employer Adoption Page. 70

 (a) Application of Plan provisions. 70

 (b) Plan amendments. 70

 (c) Trust Declaration. 70

16.03 Compensation of Related Employers. 70

16.04 Discontinuance of Participation by a Participating Employer..... 70

16.05 Operational Rules for Related Employer Groups..... 70

SECTION 1 PLAN DEFINITIONS

This Section contains definitions for common terms that are used throughout the Plan. All capitalized terms under the Plan are defined in this Section or in the relevant section of the Plan document where such term is used.

1.01 Account. The separate Account that the Plan Administrator maintains for each Participant under the Plan. A Participant may have any (or all) of the following separate Accounts under the Plan:

- Pre-tax Deferral Account
- Roth Deferral Account
- Employer Contribution Account
- Matching Contribution Account
- Rollover Contribution Account
- Roth Rollover Contribution Account
- In-plan Roth Conversion Account
- Transfer Account

The Plan Administrator will maintain separate Accounts for the vested and non-vested portions of any Account.

The Plan Administrator may establish other Accounts, as it deems necessary, for the proper administration of the Plan.

1.02 Account Balance. Account Balance shall mean a Participant's (or Beneficiary's) balances in all of the Accounts that the Plan Administrator maintains for the Participant (or Beneficiary) under the Plan.

1.03 Adoption Agreement ("Agreement" or "AA"). The Adoption Agreement contains the elective provisions that an Employer may complete to supplement or modify the provisions under the Plan. Each adopting Employer must complete and execute the Adoption Agreement. Employers adopting the Plan (other than the Employer that executes the Signature Page of the Adoption Agreement) must execute a Participating Employer Adoption Page under the Adoption Agreement ("Participating Employer Adoption Page"). An Employer may adopt more than one Adoption Agreement associated with this Plan document. Each executed Agreement is treated as a separate Plan.

1.04 Age 50 Catch-Up Contributions. Salary Deferrals made to the Plan that are in excess of an otherwise applicable Plan limit and that are made by Participants who are age 50 or over by the end of their taxable years. See Section 3.03(d).

1.05 Age 50 Catch-Up Contribution Limit. The annual limit applicable to Age 50 Catch-Up Contributions as set forth in Section 3.03(d)(1).

1.06 Alternate Payee. A person designated to receive all or a portion of the Participant's benefit pursuant to a QDRO. See Section 11.06.

1.07 Anniversary Years. An alternative period for measuring Eligibility Computation Periods (under Section 2.03(a)(2)) and Vesting Computation Periods (under Section 7.04). An Anniversary Year is any 12-month period which commences with the Employee's Employment Commencement Date or which commences with the anniversary of the Employee's Employment Commencement Date.

1.08 Annuity Starting Date. The date a Participant commences distribution from the Plan. If a Participant commences distribution with respect to a portion of such Participant's Account Balance, a separate Annuity Starting Date applies to any subsequent distribution. If distribution is made in the form of an annuity, the Annuity Starting Date may be treated as the first day of the first period for which annuity payments are made.

1.09 Beneficiary. A person designated by the Participant (or by the terms of the Plan) to receive a benefit under the Plan upon the death of the Participant.

1.10 Code. The Internal Revenue Code of 1986, as amended.

1.11 Collectively Bargained Employee. An Employee who is included in a unit of Employees covered by a collective bargaining agreement between the Employer and Employee representatives and whose retirement benefits are subject to good faith bargaining. Such Employees may be excluded from the Plan if designated under AA §3-1(b). See Section 2.02(b)(1) for additional requirements related to the exclusion of Collectively Bargained Employees.

- 1.12 **Computation Period.** The 12-consecutive month period used for measuring whether an Employee completes a Year of Service for eligibility or vesting purposes.
- (a) **Eligibility Computation Period.** The 12-consecutive month period used for measuring Years of Service for eligibility purposes. See Section 2.03(a)(2).
- (b) **Vesting Computation Period.** The 12-consecutive month period used for measuring Years of Service for vesting purposes. See Section 7.04.
- 1.13 **Custodian.** The company(ies) that hold custodial accounts held under the Plan.
- 1.14 **Designated Beneficiary.** A Beneficiary who is designated by the Participant (or by the terms of the Plan) for purposes of the required minimum distribution rules under Code §401(a)(9).
- 1.15 **Differential Pay.** Certain payments made by the Employer to an individual while the individual is performing service in the Uniformed Services.
- 1.16 **Direct Rollover.** A rollover, at the Participant's direction, of all or a portion of the Participant's vested Account Balance directly to an Eligible Retirement Plan.
- 1.17 **Disabled.** An individual is considered Disabled for purposes of applying the provisions of this Plan if the individual meets the definition of Disabled elected by the Employer under AA §2-7 or as defined in separate administrative procedures. If the Plan references a third-party determination of a Participant being Disabled, the Plan Administrator may rely on such determination. A Disabled Participant may make Salary Deferrals to the extent such Participant has eligible Plan Compensation to defer and has not had a Severance from Employment.
- 1.18 **Distribution Calendar Year.** A calendar year for which a minimum distribution is required. See Section 9.
- 1.19 **Effective Date.** The date this Plan, including any restatement or amendment of this Plan, is effective. (See the Employer Signature Page of the Adoption Agreement ("Employer Signature Page").
- 1.20 **Elapsed Time.** A special method for crediting service for eligibility or vesting. See Section 2.03(a)(5) for more information on the Elapsed Time method of crediting service for eligibility purposes and Section 7.03(b) for more information on the Elapsed Time method of crediting service for vesting purposes. Also see Section 3.06 for information on the Elapsed Time method for allocation conditions.
- 1.21 **Eligible Employee.** An Employee who is not excluded from participation under Section 2.02 of the Plan or AA §3-1.
- 1.22 **Eligible Rollover Distribution.** An amount distributed from the Plan that is eligible for rollover to an Eligible Retirement Plan, as defined under Section 8.09(a) of the Plan.
- 1.23 **Eligible Retirement Plan.** A plan described under Section 8.09(b) of the Plan.
- 1.24 **Employee.** An Employee is any individual employed by the Employer (including any Related Employer). An Independent Contractor is not an Employee. An Employee is not eligible to participate under the Plan if the individual is not an Eligible Employee under Section 2.02. The term Employee does not include a leased employee.
- 1.25 **Employer.** Except as otherwise provided, Employer means the Employer that adopts this Plan and any Related Employer. (See Section 16 of the Plan for rules that apply to Employers that execute a Participating Employer Adoption Page.) The Employer must be a State, political subdivision of a State, or any agency or instrumentality of a State or political subdivision of a State, as provided under Code §457(e)(1)(A).
- 1.26 **Employer Contributions.** Contributions the Employer makes pursuant to AA §6. See Section 3.02.
- 1.27 **Employment Commencement Date.** The date the Employee first performs an Hour of Service for the Employer.
- 1.28 **Entry Date.** The date on which an Employee becomes a Participant upon satisfying the Plan's minimum age and service conditions. See Section 2.03(b).
- 1.29 **Equivalency Method.** An alternative method for crediting Hours of Service for purposes of eligibility and vesting. See Section 2.03(a)(4) for eligibility provisions and Section 7.03(a)(2) for vesting provisions.

- 1.30 **Excess Amount.** Amounts which exceed the Code §457(b) Maximum Contribution Limit.
- 1.31 **FICA Replacement Plan.** This Plan may qualify as a FICA Replacement Plan under Code §3121(b)(7)(F) if the requirements under Section 3.08 are satisfied.
- 1.32 **Governmental Plan.** A Governmental Plan is a Plan established and maintained for its Employees by a State, and any agency or instrumentality of a State or political subdivision of a State as described in Code §457(e)(1)(A).
- 1.33 **Hour of Service.** Each Employee of the Employer will receive credit for each Hour of Service such Employee works for purposes of applying the eligibility, vesting and allocation rules under the Plan. An Employee will not receive credit for the same Hour of Service under more than one category listed below.
- (a) **Performance of duties.** Hours of Service include each hour for which an Employee is paid, or entitled to payment, for the performance of duties for the Employer. These hours will be credited to the Employee for the computation period in which the duties are performed.
 - (b) **Nonperformance of duties.** Hours of Service include each hour for which an Employee is paid, or entitled to payment, by the Employer on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence. No more than 501 hours of service will be credited under this paragraph for any single continuous period (whether or not such period occurs in a single Computation Period). Hours under this paragraph will be calculated and credited pursuant to §2530.200b-2 of the Department of Labor Regulations which is incorporated herein by this reference.
 - (c) **Back pay award.** Hours of Service include each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Employer. The same Hours of Service will not be credited both under subsection (a) or subsection (b), as the case may be, and under this subsection (c). These hours will be credited to the Employee for the Computation Period(s) to which the award or agreement pertains rather than the Computation Period in which the award, agreement or payment is made.
 - (d) **Related Employers.** Hours of Service will be credited for employment with any Related Employer.
- 1.34 **Includible Compensation.** As used under this Plan, the term Includible Compensation has the same meaning as Total Compensation, as defined in Section 1.61 of the Plan.
- 1.35 **Independent Contractor.** An individual that provides goods or services to the Employer under terms specified in a contract or within some other type of agreement. Generally, an individual is an Independent Contractor if the Employer has the right to control or direct only the result of the individual's work and not what will be done and how it will be done. An Independent Contractor is not an Employee unless designated otherwise under AA §3-2.
- 1.36 **Matching Contributions.** Matching Contributions are contributions made by the Employer on behalf of a Participant on account of Salary Deferrals made by such Participant, as designated under AA §6B.
- 1.37 **Maximum Contribution Limit.** The limit on contributions made to the Plan as described under Section 5 of the Plan.
- 1.38 **Normal Retirement Age.** The age selected under AA §7-1.
- 1.39 **Part-Time Employee.** Unless defined otherwise under AA §3-1(I), a Part-Time Employee is an Employee who is normally scheduled to work 20 or fewer hours per week. Notwithstanding the foregoing, if the Employer is a post-secondary educational institution, an Employee who is a teacher shall not be considered a Part-Time Employee if such Employee normally has classroom hours of one-half or more of the number of classroom hours designated by the Employer as constituting full-time employment, provided that such designation is reasonable under all of the facts and circumstances.
- 1.40 **Participant.** Except as provided under AA §3-1, a Participant is an Employee (or former Employee) who has satisfied the conditions for participating under the Plan, as described in Section 2.03 and AA §4-1. A Participant also includes any Employee (or former Employee) who has an Account Balance under the Plan, including an Account Balance derived from a rollover or transfer from another plan or IRA. A Participant is entitled to share in an allocation of contributions or forfeitures under the Plan for a given year only if the Participant is an Eligible Employee as defined in Section 2.02, and satisfies the allocation conditions set forth in Section 3.06.

An Employee is treated as a Participant with respect to Salary Deferrals once the Employee has satisfied the eligibility conditions under AA §4-1 for making such contributions, even if the Employee chooses not to actually make such contributions

to the Plan. An Employee is treated as a Participant with respect to Matching Contributions once the Employee has satisfied the eligibility conditions under AA §4-1 for receiving such contributions, even if the Employee does not receive a Matching Contribution because of the Employee's failure to make contributions eligible for the Matching Contribution.

- 1.41 **Participating Employer.** An Employer that adopts this Plan by executing the Participating Employer Adoption Page. See **Section 16** for the rules applicable to Participating Employers.
- 1.42 **Period of Severance.** A continuous period of time during which the Employee is not employed by the Employer, and which is used to determine an Employee's Participation under the Elapsed Time method. See Section 2.03(a)(5) for rules regarding eligibility and Section 7.03(b) for rules regarding vesting.
- 1.43 **Plan.** The Plan is the deferred compensation plan, established or continued by the Employer for the benefit of its Employees under this Plan document, which is to be interpreted and operated in compliance with the requirements of Code §457(b) and applicable regulations. The Employer must be an eligible employer under Code §457(e)(1)(A) to establish the Plan and the Plan must satisfy the requirements of Treas. Reg. 1.457(b). The Plan consists of the Basic Plan Document (BPD) and the elections made under the Adoption Agreement. The Basic Plan Document is the portion of the Plan that contains the non-elective provisions. The Employer may supplement or modify the Basic Plan Document through its elections in the Adoption Agreement or by separate governing documents. If the Employer adopts more than one Adoption Agreement under this Plan, then each executed Adoption Agreement represents a separate Plan.
- 1.44 **Plan Administrator.** The Plan Administrator is the person designated to be responsible for the administration and operation of the Plan. Unless otherwise designated by the Employer, the Plan Administrator is the Employer. If another Employer has executed a Participating Employer Adoption Page, the Employer referred to in this Section is the Employer that executes the Employer Signature Page.
- 1.45 **Plan Compensation.** Plan Compensation is Total Compensation, as modified under AA §5-3, which is actually paid to an Employee during the determination period (as defined in subsection (a) below). In determining Plan Compensation, the Employer may elect under AA §5-3 to exclude all Salary Deferrals, pre-tax contributions to a cafeteria plan or a Code §457 plan, and qualified transportation fringes under Code §132(f)(4). In addition, the Employer may elect under AA §5-3 to exclude other designated elements of compensation.
- Plan Compensation generally includes amounts an Employee earns with a Participating Employer and amounts earned with a Related Employer (even if the Related Employer has not executed a Participating Employer Adoption Page). However, the Employer may elect under AA §5-3(j) to exclude all amounts earned with a Related Employer that has not executed a Participating Employer Adoption Page.
- (a) **Determination period.** Unless designated otherwise under AA §5-4(a), Plan Compensation is determined based on the Plan Year. Alternatively, the Employer may elect under AA §5-4 to determine Plan Compensation on the basis of the calendar year ending in the Plan Year or any other 12-month period ending in the Plan Year. If the determination period is the calendar year or other 12-month period ending in the Plan Year, for any Employee whose date of hire is less than 12 months before the end of the designated 12-month period, Plan Compensation will be determined over the Plan Year.
- (b) **Partial period of participation.** If an Employee is a Participant for only part of a Plan Year, Plan Compensation may be determined over the entire Plan Year or over the period during which such Employee is a Participant. In determining whether an Employee is a Participant for purposes of applying this subsection (b), the Employee's status will be determined solely with respect to the contribution type for which the definition of Plan Compensation is being determined. Plan Compensation does not include any amounts paid for any period while an individual is not an Eligible Employee (as defined in Section 2.02).
- 1.46 **Plan Year.** The 12-consecutive month period designated under AA §2-4 on which the records of the Plan are maintained.
- 1.47 **Pre-Tax Deferrals.** Pre-Tax Deferrals are a Participant's Salary Deferrals that are not includible in the Participant's gross income at the time deferred.
- 1.48 **Predecessor Employer.** An employer that previously employed the Employees of the Employer.
- 1.49 **Qualified Domestic Relations Order (ODRO).** A domestic relations order that provides for the payment of all or a portion of the Participant's benefits to an Alternate Payee and satisfies the requirements under Code §414(p). See Section 11.06.
- 1.50 **Reemployment Commencement Date.** The first date upon which an Employee is credited with an Hour of Service following a break in employment service (or Period of Severance, if the Plan is using the Elapsed Time method of crediting service).

- 1.51 Related Employer.** A Related Employer means a controlled group of employers under common control. This determination is made consistent with the principles set forth under Treas. Reg. §1.414(c)-5 and any other guidance issued by the IRS relating to control groups of tax-exempt or governmental employers. For purposes of applying the provisions under this Plan, the Employer and any Related Employers are treated as a single Employer, unless specifically stated otherwise. See **Section 16.05** for operational rules that apply when the Employer is a member of a Related Employer group. Also see **Section 2.02(c)** or **Section 16** for rules regarding participation of Employees of Related Employers.
- 1.52 Required Beginning Date.** The date by which minimum distributions must commence under the Plan. See **Section 9.03(f)**.
- 1.53 Rollover Contribution.** A contribution made by an Employee to the Plan attributable to an Eligible Rollover Distribution, as defined under **Section 8.09(a)** of the Plan. See Section 3.05 for rules regarding the acceptance of Rollover Contributions under this Plan.
- 1.54 Roth Deferrals.** Roth Deferrals are Salary Deferrals that are includible in the Participant's gross income at the time deferred and have been irrevocably designated as Roth Deferrals in the Participant's Salary Reduction Agreement. A Participant's Roth Deferrals will be maintained in a separate Account containing only the Participant's Roth Deferrals and gains and losses attributable to those Roth Deferrals.
- 1.55 Salary Deferrals.** Amounts contributed to the Plan at the election of the Participant, in lieu of cash compensation, which are made pursuant to a Salary Reduction Agreement or other deferral mechanism, and which are not includible in the gross income of the Employee pursuant to Code §457. Salary Deferrals may include Roth Deferrals and Pre-Tax Deferrals.
- 1.56 Salary Reduction Agreement.** A written agreement between a Participant and the Employer, whereby the Participant elects to have a specific percentage or dollar amount withheld from such Participant's Plan Compensation and the Employer agrees to contribute such amount into the 457(b) Plan. See Section 3.03(a).
- 1.57 Seasonal Employee.** An Employee who normally works on a full-time basis less than five months during any year.
- 1.58 Severance from Employment.** The Employee ceases to be employed by the Employer maintaining the Plan due to death, retirement or other severance from employment as provided under Treas. Reg. §1.457-6(b)(1). An Independent Contractor is considered to have a Severance from Employment upon the expiration of the contract under which the services are performed as provided under Treas. Reg. §1.457-6(b)(2). An Independent Contractor will be deemed to have a Severance from Employment if: (1) no amount will be paid from the Plan before a date that is at least 12 months after the contract expires, and (2) no amount payable to the Participant on the date described in (1) is paid if, before such date, the Participant performs services for the employer as an Independent Contractor or as an Employee.
- 1.59 Special 457 Catch-Up Contributions.** A special catch-up contribution allowed for certain Employees as permitted under Code §457(b)(3) and described under **Section 5.04**.
- 1.60 Temporary Employee.** Any Employee performing services under a contractual arrangement with the Employer of two years or less duration. Possible contract extensions may be considered in determining the duration of a contractual arrangement, but only if, under the facts and circumstances, there is a significant likelihood that the Employee's contract will be extended. Future contract extensions are considered significantly likely to occur for purposes of this rule if:
- (a) on average 80 percent of similarly situated Employees have had bona fide offers to renew their contracts in the immediately preceding two academic or calendar years; or
 - (b) the Employee with respect to whom the determination is being made has a history of contract extensions with respect to such Employee's current position.
- An Employee is not considered a Temporary Employee solely because such Employee is included in a unit of Employees covered by a collective bargaining agreement of two years or less duration.
- 1.61 Total Compensation.** A Participant's compensation for services with the Employer. The term Total Compensation as used in this Plan has the same meaning as "includible compensation" as defined under Treas. Reg. §1.457-2(g). As used under this Plan, the terms Total Compensation and Includible Compensation have the same meaning. Total Compensation may be defined in AA §5-1 to be either W-2 Wages, Wages under Code §3401(a), or Code §415 Compensation. Each definition of Total Compensation includes Salary Deferrals, elective contributions to a cafeteria plan under Code §125 or to an eligible deferred compensation plan under Code §401(k) or Code §403(b), and elective contributions that are not includible in the Employee's gross income as a qualified transportation fringe under Code §132(f)(4). In the case of a Participant who for a taxable year excludes from gross income under Code §131 a qualified foster care payment which is a difficulty of care payment, the

Participant's Total Compensation shall be increased by the amount of the excludable difficulty of care payments made by the Employer.

For an Independent Contractor, Total Compensation means the income reportable by the Employer for services performed for the Employer by the Independent Contractor.

Unless described otherwise under AA §5-3(k), a reference to elective contributions under a Code §125 cafeteria plan includes any amounts that are not available to a Participant in cash in lieu of group health coverage because the Participant is unable to certify that such Participant has other health coverage. Such "deemed §125 compensation" will be treated as an amount under Code §125 only if the Employer does not request or collect information regarding the Participant's other health coverage as part of the enrollment process for the health plan.

(a) **Definition of Total Compensation.** The Employer may elect under AA §5-1 to define Total Compensation as any of the following definitions:

- (1) **W-2 Wages.** Wages within the meaning of Code §3401(a) and all other payments of compensation to an Employee by the Employer (in the course of the Employer's trade or business) for which the Employer is required to furnish the Employee a written statement under Code §6041(d), 6051(a)(3), and 6052, determined without regard to any rules under Code §3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed.
- (2) **Wages under Code §3401(a).** Wages within the meaning of Code §3401(a) for the purposes of income tax withholding at the source but determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or the services performed.
- (3) **Code §415 Compensation.** Wages, salaries, fees for professional services and other amounts received for personal services actually rendered in the course of employment with the Employer (without regard to whether or not such amounts are paid in cash) to the extent that the amounts are includible in gross income. Such amounts include, but are not limited to, commissions, compensation for services on the basis of a percentage of profits, tips, bonuses, fringe benefits, and reimbursements or other expense allowances under a nonaccountable plan (as described in Treas. Reg. §1.62-2(c)), and excluding the following:
 - (i) Employer contributions to a plan of deferred compensation which are not includible in the Employee's gross income for the taxable year in which contributed, or Employer contributions (other than Salary Deferrals) under a Simplified Employee Pension Plan (as described in Code §408(k)), or any distributions from a plan of deferred compensation.
 - (ii) Amounts realized from the exercise of a non-qualified stock option, or when restricted stock (or property) held by the Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture.
 - (iii) Amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option.
 - (iv) Other amounts which received special tax benefits, or contributions made by the Employer (other than elective deferrals) towards the purchase of an annuity contract described in Code §403(b) (whether or not the contributions are actually excludable from the gross income of the Employee).

(b) **Post-Severance Compensation.** Total Compensation includes compensation that is paid after an Employee severs employment with the Employer, provided the compensation is paid by the later of 2½ months after severance from employment with the Employer maintaining the Plan or the end of the calendar year that includes such date of severance from employment. For this purpose, compensation paid after severance of employment may only be included in Total Compensation to the extent such amounts would have been included as compensation if they were paid prior to the Employee's severance from employment.

For purposes of applying this subsection (b), unless designated otherwise under AA §5-2(a), the following amounts that are paid after a Participant's Severance from Employment are included in Total Compensation:

- (1) **Regular pay.** Compensation for services during the Employee's regular working hours, or compensation for services outside the Employee's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments;

- (2) **Unused leave payments.** Payment 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; and
- (3) **Deferred compensation.** Payments received by an Employee pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid to the Employee at the same time if the Employee had continued in employment and only to the extent that the payment is includible in the Employee's gross income.

Other post-severance payments (such as severance pay, parachute payments within the meaning of Code §280G(b)(2), or post-severance payments under a nonqualified unfunded deferred compensation plan that would not have been paid if the Employee had continued in employment) are not included as Total Compensation, even if such amounts are paid within the time period described in this subsection (b).

In determining the amount of a Participant's Employer Contributions, Matching Contributions or Salary Deferrals, Plan Compensation may not include any amounts that do not satisfy the requirements of this subsection (b) or subsection (c). If Total Compensation is defined to include post-severance compensation, the Employer may elect to exclude all such compensation paid after severance from employment from the definition of Plan Compensation under AA §5-3(l) or may elect to exclude any of the specific types of post-severance compensation defined in subsections (1), (2) and/or (3) above, by designating such compensation types under AA §5-3(n).

- (c) **Continuation payments for disabled Participants.** Unless designated otherwise under AA §5-2(b), Total Compensation does not include compensation paid to a Participant who is permanently and totally disabled (as defined in Code §22(e)(3)). For this purpose, compensation is the compensation the Participant would have received for the year if the Participant was paid at the rate of compensation paid immediately before becoming permanently and totally disabled (if such compensation is greater than the Participant's compensation determined without regard to this subsection (c)), provided contributions made with respect to amounts treated as compensation under this subsection (c) are nonforfeitable when made.

If elected under AA §5-2(b), such amounts will be included as Total Compensation, notwithstanding the rules under subsection (b).

- (d) **Deemed §125 compensation.** A reference to elective contributions under a Code §125 cafeteria plan includes any amounts that are not available to a participant in cash in lieu of group health coverage because the Participant is unable to certify that such Participant has other health coverage. Such deemed §125 compensation will be treated as an amount under Code §125 only if the Employer does not request or collect information regarding the Participant's other health coverage as part of the enrollment process for the health plan. If the Employer elects under AA §5-3(k) to exclude deemed §125 compensation from the definition of Plan Compensation, such exclusion also will apply for purposes of determining Total Compensation under this **Section 1.61**.
- (e) **Differential Pay.** In the case of an individual who receives Differential Pay from the Employer:
 - (1) such individual will be treated as an Employee of the Employer making the payment, and
 - (2) the Differential Pay shall be treated as wages and will be included in calculating an Employee's Total Compensation under the Plan.

If all Employees performing service in the Uniformed Services are entitled to receive Differential Pay on reasonably equivalent terms and are eligible to make contributions based on the payments on reasonably equivalent terms, the Plan shall not be treated as failing to meet the requirements of any provision described in Code §414(u)(1)(C) by reason of any contribution or benefit based on Differential Pay. The Employer may elect to exclude Differential Pay from the definition of Plan Compensation under AA §5-3(m).

For purposes of this subsection (d), Differential Pay means any payment which is made by an Employer to an individual while the individual is performing service in the Uniformed Services while on active duty for a period of more than 30 days and represents all or a portion of the wages the individual would have received from the Employer if the individual were performing services for the Employer. In applying the provisions of this subsection (d), Uniformed Services are services as described in Code §3401(h)(2)(A).

- 1.62** **Valuation Date.** The date or dates upon which Plan assets are valued. Plan assets will be valued as of the last day of each Plan Year. In addition, the Employer may elect under AA §10-1 to establish additional Valuation Dates. Notwithstanding any election under AA §10-1, the Trustee and the Employer and/or the Plan Administrator may agree to more frequent valuation dates.

- 1.63** **Year of Service.** A Year of Service is a 12-consecutive month period (“Computation Period”) during which an Employee completes 1,000 Hours of Service. For purposes of applying the eligibility rules under Section 2.03 of the Plan, an Employee will earn a Year of Service if such Employee completes 1,000 Hours of Service with the Employer during an Eligibility Computation Period (as defined in Section 2.03(a)(2)). For purposes of applying the vesting rules under Section 7.03, an Employee will earn a Year of Service if such Employee completes 1,000 Hours of Service with the Employer during a Vesting Computation Period (as defined in Section 7.04). The Employer may elect under AA §4-3(a) (for eligibility purposes) and AA §8-5(a) (for vesting purposes) to require the completion of any other number of Hours of Service to earn a Year of Service. Alternatively, the Employer may elect to apply the Elapsed Time method (for eligibility and/or vesting purposes) in calculating an Employee’s Years of Service under the Plan.

SECTION 2
ELIGIBILITY AND PARTICIPATION

- 2.01** **Eligibility.** In order to participate in the Plan, an Employee must be an Eligible Employee (as defined in Section 2.02) and must satisfy the Plan's minimum age and service conditions (as defined in Section 2.03). Once an Employee satisfies the Plan's minimum age and service conditions, such Employee shall become a Participant on the appropriate Entry Date (as selected in AA §4-2). An Employee who meets the minimum age and service requirements set forth herein, but who is not an Eligible Employee, will be eligible to participate in the Plan only upon becoming an Eligible Employee.
- (a) **Salary Deferrals.** An Employee who is not excluded from participation under Section 2.02(b) will become an Eligible Participant under the Plan for purposes of making Salary Deferrals as of the Entry Date elected in the Agreement following the satisfaction of the age and service conditions specified in AA §4-1. The Employer will contribute a Participant's Salary Deferrals to the Plan on behalf of the Participant. To be eligible to make Salary Deferrals, an Eligible Participant must complete a Salary Reduction Agreement. A Salary Reduction Agreement election is not effective unless the Participant enters into the Agreement before the Plan Compensation to which it applies is paid or made available.
- (b) **Employer Contributions and Matching Contributions.** An Employee who is not excluded from participation under Section 2.02(b) will become an Eligible Participant under the Plan for purposes of receiving Employer Contributions and Employer Matching Contributions (as applicable) as of the Entry Date elected in the Agreement following the satisfaction of the age and service conditions specified in AA §4-1.
- 2.02** **Eligible Employees.** Unless specifically excluded under AA §3-1 or this Section 2.02, all Employees of the Employer are Eligible Employees. AA §3-1 lists various classes of Employees that may be excluded from Plan participation. If an Employee is not an Eligible Employee (e.g., such Employee is a member of a class of Employees excluded under AA §3-1), that individual may not participate under the Plan, unless such Employee subsequently becomes an Eligible Employee.
- (a) **Only Employees or Independent Contractors may participate in the Plan.** To participate in the Plan, an individual must be an Employee or, if elected under the Adoption Agreement, an Independent Contractor. If an Employer elects to cover Independent Contractors, such Independent Contractors will be treated as an Employee under the Plan. The Employer may describe special rules applicable to Independent Contractors under AA §3-2(b). If an individual who is classified as a non-Employee is later determined by the Employer, or by a court or other government agency, to be an Employee of the Employer, the reclassification of such individual as an Employee will not create retroactive rights to participate in the Plan. A leased employee is not eligible to participate in the Plan.
- (b) **Excluded Employees.** The Employer may elect under AA §3-1 to exclude designated classes of Employees. The Employer may elect to exclude different classes of Employees for different contribution sources under the Plan.
- (1) **Collectively Bargained Employees.** The Employer may elect under AA §3-1(b) to exclude Collectively Bargained Employees, unless the Collective Bargaining Agreement provides otherwise. For this purpose, a Collectively Bargained Employee is an Employee who is included in a unit of Employees covered by a collective bargaining agreement between the Employer and Employee representatives and whose retirement benefits are subject to good faith bargaining.
- (2) **Nonresident aliens.** The Employer may elect under AA §3-1(c) to exclude Employees who are nonresident aliens. For this purpose, a nonresident alien is neither a citizen of the United States nor a resident of the United States for U.S. tax purposes (as defined in Code §7701(b)), and who does not have any earned income (as defined in Code §911) for the Employer that constitutes U.S. source income (within the meaning of Code §861). If a nonresident alien Employee has U.S. source income, such Employee is treated as satisfying this definition if all of such Employee's U.S. source income from the Employer is exempt from U.S. income tax under an applicable income tax treaty.
- (3) **Employees who normally work fewer than a certain number of hours per week.** The Employer may elect under AA §3-1(d) to exclude Employees who normally work fewer than a certain number of hours per week.
- (c) **Employees of Related Employers.** If the Employer is a member of a Related Employer group, Employees of each member of the Related Employer group may participate under this Plan, provided the Related Employer executes a Participating Employer Adoption Page. If a Related Employer does not execute a Participating Employer Adoption Page, any Employees of such Related Employer are not eligible to participate in the Plan. See **Section 16** for rules regarding participation of Employees of Related Employers.
- (d) **Ineligible Employee becomes Eligible Employee.** If an Employee changes status from an ineligible Employee to an

Eligible Employee, such Employee will become a Participant immediately on the date such Employee changes status to an Eligible Employee, provided the Employee has satisfied the Plan's minimum age and service conditions (with respect to Employer Contributions) and has passed the Entry Date (as defined in AA §4-2) that would otherwise have applied had the Employee been an Eligible Employee. If the Employee's original Entry Date (determined as if the Employee was always an Eligible Employee) has not passed as of the date the Employee becomes an Eligible Employee, the Employee will not become a Participant until such Entry Date. If an ineligible Employee has not satisfied the Plan's minimum age and service conditions applicable to Employer Contributions at the time such Employee becomes an Eligible Employee, such Employee will become a Participant on the appropriate Entry Date following satisfaction of the Plan's minimum age and service requirements. The requirements for the timing of participation under this subsection (d) are deemed satisfied with respect to Salary Deferrals if the Employee is permitted to commence making Salary Deferrals under the Plan as soon as administratively feasible after the Employee is eligible to participate in the Plan. The Employer may modify these rules under AA §4-3(e) of the Plan or in separate written procedures.

- (e) **Eligible Employee becomes ineligible Employee.** If an Employee ceases to qualify as an Eligible Employee (i.e., the Employee changes status from an eligible class to an ineligible class of Employees), such Employee will immediately cease to participate in the Plan. If such Employee should subsequently become an Eligible Employee, such Employee will be able to participate in the Plan in accordance with subsection (d) above.

2.03 Minimum Age and Service Conditions. AA §4-1 contains specific elections as to the minimum age and service conditions which an Employee must satisfy prior to becoming eligible to participate under the Plan.

- (a) **Application of age and service conditions.** The Employer may elect under AA §4-1 to impose minimum age and service conditions that an Employee must satisfy in order to participate under the Plan.
- (1) **Year of Service.** In applying the minimum service requirements under AA §4-1, an Employee will earn a Year of Service if the Employee completes at least 1,000 Hours of Service with the Employer during an Eligibility Computation Period (as defined in subsection (2) below). The Employer may modify the definition of Year of Service under AA §4-3(a) to require some other number of Hours of Service to earn a Year of Service. An Employee will receive credit for a Year of Service, as of the end of the Eligibility Computation Period during which the Employee completes the required Hours of Service needed to earn a Year of Service. An Employee need not be employed for the entire Eligibility Computation Period to receive credit for a Year of Service, provided the Employee completes the required Hours of Service during such period.
- (2) **Eligibility Computation Periods.** In determining whether an Employee has earned a Year of Service for eligibility purposes, an Employee's initial Eligibility Computation Period is the 12-month period beginning on the Employee's Employment Commencement Date. Subsequent Eligibility Computation Periods will either be based on Plan Years or Anniversary Years (as set forth in AA §4-3).
- (i) **Plan Years.** If the Employer elects under AA §4-3 to base subsequent Eligibility Computation Periods on Plan Years, the Plan will begin measuring Years of Service on the basis of Plan Years beginning with the first Plan Year commencing after the Employee's Employment Commencement Date. Thus, for the first Plan Year following the Employee's Employment Commencement Date, the initial Eligibility Computation Period and the first Plan Year Eligibility Computation Period may overlap.
- (ii) **Anniversary Years.** If the Employer elects under AA §4-3 to base subsequent Eligibility Computation Periods on Anniversary Years, the Plan will measure Years of Service after the initial Eligibility Computation Period on the basis of 12-month periods commencing with the anniversaries of the Employee's Employment Commencement Date.
- (3) **Hours of Service.** In calculating an Employee's Hours of Service for purposes of applying the eligibility rules under this Section 2.03, the Employer will count the actual Hours of Service an Employee works during the year. The Employer may elect under AA §4-3(c) or (d) to use the Equivalency Method or Elapsed Time method (instead of counting the actual Hours of Service an Employee works). (See subsections (4) and (5) below for a description of the Equivalency Method and Elapsed Time method of crediting service.)
- (4) **Equivalency Method.** Instead of counting actual Hours of Service in applying the minimum service conditions under this Section 2.03, the Employer may elect under AA §4-3(d) to determine Hours of Service based on the Equivalency Method. Under the Equivalency Method, an Employee receives credit for a specified number of Hours of Service based on the period or hours worked with the Employer.

- (i) **Monthly.** Under the monthly Equivalency Method, an Employee is credited with 190 Hours of Service for each calendar month during which the Employee completes at least one Hour of Service with the Employer.
 - (ii) **Daily.** Under the daily Equivalency Method, an Employee is credited with 10 Hours of Service for each day during which the Employee completes at least one Hour of Service with the Employer.
 - (iii) **Weekly.** Under the weekly Equivalency Method, an Employee is credited with 45 Hours of Service for each week during which the Employee completes at least one Hour of Service with the Employer.
 - (iv) **Semi-monthly.** Under the semi-monthly Equivalency Method, an Employee is credited with 95 Hours of Service for each semi-monthly period during which the Employee completes at least one Hour of Service with the Employer.
 - (v) **Hours worked.** Under the hours worked Equivalency method, 870 hours worked is treated as 1,000 Hours of Service and 435 hours worked treated as 500 Hours of Service.
 - (vi) **Regular time hours.** Under the regular time hours Equivalency Method, 750 regular time hours is treated as 1,000 Hours of Service and 375 regular time hours treated as 500 Hours of Service.
- (5) **Elapsed Time method.** Instead of counting actual Hours of Service in applying the minimum service requirements under this Section 2.03, the Employer may elect under AA §4-3(c) to apply the Elapsed Time method for calculating an Employee's service with the Employer. Under the Elapsed Time method, an Employee receives credit for the aggregate period of time worked for the Employer commencing with the Employee's first day of employment (or Reemployment Commencement Date, if applicable) and ending on the date the Employee begins a Period of Severance which lasts at least 12 consecutive months. In calculating an Employee's aggregate period of service, an Employee receives credit for any Period of Severance that lasts less than 12 consecutive months. If an Employee's aggregate period of service includes fractional years, such fractional years are expressed in terms of days or months, as the Plan Administrator determines operationally on a consistent basis.
- (i) **Period of Severance.** For purposes of applying the Elapsed Time method, a Period of Severance is any continuous period of time during which the Employee is not employed by the Employer. A Period of Severance begins on the date the Employee retires, quits or is discharged, or if earlier, the 12-month anniversary of the date on which the Employee is first absent from service for a reason other than retirement, quit or discharge.

In the case of an Employee who is absent from work for maternity or paternity reasons, the 12-consecutive month period beginning on the first anniversary of the first date of such absence shall not constitute a Period of Severance. For purposes of this paragraph, an absence from work for maternity or paternity reasons means an absence (i) by reason of the pregnancy of the Employee, (ii) by reason of the birth of a child of the Employee, (iii) by reason of the placement of a child with the Employee in connection with the adoption of such child by the Employee, or (iv) for purposes of caring for a child of the Employee for a period beginning immediately following the birth or placement of such child.
 - (ii) **Related Employers.** For purposes of applying the Elapsed Time method, service will be credited for employment with any Related Employer.
- (6) **Amendment of age and service requirements.** If the Plan's minimum age and service conditions are amended, an Employee who is a Participant immediately prior to the effective date of the amendment is deemed to satisfy the amended requirements. This provision may be modified under the special Effective Date provisions under Appendix A of the Adoption Agreement.
- (b) **Entry Dates for Salary Deferrals, Employer Contributions and Matching Contributions.** Once an Eligible Employee satisfies the minimum age and service conditions (as set forth in AA §4-1), the Employee will be eligible to participate under the Plan as of such Employee's Entry Date (as set forth in AA §4-2). The Employer may elect different Entry Dates with respect to Salary Deferrals, Matching Contributions and Employer Contributions.

2.04 Participation on Effective Date of Plan. An Employee who has satisfied the minimum age and service conditions and reached such Employee's Entry Date as of the Effective Date of the Plan will be eligible to participate in the Plan as of such Effective Date. If an Employee has satisfied the minimum age and service conditions as of the Effective Date of the Plan but has not yet reached such Employee's Entry Date, the Employee will be eligible to participate on the appropriate Entry Date. The Employer

may modify this rule under AA §4-4 by electing to treat all Employees employed on the Effective Date of the Plan as Participants (regardless of whether they have satisfied the Plan's minimum age and service conditions) or by designating a specific date as of which all Eligible Employees will be deemed to be a Participant, (regardless of whether the Employee has otherwise satisfied the minimum age and service conditions).

- 2.05 Service with Predecessor Employers.** Unless the Employer elects otherwise, if the Employer maintains the plan of a Predecessor Employer, any service with such Predecessor Employer is treated as service with the Employer for purposes of applying the provisions of this Plan. If the Employer does not maintain the plan of a Predecessor Employer, service with such Predecessor Employer does not count for eligibility purposes under this Section 2, unless the Employer specifically designates under AA §4-5 to credit service with such Predecessor Employer for eligibility. If the Employer takes into account service with a Predecessor Employer, such service will count for purposes of eligibility under this Section 2, vesting under Section 7 (see Section 7.06) and for purposes of the allocation conditions under Section 3.06 (see Section 3.07), as designated under AA §4-5.
- 2.06 Rehired Employees.** If a terminated Employee is subsequently rehired, such Employee will be eligible to participate in the Plan on such Employee's Reemployment Commencement Date, if the Employee is an Eligible Employee and the Employee had satisfied the Plan's minimum age and service conditions prior to such Employee's termination of employment. If a rehired Employee had not satisfied the Plan's minimum age and service conditions prior to termination of employment, such Employee is eligible to participate in the Plan on the appropriate Entry Date following satisfaction of the eligibility requirements under this Section 2. The Employer may modify the eligibility rules for rehired Employees under separate administrative procedures.

SECTION 3 PLAN CONTRIBUTIONS

This Section 3 describes the type of contributions that may be made to the Plan. The type of contributions that may be made to the Plan and the method for allocating such contributions may vary depending on the type of Plan involved. (See **Section 5** for a discussion of the limits that apply to any contributions made under the Plan.)

3.01 **Types and Timing of Contributions.**

- (a) **Types of Contributions.** An Employer may designate under AA §6 the amount and type of contributions that may be made under this Plan. To share in a contribution under the Plan, an Employee must satisfy all of the conditions for being a Participant (as described in Section 2) and must satisfy any allocation conditions (as described in Section 3.06) applicable to the particular type of contribution.
- (b) **Timing of Contributions.** The Employer must make contributions to the Plan within a reasonable period of time for the proper administration of the Plan.
- (c) **Frozen Plan.** The Employer may designate under AA §2-6 that the Plan is a frozen Plan. As a frozen Plan, the Employer will not make any Employer Contributions or Matching Contributions with respect to Plan Compensation earned after the date identified in AA §2-6 and no Participant will be permitted to make Salary Deferrals to the Plan for any period after the date identified in AA §2-6. The Plan Administrator may establish administrative policies relating to a frozen plan, including the acceptance of Rollover Contributions into the Plan.

3.02 **Employer Contribution Formulas.** If elected under AA §6, the Employer may make an Employer Contribution to the Plan, in accordance with the contribution formula selected under AA §6-2. Any Employer Contribution authorized under the Plan must be allocated in accordance with a definite allocation formula as set forth in AA §6-3. To receive an allocation of Employer Contributions, a Participant must satisfy any allocations conditions designated under the Plan, as described in Section 3.06 below.

The Employer may elect under AA §6-2 to make any of the following Employer Contributions. If the Employer elects more than one Employer Contribution formula, each formula is applied separately. The Employer's aggregate Employer Contribution for a Plan Year will be the sum of the Employer Contributions under all such formulas.

- (a) **Discretionary Employer Contribution.** If elected in AA §6-2(a), the Employer may decide on an annual basis how much (if any) it wishes to contribute to the Plan as an Employer Contribution.
- (b) **Fixed Employer Contribution.** If elected in AA §6-2(b), the Employer will make a fixed contribution to the Plan as a designated percentage of Plan Compensation, as a uniform dollar amount or in accordance with a personal service contract, employment contract, or a Collective Bargaining Agreement.
- (c) **Service-based Employer Contribution.** If elected in AA §6-2(c), the Employer may make a contribution based on an Employee's service with the Employer during the Plan Year (or other period designated under AA §6-4(a)). The Employer may elect to make the service-based contribution as a discretionary contribution or as a fixed contribution.
- (d) **Other Employer Contributions.** The Employer may make other types of Employer Contributions, including FICA Replacement Contributions, as described in AA §§6-2(d) and (e).
- (e) **Optional treatment of Employer Contributions as Roth Deferrals.** As provided under §402A(a)(2) as added by the SECURE 2.0 Act of 2022 (SECURE 2.0), if elected by the Employer under AA §6-6, a Participant may elect to treat a nonforfeitable Employer Contribution as a Roth Deferral. The Plan Administrator may adopt administrative procedures consistent with Code §402A(a)(2) and applicable guidance.

3.03 **Salary Deferrals.** The Employer may elect under AA §6A to authorize Participants to make Salary Deferrals under the Plan. The Employer will transfer Salary Deferral amounts withheld from a Participant's Plan Compensation to the Trust within a reasonable period appropriate for the proper administration of Participant's Accounts. Such amounts withheld will be deposited into each Participant's Salary Deferral Account under the Plan.

- (a) **Salary Reduction Agreement.** In order to make Salary Deferrals under the Plan, a Participant must enter into a Salary Reduction Agreement which authorizes the Employer to withhold a specific dollar amount or a specific percentage from the Participant's Plan Compensation. The Salary Reduction Agreement election may permit a Participant to specify a different percentage or dollar amount be withheld from specified components of Plan Compensation, such as base pay, bonuses, commissions, etc. The Employer may apply special limits on the amount of Salary Deferrals that may be deferred from bonus payments under AA §6A-2(b) or may apply special deferral limits applicable to bonus payments

under the Salary Reduction Agreement, without regard to any limitations selected under the Adoption Agreement. In addition, the Salary Reduction Agreement may provide the conditions on which a Participant's affirmative Salary Reduction Agreement election will expire. If an Employee's Salary Reduction Agreement election expires, such Participant can always complete a new affirmative election and designate a new deferral percentage. If a Participant's affirmative election expires, the Salary Reduction Agreement may provide that the Participant's expiring Salary Reduction Agreement election remains in effect and may increase by a designated amount unless the Participant affirmatively elects otherwise. A Salary Reduction Agreement may only relate to Plan Compensation that is not currently available at the time the Salary Reduction Agreement is completed.

A Salary Reduction Agreement is not effective unless the Participant enters into the Agreement before the date the compensation subject to such Salary Reduction Agreement would otherwise be paid to the Participant.

With respect to rehired Employees who are eligible to participate in the Plan, such Employees must enter into a new Salary Reduction Agreement upon reemployment. The Plan Administrator may revise this requirement under its administrative procedures.

- (b) **Change in Salary Reduction Agreement election.** An Employee is permitted to enter into a new Salary Reduction Agreement or to modify or terminate an existing Salary Reduction Agreement as provided under administrative procedures or as specified in the Salary Reduction Agreement. A change in a Salary Reduction Agreement election is not effective unless the Participant changes the Salary Reduction Agreement before the Plan Compensation to which it applies is paid or made available.
- (c) **Automatic deferral election.** The Employer may elect under AA §6A-7 to provide for an automatic deferral election under the Plan. If the Employer elects to apply an automatic deferral election, the Employer will automatically withhold the amount designated under AA §6A-7 from Participants' Plan Compensation, unless the Participant completes a Salary Reduction Agreement electing a different deferral amount (including a zero deferral amount). If an automatic deferral election applies under the Plan, such election will not apply to Participants who have entered into a Salary Reduction Agreement for an amount equal to or greater than the automatic deferral amount designated under AA §6A-7. The Employer also may elect to apply the automatic deferral election only to Participants who become eligible to participate after a specified date. Any Salary Deferrals withheld pursuant to an automatic deferral election will be deposited into the Participant's Salary Deferral Account. If a Participant's Salary Reduction Agreement expires and the Participant fails to complete a new affirmative Salary Reduction Agreement subsequent to the prior Salary Reduction Agreement expiring, the Participant becomes subject to the automatic deferral percentage as specified in the Plan pursuant to the automatic contribution arrangement provisions. (See AA §6A-7(a)(3)(iv).) Each year, the Participant may always complete a new affirmative election and designate a new deferral percentage.

The Plan may provide under AA §6A-7 that the automatic deferral amount will automatically increase by a designated percentage or dollar amount each Plan Year, as described below.

Prior to the time an automatic deferral election first goes into effect, the Participant must receive written notice concerning the effect of the automatic deferral election and such Participant's right to elect a different level of deferral under the Plan, including the right to elect not to defer. After receiving the notice, a Participant must have a reasonable time to enter into a new Salary Reduction Agreement before any automatic deferral election goes into effect.

- (1) **Eligible Automatic Contribution Arrangement (EACA).** To the extent an Automatic Contribution Arrangement satisfies the requirements of an EACA for a Plan Year, as set forth below, such Automatic Contribution Arrangement will automatically qualify as an EACA for purposes of applying the special rules applicable to EACAs described in subsection (3) below. If an Automatic Contribution Arrangement does not satisfy the requirement for an EACA for an entire Plan Year, the Automatic Contribution Arrangement will not be eligible for the special EACA provisions under subsection (3) for such Plan Year. However, the Automatic Contribution Arrangement continues to apply for such Plan Year.
- (2) **Definition of Eligible Automatic Contribution Arrangement (EACA).** The Plan will qualify as an EACA if the Plan provides for an automatic deferral election (as described in subsection (i)) and provides an annual written notice as described in subsection (iv) below. Any Salary Deferrals withheld pursuant to an automatic deferral election will be deposited into the Participant's Salary Deferral Account.
 - (i) **Automatic deferral election.** To qualify as an EACA, each Employee eligible to participate in the Plan must have a reasonable opportunity after receipt of the notice described in subsection (iv) to make an affirmative election to defer (or an election not to defer) under the Plan before any automatic deferral election goes into effect. If an automatic deferral election applies under the Plan, such election will not apply to Participants who have entered into a Salary Reduction Agreement for an amount equal to or greater than the automatic deferral amount designated under AA §6A-7. The Employer also may elect to

apply the automatic deferral election only to Participants who become eligible to participate after a specified date.

An automatic deferral election ceases to apply with respect to any Participant who makes an affirmative election (that remains in effect) to make Salary Deferrals or to not have any Salary Deferrals made on such Participant's behalf. Salary Deferrals made pursuant to an automatic deferral election will cease as soon as administratively feasible after a Participant makes an affirmative deferral election.

Unless elected otherwise under AA §6A-7(a)(5)(i), a Participant's affirmative election to defer (or to not defer) will cease upon termination of employment. If a terminated Participant's affirmative election to defer (or to not defer) ceases upon termination of employment, the Participant will be subject to the automatic deferral provisions of this subsection (i) upon rehire, including the default election provisions and the notice requirements under subsection (iv) below.

- (ii) **Uniformity requirement.** If a newly eligible Participant does not make an affirmative deferral election, such Participant will be treated as having elected to make Salary Deferrals in an amount equal to a uniform percentage of Plan Compensation as set forth in AA §6A-7. For this purpose, an automatic deferral election will not fail to be a uniform percentage of Plan Compensation merely because:
 - (A) The deferral percentage varies based on the number of years of participation in the Plan (e.g., due to the application of an automatic increase provisions);
 - (B) The automatic deferral election does not reduce a Salary Reduction Agreement election in effect immediately prior to the effective date of the automatic deferral election; or
 - (C) The rate of Salary Deferrals is limited so as not to exceed the limits of Code §457(b).
- (iii) **Automatic increase.** The Plan may provide under AA §6A-7 that the automatic deferral amount will automatically increase by a designated percentage each Plan Year. Unless designated otherwise under AA §6A-7, in applying any automatic deferral increase under AA §6A-7, the initial deferral amount will apply for the period that begins when the employee first participates in the automatic contribution arrangement and ends on the last day of the following Plan Year. The automatic increase will apply for each Plan Year beginning with the Plan Year immediately following the initial deferral period and for each subsequent Plan Year. For example, if a Participant makes such Participant's first automatic deferral for the period beginning July 1, 2020, and no special election is made under AA §6A-7, the first automatic increase would take effect on January 1, 2022 (assuming the Plan is using a calendar Plan Year) which is the first day of the Plan Year beginning after the first Plan Year following the period for which the Participant makes such Participant's first automatic deferral under the Plan.
- (iv) **Annual notice requirement.** Each Participant must receive a written notice describing the Participant's rights and obligations under the Plan which is sufficiently accurate and comprehensive to apprise the Participant of such rights and obligations and is written in a manner calculated to be understood by the average Plan Participant. The annual notice only needs to be provided to those Participants who are covered under the Automatic Contribution Arrangement. If it is impractical to provide the annual notice to a newly eligible Participant before the date such individual becomes eligible to participate under the Plan, the notice will be treated as timely if it is provided as soon as practicable after such date and the Participant is permitted to defer from Plan Compensation earned beginning on the date of participation.
 - (A) **Contents of annual notice.** To qualify as an EACA, the annual notice must include a description of contributions under the Plan; the type and amount of Plan Compensation that may be deferred under the Plan; the administrative requirements for making and changing Salary Reduction Agreement elections; and the withdrawal and vesting provisions under the Plan. In addition, to qualify as an EACA, the annual notice must include a description of:
 - (I) the level of Salary Deferrals which will be made on the Participant's behalf if such Participant does not make an affirmative election;
 - (II) the Participant's right under the EACA to elect not to have Salary Deferrals made on the Participant's behalf (or to elect to have such Salary Deferrals made in a different amount or percentage of Plan Compensation);
 - (III) how contributions under the EACA will be invested and, if the Plan provides for Participant direction of investment, how Salary Deferrals made pursuant to an automatic

deferral election will be invested in the absence of an investment election by the Participant; and

- (IV) the Participant's right to make a permissible withdrawal (as described under subsection (3)(i) below), if applicable, and the procedures to elect such a withdrawal.

In addition to any other election periods provided under the Plan, each eligible Participant may make or modify such Participant's Salary Reduction Agreement election during the 30-day period immediately following receipt of the annual notice.

- (v) **Timing of annual notice.** The annual notice must be provided within a reasonable period before the beginning of each Plan Year (or, in the year an Employee becomes an Eligible Employee, within a reasonable period before the Employee becomes an Eligible Employee). In addition, a notice satisfies the timing requirements only if it is provided sufficiently early so that the Employee has a reasonable period of time after receipt of the notice and before the first Salary Deferral made under the arrangement to make an alternative Salary Reduction Agreement election. The annual notice will be deemed timely if it is provided to each Eligible Employee at least 30 days (and no more than 90 days) before the beginning of each Plan Year. In the case of an Employee who does not receive the notice within such period because the Employee becomes an Eligible Employee after the 90th day before the beginning of the Plan Year, the timing requirement is deemed to be satisfied if the notice is provided no more than 90 days before the Employee becomes an Eligible Employee (and no later than the date the Employee becomes an Eligible Employee).
 - (vi) **Timing of automatic deferral.** Generally, the automatic deferral will commence as of the date the Employee is otherwise eligible to make Salary Deferrals under the Plan, if the Employee had completed a Salary Reduction Agreement. However, an automatic deferral will be treated as timely if the deferral is made pursuant to reasonable administrative procedures established by the Plan Administrator. If the Plan provides an Employee with a written notice as described above no later than 30 days after such Employee's Entry Date, provides the Employee with the opportunity to make an affirmative Salary Reduction Agreement up to 30 days after the notice is provided, and in the absence of the Employee's affirmative Salary Reduction Agreement, provides that automatic deferrals will commence as soon as administratively practicable following the last day of the 30 day period, then the Plan will be treated as having a reasonable administrative procedure.
- (3) **Special Rules for Eligible Automatic Contribution Arrangement (EACA).** If the Plan provides for an automatic deferral election provision under AA §6A-7 and such automatic deferral election qualifies as an EACA, the Employer may elect to offer special permissible withdrawals (as set forth in subsection (i) below). To qualify as an EACA, the Plan must satisfy the provisions of subsection (2) for the entire Plan Year.
- (i) **Permissible Withdrawals under EACA.** If so elected under AA §6A-7 of the Adoption Agreement, any Employee who has Salary Deferrals contributed to the Plan pursuant to an automatic deferral election under an EACA may elect to withdraw such contributions (and earnings attributable thereto) in accordance with the requirements of this subsection (i). A permissible withdrawal under this subsection (i) may be made without regard to any elections under AA §9 and will not cause the Plan to fail the prohibition on in-service distributions.
 - (A) **Amount of distribution.** A distribution satisfies the requirement of this subsection (i) if the distribution is equal to the amount of Salary Deferrals made pursuant to the automatic deferral election through the effective date of the withdrawal election (as described in subsection (C)) adjusted for allocable gains and losses as of the date of the distribution.

The distribution amount determined under this subsection (A) may be reduced by any generally applicable fees. However, the Plan may not charge a greater fee for a permissible distribution under this subsection (i) than applies with respect to other Plan distributions.
 - (B) **Timing of permissive withdrawal election.** An election to withdraw Salary Deferrals under this subsection (i) must be made no later than 90 days after the date of the first default Salary Deferral under the EACA. The date of the first default Salary Deferral is the date that the Plan Compensation from which such Salary Deferrals are withheld would otherwise have been included in gross income. The Employer may designate an alternative period for making permissive withdrawals under AA §6A-7.

- (C) **Effective date of permissible withdrawal.** The effective date of a permissible withdrawal election cannot be later than the pay date for the second payroll period that begins after the election is made or, if earlier, the first pay date that occurs at least 30 days after the election is made. If a Participant does not make automatic deferrals to the Plan for an entire Plan Year (e.g., due to termination of employment), the Plan may allow such Participant to take a permissive withdrawal, but only with respect to default contributions made after the Participant's return to employment.
 - (D) **Consequences of permissible withdrawal.** Any amount distributed under this subsection (i) is includible in the Participant's gross income for the taxable year in which the distribution is made. However, the portion of any distribution consisting of Roth Deferrals is not included in a Participant's gross income a second time. Unless the Participant affirmatively elects otherwise, any withdrawal request will be treated as an affirmative election to stop having Salary Deferrals made on the Participant's behalf as of the date specified in subsection (C) above.
 - (E) **Forfeiture of Matching Contributions.** In the case of any withdrawal made under this subsection (i), any Matching Contributions made with respect to such withdrawn Salary Deferrals must be forfeited.
- (d) **Age 50 Catch-Up Contributions.** Unless elected otherwise under AA §6A-4, a Participant who is aged 50 or over by the end of such Participant's taxable year beginning in the calendar year may make Age 50 Catch-Up Contributions under the Plan, provided such Age 50 Catch-Up Contributions are in excess of an otherwise applicable limit under the Plan. For this purpose, an otherwise applicable Plan limit is a limit in the Plan that applies to Salary Deferrals without regard to Age 50 Catch-up Contributions.
- (1) **Age 50 Catch-Up Contribution Limit.** Age 50 Catch-Up Contributions for a Participant for a taxable year may not exceed the Age 50 Catch-Up Contribution Limit. The Age 50 Catch-Up Contribution Limit for taxable years beginning in 2023 is \$7,500. The Age 50 Catch-Up Contribution Limit will be adjusted for cost-of-living increases under Code §414(v)(2)(C). Effective for taxable years beginning after December 31, 2024, the Age 50 Catch-Up Contribution Limit is increased to the greater of \$10,000 or 150% of the regular Age 50 Catch-Up Contribution Limit for Employees who have attained ages 60, 61, 62 and 63. For taxable years beginning after 2025, the increased Catch-Up Contribution Limit will be adjusted for cost-of-living increases.
 - (2) **Age 50 Catch-Up Contributions not subject to Maximum Contribution Limit.** Age 50 Catch-up Contributions are not subject to the Maximum Contribution Limit, as described in **Section 5** of the Plan.
 - (3) **Treatment of certain Age 50 Catch-Up Contributions as Roth Deferrals.** Effective for taxable years beginning after December 31, 2025 (as provided for under IRS Notice 2023-62), in the case of a Participant whose wages (as defined in Code §3121(a) for the preceding calendar year from the Employer exceed \$145,000 (indexed for inflation), Age 50 Catch-Up Contributions must be Roth Deferrals made pursuant to an Employee election, as required under Code §414(v)(7)(A). In addition, any Eligible Employee regardless of wages must be allowed to make Age 50 Catch-Up Contributions.
 - (i) **Administrative transition period under IRS Notice 2023-62.** IRS Notice 2023-62 provides for an administrative transition period with respect to the requirements under Code §414(v)(7)(A) for taxable years beginning in 2024 and 2025. Specifically, until taxable years beginning after December 31, 2025, any Age 50 Catch-Up Contributions will be treated as satisfying the requirements of section 414(v)(7)(A), even if the contributions are not designated as Roth Deferrals, and a Plan that does not provide for Roth Deferrals will be treated as satisfying the requirements of section 414(v)(7)(B). During this administrative transition period, the Employer may apply the rules (or portion of the rules) under Code §414(v)(7), either by Plan amendment or administrative procedures, in any reasonable manner in order to transition into compliance with Code §414(v)(7) for taxable years beginning after December 31, 2025.
 - (ii) **Good-faith application of the rules under Code §414(v)(7).** The Employer and Plan Administrator may apply the rules of Code §414(v)(7), including during the administrative transition period under IRS Notice 2023-62, in a reasonable and good-faith manner pending further guidance from the IRS.
- (e) **Special 457 Catch-Up Contributions.** Unless elected otherwise under AA §6A-4, a Participant may make Special 457 Catch-Up Contributions as limited under **Section 5.04**.
- (f) **Deferral of sick, vacation, PTO and back pay.** Unless otherwise elected in AA §6A-2, a Participant may elect to defer accumulated sick pay, accumulated vacation pay, accumulated PTO or back pay if: (1) a Salary Reduction Agreement is

entered into before the amount become currently available, and (2) the Participant is an Employee in the month of deferral, as provided under Treas. Reg. §1.457-4(d). With respect to sick pay, vacation pay, PTO pay or back pay that is payable before a Participant has a Severance from Employment, the Salary Reduction Agreement may be entered into before the amount becomes currently available, even if that is the month in which such amounts become payable. If the deferral is automatic, the Salary Reduction Agreement requirement in (1) is deemed satisfied by the terms of the Plan.

- (g) **Roth Deferrals.** If elected under AA §6A-5, a Participant may designate all or a portion of such Participant's Salary Deferrals as Roth Deferrals. For this purpose, a Roth Deferral is a Salary Deferral that satisfies the following conditions.
- (1) **Irrevocable election.** The Participant makes an irrevocable election (at the time the Participant enters into a Salary Reduction Agreement) designating all or a portion of such Participant's Salary Deferrals as Roth Deferrals. The irrevocable election applies with respect to Salary Deferrals that are made pursuant to such election. A Participant may modify or change a Salary Reduction Agreement to increase or decrease the amount of Salary Deferrals designated as Roth Deferrals, provided such change or modification applies only with respect to Salary Deferrals made after such change or modification.
 - (2) **Subject to immediate taxation.** To the extent a Participant designates all or a portion of such Participant's Salary Deferrals as Roth Deferrals, such amounts will be includible in the Participant's income at the time the Participant would have received the contribution amounts in cash if the Employee had not made the Salary Reduction Agreement election.
 - (3) **Separate account.** Any amounts designated as Roth Deferrals will be maintained by the Plan in a separate Roth Deferral Account. The Plan will credit and debit all contributions and withdrawals of Roth Deferrals to such separate Account. The Plan will separately allocate gains, losses, and other credits and charges to the Roth Deferral Account on a reasonable basis that is consistent with such allocations for other Accounts under the Plan. However, in no event may the Plan allocate forfeitures under the Plan to the Roth Deferral Account. The Plan will separately track Participants' accumulated Roth Deferrals and the earnings on such amounts.
 - (4) **Satisfaction of Salary Deferral requirements.** Roth Deferrals are subject to the same requirements as apply to Salary Deferrals. Thus, Roth Deferrals are subject to the following requirements:
 - (i) Roth Deferrals are always 100% vested.
 - (ii) Roth Deferrals are subject to the contribution limits, as described in **Section 5**
 - (iii) Roth Deferrals are subject to the same distribution restrictions as apply to Salary Deferrals.
 - (iv) Roth Deferrals are subject to the required minimum distribution requirements under Code §401(a)(9).
 - (5) **Rollover of Roth Deferrals.**
 - (i) **Rollovers from this Plan.** For purposes of the rollover rules, a Direct Rollover of a distribution from a Participant's Roth Deferral Account will only be made to another Roth Deferral Account under a governmental 457(b) plan, a qualified plan described in Code §401(a) or an annuity contract or custodial account described in Code §403(b) or to a Roth IRA described in §408A, and only to the extent the rollover is permitted under the rules of Code §402(c).
 - (ii) **Rollovers to this Plan.** Subject to the provisions under **Section 4**, a Participant may make a Rollover Contribution to a Roth Deferral Account only if the rollover is a Direct Rollover from another Roth Deferral Account only to the extent the rollover is permitted under the rules of Code §402(c). A rollover of Roth Deferrals may not be made to this Plan from a Roth IRA. Any rollover of Roth Deferrals to this Plan will be held in a separate Roth Rollover Contribution Account.
 - (iii) **Minimum rollover amount.** The Plan Administrator may decide whether or not to provide for a Direct Rollover (including an Automatic Rollover) for distributions from a Participant's Roth Deferral Account if it is reasonably expected (at the time of the distribution) that the total amount the Participant will receive as a distribution during the calendar year will total less than \$200. In addition, the Plan Administrator may decide whether or not to take into account any distribution from a Participant's Roth Deferral Account in determining whether distributions from a Participant's other Accounts are reasonably expected to total less than \$200 during a year. For purposes of applying the Automatic Rollover provisions under **Section 8.09(f)**, a Participant's Roth Deferral Account and the Participant's other Accounts are treated as accounts held under separate plans.

- (iv) **Separate treatment of Roth Deferrals.** The provisions under **Section 8.09** that allow a Participant to elect a Direct Rollover of only a portion of an Eligible Rollover Distribution but only if the amount rolled over is at least \$500 is applied by treating any amount distributed from the Participant's Roth Deferral Account as a separate distribution from any amount distributed from the Participant's other Accounts in the Plan, even if the amounts are distributed at the same time.
- (h) **In-Plan Roth Conversions.** The Employer may elect under the Adoption Agreement to permit In-Plan Roth Conversions under the Plan. For this purpose, an In-Plan Roth Conversion is a conversion of amounts held in a Participant's Plan Account, other than a Roth Deferral Account or Roth Rollover Contribution Account, into the Participant's In-Plan Roth Conversion Account under the Plan, pursuant to Code §402A(c)(4). Any election to make an In-Plan Roth Conversion during a taxable year may not be changed after the In-Plan Roth Conversion is completed.

An In-Plan Roth Conversion may be elected by a Participant, a Spousal beneficiary, or an Alternate Payee who is a spouse or former spouse. To the extent the term "Participant" is used for purposes of determining eligibility to make an In-Plan Roth Conversion, such term will also include a Spousal beneficiary and an Alternate Payee who is a spouse or former spouse.

To permit In-Plan Roth Conversions §6A-5(c) of the Adoption Agreement must be completed. In addition, the Plan must provide for Roth Deferrals under AA §6A-5(a) as of the date the In-Plan Roth Conversion is permitted under the Plan. If In-Plan Roth Conversions are not specifically authorized under AA §6A-5(c) of the Adoption Agreement, Participants may not make an In-Plan Roth Conversion.

- (1) **Amounts Eligible for In-Plan Roth Conversion.** If elected under the Adoption Agreement, a Participant may convert any portion of such Participant's vested Account Balance (other than amounts attributable to Roth Deferrals or Roth Deferral rollovers) to an In-Plan Roth Conversion Account. Unless elected otherwise under the Adoption Agreement, a Participant need not be eligible to receive a distribution from the Plan at the time of the In-Plan Roth Conversion.

In addition, an In-Plan Roth Conversion will not be treated as a distribution for the following purposes:

- (i) **Participant loans.** A Participant loan directly transferred in an In-Plan Roth Conversion without changing the repayment schedule is not treated as a new loan. The Employer may elect to not permit Participant loans to be distributed as part of an In-Plan Roth Conversion.
- (ii) **Mandatory withholding.** An In-Plan Roth Conversion is not subject to 20% mandatory withholding under Code §3405(c).
- (2) **Effect of In-Plan Roth Conversion.** A Participant must include in gross income the taxable amount of an In-Plan Roth Conversion. For this purpose, the taxable amount of an In-Plan Roth Conversion is the fair market value of the distribution reduced by any basis in the converted amounts. If the distribution includes Employer securities, the fair market value includes any net unrealized appreciation within the meaning of Code §402(e)(4). If an outstanding loan is rolled over as part of an In-Plan Roth Conversion, the amount includible in gross income includes the balance of the loan.
- (3) **Contribution Sources.** Unless elected otherwise under the Adoption Agreement, an In-Plan Roth Conversion may be made from any contribution source under the Plan, other than a Roth Deferral Account or Roth Rollover Contribution Account. The Employer may elect to limit the contribution sources that are eligible for In-Plan Roth Conversion. In addition, the Employer may elect to limit In-Plan Roth Conversions to contribution accounts that are 100% vested.

3.04 **Matching Contributions.** The Employer may elect under AA §6B to authorize Matching Contributions under the Plan. If the Employer elects more than one Matching Contribution formula under AA §6B-2, each formula is applied separately. A Participant's aggregate Matching Contributions will be the sum of the Matching Contributions under all such formulas. Any Matching Contribution made under the Plan will be allocated to Participants' Matching Contribution Account. To receive an allocation of Matching Contributions, a Participant must satisfy any allocations conditions designated under the Plan, as described in Section 3.06 below.

- (a) **Contributions eligible for Matching Contributions.** The Matching Contribution formula(s) applies to Salary Deferrals, to the extent authorized under the Plan.
- (b) **Period for determining Matching Contributions.** AA §6B-5 sets forth the period for which the Matching Contribution formula(s) applies. The period designated in AA §6B-5 applies for purposes of determining the amount of

Salary Deferrals taken into account in applying the Matching Contribution formula(s) and in applying any limits on the amount of Salary Deferrals that may be taken into account under the Matching Contribution formula(s).

- (c) **True-up contributions.** If the Employer makes Matching Contributions more frequently than annually, the Employer may have to make “true-up” contributions for Participants. Such “true-up” contributions will be required if the Employer actually contributes Matching Contributions to the Plan on a more frequent basis than is used for purposes of determining the amount of Salary Deferrals taken into account under AA §6B-5. For example, if the Plan limits Matching Contributions on the basis of Salary Deferrals for the Plan Year, but the Employer contributes the Matching Contributions on a quarterly basis, the Employer may have to make a “true-up” contribution to any Participant based on Salary Deferrals for the Plan Year. If a “true-up” contribution is required under this subsection (c), the Employer may make such additional contribution as required to satisfy the contribution requirements under the Plan.
- (d) **Optional treatment of Matching Contributions as Roth contributions.** As provided under §402A(a)(2) as added by SECURE 2.0, if elected by the Employer under AA §6B-7, a Participant may elect to treat a nonforfeitable Matching Contribution as a Roth contribution. The Plan Administrator may adopt administrative procedures consistent with Code §402A(a)(2) and applicable guidance.
- (e) **Treatment of Qualified Student Loan Payments as Salary Deferrals for Matching Contributions.** Effective for Plan Years beginning after December 31, 2023, the Employer may elect under AA §6B-8 to treat “Qualified Student Loan Payments” as Salary Deferrals for purposes of receiving Matching Contributions.
 - (1) **Definition of Qualified Student Loan Payment.** The term Qualified Student Loan Payment means a payment made by an Eligible Employee in repayment of a Qualified Education Loan (as defined in Code §221(d)(1)) incurred by the Eligible Employee to pay Qualified Higher Education Expenses, but only:
 - (i) to the extent such payments in the aggregate for the year do not exceed an amount equal to:
 - (A) the limitation applicable under Code §457(e)(15) for the year (or, if lesser, the Eligible Employee’s Total Compensation for the year), reduced by:
 - (B) the elective deferrals made by the Eligible Employee for such year, and
 - (ii) if the Eligible Employee certifies annually to the Employer that such payment has been made on such loan.
 - (2) **Definition of Qualified Higher Education Expenses.** The term Qualified Higher Education Expenses means the cost of attendance (as defined in §472 of the Higher Education Act of 1965, as in effect on the day before the date of the enactment of the Taxpayer Relief Act of 1997) at an Eligible Educational Institution (as defined in Code §221(d)(2)).
 - (3) **Conditions for Treatment of Qualified Student Loan Payments as Salary Deferrals for Matching Contributions.** A Matching Contributions made to the Plan on account of a Qualified Student Loan Payment shall be treated as a Matching Contribution under the Plan if:
 - (i) the Plan provides Matching Contributions on account of Salary Deferrals at the same rate as contributions on account of Qualified Student Loan Payments,
 - (ii) the Plan provides Matching Contributions on account of Qualified Student Loan Payments only on behalf of Eligible Employees otherwise eligible to receive Matching Contributions on account of Salary Deferrals,
 - (iii) all Eligible Employees who receive Matching Contributions on account of Salary Deferrals are eligible to receive Matching Contributions on account of Qualified Student Loan Payments, and
 - (iv) the Plan provides that Matching Contributions on account of Qualified Student Loan Payments vest in the same manner as Matching Contributions on account of Salary Deferrals.

3.05 **Rollover Contributions.** If elected under AA Appendix C or under separate administrative procedures, the Plan may accept Rollover Contributions. The requirements applicable to Rollover Contributions are set forth under **Section 4**.

3.06 **Allocation Conditions.** In order to receive an allocation of Employer Contributions (other than Salary Deferrals) or an allocation of Matching Contributions, a Participant must satisfy any allocation conditions designated under AA §6-5 or AA

§6B-6, as applicable. If the Employer elects under AA §6-5(c) or AA §6B-6(c) to apply a minimum service requirement, the Employer may elect to base such minimum service requirement on the basis of Hours of Service or on the basis of consecutive days or months of employment under the Elapsed Time method. If an Employee's aggregate period of service includes fractional years, such fractional years are expressed in terms of days or months, as the Plan Administrator determines operationally on a consistent basis.

- (a) **Application to designated period.** Instead of applying the allocation conditions on the basis of the Plan Year, the Employer may apply the allocation conditions on the basis of designated periods, if the Employer describes the methodology under the Special Rules under AA§6-4 or 6B-6.
- (b) **Special rule for year of Plan termination.** A last day employment condition automatically applies for any Plan Year in which the Plan is terminated, regardless of whether the Employer has elected to apply a last day employment condition under the Agreement. Thus, the Employer will not be obligated to make an Employer Contribution or Matching Contribution for the Plan Year in which the Plan terminates, unless the Employer provides for an Employer Contribution and/or Matching Contribution in its Plan termination amendment. If there are unallocated forfeitures at the time of Plan termination, such forfeitures will be allocated to Participants under the Plan's procedures for allocating forfeitures.

3.07 **Service with Predecessor Employers.** Unless otherwise designated under the Adoption Agreement, if the Employer maintains the plan of a Predecessor Employer, any service with such Predecessor Employer is treated as service with the Employer for purposes of applying the allocation conditions under Section 3.06. If the Employer does not maintain the plan of a Predecessor Employer, service with such Predecessor Employer does not count for purposes of applying the allocation conditions under Section 3.06, unless the Employer specifically designates under AA §4-5 to credit service with such Predecessor Employer.

3.08 **FICA Replacement Plan.** An Employee who satisfies the requirements as a Qualified Participant under subsection (b) will be exempt from FICA tax as provided under Code §3121(b)(7)(F) if the requirements under this Section 3.08 are satisfied. The Plan may be identified as a FICA Replacement Plan under AA §2-2.

- (a) **Minimum retirement benefit requirement.** The Plan must provide a minimum retirement benefit as set forth under this subsection (a). For this purpose, the Plan satisfies the minimum retirement benefit requirement with respect to an Employee if allocations to the Employee's Account (without regard to any earnings allocated to the Employee's Account) are at least 7.5% of the Employee's Plan Compensation for service with the Employer. Matching Contributions by the Employer may be taken into account for this purpose.
 - (1) **Definition of Plan Compensation.** The definition of Plan Compensation used in determining whether the minimum retirement benefit requirement under this subsection (a) is satisfied must be at least equal to the Employee's base pay, provided such designation is reasonable under all the facts and circumstances. Thus, the Employer may elect under AA §5-3 to exclude items such as overtime pay, bonuses, or fringe benefits.
 - (2) **Reasonable rate of earnings.** An Employee's Account must be credited with a reasonable rate of earnings. This requirement is satisfied if Employees' Accounts are held in a separate trust that is subject to general fiduciary standards and are credited with actual earnings under the Plan.
 - (3) **Employee Contributions.** Contributions from both the Employer and Employee may be used to make up the 7.5% allocation requirement under subsection (a). If the Plan only provides for Employee Contributions, the Plan will satisfy the minimum benefit requirement under subsection (a) if the total Employee Contributions are at least 7.5% of Plan Compensation.
- (b) **Qualified Participant.** An Employee is a Qualified Participant under the Plan with respect to the services performed on a given day if, on that day, the Employee has satisfied all conditions (other than vesting) for receiving an allocation under the Plan that meets the minimum retirement benefit requirement under subsection (a). An Employee will be a Qualified Participant on any day with respect to compensation earned during a period ending on that day and beginning on or after the beginning of the Plan Year, regardless of whether the allocations were made or accrued before the effective date of Code §3121(b)(7)(F).
 - (1) **Part-Time, Seasonal and Temporary Employees.** A Part-Time, Seasonal, or Temporary Employee is not a Qualified Participant on a given day unless any benefit relied upon to meet the minimum benefit requirement under subsection (a) is 100% vested. A Part-Time, Seasonal or Temporary Employee's benefit is considered 100% vested on a given day if on that day the Employee is unconditionally entitled to a single-sum distribution on account of death or separation from service of an amount that is at least equal to 7.5% of Plan Compensation for all periods of service taken into account in determining whether the Employee's benefit meets the minimum retirement benefit requirement under subsection (a).

- (2) **Alternative lookback rule.** The Employer may elect to apply the alternative lookback rule described in Treas. Reg. §31.3121(b)(7)-2(d)(3) in determining whether an Employee is a Qualified Participant. Under the alternative lookback rule, an Employee may be treated as a Qualified Participant throughout a calendar year if the Employee is a Qualified Participant at the end of the Plan Year ending in the previous calendar year. For this purpose, if the alternative lookback rule is used, an Employee may be treated as a Qualified Participant on any given day during the first Plan Year of participation if it is reasonable on such day to believe that the Employee will be a Qualified Participant on the last day of such Plan Year.
- (c) **Special rule for short period.** An Employee may not be treated as a Qualified Participant if Plan Compensation for less than a full plan year or other 12-month period is regularly taken into account in determining allocations to the Employee's Account for the Plan Year unless, under all of the facts and circumstances, such arrangement is not a device to avoid the imposition of FICA taxes. For example, an arrangement under which Plan Compensation taken into account under AA §5-3 is limited to the contribution base described in Code §3121(x)(1) is not considered a device to avoid FICA taxes by reason of such limitation.

SECTION 4
ROLLOVER CONTRIBUTIONS, TRANSFERS AND AUTOMATIC PORTABILITY TRANSACTIONS

This Section provides the rules regarding Rollover Contributions and transfers that may be made under this Plan. The Plan Administrator has the authority under Section 11 to accept Rollover Contributions under this Plan and to enter into transfer agreements concerning the transfer of assets from another plan to this Plan.

4.01 Rollover Contributions. As allowed under applicable law and regulations, an Employee may make a Rollover Contribution to this Plan from an Eligible Retirement Plan, if the special accounting rule is satisfied and the acceptance of rollovers is elected under the Adoption Agreement or if the Plan Administrator adopts administrative procedures regarding the acceptance of Rollover Contributions. The Employee's Rollover Contributions are always 100% vested. If Rollover Contributions are permitted, an Employee may make a Rollover Contribution to the Plan even if the Employee is not an eligible Participant with respect to any or all other contributions under the Plan, unless otherwise prohibited under separate administrative procedures adopted by the Plan Administrator. An Employee who makes a Rollover Contribution to this Plan prior to becoming an Eligible Participant shall be treated as a Participant only with respect to such Rollover Contributions but shall not be treated as an eligible Participant until such Employee otherwise satisfies the eligibility conditions under the Plan.

A Participant may make a Rollover Contribution to a Roth Deferral Account only if the rollover is a Direct Rollover from another Roth Deferral Account under an Eligible Retirement Plan and only to the extent the rollover is permitted under the rules of Code §402(c). A rollover of Roth Deferrals may not be made to this Plan from a Roth IRA. Any rollover of Roth Deferrals to this Plan will be held in a separate Roth Rollover Contribution Account.

Effective for years beginning after December 31, 2017, the period during which a Qualified Plan Loan Offset Amount may be contributed to the Plan as a Rollover Contribution is extended from 60 days after the date of the offset to the due date (including extensions) for filing the individual's Federal income tax return for the taxable year in which the Plan loan offset occurs. A Qualified Plan Loan Offset Amount is a Plan loan offset amount that is treated as distributed from a tax-qualified retirement plan described in Code §401(a) or Code §403(a), a Code §403(b) plan, or a governmental plan under Code §457(b) solely by reason of termination of the Plan or failure to meet the repayment terms of the loan because of Severance from Employment.

Notwithstanding any other provision of the Plan, the Plan Administrator may accept any Rollover Contribution that satisfies the requirements, including the time period to make Rollover Contributions, under Code §402(c) and applicable IRS regulations and other guidance. Thus, for example, the Plan Administrator may accept a Rollover Contribution as provided under Revenue Procedure 2016-47 relating to the waiver of the 60-day rollover period and acceptable self-certification by an Employee.

A Participant may withdraw amounts from such Participant's Rollover Contribution Account(s) at any time, in accordance with the distribution rules under Section 8, except as restricted under AA §9.

(a) **Special Accounting Rule for Rollovers.** The Plan must maintain two separate Rollover Contribution Accounts, if necessary. One Rollover Contribution Account may receive Rollover Contributions from:

- (1) a qualified plan described in §401(a) of the Code;
- (2) a tax sheltered annuity plan described in §403(b) of the Code;
- (3) an individual retirement account described in §408(a) of the Code; and
- (4) an individual retirement annuity described in §408(b) of the Code.

The other Rollover Account may receive Rollover Contributions only from a governmental 457 plan described in §457(b) of the Code. Neither Rollover Contribution Account may include any amount that is not attributable to a Rollover Contribution.

(b) **Refusal of Rollover Contributions.** The Plan Administrator may refuse to accept a Rollover Contribution if the Plan Administrator reasonably believes the Rollover Contribution: (a) is not being made from a proper plan or IRA; (b) is not being made timely after receipt of the amounts from another plan or IRA; (c) could jeopardize the Plan status under Code §457(b); or (d) could create adverse tax consequences for the Plan or the Employer. Prior to accepting a Rollover Contribution, the Plan Administrator may require the Employee to provide satisfactory evidence establishing that the Rollover Contribution meets the requirements of this Section and applicable rollover rules.

If the Plan accepts a Rollover Contribution that is later determined to be an invalid Rollover Contribution, the Plan Administrator must distribute the invalid amount, plus any earnings attributable thereto, to the Employee within a

reasonable time after such determination.

The Plan Administrator may use the criteria set forth in IRS Revenue Ruling 2014-9, as well as other evidence, in reasonably determining whether a Rollover Contribution is valid.

- 4.02 Transfers to the Plan.** As allowed under applicable laws, regulations and other guidance, the Plan Administrator may accept a transfer of funds from another governmental 457(b) plan. Such transfers must meet the conditions set forth under Treas. Reg. §1.457-10(b), if applicable. The Plan Administrator may not accept a transfer from a 457(b) plan of a tax-exempt employer, a 403(b) plan or a 401(a) qualified plan.
- 4.03 Automatic Portability Transactions.** The Employer, either in AA §10-4 or through administrative procedures, may elect to accept amounts pursuant to an automatic portability transaction as described in Code §4975(f)(12). The Employer is not responsible for meeting, or ensuring the satisfaction of, the requirements applicable to an automatic portability provider as defined under Code §4975(f)(12)(A)(ii).

SECTION 5
LIMITS ON CONTRIBUTIONS

- 5.01 Maximum Contribution Limit.** Annual contributions on behalf of a Participant for a taxable year may not exceed the Maximum Contribution Limit.
- (a) **Components of the Maximum Contribution Limit.** The Maximum Contribution Limit consists of one or more of the following - the Basic Annual Limit, the Age 50 Catch-Up Limit and the Special 457 Catch-Up Limit.
 - (b) **Limitation Period.** The relevant limitation period is the taxable year of the Participant.
 - (c) **Contributions Subject to the Maximum Contribution Limitation.** Contributions that are subject to the Maximum Contribution Limit include Salary Deferral Contributions and Employer Contributions, including Employer Matching Contributions. Rollover Contributions and transfers are not subject to the Maximum Contribution Limit. If a contribution is subject to a substantial risk of forfeiture, such contribution is not counted toward the Maximum Contribution Limit until the substantial risk of forfeiture lapses. Where an amount is subject to a substantial risk of forfeiture, gains or losses allocable to the amount deferred, through the date that the substantial risk of forfeiture lapses, are taken into account in determining the amount that is considered deferred in the year in which the substantial risk of forfeiture lapses.
- 5.02 Basic Annual Limit.** The Basic Annual Limit is the lesser of (i) the applicable dollar amount specified under Code §457(e)(15) for the relevant taxable year or (ii) 100% of the Participant's Includible Compensation (without any adjustments, but subject to the maximum limitation as may apply under Code §401(a)(17)) for the taxable year. The applicable dollar amount under Code §457(e)(15) is \$22,500 for 2023 and will be adjusted for cost-of-living increases, if applicable.
- 5.03 Age 50 Catch-Up Limit.** The Age 50 Catch-Up Limit only applies to a Participant who attains age 50 by the end of the relevant taxable year. The Age 50 Catch-Up Limit is the applicable amount specified under Code §414(v) for the relevant taxable year. The Age 50 Catch-Up Contribution Limit for taxable years beginning in 2023 is \$7,500. The Age 50 Catch-Up Contribution Limit will be adjusted for cost-of-living increases under Code §414(v)(2)(C). The Age 50 Catch-Up Limit does not apply for any taxable year for which a higher limitation applies under the Special 457 Catch-Up Limit, if available under the Plan. If both the Age 50 Catch-Up Limit and the Special Catch-Up Limit apply, the applicable limit is determined under Treas. Reg. §1.457-4(c)(2)(ii).
- Effective for taxable years beginning after December 31, 2024, for Participants who have attained 60, 61, 62 or 63 before the close of the applicable taxable year, an adjusted Age 50 Catch-Up Limit applies. The adjusted limit is the greater of (a) \$10,000 (adjusted for inflation) or (b) an amount equal to 150% of the otherwise applicable Age 50 Catch-Up Limit for the taxable year.
- 5.04 Special 457 Catch-Up Limit.** For one or more of the Participant's last three taxable years ending before the Participant's Normal Retirement Age, the Maximum Contribution Limit is an amount not in excess of the lesser of (i) twice the dollar amount in effect under Code §457(e)(15) or (ii) the underutilization limitation.
- (a) **Underutilization Limitation.** The sum of (i) the Maximum Contribution Limit under the Basic Annual Limit for the relevant taxable year, plus the Maximum Contribution Limit for any prior taxable year or years, less the amount of contributions for such taxable year or years (disregarding any Age 50 Catch-Up Contributions).
 - (b) **Normal Retirement Age.** The Employer will elect a Normal Retirement Age under the Agreement. Normal Retirement Age may be any age that is on or after the earlier of age 65 or the age at which the Participant has the right to retire and receive, under the Employer's pension plan (if any), immediate retirement benefits without actuarial reduction because of retirement before a specified date and that is not later than age 70 ½. Alternatively, the Employer may elect to allow the Participant to designate a Normal Retirement Age within these ages. If an Employer sponsors more than one 457(b) plan, any Participant may only have one Normal Retirement Age.
 - (c) **Special Rule for Qualified Police and Firefighters.** An Employer with a Plan that covers qualified police and firefighters (as defined under Code §415(b)(2)(H)(ii)(I)) may elect a Normal Retirement Age that is earlier than that specified under subsection (b), but in no event may the Normal Retirement Age be earlier than age 40. Alternatively, the Employer may elect to allow a qualified police or firefighter Participant to designate a Normal Retirement Age that is between age 40 and age 70 ½.
- 5.05 Excess Deferrals under the Plan.** If contributions, as described under **Section 5.01(c)**, to a Participant under the Plan exceed the Maximum Contribution Limit for a taxable year, the Plan must distribute the excess deferrals (i.e., the amounts that exceed the Maximum Contribution Limit) to the Participant, with allocable net income, as soon as administratively practicable after the

Plan determines that the amount is an excess deferral. For purposes of determining whether contributions exceed the Maximum Contribution Limit, all 457(b) plans of the Employer, including plans of Related Employers, are treated as a single plan.

5.06 **Excess Deferrals Arising from Application of the Individual Limitation.** The Plan may distribute excess deferrals that arise from application of the Individual Limitation. The Plan may distribute the excess deferrals to the Participant, with allocable net income, as soon as administratively practicable after the Plan determines that the amount is an excess deferral. The Participant must inform the Plan Administrator of the excess deferrals.

- (a) **Individual Limitation.** The Individual Limitation (as set forth under Code §457(c)) equals the Basic Annual Limitation, plus the Age 50 Catch-Up Limitation or the Special 457 Catch-Up Limitation, applied by taking into account the combined annual contributions for the Participant for any taxable year under all Code §457(b) plans. For this purpose, contributions to all Code §457(b) plans, whether sponsored by a governmental employer or a tax-exempt employer, are counted toward the Individual Limitation.
- (b) **Special Rules for Catch-Up Amounts under Multiple 457(b) Plans.** For purposes of applying the Individual Limitation, the Special 457 Catch-Up is taken into account only to the extent that the annual contribution is made for a Participant under a 457(b) plan if permitted under the Special 457 Catch-Up rules. In addition, if a Participant has annual contributions under more than one 457(b) plan and the applicable catch-up amount under the Age 50 Catch-Up and the Special 457 Catch-Up rules is not the same for each such 457(b) plan for the taxable year, the Individual Limitation is determined using the catch-up amount under whichever plan has the largest catch-up amount applicable to the Participant.

SECTION 6
SPECIAL RULES AFFECTING THIS GOVERNMENTAL 457(b) PLAN

- 6.01 Plan Adoption as Governmental Plan.** Only an Employer that is an eligible employer as defined under Code §457(e)(1)(A) may adopt this Plan. As a Governmental Plan, the Plan is not subject to the requirements under Title I of ERISA.
- 6.02 Failure to Satisfy Requirements of Code §457(b) Applicable to Governmental Code §457(b) Plans.** If the Plan fails to satisfy any applicable requirement under Code §457(b) or applicable regulations, the Plan is treated as not meeting such requirement as of the first Plan Year beginning more than 180 days after the date of notification by the Internal Revenue Service, unless the Employer corrects the inconsistency before the first day of such Plan Year. The Employer may use any available IRS correction program to fix errors in the Plan's compliance with the requirements under Code §457.
- 6.03 Reporting to Internal Revenue Service and Participants.** The Employer will report contributions to the Plan and distributions from the Plan at the time and in the manner prescribed by the Internal Revenue Service.
- 6.04 Taxation of Distributions.** Amounts deferred under the Plan are includible in gross income in the taxable year in which the amounts are actually paid from the Plan. See Treas. Reg. §1.457-7 for special rules applicable to Governmental Plans.

SECTION 7
PARTICIPANT VESTING AND FORFEITURES

- 7.01** **Vesting of Contributions.** A Participant's vested interest in such Participant's Employer Contribution Account and Matching Contribution Account is determined based on the vesting schedule elected in the Adoption Agreement. A Participant is always fully vested in such Participant's Salary Deferral Account and Rollover Contribution Account.

The imposition of a vesting schedule creates a substantial risk of forfeiture with respect to the contributions subject to the vesting schedule. If a contribution is subject to a substantial risk of forfeiture, such contribution is not counted toward the Maximum Contribution Limit until the substantial risk of forfeiture lapses (i.e., the contributions are vested). Where an amount is subject to a substantial risk of forfeiture, gains or losses allocable to the amount deferred, through the date that the substantial risk of forfeiture lapses, are taken into account in determining the amount that is considered deferred in the year in which the substantial risk of forfeiture lapses.

- 7.02** **Vesting Schedules.** A Participant's vested interest in such Participant's Employer Contribution Account and/or Matching Contribution Account is determined by multiplying the Participant's vesting percentage (determined under the applicable vesting schedule selected in AA §8) by the total amount under the applicable Account.

- (a) **Vesting schedule.** The Employer may choose any of the vesting schedules described in this subsection (a) as the normal vesting schedule with respect to Employer Contributions.

- (1) **Full and immediate vesting schedule.** Under the full and immediate vesting schedule, the Participant is always 100% vested in such Participant's Account Balance.
- (2) **3-year cliff vesting schedule.** Under the 3-year cliff vesting schedule, a Participant is 100% vested after 3 Years of Service. Prior to the third Year of Service, the vesting percentage is zero.
- (3) **6-year graded vesting schedule.** Under the 6-year graded vesting schedule, a Participant vests in such Participant's Employer Contribution Account and/or Matching Contribution Account in the following manner:

After 2 Years of Service – 20% vesting
After 3 Years of Service – 40% vesting
After 4 Years of Service – 60% vesting
After 5 Years of Service – 80% vesting
After 6 Years of Service – 100% vesting

- (4) **Modified vesting schedule.** Under the modified vesting schedule, the Employer may designate the vesting percentage that applies for each Year of Service.

- (b) **Special vesting rules.**

- (1) **Separate Accounting.** The Plan Administrator will maintain separate accounting for the vested and non-vested portions of any Employer Contribution Account and/or Matching Contribution Account.
- (2) **100% vesting upon death, becoming Disabled, or attaining Normal Retirement Age.** The Employer may elect under AA §8-4 to allow a Participant's vesting percentage to automatically increase to 100% if the Participant dies, terminates employment due to becoming Disabled, attains Normal Retirement Age and/or for other designated reasons.

- 7.03** **Year of Service.** An Employee's position on the vesting schedule is dependent on the Employee's Years of Service with the Employer. Generally, an Employee will earn a vesting Year of Service for each Vesting Computation Period during which the Employee completes at least 1,000 Hours of Service. Alternatively, the Employer may elect under AA §8-5(a) to modify the definition of Year of Service to require completion of any other number of Hours of Service or may elect to calculate Years of Service using the Elapsed Time method (as defined in subsection (b) below).

- (a) **Hours of Service.** Unless the Employer elects to use the Elapsed Time method under AA §8-5(c), vesting Years of Service will be determined based on an Employee's Hours of Service earned during the Vesting Computation Period.

- (1) **Actual Hours of Service.** In determining an Employee's vesting Years of Service, the Employer will credit an Employee with the actual Hours of Service earned during the Vesting Computation Period, unless the Employer elects under AA §8-5(d) to determine Hours of Service using the Equivalency Method.

- (2) **Equivalency Method.** Instead of counting actual Hours of Service in applying the Plan's vesting schedules, the Employer may elect under AA §8-5(d) to determine Hours of Service based on the Equivalency Method. Under the Equivalency Method, an Employee receives credit for a specified number of Hours of Service based on the period or hours worked with the Employer.
- (i) **Monthly.** Under the monthly Equivalency Method, an Employee is credited with 190 Hours of Service for each calendar month during which the Employee completes at least one Hour of Service with the Employer.
 - (ii) **Weekly.** Under the weekly Equivalency Method, an Employee is credited with 45 Hours of Service for each week during which the Employee completes at least one Hour of Service with the Employer.
 - (iii) **Daily.** Under the daily Equivalency Method, an Employee is credited with 10 Hours of Service for each day during which the Employee completes at least one Hour of Service with the Employer.
 - (iv) **Semi-monthly.** Under the semi-monthly Equivalency Method, an Employee is credited with 95 Hours of Service for each semi-monthly period during which the Employee completes at least one Hour of Service with the Employer.
 - (v) **Hours worked.** Under the hours worked Equivalency method, 870 hours worked is treated as 1,000 Hours of Service and 435 hours worked treated as 500 Hours of Service.
 - (vi) **Regular time hours.** Under the regular time hours Equivalency Method, 750 regular time hours is treated as 1,000 Hours of Service and 375 regular time hours treated as 500 Hours of Service.
- (3) **Employee need not be employed for entire Vesting Computation Period.** If an Employee completes the required Hours of Service during a Vesting Computation Period, the Employee will receive credit for a Year of Service as of the end of such Vesting Computation Period, even if the Employee is not employed for the entire Vesting Computation Period.
- (b) **Elapsed Time method.** Instead of using Hours of Service in applying the Plan's vesting schedules, the Employer may elect under AA §8-5(c) to apply the Elapsed Time method for calculating an Employee's vesting service with the Employer. Under the Elapsed Time method, an Employee receives credit for the aggregate period of time worked for the Employer commencing with the Employee's first day of employment (or Reemployment Commencement Date, if applicable) and ending on the date the Employee begins a Period of Severance which lasts at least 12 consecutive months. In calculating an Employee's aggregate period of service, an Employee receives credit for any Period of Severance that lasts less than 12 consecutive months. If an Employee's aggregate period of service includes fractional years, such fractional years are expressed in terms of days.
- (1) **Period of Severance.** For purposes of applying the Elapsed Time method, a Period of Severance is any continuous period of time during which the Employee is not employed by the Employer. A Period of Severance begins on the date the Employee retires, quits or is discharged, or if earlier, the 12-month anniversary of the date on which the Employee is first absent from service for a reason other than retirement, quit or discharge.
- In the case of an Employee who is absent from work for maternity or paternity reasons, the 12-consecutive month period beginning on the first anniversary of the first date of such absence shall not constitute a Period of Severance. For purposes of this paragraph, an absence from work for maternity or paternity reasons means an absence (i) by reason of the pregnancy of the Employee, (ii) by reason of the birth of a child of the Employee, (iii) by reason of the placement of a child with the Employee in connection with the adoption of such child by the Employee, or (iv) for purposes of caring for a child of the Employee for a period beginning immediately following the birth or placement of such child.
- (2) **Related Employers.** For purposes of applying the Elapsed Time method, service will be credited for employment with any Related Employer.

7.04 Vesting Computation Period. Generally, the Vesting Computation Period is the Plan Year. Alternatively, the Employer may elect under AA §8-5(b) to use the 12-month period commencing on the Employee's date of hire (or Reemployment Commencement Date, if applicable) and each subsequent 12-month period commencing on the anniversary of such date or the Employer may elect to use any other 12-consecutive month period as the Vesting Computation Period.

- 7.05** **Excluded service.** Generally, all service with the Employer counts for purposes of applying the Plan’s vesting schedules. However, the Employer may elect under AA §8-3 to exclude certain service with the Employer in calculating an Employee’s vesting Years of Service.
- 7.06** **Service with Predecessor Employers.** If the Employer maintains the plan of a Predecessor Employer, any service with such Predecessor Employer is treated as service with the Employer for purposes of applying the provisions of this Plan, unless otherwise specified by the Employer in the Adoption Agreement. If the Employer does not maintain the plan of a Predecessor Employer, service with such Predecessor Employer does not count for vesting purposes under this Section 7, unless the Employer specifically designates under AA §4-5 to credit service with such Predecessor Employer for vesting.
- 7.07** **Forfeiture of Benefits.** A Participant will forfeit the nonvested portion of such Participant’s Employer Contribution and/or Matching Contribution Account at such time as the Plan Administrator determines a forfeiture event has occurred. The Plan Administrator has the responsibility to determine the amount of a Participant’s forfeiture. Until an amount is forfeited pursuant to this Section 7.07, a Participant’s entire Account must remain in the Plan and continue to share in gains and losses. A Participant will not forfeit any of such Participant’s nonvested Account until the occurrence of a total distribution to the Participant or Beneficiary or the occurrence of a distributable event as described under the Plan.
- 7.08** **Allocation of Forfeitures.** The Employer may decide in its discretion how to treat forfeitures under the Plan. Alternatively, the Employer may designate under AA §8-6 how forfeitures occurring during a Plan Year will be treated.
- (a) **Reallocation as additional contributions.** The Employer may elect in AA §8-6 to reallocate forfeitures as additional contributions under the Plan. If the Employer elects to reallocate forfeitures as additional contributions, the Employer may elect, in its discretion, to allocate such amounts as additional Employer Contributions and/or additional Matching Contributions. Forfeitures allocated under this subsection (a) will be allocated in the same manner as selected under AA §6-3 or AA §6B-2 with respect to the contribution type being allocated. If no allocation method is selected for a particular contribution type, forfeitures will be reallocated as a pro rata allocation (as described in AA §6-3(a)) if such amount is reallocated as an additional Employer Contribution or as a discretionary Matching Contribution (as described in AA §6B-2(a)) if such amount is reallocated as an additional Matching Contribution. In applying the provisions of this subsection (a), no allocation of forfeitures will be made to any Participant with respect to forfeitures that arise out of such Participant’s own Account.
- (b) **Reduction of contributions.** The Employer may elect in AA §8-6 to use forfeitures to reduce Employer Contributions and/or Matching Contributions under the Plan. If the Employer elects to use forfeitures to reduce contributions, the Employer may, in its discretion, use such forfeitures to reduce Employer Contributions, Matching Contributions, or both. The Employer may adjust its contribution deposits in any manner, provided the total Employer Contributions made for the Plan Year properly take into account the forfeitures that are to be used to reduce such contributions for that Plan Year. If contributions are allocated over multiple allocation periods, the Employer may reduce its contribution for any allocation periods within the Plan Year in which the forfeitures are to be allocated so that the total amount allocated for the Plan Year is proper.
- (c) **Payment of Plan expenses.** The Employer may elect under AA §8-6 to first use forfeitures to pay Plan expenses for the Plan Year in which the forfeitures would otherwise be applied. If any forfeitures remain after the payment of Plan expenses under this subsection, the remaining forfeitures will be allocated as selected under AA §8-6.
- (d) **Frozen Plans.** If the Plan holds any unallocated forfeitures at the time the Plan is frozen, such forfeitures may be allocated in accordance with this Section 7.08, regardless of any contrary elections under AA §8-6.

SECTION 8 PLAN DISTRIBUTIONS

A Participant may receive a distribution of such Participant's vested Account Balance at the time and in the manner provided under this Section 8.

8.01 Distribution Options. Distributions from the Plan may be made in the form of a lump sum of the Participant's entire vested Account Balance, a single sum distribution of a portion of the Participant's vested Account Balance, installments, annuity payments or other form of distribution, as elected by the Employer under the Agreement. In addition, distribution options may be available as provided under a guaranteed income product to the extent such distribution options are consistent with the requirements of Code §457(b). The Plan Administrator will make distributions to a Participant (or Beneficiary) as soon as administratively feasible after the occurrence of an event, such as Severance from Employment, that allows a Participant or Beneficiary to receive a distribution. The Plan may condition the receipt of a distribution on Participant and/or spousal consent, as specified under AA §9-4.

Subject to the automatic rollover rules under **Section 8.09(f)** of the Plan, a Participant who has a Severance from Employment (or a Beneficiary entitled to a distribution after the death of a Participant) with a vested Account Balance of \$5,000 (\$7,000, effective for distributions after December 31, 2023) or less generally will receive an Involuntary Cash-Out Distribution in the form of a lump sum distribution. An Involuntary Cash-Out Distribution is any distribution that is made from the Plan without the Participant's consent. If a Participant's vested Account Balance exceeds \$5,000 (\$7,000, effective for distributions after December 31, 2023), the Participant generally must consent to a distribution from the Plan. The Employer may specify alternative Involuntary Cash-Out Distribution thresholds and Participant and spousal consent requirements for the Plan under AA §9-4 or under separate administrative procedures.

Notwithstanding other provisions of the Plan, the Employer may operate the Plan to provide relief from certain rules relating to in-service distributions and loans for Participants who are victims of certain qualified natural disasters, as set forth under applicable IRS or legislative guidance. The Plan Administrator shall document through administrative procedures or otherwise the manner in which the Plan operationally applied this relief.

8.02 Amount Eligible for Distribution. For purposes of determining the amount a Participant may receive as a distribution from the Plan, a Participant's Account Balance is determined as of the Valuation Date that immediately precedes the date the Participant receives a distribution from the Plan. For this purpose, the Participant's Account Balance must be increased for any contributions allocated to the Participant's Account since the most recent Valuation Date and must be reduced for any distributions the Participant received from the Plan since the most recent Valuation Date. A Participant does not share in any allocation of gains or losses attributable to the period between the Valuation Date and the date of the distribution under the Plan, unless the Plan Administrator establishes an alternative policy.

8.03 Permissible Distribution Events. A Participant may receive a distribution from the Plan on account of a Severance from Employment. The Employer may, but is not required to, elect under AA §9-2(a) to allow certain in-service distributions. (See **Section 8.06** for the special rules for the distribution of smaller amounts.) However, as required under Code §457(d), in no event may the Plan make distributions earlier than:

- (a) The calendar year in which a Participant attains age 59½;
- (b) The date a Participant qualifies for an Unforeseeable Emergency distribution, as described under **Section 8.08**;
- (c) The date a Participant qualifies for a Qualified Birth or Adoption Distribution, as described under **Section 8.14**;
- (d) With respect to amounts invested in a Lifetime Income Investment, as described under **Section 8.15**, the date that is 90 days prior to the date that such Lifetime Income Investment may no longer be held as an investment option under the Plan;
- (e) The date a Participant is required to receive a distribution under the required minimum distribution rules in **Section 9** of the Plan;
- (f) The date a Participant is treated as having a Severance from Employment during any period the individual is performing service in the Uniformed Services for purposes of receiving a Plan distribution under Code §457(d). If an individual elects to receive a distribution while on military leave, the individual may not make Salary Deferrals under the Plan during the 6-month period beginning on the date of the distribution.
- (g) The date a Participant qualifies for an Emergency Personal Expense Distribution, as described in **Section 8.18**.

- (h) The date a Participant qualifies for a Domestic Abuse Distribution, as described in **Section 8.19**.
- (i) The date a participant qualifies for a Qualified Long-Term Care Distribution, as described in **Section 8.20**. [Note – **Qualified Long-Term Care Distributions are not available until after December 29, 2025.**]

If the Employer does not elect to allow in-service distributions under AA §9-2(a), then no distributions are allowed until a Participant has a Severance from Employment.

8.04 Severance from Employment. An Employee has a Severance from Employment if the Employee dies, retires or otherwise has a severance from employment. In general, an Independent Contractor is considered to have a Severance from Employment upon the expiration of the contract under which services are performed for the Employer, if the expiration constitutes a good faith and complete termination of the contractual relationship.

8.05 Distribution Upon Death. Upon death and subject to the required minimum distribution rules in **Section 9**, a Participant's vested Account Balance will be distributed to the Participant's Beneficiary(ies) in accordance with this Section. The form of benefit payable with respect to a deceased Participant will depend on whether the Participant dies before or after distribution of such Participant's Account Balance has commenced.

- (a) **Death after commencement of benefits.** Subject to the required minimum distribution rules under Code §401(a)(9), if a Participant begins receiving a distribution of benefits under the Plan, and subsequently dies prior to receiving the full value of such Participant's vested Account Balance, the remaining benefit may continue to be paid to the Participant's Beneficiary(ies) in accordance with the form of payment that has already commenced. Alternatively, the Plan Administrator, in its discretion, may cash-out the remaining value of the Participant's benefit without the consent of the Beneficiary(ies).
- (b) **Death before commencement of benefits.** If a Participant dies before commencing distribution of benefits under the Plan, the Participant's Beneficiary(ies) will receive an Involuntary Cash-Out Distribution, unless elected otherwise under AA §9-4 or under separate administrative procedures. In no event will any death benefit be paid in a manner that is inconsistent with the required minimum distribution rules under Code §401(a)(9).
- (c) **Determining a Participant's Beneficiary.** The determination of a Participant's Beneficiary(ies) to receive any death benefits under the Plan will be based on the Participant's Beneficiary designation under the Plan. If a Participant does not designate a Beneficiary to receive the death benefits under the Plan, distribution will be made to the default Beneficiaries, as set forth in subsection (3) below.
 - (1) **Post-retirement death benefit.** If a Participant dies after commencing distribution of benefits under the Plan (but prior to receiving a distribution of such Participant's entire vested Account Balance under the Plan), the Beneficiary of any post-retirement death benefit is determined in accordance with the Beneficiary selected under the distribution options in effect prior to death.
 - (2) **Pre-retirement death benefit.** If a Participant dies before commencing distribution of such Participant's benefits under the Plan, the surviving spouse (determined at the time of the Participant's death) will be treated as the sole Beneficiary, unless:
 - (i) there is a valid contrary Beneficiary designation,
 - (ii) there is no surviving spouse, or
 - (iii) the spouse makes a valid disclaimer.
 - (3) **Default beneficiaries.** To the extent a Beneficiary has not been named by the Participant (subject to the spousal consent rule discussed above) and is not designated under the terms of this Plan or the Adoption Agreement to receive all or any portion of the deceased Participant's death benefit, such amount shall be distributed to the Participant's surviving spouse (if the Participant was married at the time of death) who shall be considered the Designated Beneficiary. If a Participant is legally divorced, the former spouse is not considered the default Beneficiary. If the Participant does not have a surviving spouse at the time of death, distribution will be made to the Participant's surviving children (including legally adopted children, but not including step-children), as designated Beneficiaries, in equal shares. If the Participant has no surviving children, distribution will be made to the Participant's estate. The Employer may modify the default beneficiary rules described in this subparagraph under AA §9-6.

- (4) **Identification of Beneficiaries.** The Plan Administrator may request proof of the Participant's death and may require the Beneficiary to provide evidence of such Participant's right to receive a distribution from the Plan in any form or manner the Plan Administrator may deem appropriate. The Plan Administrator's determination of the Participant's death and of the right of a Beneficiary to receive payment under the Plan shall be conclusive. If a distribution is to be made to a minor or incompetent Beneficiary, payments may be made to the person's legal guardian, conservator recognized under state law, or custodian in accordance with the Uniform Gifts to Minors Act or similar law as permitted under the laws of the state where the Beneficiary resides. The Plan Administrator or Trustee will not be liable for any payments made in accordance with this subsection (4) and will not be required to make any inquiries with respect to the competence of any person entitled to benefits under the Plan.
- (5) **Death of Beneficiary.** Unless specified otherwise in the Participant's Beneficiary designation form or under AA §9-6, if a Beneficiary does not predecease the Participant but dies before distribution of the death benefit is made to the Beneficiary, the death benefit will be paid to the Beneficiary's estate. If the Participant and the Participant's Beneficiary die simultaneously and the Participant's Beneficiary designation form does not address simultaneous death, the determination of the death beneficiary will be determined under any state simultaneous death laws, to the extent applicable. If no applicable state law applies, the death benefit will be paid to the any contingent beneficiaries named under the Participant's beneficiary designation. If there are no contingent beneficiaries, the death benefit will be paid to the Participant's default beneficiaries, as described in subsection (3).
- (6) **Divorce from Spouse.** If a Participant designates such Participant's spouse as Beneficiary and subsequent to such Beneficiary designation, the Participant and spouse are divorced, the designation of the spouse as Beneficiary under the Plan is automatically rescinded unless specifically provided otherwise under the Plan, a divorce decree or QDRO, or unless the Participant enters into a new Beneficiary designation naming the prior spouse as Beneficiary. In addition, the provisions under this subsection (6) will not apply if the Participant has entered into a Beneficiary designation that specifically overrides the provisions of this subsection (6).
- (d) **Slaver Rule.** Notwithstanding anything to the contrary in the Plan, if the Plan Administrator receives notice prior to distribution of a Participant's vested Account Balance that an individual is responsible for the death of such Participant, then no payment of benefits with respect to such Participant will be made under any provision of the Plan to such individual. An individual will be treated as being responsible for the death of a Participant for purposes of the foregoing sentence only if, by virtue of such individual's involvement in the death of the Participant, such individual's entitlement to any interest in assets of the deceased could be denied (whether or not there is in fact any such entitlement) under any applicable state law, including, without limitation, laws governing intestate succession, wills, jointly-owned property, bonds, and life insurance. For purposes of the Plan, any such responsible individual will be deemed to have predeceased the Participant. The Plan Administrator shall withhold distribution of benefits otherwise payable under the Plan for such period of time as is necessary or appropriate under the circumstances to make a determination with regard to the application of this section.
- 8.06** **Distributions of Smaller Amounts.** The Employer may elect under the AA §9-2(c) to allow for distribution of all or a portion of the Participant's Account Balance, provided the conditions set forth under subsection (a) are satisfied.
- (a) **Conditions for Distribution.** In order for a Plan to make distributions under this Section 8.06, the following conditions must be satisfied: (i) the Participant's total Account Balance which is not attributable to rollover contributions is not in excess of \$5,000 (or \$7,000, effective for distributions made after December 31, 2023) (or such other dollar limit specified under Code §411(a)(11)(A)), (ii) the Participant has not received an Employer Contribution or made a Salary Reduction Contribution during the two-year period ending on the date of distribution and (iii) the Plan has not made a prior distribution to the Participant under this Section 8.06.
- (b) **Participant Election.** The Employer may elect under the AA §9-2(c) to allow a Participant to receive a distribution under this Section 8.06 at the Participant's (or Beneficiary's) request, provided the conditions in subsection (a) are satisfied.
- 8.07** **Distributions under a Qualified Domestic Relations Order.** The plan may make distributions to an Alternate Payee pursuant to a Qualified Domestic Relations Order (as described in Section 11.06 of the Plan, even if the amounts subject to the QDRO are not otherwise distributable).
- 8.08** **Unforeseeable Emergency Distribution.** If elected by the Employer in AA§9-2, a Participant may receive an in-service distribution on account of an Unforeseeable Emergency. If elected under AA §9-2(a)(3), Participants who receive a distribution on the occurrence of an Unforeseeable Emergency may not make Salary Deferrals to the Plan for a period of six (6) months after the date of the Unforeseeable Emergency distribution.

- (a) **Amount available for distribution.** A Participant may receive a distribution on account of an Unforeseeable Emergency of any portion of such Participant's vested benefit (including earnings thereon) up to the amount reasonably necessary to satisfy the emergency need (which may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution).
- (b) **Definition of Unforeseeable Emergency.** An Unforeseeable Emergency is a severe financial hardship resulting from (i) an illness or accident of the Participant or Beneficiary, the Participant's or Beneficiary's spouse or the Participant's or Beneficiary's dependent; (ii) loss of the Participant's or Beneficiary's property due to casualty; or (iii) similar extraordinary or unforeseeable circumstances arising as a result of events beyond the control of the Participant or Beneficiary (such as the need to pay medical expenses or funeral expenses). Imminent foreclosure of or eviction from the Participant's or Beneficiary's primary residence; the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication; the need to pay for the funeral expenses of a spouse or a dependent (as defined in IRC §152(a)) may constitute Unforeseeable Emergencies. However, the purchase of a home and the payment of college tuition generally are not Unforeseeable Emergencies. The Plan Administrator will determine based on relevant facts and circumstances whether a Participant or Beneficiary is faced with an Unforeseeable Emergency permitting a distribution.
- (c) **Availability of Other Resources.** The Plan may not make a distribution on account of an Unforeseeable Emergency to the extent that the emergency is or may be relieved through reimbursement or compensation from insurance or otherwise; by liquidation of the Participant's assets without causing financial hardship; or by cessation of Salary Deferrals under the Plan.
- (d) **Employee certification.** In determining whether a distribution to a Participant is made when the Participant is faced with an Unforeseeable Emergency, the Plan Administrator may (but is not required to) rely on a written certification by the Participant that the distribution is: (1) made when the Participant is faced with an Unforeseeable Emergency of a type which is described in Section 8.08(b) of the Plan; (2) not in excess of the amount required to satisfy the emergency need; and (3) that the Participant has no alternative means reasonably available to satisfy such emergency need. This Section 8.08(d) will be administered consistent with any applicable guidance or regulations issued by the Internal Revenue Service.

8.09 Direct Rollovers. Notwithstanding any provision in the Plan to the contrary, a Participant may elect to have all or any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan in a Direct Rollover. If a Participant elects a Direct Rollover of only a portion of an Eligible Rollover Distribution, the Plan Administrator may require that the amount being rolled over equals at least \$500.

For purposes of this Section 8.09, a Participant includes a Participant or former Participant. In addition, this Section applies to any distribution from the Plan made to a Participant's surviving spouse or to a Participant's spouse or former spouse who is the Alternate Payee under a QDRO.

If it is reasonable to expect (at the time of the distribution) that the total amount the Participant will receive as a distribution during the calendar year will total less than \$200, the Employer need not offer the Participant a Direct Rollover option with respect to such distribution.

- (a) **Eligible Rollover Distribution.** An Eligible Rollover Distribution is any distribution of all or any portion of a Participant's Account Balance, except for the following distributions:
 - (1) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or Life Expectancy) of the Participant or the joint lives (or joint Life Expectancies) of the Participant and the Participant's Beneficiary, or for a specified period of ten years or more;
 - (2) any distribution to the extent such distribution is a required minimum distribution under **Section 9**;
 - (3) the portion of any distribution that is not includible in gross income;
 - (4) any distribution if it is reasonably expected (at the time of the distribution) that the total amount the Participant will receive as a distribution during the calendar year will total less than \$200; or
 - (5) the portion of any distribution that is a distribution of excess deferrals as described under **Section 5.05**; or
 - (6) a distribution on account of an Unforeseeable Emergency.
- (b) **Eligible Retirement Plan.** An Eligible Retirement Plan is:

- (1) an individual retirement account described in §408(a) of the Code;
 - (2) an individual retirement annuity described in §408(b) of the Code;
 - (3) an annuity plan described in §403(a) of the Code;
 - (4) a qualified plan described in §401(a) of the Code;
 - (5) a tax sheltered annuity plan described in §403(b) of the Code;
 - (6) a governmental 457 plan described in §457(b) of the Code; or
 - (7) Any other eligible retirement plan designated under Code §402(c)(8)(B).
- (c) **Direct Rollover.** A Direct Rollover is a payment made directly from the Plan to the Eligible Retirement Plan specified by the Participant (or surviving spouse). The Plan Administrator may develop reasonable procedures for accommodating Direct Rollover requests.
- (d) **Direct Rollover notice.** A Participant entitled to an Eligible Rollover Distribution must receive a written explanation of such Participant's right to a Direct Rollover, the tax consequences of not making a Direct Rollover, and, if applicable, any available special income tax elections. The notice must be provided within 30 – 180 days prior to the date of distribution. The Direct Rollover notice must be provided to all Participants, unless the total amount the Participant will receive as a distribution during the calendar year is expected to be less than \$200.
- (e) **Direct Rollover by Non-Spouse Beneficiary.** A non-spouse beneficiary (as defined in Code §401(a)(9)(E)) may elect to directly rollover an eligible rollover distribution to an individual retirement account under Code §408(a) or an individual retirement annuity under Code §408(b). In order to be able to roll over the distribution, the distribution otherwise must satisfy the definition of an Eligible Rollover Distribution (as defined in Code §402(c)). A non-spouse beneficiary rollover is subject to the rules under Code §457(e)(16) relating to the application of Code §402(c) and Code §402(f).
- (f) **Automatic Rollovers.**
- (1) **Automatic Rollover requirements.** If a Participant is entitled to an Involuntary Cash-Out Distribution (as defined in subsection (2)), and the Participant does not elect to receive a distribution of such amount (either as a Direct Rollover to an Eligible Retirement Plan or as a direct distribution to the Participant), then the Plan Administrator may pay the distribution in a Direct Rollover to an individual retirement plan (IRA) designated by the Plan Administrator. (The Automatic Rollover provisions under this subsection apply to any Involuntary Cash-Out Distribution for which the Participant fails to consent to a distribution, without regard to whether the Participant can be located.)
 - (2) **Involuntary Cash-Out Distribution.** An Involuntary Cash-Out Distribution is any distribution that is made from the Plan without the Participant's consent. Unless elected otherwise under AA §9-4(a)(3), an Involuntary Cash-Out Distribution, for purposes of applying the Automatic Rollover requirements, does not include any amounts below \$1,000.
 - (3) **Treatment of Rollover Contributions.** Unless elected otherwise under AA §9-4(a)(5), for purposes of determining whether a mandatory distribution is greater than \$1,000, the portion of the Participant's distribution attributable to any Rollover Contribution is excluded.
- 8.10 Sources of Distribution.** Unless provided otherwise in separate administrative provisions adopted by the Plan Administrator, in applying the distribution provisions under this Article 8, distributions will be made on a pro rata basis from all Accounts from which a distribution is permitted under this Article. Alternatively, the Plan Administrator may permit Participants to direct the Plan Administrator as to which Account the distribution is to be made. Regardless of a Participant's direction as to the source of any distribution, the tax effect of such a distribution will be governed by Code §457 and the regulations there under. Nothing in this Article precludes the Plan from making a distribution in the form of property, or other in-kind distribution.
- 8.11 Transfers from the Plan to another Code §457(b) Plan.** The Plan may provide for the transfer of all or a portion of a Participant's (or Beneficiary's) vested Account Balance to another eligible governmental plan within the meaning of Code §457(b) and Treasury Regulation §1.457-2(f) if the conditions below are satisfied: Upon the transfer of assets under this Section, the Plan's liability to pay benefits to the Participant or Beneficiary under this Plan shall be discharged to the extent of

the amount so transferred for the Participant or Beneficiary. The Administrator may require such documentation from the receiving plan as it deems appropriate or necessary to comply with this Section (for example, to confirm that the receiving plan is an eligible governmental plan, and to assure that the transfer is permitted under the receiving plan) or to effectuate the transfer pursuant to Treas. Reg. §1.457-10 (b).

- (a) Requirements for post-severance plan-to-plan transfers among eligible governmental plans. A transfer from this Plan to another eligible governmental plan is permitted if the following conditions are met:
 - (1) The receiving plan provides for the receipt of transfers;
 - (2) The Participant or Beneficiary whose amounts are being transferred will have an amount immediately after the transfer at least equal to the amount with respect to that Participant or Beneficiary immediately before the transfer; and
 - (3) The participant has had a Severance from Employment with the Employer and is performing services for the entity maintaining the receiving plan.
- (b) Requirements for plan-to-plan transfers of all plan assets of eligible governmental plan. A transfer from the Plan to another eligible governmental plan is permitted if the following conditions are met:
 - (1) The transfer is from the Plan an eligible governmental plan to another eligible governmental plan within the same State;
 - (2) All of the assets held by the Plan are transferred;
 - (3) The receiving plan provides for the receipt of transfers;
 - (4) The Participant or Beneficiary whose amounts deferred are being transferred will have an amount immediately after the transfer at least equal to the amount with respect to that Participant or Beneficiary immediately before the transfer; and
 - (5) The Participants or Beneficiaries whose amounts are being transferred are not eligible for additional contributions in the receiving plan unless they are performing services for the entity maintaining the receiving plan.
- (c) Requirements for plan-to-plan transfers among eligible governmental plans of the Employer. A transfer from the Plan to another eligible governmental plan is permitted if the following conditions are met:
 - (1) The transfer is to another eligible governmental plan of the Employer;
 - (2) The receiving plan provides for the receipt of transfers;
 - (3) The Participant or Beneficiary whose amounts are being transferred will have an amount immediately after the transfer at least equal to the amount deferred with respect to that Participant or Beneficiary immediately before the transfer; and
 - (4) The Participant or Beneficiary whose amounts are being transferred is not eligible for additional contributions in the receiving plan unless the Participant or Beneficiary is performing services for the entity maintaining the receiving plan.

8.12 Permissive Service Credit Transfers. If a Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in Code §414(d)) that provides for the acceptance of plan-to-plan transfers with respect to the Participant, then the Participant, if permitted by the Employer, may elect to have any portion of the Participant's Account Balance transferred to the defined benefit governmental plan (without regard to whether the defined benefit governmental plan is maintained by the Employer). A transfer under this Section may be made before the Participant has had a Severance from Employment. A transfer may be made under this Section only if the transfer is either for the purchase of permissive service credit (as defined in Code §415(n)(3)(A)) under the receiving defined benefit governmental plan or a repayment to which Code §415 does not apply by reason of Code §415(k)(3).

8.13 Qualified Distributions for Retired Public Safety Officers. A Participant who is an eligible retired public safety officer may elect, after Severance from Employment, to have qualified health insurance premiums deducted from amounts to be distributed from the Plan that would otherwise be includible in gross income, and to have such amounts paid directly to the insurer or

group health plan. The distribution shall be excluded from the Participant's gross income to the extent that the aggregate amount of the distribution does not exceed the lesser of the amount used to pay the qualified health insurance premiums of the Participant, the Participant's spouse, and the Participant's dependents (as defined in Code § 152), or \$3,000, determined by aggregating all distributions with respect to the Participant that are used to pay qualified health insurance premiums from all eligible retirement plans of the Employer.

- (a) **Qualified health insurance premiums.** The term "qualified health insurance premiums" means premiums for coverage for the Participant, the Participant's spouse, and the Participant's dependents (as defined in Code Section 152) by an accident or health insurance plan (including under a self-insured plan) or qualified long-term care insurance contract (within the meaning of Code Section 7702B(b)).
- (b) **Eligible retired public safety officer.** The term "eligible retired public safety officer" means an individual who separated from service, either by reason of disability or after attainment of Normal Retirement Age, as a public safety officer with the Employer. For this purpose, a public safety officer is an individual serving the Employer in an official capacity, with or without compensation, as a law enforcement officer, a firefighter, a chaplain, or a member of a rescue squad or ambulance crew.

8.14 Qualified Birth or Adoption Distributions. Effective no earlier than for Plan Years beginning after December 31, 2019, if elected under AA §9-2(a), the permissible in-service distribution events may include Qualified Birth or Adoption Distributions. Under AA §9-3, the Plan may prohibit Participants who have terminated employment from taking Qualified Birth or Adoption Distributions.

(a) **Definitions.**

- (1) **Qualified Birth or Adoption Distribution.** A Qualified Birth or Adoption Distribution (as defined under Code §72(t)(2)(H)(iii)(I)) is a distribution from the Plan to an individual if made during the one-year period beginning on the date on which a child of the individual is born or on which the legal adoption by the individual of an Eligible Adoptee is finalized.
- (2) **Eligible Adoptee.** An Eligible Adoptee (as defined under Code §72(t)(2)(H)(iii)(II)) is any individual (other than a child of the Employee's spouse) who has not attained age 18 or is physically or mentally incapable of self-support. The determination of whether an individual is physically or mentally incapable of self-support is made in the same manner as the determination of whether an individual is disabled under Code §72(m)(7), which defines when an individual is disabled for purposes of the exception to the 10% additional tax under Code §72(t)(2)(A)(iii).

- (b) **\$5,000 limitation.** The Plan is not treated as violating any Code requirement merely because it treats a distribution (that would otherwise be a Qualified Birth or Adoption Distribution) to an individual as a Qualified Birth or Adoption Distribution, provided that the aggregate amount of such distributions to that individual from all plans maintained by the Employer does not exceed \$5,000.

- (1) Each parent may receive a Qualified Birth or Adoption Distribution of up to \$5,000 with respect to the same child or Eligible Adoptee.
- (2) An individual is permitted to receive Qualified Birth or Adoption Distributions with respect to the birth of more than one child or the adoption of more than one Eligible Adoptee if the distributions are made during the 1-year period following the date on which the children are born or the legal adoption for the Eligible Adoptees is finalized.

- (c) **Recontributions to applicable Eligible Retirement Plans.** Any portion of a Qualified Birth or Adoption Distribution may, at any time during the 3-year period beginning on the day after the date on which such distribution was received, be recontributed to an applicable Eligible Retirement Plan to which an Eligible Rollover Distribution can be made. (With respect to any Qualified Birth or Adoption Distribution made on or before December 29, 2022, a Participant may retribute any portion of the Qualified Birth or Adoption Distribution after such distribution and before January 1, 2026.) If the Employer adds the ability for Plan Participants to receive Qualified Birth or Adoption Distributions to the Plan, a Participant who has received a Qualified Birth or Adoption Distribution may retribute, up to the amount that was distributed from the Plan to the Participant, provided the Participant otherwise is eligible to make contributions (other than recontributions of Qualified Birth or Adoption Distributions) to the Plan. In the case of a retribution made with respect to a Qualified Birth or Adoption Distribution from an applicable Eligible Retirement Plan other than an IRA, an individual is treated as having received the distribution as an Eligible Rollover Distribution (as defined in Code §402(c)(4)) and as having transferred the amount to an applicable Eligible Retirement Plan in a direct trustee-to-trustee transfer within 60 days of the distribution.

(d) **Other applicable rules.** The following rules apply to Qualified Birth or Adoption Distributions:

- (1) A distribution to an individual will not be treated as a Qualified Birth or Adoption Distribution with respect to any child or Eligible Adoptee unless the individual includes the name, age, and the Taxpayer Identification Number (TIN) of the child or Eligible Adoptee on the individual's tax return.
- (2) A Qualified Birth or Adoption Distribution is includible in gross income, but it is not subject to the 10% additional tax under Code §72(t)(1).
- (3) In making a determination whether an individual is eligible for a Qualified Birth or Adoption Distribution, the Employer or Plan Administrator is permitted to rely on reasonable representations from the individual, unless the Employer or Plan Administrator has actual knowledge to the contrary.
- (4) A Qualified Birth or Adoption Distribution is not treated as an Eligible Rollover Distribution for purposes of the direct rollover rules of Code §401(a)(31), the notice requirement under Code §402(f), and the mandatory withholding rules under Code §3405.

8.15 Portability of lifetime income options. Effective for Plan Years beginning after December 31, 2019 and as provided under Code §457(d)(1)(A)(iv), the Plan may allow a Qualified Distribution of a Lifetime Income Investment and a distribution of a Lifetime Income Investment in the form of a Qualified Plan Distribution Annuity Contract, provided such distribution is made within the 90-day period ending on the date when the Lifetime Income Investment is no longer authorized to be held as an investment option under the Plan. The Plan Administrator may administratively apply the rules of Code §457(d)(1)(A)(iv) to any applicable Plan investment meeting the definition of a Lifetime Income Investment.

Definitions.

- (a) **Qualified Distribution.** A Qualified Distribution is a direct trustee-to-trustee transfer to an Eligible Retirement Plan.
- (b) **Lifetime Income Investment.** A Lifetime Income Investment, as defined under Code §401(a)(38)(B)(ii), is an investment option designed to provide an Employee with election rights (1) that are not uniformly available with respect to other investment options under the Plan and (2) that are rights to a Lifetime Income Feature available through a contract or other arrangement offered under the Plan, as defined under Code §401(a)(38)(B)(ii). The Plan Administrator will determine whether an investment option under the Plan is a Lifetime Income Investment.
- (c) **Lifetime Income Feature.** As defined under Code §401(a)(38)(B)(iii), a Lifetime Income Feature is (1) a feature that guarantees a minimum level of income annually (or more frequently) for at least the remainder of the life of the Employee or the joint lives of the Employee and the Employee's designated Beneficiary, or (2) an annuity payable on behalf of the Employee under which payments are made in substantially equal periodic payments (not less frequently than annually) over the life of the Employee or the joint lives of the Employee and the Employee's designated Beneficiary.
- (d) **Qualified Plan Distribution Annuity Contract.** A Qualified Plan Distribution Annuity Contract is an annuity contract purchased for a Participant and distributed to the Participant by the Plan, as defined under Code §401(a)(38)(B)(iv).

8.16 Special Disaster-Related Rules under the Taxpayer Certainty and Disaster Tax Relief Act of 2020. This Section 8.16 incorporates the provisions of the Taxpayer Certainty and Disaster Tax Relief Act of 2020 §302 relating to special disaster-related rules applicable to governmental Code §457(b) plans. The provisions of this Section 8.16 apply only to the extent a distribution or loan was made to a qualified individual as provided under Disaster Tax Relief Act of 2020 §302. If the Plan did not operationally apply the rules under this Section 8.16, such provisions do not apply to the Plan. The Plan Administrator documented through administrative procedures (including designating accounts from which special disaster-related distributions and loans could have been taken) or otherwise the manner in which the Plan operationally applied the rules under this Section 8.16. To the extent this Section 8.16 applies to the Plan, these provisions supersede any inconsistent provisions of the Plan or loan program. The Plan Administrator

- (a) **Eligibility for Qualified Disaster Distribution.** If administratively permitted by the Plan Administrator, a Participant could have taken a Qualified Disaster Distribution without regard to any distribution restrictions otherwise applicable under the Plan.

- (1) **Definitions.**

- (i) **Qualified Disaster Distribution.** A Qualified Disaster Distribution (as defined under the Disaster Tax Relief Act of 2020 §302(a)(4)(A)) is a distribution from the Plan made:
 - (A) on or after the first day of the Incident Period of a Qualified Disaster and before June 25, 2021, and
 - (B) to an individual whose principal place of abode at any time during the Incident Period of such Qualified Disaster was located in the Qualified Disaster Area with respect to such Qualified Disaster and who had sustained an economic loss by reason of such Qualified Disaster.
 - (ii) **Qualified Disaster Area.** A Qualified Disaster Area is any area with respect to which a major disaster was declared, during the period that began on January 1, 2020, and ended on February 25, 2021, by the President under Robert T. Stafford Disaster Relief and Emergency Assistance Act §401 if the Incident Period of the disaster with respect to which such declaration was made began on or after December 28, 2019, and ended on or before December 27, 2020. Such term did not include any area with respect to which such a major disaster had been so declared only by reason of COVID-19.
 - (iii) **Qualified Disaster.** A Qualified Disaster is, with respect to any Qualified Disaster Area, the disaster by reason of which a major disaster was declared with respect to such area.
 - (iv) **Incident Period.** An Incident Period is, with respect to any Qualified Disaster, the period specified by the Federal Emergency Management Agency as the period during which such disaster occurred (except that such period shall not be treated as ending after January 26, 2021).
- (2) **Limit on amount of Qualified Disaster Distributions.** The aggregate amount of Qualified Disaster Distributions received by an individual for any taxable year (from all plans maintained by the Employer and any member of a controlled group which includes the Employer) could not have exceeded the excess (if any) of \$100,000, over the aggregate amounts treated as Qualified Disaster Distributions received by such individual for all prior taxable years.
- (3) **Qualified Disaster Distributions treated as meeting certain Plan distribution requirements.** A Qualified Disaster Distribution is treated as meeting the requirements of Code §457(d)(1)(A).
- (b) **Repayment of Qualified Disaster Distribution.** As provided under the Disaster Tax Relief Act of 2020 §302(a)(3), a Participant who received a Qualified Disaster Distribution from the Plan or another eligible retirement plan (as defined in Code §402(c)(8)(B)) may, at any time during the three-year period beginning on the day after the receipt of such distribution, make one or more Rollover Contributions to the Plan in an aggregate amount that does not exceed the amount of such Qualified Disaster Distribution. This subsection (b) only applies if the Plan permits Rollover Contributions.
- (c) **Special Loan Rules.** As provided under the Disaster Tax Relief Act of 2020 §302(c), the Plan Administrator could (but was not required to) revise the applicable loan requirements under the Plan to reflect (1) and (2) below.
- (1) **Increased Participant loan limits.** Notwithstanding the Participant loan limitations under the Plan, for purposes of determining the permissible Participant loans for a Qualified Individual during the 180-day period beginning on December 27, 2020, the loan limit under Code §72(p)(2)(A) could have been applied by substituting “\$100,000” for “\$50,000” and the adequate security requirement under Code §72(p)(2)(A)(ii) could have been applied using “the Participant’s vested Account Balance” rather than “one-half (½) of the Participant’s vested Account Balance.” A Qualified Individual for this purpose was any Participant whose principal place of abode at any time during the Incident Period of any Qualified Disaster was located in the Qualified Disaster Area with respect to such Qualified Disaster, and who had sustained an economic loss by reason of such Qualified Disaster.
 - (2) **Delayed loan repayment date.** If a Qualified Individual (as defined in Section 8.16(c)(1) above) had an outstanding Participant loan on or after the first day of the Incident Period of a Qualified Disaster and ending on the date which is 180 days after the last day of the Incident Period:
 - (i) The due date for repayment of the Participant loan could have been delayed for one year;
 - (ii) any subsequent repayments with respect to such loan could have been appropriately adjusted to reflect the delay in the due date under Section 8.16(c)(2)(i) and any interest accruing during such delay; and

- (iii) in determining the five-year period and the term of the loan under Code §72(p)(2)(B) and (C), the one-year delay period described in Section 8.16(c)(2)(i) could have been disregarded.

8.17 Qualified Disaster Recovery Distributions and loans from the Plan. This Section 8.17 incorporates §331 of SECURE 2.0 relating to special disaster-related rules for retirement plans. The provisions of this Section 8.17 will apply only to the extent a distribution or loan has been made to a qualified individual as provided under SECURE 2.0. If the Plan does not operationally apply the rules under this Section 8.17, such provisions do not apply to the Plan. The Plan Administrator must document under administrative procedures the operational application of this Section 8.17. To the extent this Section 8.17 applies to the Plan, the provisions of this Section 8.17 supersede any inconsistent provisions of the Plan or loan program.

- (a) **Eligibility for Qualified Disaster Recovery Distribution.** A qualified individual (as determined under Section 8.17(a)(1)(i) below) may, if permitted by the Plan Administrator, take a Qualified Disaster Recovery Distribution without regard to other distribution restrictions otherwise applicable under the Plan.

(1) **Definitions**

- (i) **Qualified Disaster Recovery Distribution.** A Qualified Disaster Recovery Distribution is a distribution made (1) on or after the first day of the Incident Period of the applicable Qualified Disaster and before 180 days after the Applicable Date with respect to such disaster and (2) to a qualified individual whose principal place of abode at any time during the incident period of such Qualified Disaster is located in the Qualified Disaster Area with respect to such Qualified Disaster and who has sustained an economic loss by reason of such Qualified Disaster.
- (ii) **Qualified Disaster.** Qualified Disaster is any disaster with respect to which a major disaster has been declared by the President under §401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act after December 27, 2020.
- (iii) **Qualified Disaster Area.** A Qualified Disaster Area is, with respect to any Qualified Disaster, the area with respect to which the major disaster was declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.
- (iv) **Incident Period.** The Incident Period is, with respect to any Qualified Disaster, the period specified by the Federal Emergency Management Agency as the period during which such disaster occurred.
- (v) **Applicable Date.** The Applicable Date is the latest of: (1) December 29, 2022; (2) the first day of the Incident Period with respect to the Qualified Disaster, or (3) the date of the disaster declaration with respect to the Qualified Disaster.

- (2) **Limit on amount of Qualified Disaster Recovery Distributions.** The aggregate amount of Qualified Disaster Recovery Distributions received by an individual (from all plans maintained by the Employer, including any Related Employer) may not exceed \$22,000 with respect to the same Qualified Disaster.

- (b) **Repayment of Qualified Disaster Recovery Distribution.** A Participant who received a Qualified Disaster Recovery Distribution from the Plan may, at any time during the 3-year period beginning on the day after the receipt of such distribution, make one or more rollover contributions to an Eligible Retirement Plan (including this Plan) in an aggregate amount that does not exceed the amount of such Qualified Disaster Recovery Distribution. This subsection (b) only applies if the Eligible Retirement Plan permits rollover contributions.

- (c) **Special Loan Rules.** As provided under Code §72(p)(6) as added by §331(c) of SECURE 2.0, the Plan Administrator is authorized (but not required) to revise the applicable loan requirements under the Plan to reflect (1) and (2) below.

- (1) **Increased Participant loan limits.** Notwithstanding the Participant loan limitations under the Plan, for purposes of determining the permissible Participant loans for qualified individuals during the applicable periods (as provided for under Code §72(p)(6)(A)), the loan limit under Code §72(p)(2)(A) shall be applied by substituting “\$100,000” for “\$50,000” and the adequate security requirement under Code §72(p)(2)(A) (ii) may be applied using “the Participant’s vested Account Balance” rather than “one-half (½) of the Participant’s vested Account Balance.”
- (2) **Delayed loan repayment date.** If a qualified individual has an outstanding Participant loan on or after the qualified beginning date (as provided under Code §72(p)(6)(B)), and the due date for repayment of such loan

occurs during the applicable period beginning on the qualified beginning date (as described under the applicable disaster relief law):

- (i) the due date for repayment of the Participant loan shall be delayed for one year;
- (ii) any subsequent repayments with respect to such loan shall be appropriately adjusted to reflect the delay in the due date under subsection (i) and any interest accruing during such delay; and
- (iii) in determining the five-year period and the term of the loan under Code §72(p)(2)(B) and (C), the one-year delay period described in subsection (i) shall be disregarded.

8.18 Emergency Personal Expense Distributions. Effective for distributions after December 31, 2023, the Employer may elect under AA §9-2 to allow Emergency Personal Expense Distributions.

- (a) **Definition of Emergency Personal Expense Distribution.** The term Emergency Personal Expense Distribution means any distribution from the Plan to a Participant for purposes of meeting unforeseeable or immediate financial needs relating to necessary personal or family emergency expenses. The Plan Administrator may rely on a Participant's written certification that such Participant satisfies the conditions of the preceding sentence in determining whether any distribution is an Emergency Personal Expense Distribution.

- (b) **Limits and other rules applicable to Emergency Personal Expense Distributions.**

- (1) **Annual Limitation.** The Plan may treat only one distribution per calendar year as an Emergency Personal Expense Distribution.
- (2) **Dollar Limitation.** The amount which the Plan may treat as an Emergency Personal Expense Distribution by any Participant in any calendar year shall not exceed the lesser of \$1,000 or an amount equal to the excess of:
 - (i) the individual's total nonforfeitable Account Balance, determined as of the date of each such distribution, over
 - (ii) \$1,000.
- (3) **Participant may repay amount distributed.** Any portion of an Emergency Personal Expense Distribution may, at any time during the 3-year period beginning on the day after the date on which such distribution was received, be recontributed to an applicable Eligible Retirement Plan to which an Eligible Rollover Distribution can be made. If the Employer adds the ability for Plan Participants to receive Emergency Personal Expense Distributions to the Plan, a Participant who has received an Emergency Personal Expense Distribution may recontribute, up to the amount that was distributed from the Plan to the Participant, provided the Participant otherwise is eligible to make contributions (other than recontributions of Emergency Personal Expense Distributions) to the Plan. In the case of a recontribution made with respect to an Emergency Personal Expense Distribution from an applicable Eligible Retirement Plan other than an IRA, an individual is treated as having received the distribution as an Eligible Rollover Distribution (as defined in Code §402(c)(4)) and as having transferred the amount to an applicable Eligible Retirement Plan in a direct trustee-to-trustee transfer within 60 days of the distribution.
- (4) **Limitation on subsequent distributions.** If a Participant's distribution is treated as an Emergency Personal Expense Distribution in any calendar year, no amount may be treated as such a distribution during the immediately following three (3) calendar years with respect to the Plan unless:
 - (i) such previous distribution is fully repaid to the Plan pursuant, or
 - (ii) the aggregate of the Salary Deferrals, Matching Contributions and Employer Contributions to the Plan subsequent to such previous distribution is at least equal to the amount of such previous distribution which has not been so repaid.
- (5) **Exemption Of Distributions From Trustee To Trustee Transfer And Withholding Rules.** For purposes of Code §§401(a)(31), 402(f), and 3405, an Emergency Personal Expense Distribution shall not be treated as an Eligible Rollover Distribution.

8.19 Domestic Abuse Distributions. Effective for distributions after December 31, 2023, the Employer may elect

under AA §9-2 to allow Domestic Abuse Distributions.

- (a) **Definition of Domestic Abuse Distribution.** The term Domestic Abuse Distribution is a distribution made to a Participant during the 1-year period beginning on any date on which the Participant is a victim of Domestic Abuse by a spouse or a domestic partner. The Plan Administrator may rely on a Participant's written certification that such Participant satisfies the conditions of receiving a Domestic Abuse Distribution.
- (b) **Definition of Domestic Abuse.** The term Domestic Abuse means physical, psychological, sexual, emotional, or economic abuse, including efforts to control, isolate, humiliate, or intimidate the victim, or to undermine the victim's ability to reason independently, including by means of abuse of the victim's child or another family member living in the household.
- (c) **Limits and other rules applicable to Domestic Abuse Distributions.**
 - (1) **Limitation.** The aggregate amount which may be treated as a Domestic Abuse Distribution to a Domestic Abuse victim by any individual shall not exceed an amount equal to the lesser of:
 - (i) \$10,000 (adjusted for inflation after 2024), or
 - (ii) 50 percent of the victim's nonforfeitable Account Balance under the Plan.
 - (2) **Participant may repay amount distributed.** Any portion of a Domestic Abuse Distribution may, at any time during the 3-year period beginning on the day after the date on which such distribution was received, be recontributed to an applicable Eligible Retirement Plan to which an Eligible Rollover Distribution can be made. If the Employer adds the ability for Plan Participants to receive Domestic Abuse Distributions to the Plan, a Participant who has received a Domestic Abuse Distribution may recontribute, up to the amount that was distributed from the Plan to the Participant, provided the Participant otherwise is eligible to make contributions (other than recontributions of Domestic Abuse Distributions) to the Plan. In the case of a recontribution made with respect to a Domestic Abuse Distribution from an applicable Eligible Retirement Plan other than an IRA, an individual is treated as having received the distribution as an Eligible Rollover Distribution (as defined in Code §402(c)(4)) and as having transferred the amount to an applicable Eligible Retirement Plan in a direct trustee-to-trustee transfer within 60 days of the distribution.

8.20 Qualified Long-Term Care Distributions. Effective for distributions after December 29, 2025, the Employer may elect under AA §9-2 to allow Qualified Long-Term Care Distributions.

- (a) **Definition of Qualified Long-Term Care Distribution.** The term Qualified Long-Term Care Distribution' means so much of the distributions made during the taxable year as does not exceed, in the aggregate, the least of the following:
 - (1) The amount paid by or assessed to the Employee during the taxable year for or with respect to Certified Long-Term Care Insurance for the Employee or the Employee's Spouse (or other family member of the Employee as provided by the Secretary of the Treasury.
 - (2) An amount equal to 10% of the nonforfeitable Account Balance of the Employee under the Plan.
 - (3) \$2,500 (adjusted for inflation).
- (b) **Definition of Certified Long-Term Care Insurance.** The term Certified Long-Term Care Insurance means:
 - (1) A qualified long-term care insurance contract (as defined in Code §7702B(b)) covering qualified long-term care services (as defined in Code §7702B(c)),
 - (2) Coverage of the risk that an insured individual would become a chronically ill individual (within the meaning of Code §101(g)(4)(B)) under a rider or other provision of a life insurance contract which satisfies the requirements of Code §101(g)(3) (determined without regard to subparagraph (D) thereof), or
 - (3) Coverage of qualified long-term care services under a rider or other provision of an insurance or annuity contract which is treated as a separate contract under Code §7702B(e) and satisfies the requirements of Code §7702B(g). Such coverage must provide meaningful financial assistance in the event the insured needs home based or nursing home care. Coverage shall not be deemed to provide meaningful financial assistance unless

benefits are adjusted for inflation and consumer protections are provided, including protection in the event the coverage is terminated.

- (c) **Long-Term Care Premium Statement.** No distribution shall be treated as a Qualified Long-Term Care Distribution unless a Long-Term Care Premium Statement with respect to the Employee has been filed with the Plan. A Long-Term Care Premium Statement is a statement provided by the issuer of long-term care coverage, upon request by the owner of such coverage, which includes (1) the name and taxpayer identification number of such issuer, (2) a statement that the coverage is Certified Long-Term Care Insurance, (3) identification of the Employee as the owner of such coverage, (4) identification of the individual covered and such individual's relationship to the Employee, (5) the premiums owed for the coverage for the calendar year, and (6) such other information as the Secretary of the Treasury may require. A Long-Term Care Premium Statement will be accepted only if the issuer has completed a disclosure to the Secretary of the Treasury for the specific coverage product to which the statement relates.

SECTION 9 REQUIRED MINIMUM DISTRIBUTIONS

A Participant's entire interest under the Plan will be distributed, or begin to be distributed, to the Participant no later than the Participant's Required Beginning Date (as defined in subsection 9.03(f)). All distributions required under this Section 9 will be determined and made in accordance with Code §401(a)(9) and applicable regulations. For purposes of applying the required minimum distribution rules under this Section 9, any distribution made in a form other than a lump sum must be made over one of the following periods (or a combination thereof): (1) the life of the Participant; (2) the life of the Participant and a Designated Beneficiary; (3) a period certain not extending beyond the life expectancy of the Participant; or (4) a period certain not extending beyond the joint and last survivor life expectancy of the Participant and a Designated Beneficiary.

The required minimum distribution rules under this Section 9 are intended to reflect the amendments made to Code §401(a)(9) by the Setting Every Community Up for Retirement Enhancement Act (SECURE Act) and should be interpreted consistent with Code §401(a)(9), as amended, and applicable regulatory guidance. The requirements of Code §401(a)(9) as in effect pursuant to the SECURE Act and as interpreted by applicable regulatory guidance are incorporated by reference into this Section 9. The Plan Administrator may adopt administrative procedures relating to required minimum distributions consistent with Code §401(a)(9) and applicable regulatory guidance. The Plan Administrator also may apply the rules relating to required minimum distributions enacted under SECURE 2.0.

9.01 Required Minimum Distributions during Participant's lifetime.

- (a) Amount of Required Minimum Distribution for each Distribution Calendar Year. During the Participant's lifetime, the minimum amount that will be distributed for each Distribution Calendar Year is the lesser of:
 - (1) the quotient obtained by dividing the Participant's Account Balance by the distribution period set forth in the Uniform Lifetime Table found in Treas. Reg. §1.401(a)(9)-9, Q&A-2, using the Participant's age as of the Participant's birthday in the Distribution Calendar Year; or
 - (2) if the Participant's sole Designated Beneficiary for the Distribution Calendar Year is the Participant's spouse, the quotient obtained by dividing the Participant's Account Balance by the number in the Joint and Last Survivor Table set forth in Treas. Reg. §1.401(a)(9)-9, Q&A-3, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the Distribution Calendar Year.
- (b) Lifetime Required Minimum Distributions continue through year of Participant's death. Required minimum distributions will be determined under this Section 9.01 beginning with the first Distribution Calendar Year and continuing up to, and including, the Distribution Calendar Year that includes the Participant's date of death.

9.02 Required Minimum Distribution Rules After Participant's Death. Effective for distributions with respect to Employees who die after December 31, 2021, the SECURE Act amendments to Code §401(a)(9) apply to required minimum distributions. For Employees who died before January 1, 2022, the Code §401(a)(9) rules effective before the effective date of the SECURE Act apply.

- (a) 10-year rule. As provided under Code §401(a)(9)(H)(i), if a Participant dies before the distribution of the Participant's entire vested Account Balance (regardless of whether the Participant dies before, on or after beginning required minimum distributions), the entire vested Account Balance of the Participant will be distributed to the Designated Beneficiary no later than the end of the calendar year that includes the 10th anniversary of the date of the Participant's death. This is referred to as the "10-year rule."
- (1) Exception to 10-year rule for Eligible Designated Beneficiaries. As provided under Code §401(a)(9)(H)(ii) and Code §401(a)(9)(B)(iii), if any portion of the Participant's interest is payable to an Eligible Designated Beneficiary, such portion may be distributed (in accordance with applicable regulations) over the life of such Eligible Designated Beneficiary (or over a period not extending beyond the life expectancy of such Eligible Designated Beneficiary), provided such distribution commence on or before the end of the calendar year following the calendar year in which the Participant died (except as provided under Code §401(a)(9)(B)(iv) relating to a surviving spouse) or such later date as the Secretary of Treasury may prescribe by regulations. This is referred to as the "life expectancy rule." If the conditions of this exception are not satisfied, the 10-year rule under subparagraph (1) applies.
- (2) Elective provisions for Eligible Designated Beneficiaries. Unless the Employer elects otherwise under the AA §9-8(c), required minimum distributions under the Plan when the Participant dies prior to the Required Beginning Date shall be made as follows: (1) if the Participant does not have a Designated Beneficiary, distributions must satisfy the 5-year rule under Code §401(a)(9)(B)(ii); (2) if the participant has a Designated

Beneficiary that is not an Eligible Designated Beneficiary, distributions must satisfy the 10-year rule; or (3) if the Participant has an Eligible Designated Beneficiary, distributions must satisfy the life expectancy rule.

Alternatively, the Employer may elect under AA §9-8(c) to (1) apply the life expectancy rule, (2) apply the 10-year rule (including a fixed number of years than less than 10), or (3) allow the Participant or the Eligible Designated Beneficiary to elect whether the 10-year rule or the life expectancy rule applies. If the Participant or Eligible Designated Beneficiary is allowed to elect whether the life expectancy rule or the 10-year rule applies and such Participant or Eligible Designated Beneficiary does not timely make such an election, then the Employer must elect under AA §9-8(c) whether the life expectancy rule or the 10-year rule applies.

- (i) **Timing of election.** Any Participant or Eligible Designated Beneficiary election permitted under this Section §9.02(a)(2) must be made no later than end of the earlier of the calendar year by which distributions must be made in order to satisfy the 10-year rule and the calendar year in which distributions would be required to begin in order to satisfy the requirements of the life expectancy rule or, if applicable, by the time of the permitted delay if the surviving Spouse is the sole beneficiary as provided under Code §401(a)(9)(B)(iv).
- (ii) **Irrevocable election.** If a Participant or Eligible Designated Beneficiary elects under this Section 9.2(a)(2) to apply either the 10-year rule or the life expectancy rule, then, as of the last date the election may be made, the election is irrevocable with respect to the Eligible Designated Beneficiary (and all subsequent Designated Beneficiaries and applies to all subsequent calendar years.
- (3) **Rules upon death of an Eligible Designated Beneficiary.** Generally, if an Eligible Designated Beneficiary dies before the Participant's entire vested Account Balance is distributed, the life expectancy rule shall not apply to any beneficiary of such Eligible Designated Beneficiary and the remainder of such portion shall be distributed by the end of the 10th calendar year following the calendar year of the death of such Eligible Designated Beneficiary.
- (4) **Permitted delay for surviving spouse beneficiaries.** If the Participant's surviving spouse is the employee's sole beneficiary, then the commencement of distributions under Section 9.02(a)(1) may be delayed until the end of the calendar year in which the Participant would have attained age 72 (or the calendar year in which the Participant would have attained age 70½ in the case of a Participant born before July 1, 1949).
- (5) **Death of an Eligible Designated Beneficiary.** If an Eligible Designated Beneficiary dies before the Participant's entire vested Account Balance is distributed, the exception under subparagraph (1) above shall not apply to any beneficiary of such Eligible Designated Beneficiary and the remainder of such portion shall be distributed by the end of the calendar year that includes the 10th anniversary of the date of the Eligible Designated Beneficiary's death.
- (6) **No Designated Beneficiary.** If there is no Designated Beneficiary as of the date of the Participant's death who remains a Beneficiary as of September 30 (or such other date allowed under applicable regulatory guidance) of the year immediately following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
- (b) **Special rule in case of certain trusts for disabled or chronically ill Eligible Designated Beneficiary.** The Plan may apply the special rules for certain "applicable multi-beneficiary trusts" as described under Code §§401(a)(9)(H)(iv) and (v).

9.03 **Definitions.**

- (a) **Designated Beneficiary.** A Beneficiary designated by the Participant (or the Plan), whose life expectancy may be taken into account to calculate minimum distributions, pursuant to Code §401(a)(9) and Treas. Reg. §1.401(a)(9)-4.
- (b) **Eligible Designated Beneficiary.** The term Eligible Designated Beneficiary means, with respect to any Participant, any Designated Beneficiary who, as of the date of death of the Participant, is:
 - (1) the surviving spouse of the Participant;
 - (2) a child of the Participant who has not reached the age of majority (within the meaning of Code §401(a)(9)(F));
 - (3) disabled (within the meaning of Code §72(m)(7));

- (4) a chronically ill individual (within the meaning of Code §7702B(c)(2), except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or
- (5) an individual not described in any of the preceding subclauses who is not more than 10 years younger than the Participant.

Subject to Code §401(a)(9)(F), a child described in section (b)(2) above shall cease to be an Eligible Designated Beneficiary as of the date the child reaches the age of majority and any remainder of the portion of the child's interest to which Code §401(a)(9)(H)(ii) applies shall be distributed no later than the December 31 of the 10th year following the year of the Participant's death.

- (c) **Distribution Calendar Year.** A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first Distribution Calendar Year is the calendar year immediately preceding the calendar year that contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first Distribution Calendar Year is the calendar year in which distributions are required to begin pursuant to Section 9.01. The required minimum distribution for the Participant's first Distribution Calendar Year will be made on or before the Participant's Required Beginning Date. The required minimum distribution for other Distribution Calendar Years, including the required minimum distribution for the Distribution Calendar Year in which the Participant's Required Beginning Date occurs, will be made on or before December 31 of that Distribution Calendar Year.
- (d) **Life expectancy.** For purposes of determining a Participant's required minimum distribution amount, life expectancy is computed using one of the following tables, as appropriate: (1) Single Life Table, (2) Uniform Life Table, or (3) Joint and Last Survivor Table found in Treas. Reg. §1.401(a)(9)-9.
- (e) **Account Balance.** For purposes of determining a Participant's required minimum distribution, the Participant's Account Balance is determined based on the Account Balance as of the last Valuation Date in the calendar year immediately preceding the Distribution Calendar Year (the "valuation calendar year") increased by the amount of any contributions or forfeitures allocated to the Account Balance as of dates in the calendar year after the Valuation Date and decreased by distributions made in the calendar year after the Valuation Date. The Account Balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the Distribution Calendar Year if distributed or transferred in the valuation calendar year.
- (f) **Required Beginning Date.** Unless designated otherwise under AA §9-8(a), a Participant's Required Beginning Date under the Plan is April 1 that follows the end of the calendar year in which the later of the following two events occurs:
 - (1) the Participant attains age 73 (age 70½ for Participants who attained age 70 ½ before January 1, 2020 or age 72 for Participants who attained age 72 before January 1, 2023) or
 - (2) the Participant retires from employment with the Employer.

9.04 **Special Rules.**

- (a) **Forms of Distribution.** Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a lump sum on or before the Required Beginning Date, as of the first Distribution Calendar Year distributions will be made in accordance with this Section 9. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code §401(a)(9) and the regulations.
- (b) **Treatment of trust beneficiaries as Designated Beneficiaries.** As allowed under applicable regulatory guidance, if a trust is properly named as a Beneficiary under the Plan, the beneficiaries of the trust will be treated as the Designated Beneficiaries (or Eligible Designated Beneficiaries) of the Participant solely for purposes of determining the distribution period under this Section 9 with respect to the trust's interests in the Participant's vested Account Balance. The beneficiaries of a trust will be treated as Designated Beneficiaries (or Eligible Designated Beneficiaries) for this purpose only if, during any period during which required minimum distributions are being determined by treating the beneficiaries of the trust as Designated Beneficiaries (or Eligible Designated Beneficiaries), the following requirements are met:
 - (1) the trust is a valid trust under state law, or would be but for the fact there is no corpus;

- (2) the trust is irrevocable or will, by its terms, become irrevocable upon the death of the Participant;
- (3) the beneficiaries of the trust who are beneficiaries with respect to the trust's interests in the Participant's vested Account Balance are identifiable from the trust instrument; and
- (4) the Plan Administrator receives the documentation described in Treas. Reg. §1.401(a)(9)-4.

If the foregoing requirements are satisfied and the Plan Administrator receives such additional information as it may request, the Plan Administrator may treat such beneficiaries of the trust as Designated Beneficiaries.

(c) **Modification of Minimum Distribution Rules Relating to Qualified Longevity Annuity Contracts.**

- (1) The following provisions modify the required minimum distribution rules under this Section 9.04(c) of the Plan to conform the rules to final Trea. Reg. §1.401(a)(9)-6 relating to the purchase of Qualifying Longevity Annuity Contracts (QLACs). The Plan will apply the provisions consistent with the requirements under the Treas. Reg. §§1.401(a)(9)-5 and 1.401(a)(9)-6, as amended. If the IRS revises these regulations or provides other relevant guidance on QLACs to reflect changes made by the SECURE Act and/or SECURE 2.0, the rules under this Section 9.04(c) are to be interpreted consistent with the revisions or guidance.

(2) **Effective/Applicability Dates.**

- (i) **General effective dates.** This subsection (c) applies to contracts purchased on or after July 2, 2014. If on or after July 2, 2014, an existing contract is exchanged for a contract that satisfies the requirements of this subsection (h), the new contract will be treated as purchased on the date of the exchange and the fair market value of the contract that is exchanged for a QLAC will be treated as a premium paid with respect to the QLAC.
- (ii) **Delayed applicability date for requirement that contract state that it is intended to be QLAC.** An annuity contract purchased before January 1, 2016, will not fail to be a QLAC merely because the contract does not satisfy the requirement of subsection (4)(i)(F) below, provided that:
 - (A) When the contract (or a certificate under a group annuity contract) is issued, the Employee is notified that the annuity contract is intended to be a QLAC; and
 - (B) The contract is amended (or a rider, endorsement or amendment to the certificate is issued) no later than December 31, 2016, to state that the annuity contract is intended to be a QLAC.

- (3) **Account Balance for Determining Minimum Distributions.** For purposes of determining a Participant's required minimum distribution as described under this Section 9.04(c) of the Plan, the Participant's Account Balance, as defined under Section 9.03(e) of the Plan, does not include the value of any Qualifying Longevity Annuity Contract (QLAC), described under subsection 4 below and Treas. Reg. §1.401(a)(9)-6, Q&A - 17, that is held under the Plan.

(4) **Rules Applicable to Qualifying Longevity Annuity Contracts.**

- (i) **Definition of Qualifying Longevity Annuity Contracts.** A Qualifying Longevity Annuity Contract (QLAC) is an annuity contract that is purchased from an insurance company for an Employee and that, in accordance with the rules of application of this subsection (4) and Treas. Reg. §1.401(a)(9)-6, Q&A - 17, satisfies each of the following requirements:
 - (A) Premiums for the contract satisfy the requirements of subsection (ii) of this Section 9.04(c);
 - (B) The contract provides that distributions under the contract must commence not later than a specified annuity starting date that is no later than the first day of the month next following the 85th anniversary of the Employee's birth;
 - (C) The contract provides that, after distributions under the contract commence, those distributions must satisfy the requirements of this Article and Treas. Reg. §1.401(a)(9) (other than the requirement that annuity payments commence on or before the Required Beginning Date);
 - (D) The contract does not make available any commutation benefit, cash surrender right, or other similar feature;

- (E) No benefits are provided under the contract after the death of the employee other than the benefits described in Subsection (iii) below;
- (F) When the contract is issued, the contract (or a rider or endorsement with respect to that contract) states that the contract is intended to be a QLAC; and
- (G) The contract is not a variable contract under Code §817, an indexed contract, or a similar contract, except to the extent provided by the Commissioner of the Internal Revenue Service in revenue rulings, notices, or other guidance published in the Internal Revenue Bulletin.

(ii) **Limitations on premiums.**

- (A) **In general.** The premiums paid with respect to the contract on a date satisfy the requirements of this subsection (ii) if they do not exceed the lesser of the dollar limitation in subsection (B) below .
- (B) **Dollar limitation.** The dollar limitation is an amount equal to the excess of:
 - (I) \$200,000 (as adjusted under Section (d)(2) of Treas. Reg. §1.401(a)(9)-6, Q&A - 17), over
 - (II) The sum of:
 - (a) The premiums paid before that date with respect to the contract; and
 - (b) The premiums paid on or before that date with respect to any other contract that is intended to be a QLAC and that is purchased for the Employee under the Plan, or any other plan, annuity, or account described in Code §§ 401(a), 403(a), 403(b), or 408 or eligible governmental plan under Code §457(b).

(iii) **Payments after death of the Employee.**

(A) **Surviving spouse is sole Designated Beneficiary.**

- (I) **Death on or after annuity starting date.** If the Employee dies on or after the annuity starting date for the contract and the Employee's surviving spouse is the sole Designated Beneficiary under the contract, then except as provided in Treas. Reg. §1.401(a)(9)-6, Q&A-17(c)(4), the only benefit permitted to be paid after the Employee's death is a life annuity payable to the surviving spouse where the periodic annuity payment is not in excess of 100 percent of the periodic annuity payment that is payable to the Employee.
- (II) **Death before annuity starting date.**
 - (a) Amount of annuity. If the employee dies before the annuity starting date and the employee's surviving spouse is the sole Designated Beneficiary under the contract then except as provided in paragraph in Treas. Reg. §1.401(a)(9)-6, Q&A-17(c)(4), the only benefit permitted to be paid after the Employee's death is a life annuity payable to the surviving spouse where the periodic annuity payment is not in excess of 100 percent of the periodic annuity payment that would have been payable to the Employee as of the date that benefits to the surviving spouse commence. However, the annuity is permitted to exceed 100 percent of the periodic annuity payment that would have been payable to the employee to the extent necessary to satisfy the requirement to provide a Qualified Preretirement Survivor Annuity.
 - (b) Commencement date for annuity. Any life annuity payable to the surviving spouse under subsection (a) above must commence no later than the date on which the annuity payable to the Employee would have commenced under the contract if the Employee had not died.

(B) **Surviving spouse is not sole beneficiary.**

(I) **Death on or after annuity starting date.** If the Employee dies on or after the annuity starting date for the contract and the Employee's surviving spouse is not the sole Designated Beneficiary under the contract, then except as provided in Treas. Reg. §1.401(a)(9)-6, Q&A-17(c)(4), the only benefit permitted to be paid after the Employee's death is a life annuity payable to the Designated Beneficiary where the periodic annuity payment is not in excess of the applicable percentage (determined under paragraph Treas. Reg. §1.401(a)(9)-6, Q&A-17(c)(2)(iii)) of the periodic annuity payment that is payable to the Employee.

(II) **Death before annuity starting date.**

(a) **Amount of annuity.** If the Employee dies before the annuity starting date and the Employee's surviving spouse is not the sole Designated Beneficiary under the contract, then except as provided in Treas. Reg. §1.401(a)(9)-6, Q&A - 17 (c)(4), the only benefit permitted to be paid after the Employee's death is a life annuity payable to the Designated Beneficiary where the periodic annuity payment is not in excess of the applicable percentage (determined under Treas. Reg. §1.401(a)(9)-6, Q&A-17(c)(2)(iii) of the periodic annuity payment that would have been payable to the Employee as of the date that benefits to the Designated Beneficiary commence under this subsection (a).

(b) **Commencement date for annuity.** In any case in which the employee dies before the annuity starting date, any life annuity payable to a Designated Beneficiary under this subsection (b) must commence by the last day of the calendar year immediately following the calendar year of the Employee's death.

(iv) **Rules of application.**

(A) **Rules relating to premiums.**

(I) **Reliance on representations.** For purposes of the limitation on premiums described in Subsections (ii)(B) and (ii)(C) above, unless the Plan Administrator has actual knowledge to the contrary, the Plan Administrator may rely on an Employee's representation (made in writing or such other form as may be prescribed by the Commissioner of the Internal Revenue Service) of the amount of the premiums described in subsections (ii)(B)(II)(b) and (ii)(C)(II)(b) above, but only with respect to premiums that are not paid under a plan, annuity, or contract that is maintained by the Employer or Related Employer.

(II) **Consequences of excess premiums.**

(a) **General Rule.** If an annuity contract fails to be a QLAC solely because a premium for the contract exceeds the limits under subsection (b) below, then the contract is not a QLAC beginning on the date that premium payment is made unless the excess premium is returned to the non-QLAC portion of the Employee's account in accordance with Treas. Reg. §1.401(a)(9)-6, Q&A-17 (d)(1)(ii)(B). If the contract fails to be a QLAC, then the value of the contract may not be disregarded under A-3(d) of Treas. Reg. §1.401(a)(9)-5 as of the date on which the contract ceases to be a QLAC.

(b) **Correction in year following year of excess.** If the excess premium is returned (either in cash or in the form of a contract that is not intended to be a QLAC) to the non-QLAC portion of the Employee's account by the end of the calendar year following the calendar year in which the excess premium was originally paid, then the contract will not be treated as exceeding the limits under this subsection (b) at any time, and the value of the contract will not be included in the Employee's Account Balance. If the excess premium (including the fair market value of an annuity contract that is not intended to be a QLAC, if applicable) is returned to the non-QLAC portion of the Employee's account after the last valuation date for the calendar year in which the excess premium was originally paid, then the Employee's account balance for that calendar year must be increased to reflect

that excess premium in the same manner as an Employee's Account Balance is increased under Treas. Reg. §1.401(a)(9)-7, A-2 to reflect a rollover received after the last valuation date.

- (c) **Return of excess premium not a commutation benefit.** If the excess premium is returned to the non-QLAC portion of the Employee's account as described in Treas. Reg. §1.401(a)(9)-6, Q&A-17(d)(1)(ii)(B), it will not be treated as a violation of the requirement in subsection (4)(i)(D) above that the contract not provide a commutation benefit.

- (III) **Application of 25-percent limit.** For purposes of the 25-percent limit under Subsection (ii)(C) above, an Employee's Account Balance on the date on which premiums for a contract are paid is the account balance as of the last valuation date preceding the date of the premium payment, adjusted as follows. The Account Balance is increased for contributions allocated to the account during the period that begins after the valuation date and ends before the date the premium is paid and decreased for distributions made from the account during that period.

(B) **Dollar and age limitations subject to adjustments.**

- (I) **Dollar limitation.** In the case of calendar years beginning on or after January 1, 2015, the \$125,000 amount under Subsection (ii)(B)(I) will be adjusted at the same time and in the same manner as the limits are adjusted under Code §415(d), except that the base period shall be the calendar quarter beginning July 1, 2013, and any increase under this Subsection that is not a multiple of \$10,000 will be rounded to the next lowest multiple of \$10,000.
- (II) **Age limitation.** The maximum age set forth in Subsection (i)(B) above may be adjusted to reflect changes in mortality, with any such adjusted age to be prescribed by the Commissioner of the Internal Revenue Service in revenue rulings, notices, or other guidance published in the Internal Revenue Bulletin.
- (III) **Prospective application of adjustments.** If a contract fails to be a QLAC because it does not satisfy the dollar limitation in Subsection (ii)(B) above or the age limitation in Subsection (i)(B) above, any subsequent adjustment that is made pursuant to Subsections (iv)(B)(I) or (iv)(B)(II) above will not cause the contract to become a QLAC.

- (C) **Determination of whether contract is intended to be a QLAC.** If a contract fails to be a QLAC at any time for a reason other than an excess premium described in Treas. Reg. §1.401(a)(9)-6, Q&A-17(d)(1)(ii), then as of the date of purchase the contract will not be treated as a QLAC (for purposes of A-3(d) of Treas. Reg. §1.401(a)(9)-5) or as a contract that is intended to be a QLAC as of the date of purchase.

- (D) **Group annuity contract certificates.** The requirement under Subsection (i)(F) above that the contract state that it is intended to be a QLAC when issued is satisfied if a certificate is issued under a group annuity contract and the certificate, when issued, states that the Employee's interest under the group annuity contract is intended to be a QLAC.

(d) **Other SECURE 2.0 modifications to required minimum distribution rules.**

- (1) **Increases in payments under a commercial annuity.** Effective for calendar years beginning after December 29, 2022, the Plan may apply the rules under Code §401(a)(9)(J), as added by §201 of SECURE 2.0, relating to certain increases in payments under a commercial annuity. As provided under Code §401(a)(9)(J), the required minimum distribution rules applicable to the Plan shall not prohibit a commercial annuity (within the meaning of Code §3405(e)(6)) from providing one or more of the following types of payments on or after the Annuity Starting Date:
- (i) annuity payments that increase by a constant percentage, applied not less frequently than annually, at a rate that is less than 5 percent per year;
 - (ii) a lump sum payment that: (I) results in a shortening of the payment period with respect to an annuity or a full or partial commutation of the future annuity payments, provided that such lump sum is determined

using reasonable actuarial methods and assumptions, as determined in good faith by the issuer of the contract, or (II) accelerates the receipt of annuity payments that are scheduled to be received within the ensuing 12 months, regardless of whether such acceleration shortens the payment period with respect to the annuity, reduces the dollar amount of benefits to be paid under the contract, or results in a suspension of annuity payments during the period being accelerated;

- (iii) an amount which is in the nature of a dividend or similar distribution, provided that the issuer of the contract determines such amount using reasonable actuarial methods and assumptions, as determined in good faith by the issuer of the contract, when calculating the initial annuity payments and the issuer's experience with respect to those factors; or
 - (iv) a final payment upon death that does not exceed the excess of the total amount of the consideration paid for the annuity payments, less the aggregate amount of prior distributions or payments from or under the contract.
- (2) **Partial annuitization.** As provided under §204 of SECURE 2.0, effective as December 29, 2022 and subject to a reasonable good faith interpretation until IRS issues applicable regulations, an Employee may elect to receive the required minimum distribution amount for a Distribution Calendar Year to be calculated as the excess of the Total Required Amount (as defined below) for such Distribution Calendar Year over the Annuity Amount (as defined below) for such year.
 - (i) **Total Required Amount.** The term Total Required Amount, with respect to a Distribution Calendar Year means the amount which would be required to be distributed under Treas. Reg. §1.401(a)(9)–5 (or any successor regulation) for such year, determined by treating the Account Balance as of the last valuation date in the immediately preceding calendar year as including the value on that date of all annuity contracts which were purchased with a portion of the Account and from which payments are made in accordance with Treas. Reg. §1.401(a)(9)–6.
 - (ii) **Annuity Amount.** The term Annuity Amount, with respect to a Distribution Calendar Year, is the total amount distributed in such year from all annuity contracts described in paragraph (1).
- (3) **Modification of required minimum distribution rules for special needs trusts.** Effective for calendar years beginning after December 29, 2022, for purposes of complying with the required minimum distribution rules under Code §401(a)(9), the Plan may apply the provisions of §337 of SECURE 2.0 relating to special needs trusts.
- (4) **Roth Deferrals.** Effective for taxable years beginning after December 31, 2023, but not with respect to distributions required before January 1, 2024, but are permitted to be paid on or after such date, the pre-death minimum distribution rules under Code §401(a)(9)(A) do not apply to Roth Deferral Accounts, Roth Rollover Contribution Accounts or In-plan Roth Conversion Accounts.
- (5) **Special rule for surviving Spouse of Employee.** Effective for calendar years beginning after December 31, 2023, if the sole Designated Beneficiary is the surviving Spouse of the Employee and such Spouse elects to be treated as the deceased Employee for purposes of the required minimum distribution rules under Code §401(a)(9), then the rules under Code §401(a)(9)(B)(iv) apply. The Plan Administrator may apply these rules in a good-faith manner until the IRS issues applicable guidance.
 - (i) **Impact of Spouse's election.** If the surviving Spouse elects treatment as the deceased Employee for purposes of the required minimum distribution rules under Code §401(a)(9), the following special rules apply.
 - (A) The surviving Spouse will be treated as if the surviving Spouse were the Employee.
 - (B) The date on which required minimum distributions must begin shall not be earlier than the date on which the Employee would have attained the applicable age.
 - (C) If the surviving Spouse dies before the distributions to such Spouse begin, the surviving Spouse is treated as the Employee.
 - (D) The applicable distribution period for distribution calendar years after the distribution calendar year including the Employee's date of death is determined under the uniform lifetime table.

- (ii) **Spouse election.** The Spouse's election under this BPD Section 9.04(d)(5) shall be made at such time and in such manner as prescribed by the Secretary of the Treasury, shall include a timely notice to the Plan Administrator, and once made may not be revoked except with the consent of the Secretary of the Treasury.

9.05 Required Minimum Distributions for 2020.

- (a) **Temporary waiver of required minimum distribution rules for 2020.** As provided under Code §401(a)(9)(I), added by CARES Act §2203 and effective as of January 1, 2020 (or such later date designated under AA §9-8(b)), the required minimum distribution rules under Section 9 of the Plan did not apply for the 2020 calendar year. A Participant or beneficiary who would have been required to receive a required minimum distribution for the 2020 calendar year (or a Participant with a Required Beginning Date of April 1, 2021 who would have received a required minimum distribution in 2021 for the 2020 calendar year) ("2020 RMD"), but for the enactment of Code §401(a)(9)(I), and who would have satisfied that requirement by receiving a distribution that is either (1) equal to the 2020 RMD, or (2) one or more payments (that include the 2020 RMD) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Participant's Designated Beneficiary, or for a period of at least 10 years ("2020 Extended RMD"), may have elected whether to receive the 2020 RMD or the 2020 Extended RMD. If a Participant did not specifically elect to take the 2020 RMD or 2020 Extended RMD from the Plan, such distribution was not made for the 2020 calendar year. The Employer may modify this default rule under AA §9-8(b), provided such modification satisfies the requirements under Code §401(a)(9)(I) and any applicable IRS guidance.

In addition, solely for purposes applying the Direct Rollover provisions of the Plan, certain additional distributions in 2020, as elected by the Employer under AA §9-8(b), were treated as Eligible Rollover Distributions. If no election is made by the Employer in AA §9-8(b), the Plan offered a Direct Rollover only for distributions that were Eligible Rollover Distributions in the absence of Code §401(a)(9)(I).

If all or any portion of a distribution made during 2020 was treated as an Eligible Rollover Distribution but would not be treated as such if the required minimum distribution requirements under Section 9 of the Plan had applied during 2020, such distribution could not be treated as an Eligible Rollover Distribution for purposes of the Direct Rollover rules, Code §457(e)(16)(B) and Code §3405(c).

- (b) **Special rules regarding the temporary waiver of required minimum distribution rules for 2020.** In applying the provisions of Section 9 of the Plan for the 2020 calendar year, the following special rules apply:
- (1) The Required Beginning Date with respect to any individual shall be determined without regard to this Section 9.05 for purposes of applying Section 9 of the Plan for calendar years after 2020;
 - (2) If Code §401(a)(9)(B)(ii) applies, the five-year period described in such provision shall be determined without regard to the 2020 calendar year.
 - (3) If the Plan permits a Participant or beneficiary to elect whether the 5-year rule or the life expectancy rule applies in determining required minimum distributions and the election period would end in the 2020 calendar year, the Plan Administrator may extend the election deadline to the end of 2021.
 - (4) The Plan Administrator and Participants may apply the transitional relief and special rules under Code §401(a)(9)(I) and IRS Notice 2020-51 relating to the temporary waiver of required minimum distributions for 2020 in any reasonable and consistent manner.
 - (5) The Employer may describe any special rules applicable to the temporary waiver of the required minimum distribution rules for 2020 under AA §9-8(b).

SECTION 10
INVESTMENT VEHICLES AND PARTICIPANT ACCOUNTS

10.01 **Participant Accounts.** The Plan Administrator will establish and maintain a separate Account (or multiple Accounts, if appropriate) for each Participant to reflect the Participant's entire interest under the Plan. To the extent applicable, the Plan Administrator may establish and maintain separate sub-Accounts for a Participant. Accounts may include, but are not limited to:

- Pre-tax Deferral Account
- Roth Deferral Account
- Employer Contribution Account
- Matching Contribution Account
- Rollover Contribution Account
- Roth Rollover Contribution Account
- In-plan Roth Conversion Account
- Transfer Account

The Plan Administrator will maintain separate Accounts for the vested and non-vested portions of any Account. The Plan Administrator also must maintain two separate Rollover Contribution Accounts for a Participant, if necessary, as provided under Section 4.01(a) of the Plan.

10.02 **Value of Participant Accounts.** The value of a Participant's Account consists of the fair market value of the Participant's share of the Plan assets.

- (a) **Periodic valuation.** The Trustee (as identified under the Trust Declaration page) must value Plan assets at least annually.
- (b) **Daily valuation.** If the Employer elects daily valuation under AA §10-1(a) or, if in operation, the Employer elects to have the Plan daily valued, the Plan Administrator may adopt reasonable procedures for performing such valuations. Unless otherwise set forth in the written procedures, a daily valued Plan will have its assets valued at the end of each business day during which the New York Stock Exchange is open. The Plan Administrator has authority to interpret the provisions of this Plan in the context of a daily valuation procedure. This includes, but is not limited to, the determination of the value of the Participant's Account for purposes of Participant loans, distribution and consent rights, and corrective distributions under Section 6.
- (c) **Interim valuations.** The Plan Administrator may perform interim valuations.

10.03 **Adjustments to Participant Accounts.** Unless the Plan Administrator adopts other reasonable administrative procedures, as of each Valuation Date under the Plan, each Participant's Account is adjusted in the following manner.

- (a) **Distributions and forfeitures from a Participant's Account.** A Participant's Account will be reduced by any distributions and forfeitures from the Account since the previous Valuation Date.
- (b) **Contributions and forfeitures allocated to a Participant's Account.** A Participant's Account will be credited with any contribution or forfeiture allocated to the Participant since the previous Valuation Date.
- (c) **Net income or loss.** A Participant's Account will be adjusted for any net income or loss in accordance with the provisions under Section 10.04.

10.04 **Procedures for Determining Net Income or Loss.** The Plan Administrator may establish any reasonable procedures for determining net income or loss. Such procedures may be reflected in a funding agreement governing the applicable investments under the Plan.

10.05 **Investments under the Plan.** The Trustee or other person(s) responsible for the investment of Plan assets is authorized to invest Plan assets in any prudent investment consistent with the funding policy of the Plan. Investment options include, but are not limited to, the following: common and preferred stock or other equity securities (including stock bought and sold on margin); corporate bonds; open-end or closed-end mutual funds; money market accounts; certificates of deposit; debentures; commercial paper; put and call options; limited partnerships; mortgages; U.S. Government obligations, including U.S. Treasury notes and bonds; real and personal property having a ready market; life insurance or annuity policies; commodities; savings accounts; notes; securities issued by the Trustee and/or its affiliates, as permitted by law; and lifetime guaranteed income

products. All of the terms and provisions of any common/collective trust fund or group trust into which Plan assets are invested are incorporated by reference into the provisions of the Trust (as identified under the Trust Declaration page) for this Plan.

- (a) **Individual/Pooled Accounts.** The Plan may maintain individual or pooled accounts for Participants.
- (b) **Participant direction of investments.** If the Plan permits Participant direction of investments, the Plan Administrator, along with the Trustee must adopt investment procedures for such direction. The investment procedures should set forth the permissible investment options available for Participant direction, the timing and frequency of investment changes, and any other procedures or limitations applicable to Participant direction of investment.

The Employer may elect to limit Participant direction of investment to specific types of contributions. If Participant direction of investments is permitted, the Employer will designate how accounts will be invested in the absence of proper affirmative direction from the Participant. Except as otherwise provided in this Plan, neither the Employer nor Trustee will be liable to the Participant or Beneficiary for any loss resulting from action taken at the direction of the Participant.

SECTION 11
PLAN ADMINISTRATION AND OPERATION

- 11.01 Plan Administrator.** The Employer is the Plan Administrator, unless the Employer designates in writing an alternative Plan Administrator. The Plan Administrator has the responsibilities described in this Section 11.
- 11.02 Designation of Alternative Plan Administrator.** The Employer may designate another person or persons as he Plan Administrator by name, by reference to the person or group of persons holding a particular position, by reference to a procedure under which the Plan Administrator is designated, or by reference to a person or group of persons charged with the specific responsibilities of Plan Administrator.
- (a) **Acceptance of responsibility by designated Plan Administrator.** If the Employer designates an alternative Plan Administrator, the designated Plan Administrator must accept its responsibilities in writing. The Employer and the designated Plan Administrator jointly will determine the time period for which the alternative Plan Administrator will serve.
 - (b) **Multiple alternative Plan Administrators.** If the Employer designated more than one person as an alternative Plan Administrator, such Plan Administrators shall act by majority vote, unless the group delegates particular Plan Administrator duties to a specific person.
 - (c) **Resignation or removal of designated Plan Administrator.** A designated Plan Administrator may resign by delivering a written notice of resignation to the Employer. The Employer may remove a designated Plan Administrator by delivering a written notice of removal. If a designated Plan Administrator resigns or is removed, and no new alternative Plan Administrator is designated, the Employer is the Plan Administrator.
 - (d) **Employer responsibilities.** If the Employer designates an alternative Plan Administrator, the Employer will provide in a timely manner all appropriate information necessary for the Plan Administrator to perform its duties. This information includes, but is not limited to, Participant compensation data, Employee employment, service and termination information, and other information the Plan Administrator may require. The Plan Administrator may rely on the accuracy of any information and data provided by the Employer.
- 11.03 Duties, Powers, and Responsibilities of the Plan Administrator.** The Plan Administrator will administer the Plan for the exclusive benefit of the Plan Participants and Beneficiaries, and in accordance with the terms of the Plan. If the terms of the Plan are unclear, the Plan Administrator may interpret the Plan, provided such interpretation is consistent with the rules of Code §457(b) and is performed in a uniform and nondiscriminatory manner. This right to interpret the Plan is an express grant of discretionary authority to resolve ambiguities in the Plan document and to make discretionary decisions regarding the interpretation of the Plan's terms, including who is eligible to participate under the Plan, and the benefit rights of a Participant or Beneficiary. Unless an interpretation or decision is determined to be arbitrary and capricious, the Plan Administrator will not be held liable for any interpretation of the Plan terms or decision regarding the application of a Plan provision.
- (a) **Delegation of duties, powers and responsibilities.** The Employer, as Plan Administrator, may delegate its duties, powers or responsibilities to one or more persons. Such delegation must be in writing and accepted by the person or persons receiving the delegation. The Employer may not delegate responsibilities to Plan Participants. The Employer must agree to such delegation by an alternative Plan Administrator.
 - (b) **Specific Plan Administrator responsibilities.** The Plan Administrator has the general responsibility to control and manage the operation of the Plan. This responsibility includes, but is not limited to, the following:
 - (1) To interpret and enforce the provisions of the Plan and applicable rules under Code §457(b) including those related to Plan eligibility, vesting, benefits and other tax requirements;
 - (2) To communicate with the appropriate persons with respect to the crediting of Plan contributions, the disbursement of Plan distributions and other relevant matters
 - (3) To develop separate procedures (if necessary) consistent with the terms of the Plan to assist in the administration of the Plan, including the adoption of a separate or modified loan policy (see Section 13), procedures for direction of investment by Participants (see Section 10.05(b)), procedures for determining whether domestic relations orders are QDROs (see Section 11.06), and procedures for the determination of investment earnings to be allocated to Participants' Accounts (see Section 10.03);
 - (4) To maintain all records necessary for tax and other administration purposes;

- (5) To furnish and to file all appropriate notices, reports and other information to Participants, Beneficiaries, the Employer, the Trustee and government agencies (as necessary);
- (6) To provide information relating to Plan Participants and Beneficiaries;
- (7) To retain the services of other persons, including investment managers, attorneys, consultants, advisers and others, to assist in the administration of the Plan;
- (8) To review and decide on claims for benefits under the Plan; and
- (9) To correct any defect or error in the operation of the Plan.

11.04 Plan Administration Expenses.

- (a) **Reasonable Plan administration expenses.** All reasonable expenses related to plan administration may be paid from Plan assets, except to the extent the expenses are paid (or reimbursed) by the Employer. For this purpose, Plan expenses include, but are not limited to, all reasonable costs, charges and expenses incurred in connection with the administration of the Plan.
- (b) **Plan expense allocation.** The Plan Administrator may allocate plan expenses among the accounts of Plan Participants. The Plan Administrator has authority to allocate these expenses either proportionally based on the value of the Account Balances or pro rata based on the number of Participants in the Plan. The Plan Administrator will determine the proper method for allocating expenses in accordance with such reasonable rules as the Plan Administrator deems appropriate under the circumstances. Unless the Plan Administrator decides otherwise, the following expenses will be allocated to the Participant's Account relative to which the expense is incurred: distribution expenses, including those relating to lump sums, installments, QDROs, hardship, in-service and required minimum distributions; loan expenses; participant direction expenses, including brokerage fees; and benefit calculations.

11.05 Delegation of Administrative Responsibilities. Generally, the Employer has responsibility to administer the Plan. These responsibilities include compliance with Code §457(b) and other tax requirements. However, the Employer may allocate such responsibilities to a third party, provided such third party agrees to such allocation of responsibilities. An Employer may not allocate administrative responsibilities to Plan Participants.

11.06 Qualified Domestic Relations Orders (QDROs).

- (a) **In general.** The Plan Administrator must develop written procedures for determining whether a domestic relations order is a QDRO and for administering distributions under a QDRO. For this purpose, the Plan Administrator may use the default QDRO procedures set forth in subsection (h) below or may develop separate QDRO procedures.
- (b) **Definitions related to Qualified Domestic Relations Orders (QDROs).**
 - (1) **QDRO.** A QDRO is a domestic relations order that creates or recognizes the existence of an Alternate Payee's right to receive, or assigns to an Alternate Payee the right to receive, all or a portion of the benefits payable with respect to a Participant under the Plan. (See Code §414(p).) The QDRO must contain certain information and meet other requirements described in this Section 11.06.
 - (2) **Domestic relations order.** A domestic relations order is a judgment, decree, or order (including the approval of a property settlement) that is made pursuant to state domestic relations law (including community property law) or under the laws of an Indian tribal government, a subdivision of such an Indian tribal government, or an agency or instrumentality of either.
 - (3) **Alternate Payee.** An Alternate Payee must be a spouse, former spouse, child, or other dependent of a Participant.
 - (4) **Revision of QDRO.** A domestic relations order otherwise meeting the requirements to be a QDRO under Code §414(p)(3) shall not fail to be treated as a QDRO solely because:
 - (i) the order is issued after, or revises, another domestic relations order or QDRO; or
 - (ii) of the time at which the order is issued, including orders issued after the death of the Participant.

Any QDRO described in this Section 11.06 shall be subject to the same requirements and protections which apply to QDROs under Code §414(p)(7).

- (c) **Recognition as a QDRO.** To be a QDRO, an order must be a domestic relations order (as defined in subsection (b)(2) above) that relates to the provision of child support, alimony payments, or marital property rights for the benefit of an Alternate Payee. The Plan Administrator is not required to determine whether the court or agency issuing the domestic relations order had jurisdiction to issue an order, whether state law is correctly applied in the order, whether service was properly made on the parties, or whether an individual identified in an order as an Alternate Payee is a proper Alternate Payee under state law.
- (d) **Contents of QDRO.** A QDRO must contain the following information:
 - (1) the name and last known mailing address of the Participant and each Alternate Payee;
 - (2) the name of each plan to which the order applies;
 - (3) the dollar amount or percentage (or the method of determining the amount or percentage) of the benefit to be paid to the Alternate Payee; and
 - (4) the number of payments or time period to which the order applies.
- (e) **Impermissible QDRO provisions.**
 - (1) The order must not require the Plan to provide an Alternate Payee or Participant with any type or form of benefit, or any option, not otherwise provided under the Plan;
 - (2) The order must not require the Plan to provide for increased benefits (determined on the basis of actuarial value); and
 - (3) The order must not require the Plan to pay benefits to an Alternate Payee that are required to be paid to another Alternate Payee under another order previously determined to be a QDRO.
- (f) **Immediate distribution to Alternate Payee.** Even if a Participant is not eligible to receive an immediate distribution from the Plan, an Alternate Payee may receive a QDRO benefit immediately in a lump sum, provided such distribution is consistent with the QDRO provisions.
- (g) **Fee for QDRO determination.** The Plan Administrator may condition the making of a QDRO determination on the payment of a fee by a Participant or an Alternate Payee (either directly or as a charge against the Participant's Account).
- (h) **Default QDRO procedure.** If the Plan Administrator chooses this default QDRO procedure or if the Plan Administrator does not establish a separate QDRO procedure, this subsection (h) will apply as the procedure the Plan Administrator will use to determine whether a domestic relations order is a QDRO. This default QDRO procedure incorporates the requirements set forth below.
 - (1) **Access to information.** The Plan Administrator will provide access to Plan and Participant benefit information sufficient for a prospective Alternate Payee to prepare a QDRO. Such information might include the summary plan description, other relevant plan documents, and a statement of the Participant's benefit entitlements. The disclosure of this information is conditioned on the prospective Alternate Payee providing to the Plan Administrator information sufficient to reasonably establish that the disclosure request is being made in connection with a domestic relations order.
 - (2) **Notifications to Participant and Alternate Payee.** The Plan Administrator will promptly notify the affected Participant and each Alternate Payee named in the domestic relations order of the receipt of the order. The Plan Administrator will send the notification to the address included in the domestic relations order. Along with the notification, the Plan Administrator will provide a copy of the Plan's procedures for determining whether a domestic relations order is a QDRO.
 - (3) **Alternate Payee representative.** The prospective Alternate Payee may designate a representative to receive copies of notices and Plan information that are sent to the Alternate Payee with respect to the domestic relations order.

- (4) **Evaluation of domestic relations order.** Within a reasonable period of time, the Plan Administrator will evaluate the domestic relations order to determine whether it is a QDRO. A reasonable period will depend on the specific circumstances. The domestic relations order must contain the information described in subsection (d). If the order is only deficient in a minor respect, the Plan Administrator may supplement information in the order from information within the Plan Administrator's control or through communication with the prospective Alternate Payee.
- (i) **Separate accounting.** Upon receipt of a domestic relations order, the Plan Administrator will separately account for and preserve the amounts that would be payable to an Alternate Payee until a determination is made with respect to the status of the order. During the period in which the status of the order is being determined, the Plan Administrator will take whatever steps are necessary to ensure that amounts that would be payable to the Alternate Payee, if the order were a QDRO, are not distributed to the Participant or any other person. The separate accounting requirement may be satisfied, at the Plan Administrator's discretion, by a segregation of the assets that are subject to separate accounting.
- (ii) **Separate accounting until the end of "18-month period."** The Plan Administrator will continue to separately account for amounts that are payable under the QDRO until the end of an "18-month period." The "18-month period" will begin on the first date following the Plan's receipt of the order upon which a payment would be required to be made to an Alternate Payee under the order. If, within the "18-month period," the Plan Administrator determines that the order is a QDRO, the Plan Administrator must pay the Alternate Payee in accordance with the terms of the QDRO. If, however, the Plan Administrator determines within the "18-month period" that the order is not a QDRO, or, if the status of the order is not resolved by the end of the "18-month period," the Plan Administrator may pay out the amounts otherwise payable under the order to the person or persons who would have been entitled to such amounts if there had been no order. If the order is later determined to be a QDRO, the order will apply only prospectively; that is, the Alternate Payee will be entitled only to amounts payable under the order after the subsequent determination.
- (iii) **Preliminary review.** The Plan Administrator will perform a preliminary review of the domestic relations order to determine if it is a QDRO. If this preliminary review indicates the order is deficient in some manner, the Plan Administrator will allow the parties to attempt to correct any deficiency before issuing a final decision on the domestic relations order. The ability to correct is limited to a reasonable period of time.
- (iv) **Notification of determination.** The Plan Administrator will notify in writing the Participant and each Alternate Payee of the Plan Administrator's decision as to whether a domestic relations order is a QDRO. In the case of a determination that an order is not a QDRO, the written notice will contain the following information:
- (A) references to the Plan provisions on which the Plan Administrator based its decision;
- (B) an explanation of any time limits that apply to rights available to the parties under the Plan (such as the duration of any protective actions the Plan Administrator will take); and
- (C) a description of any additional material, information, or modifications necessary for the order to be a QDRO and an explanation of why such material, information, or modifications are necessary.
- (v) **Treatment of Alternate Payee.** If an order is accepted as a QDRO, the Plan Administrator will act in accordance with the terms of the QDRO as if it were a part of the Plan. An Alternate Payee will be considered a Beneficiary under the Plan and be afforded the same rights as a Beneficiary. The Plan Administrator will provide any appropriate disclosure information relating to the Plan to the Alternate Payee.

11.07 **Missing Participant or Beneficiary and Uncashed Checks.** The Employer may attempt to locate missing Participants by following Department of Labor or IRS guidance on generally accepted search methods prior to any involuntary cash-out distribution or automatic rollover. The Employer also will provide direction for the handling of any uncashed distribution checks.

SECTION 12
TRUST AGREEMENT

12.01 **Creation of Trust.** By adopting this Plan, the Employer creates a Trust (as identified under the Trust Declaration page) to hold the assets of the Plan (or, in the event that this Plan document represents an amendment of the Plan, the Employer hereby amends the terms of the Trust maintained in connection with the Plan). The Trustee (as identified under the Trust Declaration page) is the owner of the Plan assets held by the Trust. The Trustee is to hold the Plan assets for the exclusive benefit of Plan Participants and Beneficiaries. Plan Participants and Beneficiaries do not have ownership interests in the assets held by the Trust. The Employer may adopt a separate trust agreement in lieu of the trust provisions under this Section.

12.02 **Trustee.** The Trustee identified in the Trust Declaration under the Agreement shall act either as a Discretionary Trustee or as a Directed Trustee, as identified under the Agreement.

- (a) **Discretionary Trustee.** A Trustee is a Discretionary Trustee to the extent the Trustee has exclusive authority and discretion with respect to the investment, management or control of Plan assets. Notwithstanding a Trustee's designation as a Discretionary Trustee, a Trustee's discretion is limited, and the Trustee shall be considered a Directed Trustee, to the extent the Trustee is subject to the direction of the Plan Administrator or the Employer.
- (b) **Directed Trustee.** A Trustee is a Directed Trustee with respect to the investment of Plan assets to the extent the Trustee is subject to the direction of the Plan Administrator or the Employer. The Trustee does not have any discretionary authority with respect to the investment of Plan assets. In addition, the Trustee is not responsible for the propriety of any directed investment made pursuant to this Section and shall not be required to consult or advise the Employer regarding the investment quality of any directed investment held under the Plan.

The Trustee shall be advised in writing regarding the retention of investment powers by the Employer or the appointment of an investment manager with power to direct the investment of Plan assets. Any such delegation of investment powers will remain in force until such delegation is revoked or amended in writing. The Employer is deemed to have retained investment powers under this subsection to the extent the Employer directs the investment of Participant Accounts for which affirmative investment direction has not been received.

A Directed Trustee must act solely in accordance with the direction of the Plan Administrator, the Employer, or any employees or agents of the Employer.

The Employer may direct the Trustee to invest in any media in which the Trustee may invest, as described in Section 12.04. However, the Employer may not borrow from the Trust or pledge any of the assets of the Trust as security for a loan to itself; buy property or assets from or sell property or assets to the Trust; charge any fee for services rendered to the Trust; or receive any services from the Trust on a preferential basis.

12.03 **Trustee's Responsibilities Regarding Administration of Trust.** This Section outlines the Trustee's powers, rights and duties under the Plan with respect to the administration of the investments held in the Plan. The Trustee's administrative duties are limited to those described in this Section 12.03; the Employer is responsible for any other administrative duties required under the Plan or by applicable law.

- (a) The Trustee will receive all contributions made under the terms of the Plan. The Trustee is not obligated in any manner to ensure that such contributions are correct in amount or that such contributions comply with the terms of the Plan. In addition, the Trustee is under no obligation to request that the Employer make contributions to the Plan. The Trustee is not liable for the manner in which such amounts are deposited or the allocation between Participant's Accounts, to the extent the Trustee follows the written direction of the Plan Administrator or Employer.
- (b) The Trustee will make distributions from the Trust in accordance with the written directions of the Plan Administrator or other authorized representative. To the extent the Trustee follows such written direction, the Trustee is not obligated in any manner to ensure a distribution complies with the terms of the Plan, that a Participant or Beneficiary is entitled to such a distribution, or that the amount distributed is proper under the terms of the Plan. If there is a dispute as to a payment from the Trust, the Trustee may decline to make payment of such amounts until the proper payment of such amounts is determined by a court of competent jurisdiction, or the Trustee has been indemnified to its satisfaction.
- (c) The Trustee may employ agents, attorneys, accountants and other third parties to provide counsel on behalf of the Plan, where the Trustee deems advisable. The Trustee may reimburse such persons from the Trust for reasonable expenses and compensation incurred as a result of such employment. The Trustee shall not be liable for the actions of such persons, provided the Trustee acted prudently in the employment and retention of such persons. In addition, the Trustee will not be liable for any actions taken as a result of good faith reliance on the advice of such persons.

12.04 **Trustee's Responsibility Regarding Investment of Plan Assets.** In addition to the powers, rights and duties enumerated under this Section, the Trustee has whatever powers are necessary to carry out its duties in a prudent manner. The Trustee's powers, rights and duties may be supplemented or limited by a separate trust agreement, investment policy, funding agreement, or other binding document entered into between the Trustee and the Plan Administrator which designates the Trustee's responsibilities with respect to the Plan. A separate trust agreement must be consistent with the terms of this Plan and must comply with all requirements of Code §457 and regulations there under.

- (a) The Trustee shall be responsible for the safekeeping of the assets of the Trust in accordance with the provisions of this Plan.
- (b) The Trustee may invest, manage and control the Plan assets in a manner that is consistent with the Plan's funding policy and investment objectives. The Trustee may invest in any investment, which the Trustee deems advisable and prudent, subject to the proper written direction of the Plan Administrator or the Employer. The Trustee is not liable for the investment of Plan assets to the extent the Trustee is following the proper direction of the Plan Administrator, the Employer, a Participant, or other person or persons duly appointed by the Employer to provide investment direction. In addition, the Trustee does not guarantee the Trust in any manner against investment loss or depreciation in asset value or guarantee the adequacy of the Trust to meet and discharge any or all liabilities of the Plan.
- (c) The Trustee may retain such portion of the Plan assets in cash or cash balances as the Trustee may, from time to time, deem to be in the best interests of the Plan, without liability for interest thereon.
- (d) The Trustee may collect and receive any and all moneys and other property due the Plan and to settle, compromise, or submit to arbitration any claims, debts, or damages with respect to the Plan, and to commence or defend on behalf of the Plan any lawsuit, or other legal or administrative proceedings.
- (e) The Trustee may hold any securities or other property in the name of the Trustee or in the name of the Trustee's nominee, and may hold any investments in bearer form, provided the books and records of the Trustee at all times show such investment to be part of the Trust.
- (f) The Trustee may exercise any of the powers of an individual owner with respect to stocks, bonds, securities or other property, including the right to vote upon such stocks, bonds or securities; to give general or special proxies or powers of attorney; to exercise or sell any conversion privileges, subscription rights, or other options; to participate in corporate reorganizations, mergers, consolidations, or other changes affecting corporate securities (including those in which it or its affiliates are interested as Trustee); and to make any incidental payments in connection with such stocks, bonds, securities or other property.
- (g) The Trustee may borrow or raise money on behalf of the Plan in such amount, and upon such terms and conditions, as the Trustee deems advisable. The Trustee may issue a promissory note as Trustee to secure the repayment of such amounts and may pledge all, or any part, of the Trust as security.
- (h) The Trustee, upon the written direction of the Plan Administrator, is authorized to enter into a transfer agreement with the Trustee of another Code §457 plan and to accept a transfer of assets from such retirement plan on behalf of any Employee of the Employer. The Trustee is also authorized, upon the written direction of the Plan Administrator, to transfer some or all of a Participant's vested Account Balance to another Code §457 plan on behalf of such Participant.
- (i) The Trustee is authorized to execute, acknowledge and deliver all documents of transfer and conveyance, receipts, releases, and any other instruments that the Trustee deems necessary or appropriate to carry out its powers, rights and duties hereunder.
- (j) If the Employer maintains more than one Plan, the assets of such Plans may be commingled for investment purposes. The Trustee must separately account for the assets of each Plan. A commingling of assets, as described in this paragraph, does not cause the Trusts maintained with respect to the Employer's Plans to be treated as a single Trust, except as provided in a separate document authorized in the first paragraph of this Section 12.04.
- (k) If the Trustee is a bank or similar financial institution, the Trustee is authorized to invest in any type of deposit of the Trustee (including its own money market fund) at a reasonable rate of interest.

12.05 **More than One Person as Trustee.** If the Plan has more than one person acting as Trustee, the Trustees may allocate the Trustee responsibilities by mutual agreement and Trustee decisions will be made by a majority vote (unless otherwise agreed to by the Trustees) or as otherwise provided in a separate trust agreement or other binding document.

- 12.06 **Annual Valuation.** The Plan assets will be valued at least on an annual basis. The Employer may designate more frequent valuation dates. The Trustee and Plan Administrator may agree to value the Trust on a more frequent basis, and/or to perform an interim valuation of the Trust.
- 12.07 **Reporting to Plan Administrator and Employer.** Within a reasonable time following the end of each Plan Year, the Trustee will file with the Employer an accounting of its administration of the Trust from the date of its last accounting. The accounting will include a statement of cash receipts, disbursements and other transactions effected by the Trustee since the date of its last accounting, and such further information as the Trustee and/or Employer deems appropriate. Upon receipt of such information, the Employer must promptly notify the Trustee of its approval or disapproval of the information.
- 12.08 **Reasonable Compensation.** The Trustee shall be paid reasonable compensation in an amount agreed upon by the Plan Administrator and Trustee. The Trustee also will be reimbursed for any reasonable expenses or fees incurred in its function as Trustee. The Plan will pay the reasonable compensation and expenses incurred by the Trustee, unless the Employer pays such compensation and expenses.
- 12.09 **Resignation and Removal of Trustee.** The Trustee may resign at any time by delivering to the Employer a written notice of resignation at least thirty (30) days prior to the effective date of such resignation, unless the Employer consents in writing to a shorter notice period. The Employer may remove the Trustee at any time, with or without cause, by delivering written notice to the Trustee at least 30 days prior to the effective date of such removal. The Employer may remove the Trustee upon a shorter written notice period if the Employer reasonably determines such shorter period is necessary to protect Plan assets. Upon the resignation, removal, death or incapacity of a Trustee, the Employer may appoint a successor Trustee which, upon accepting such appointment, will have all the powers, rights and duties conferred upon the preceding Trustee. In the event there is a period of time following the effective date of a Trustee's removal or resignation before a successor Trustee is appointed, the Employer is deemed to be the Trustee. During such period, the Trust continues to be in existence and legally enforceable, and the assets of the Plan shall continue to be protected by the provisions of the Trust.
- 12.10 **Indemnification of Trustee.** Except to the extent that it is judicially determined that the Trustee has acted with gross negligence or willful misconduct, the Employer shall indemnify the Trustee (whether or not the Trustee has resigned or been removed) against any liabilities, losses, damages, and expenses, including attorney, accountant, and other advisory fees, incurred as a result of:
- (a) any action of the Trustee taken in good faith in accordance with any information, instruction, direction, or opinion given to the Trustee by the Employer, the Plan Administrator, or legal counsel of the Employer, or any person or entity appointed by any of them and authorized to give any information, instruction, direction, or opinion to the Trustee;
 - (b) the failure of the Employer, the Plan Administrator, or any person or entity appointed by any of them to make timely disclosure to the Trustee of information which any of them or any appointee knows or should know if it acted in a reasonably prudent manner; or
 - (c) any breach of fiduciary duty by the Employer, the Plan Administrator or any person or entity appointed by any of them, other than such a breach which is caused by any failure of the Trustee to perform its duties under this Trust.

The duties and obligations of the Trustee shall be limited to those expressly imposed upon it by this instrument or subsequently agreed upon by the parties. Responsibility for administrative duties required under the Plan or applicable law not expressly imposed upon or agreed to by the Trustee shall rest solely with the Employer.

The Employer agrees that the Trustee shall have no liability with regard to the investment or management of illiquid Plan assets transferred from a prior Trustee, and shall have no responsibility for investments made before the transfer of Plan assets to it, or for the viability or prudence of any investment made by a prior Trustee, including those represented by assets now transferred to the custody of the Trustee, or for any dealings whatsoever with respect to Plan assets before the transfer of such assets to the Trustee. The Employer shall indemnify and hold the Trustee harmless for any and all claims, actions or causes of action for loss or damage, or any liability whatsoever relating to the assets of the Plan transferred to the Trustee by any prior Trustee of the Plan, including any liability arising out of or related to any act or event, including prohibited transactions, occurring prior to the date the Trustee accepts such assets, including all claims, actions, causes of action, loss, damage, or any liability whatsoever arising out of or related to that act or event, although that claim, action, cause of action, loss, damage, or liability may not be asserted, may not have accrued, or may not have been made known until after the date the Trustee accepts the Plan assets. Such indemnification shall extend to all applicable periods, including periods for which the Plan is retroactively restated to comply with any tax law or regulation.

- 12.11 **Appointment of Custodian.** The Plan Administrator may appoint a Custodian to hold all or any portion of the Plan assets. A Custodian has the same powers, rights and duties as a Directed Trustee. The Custodian will be protected from any liability with

respect to actions taken pursuant to the direction of the Trustee, Plan Administrator, the Employer, or other third party with authority to provide direction to the Custodian.

- 12.12** **Satisfaction of Trust Requirement Using Custodial Accounts or Annuity Contracts.** The Employer may satisfy the trust requirement of Code §457(g) as provided under Treas. Reg. §1.457-8(a)(3)(iii).

SECTION 13
PARTICIPANT LOANS

- 13.01** **Availability of Participant Loans.** The Employer may elect under AA Appendix B to permit Participants to take loans from their vested Account Balance under the Plan. If the Employer elects to permit loans under the Plan, the Employer may elect to use the default loan policy under this Section 13, as modified under AA Appendix B, or may establish an outside loan policy for purposes of administering Participant loans under the Plan. If the Employer adopts a separate written loan policy, the terms of such separate loan policy will control over the terms of this Plan with respect to the administration of any Participant loans. Any separate written loan policy must satisfy the requirements under Code §72(p) and the regulations thereunder. Participant loans are subject to the terms of any vendor agreements or contracts associated with the Plan.

To receive a Participant loan, a Participant must sign a promissory note along with a pledge or assignment of the portion of the Account Balance used for security on the loan. The loan will be evidenced by a legally enforceable agreement which specifies the amount and term of the loan, and the repayment schedule.

Effective for Participant loans made after December 20, 2019, the Plan may not make any Participant loan through any credit card or any similar arrangement.

- 13.02** **Must be Available in Reasonably Equivalent Manner.** Participant loans must be made available to Participants in a reasonably equivalent manner. The Employer may elect under AA §B-8 to limit the availability of Participant loans to specified events.

- 13.03** **Loan Limitations.** A Participant loan may not be made to the extent such loan (when added to the outstanding balance of all other loans made to the Participant) exceeds the lesser of:

- (a) \$50,000 (reduced by the excess, if any, of the Participant's highest outstanding balance of loans from the Plan during the one-year period ending on the day before the date on which such loan is made, over the Participant's outstanding balance of loans from the Plan as of the date such loan is made) or
- (b) one-half (½) of the Participant's vested Account Balance, determined as of the Valuation Date coinciding with or immediately preceding such loan, adjusted for any contributions or distributions made since such Valuation Date.

In applying the limitations under this Section 13.03, all plans maintained by the Employer are aggregated and treated as a single plan. In addition, any assignment or pledge of any portion of the Participant's interest in the Plan and any loan, pledge, or assignment with respect to any insurance contract purchased under the Plan will be treated as loan under this Section.

- 13.04** **Limit on Amount and Number of Loans.** Unless elected otherwise under AA §B-5 and/or AA §B-6, or under a separate written loan policy, a Participant may not receive a Participant loan of less than \$1,000 nor may a Participant have more than one Participant loan outstanding at any time.

- (a) **Loan renegotiation.** A Participant may renegotiate a loan without violating the one outstanding loan requirement to the extent such renegotiated loan is a new loan (i.e., the renegotiated loan separately satisfies the reasonable interest rate requirement under Section 13.05, the adequate security requirement under Section 13.06, and the periodic repayment requirement under Section 13.07) and the renegotiated loan does not exceed the limitations under Section 13.03 above, treating both the replaced loan and the renegotiated loan as outstanding at the same time. However, if the term of the renegotiated loan does not end later than the original term of the replaced loan, the replaced loan may be ignored in applying the limitations under Section 13.03 above.
- (b) **Participant must be creditworthy.** The Plan Administrator may refuse to make a loan to any Participant who is determined to be not creditworthy. For this purpose, a Participant is not creditworthy if, based on the facts and circumstances, it is reasonable to believe that the Participant will not repay the loan. A Participant who has defaulted on a previous loan from the Plan and has not repaid such loan (with accrued interest) at the time of any subsequent loan will be treated as not creditworthy until such time as the Participant repays the defaulted loan (with accrued interest).

- 13.05** **Reasonable Rate of Interest.** All Participant loans will be charged a reasonable rate of interest. For this purpose, the interest rate charged on a Participant loan must be commensurate with the interest rates charged by persons in the business of lending money for loans under similar circumstances. The Employer may identify alternative methods for determining a reasonable rate of interest under AA §B-7 or under a separate written loan policy. The Plan Administrator must periodically review its interest rate assumptions to ensure the interest rate charged on Participant loans is reasonable.

If a Participant is in "military service" while such Participant has an outstanding Participant loan, the applicable interest charged on such loan during the period while the Participant is in "military service" will not exceed 6% per year provided the Participant provides written notice and a copy of such Participant's call-up or extension orders to the Plan Administrator within

180 days following the Participant's termination or release from "military service." For this purpose, "military service" is as defined in the Soldier's and Sailor's Civil Relief Act of 1940 as modified by the Servicemembers Civil Relief Act of 2003. The Participant may voluntarily waive this 6% interest limitation and the Plan Administrator may petition the court to retain the original interest rate if the ability to repay is not affected by the Participant's activation to military duty.

13.06 **Adequate Security.** All Participant loans must be adequately secured. The Participant's vested Account Balance shall be used as security for a Participant loan provided the outstanding balance of all Participant loans made to such Participant does not exceed 50% of the Participant's vested Account Balance, determined immediately after the origination of each loan. The Plan Administrator may require a Participant to provide additional collateral to receive a Participant loan if the Plan Administrator determines such additional collateral is required to protect the interests of Plan Participants. A separate loan policy or written modifications to this loan policy may prescribe alternative rules for obtaining adequate security. However, the 50% rule in this paragraph may not be replaced with a greater percentage.

13.07 **Periodic Repayment.** A Participant loan must provide for level amortization with payments to be made not less frequently than quarterly. A Participant loan must be payable within a period not exceeding five (5) years from the date the Participant receives the loan from the Plan, unless the loan is for the purchase of the Participant's principal residence, in which case the loan must be payable within a reasonable time commensurate with the repayment period permitted by commercial lenders for similar loans. Loan repayments must be made through payroll withholding, except to the extent the Plan Administrator determines payroll withholding is not practical given the level of a Participant's wages, the frequency with which the Participant is paid, or other circumstances. If a Participant's paycheck is insufficient to make both Salary Deferrals and loan repayments, the Plan Administrator may establish an administrative procedure establishing the hierarchy for Salary Deferrals and loan repayments.

- (a) **Unpaid leave of absence.** A Participant with an outstanding Participant loan may suspend loan payments to the Plan for up to 12 months for any period during which the Participant is on an unpaid leave of absence. Upon the Participant's return to employment (or after the end of the 12-month period, if earlier), the Participant's outstanding loan will be re-amortized over the remaining period of such loan to make up for the missed payments. The re-amortized loan may extend beyond the original loan term so long as the loan is paid in full by whichever of the following dates comes first: (1) the date which is five (5) years from the original date of the loan (or the end of the suspension, if sooner), or (2) the original loan repayment deadline (or the end of the suspension period, if later) plus the length of the suspension period.

Alternatively, upon a Participant's return to employment (or after the end of the 12-month period, if earlier), the Plan Administrator may allow the Participant's outstanding loan payments to resume at the same loan payment amount as of the time of the loan suspension, with a balloon payment of the remaining balance due by the earlier of (1) the date which is five (5) years from the original date of the loan (or the end of the suspension, if sooner), or (2) the original loan repayment deadline (or the end of the suspension period, if later) plus the length of the suspension period.

- (b) **Military leave.** A Participant with an outstanding Participant loan also may suspend loan payments for any period such that the Participant is on military leave, in accordance with Code §414(u)(4). Upon the Participant's return from military leave (or the expiration of five years from the date the Participant began military leave, if earlier), loan payments will recommence under the amortization schedule in effect prior to the Participant's military leave, without regard to the five-year maximum loan repayment period. Alternatively, the loan may be re-amortized to require a different level of loan payment, as long as the amount and frequency of such payments are not less than the amount and frequency under the amortization schedule in effect prior to the Participant's military leave.

13.08 **Designation of Accounts.** Unless designated otherwise under a separate loan procedure, Participant loans will first be taken proportionately from the Participant's Employer Contribution Account and Matching Contribution Account, to the extent the Participant has a vested interest in such Accounts and subject to the loan limits under Section 13.03. If a Participant's total vested Account Balance attributable to the Employer Contribution and Matching Contribution Accounts is not sufficient to satisfy the amount of the loan, the Participant loan will next be taken from the Participant's Salary Deferral Account. Finally, the loan will be taken from the Participant's Rollover Contribution Account.

A Participant loan will be treated as a segregated investment on behalf of the individual Participant for whom the loan is made. Each payment of principal and interest paid by a Participant on such Participant's loan shall be credited to the Participant's Accounts and investment funds within such Accounts in the same manner as allocated under the above paragraph.

13.09 **Procedures for Loan Default.** Unless elected otherwise in AA Appendix B or in a separate written loan agreement, a Participant will be considered to be in default with respect to a loan if any scheduled repayment with respect to such loan is not made by the end of the calendar quarter following the calendar quarter in which the missed payment was due.

If a Participant defaults on a Participant loan, the Plan may not offset the Participant's Account Balance until the Participant is otherwise entitled to an immediate distribution of the portion of the Account Balance which will be offset and such amount being offset is available as security on the loan, pursuant to Section 13.06. For this purpose, a loan default is treated as an

immediate distribution event to the extent the law does not prohibit an actual distribution of the type of contributions which would be offset as a result of the loan default. The Participant may repay the outstanding balance of a defaulted loan (including accrued interest through the date of repayment) at any time. Pending the offset of a Participant's Account Balance following a defaulted loan, the following rules apply to the amount in default.

- (a) Interest continues to accrue on the amount in default until the time of the loan offset or, if earlier, the date the loan repayments are made current or the amount is satisfied with other collateral.
- (b) A subsequent offset of the amount in default is not reported as a taxable distribution, except to the extent the taxable portion of the default amount was not previously reported by the Plan as a taxable distribution.
- (c) The post-default accrued interest included in the loan offset is not reported as a taxable distribution at the time of the offset.

A separate loan policy or written modifications to this loan policy may modify the procedures for determining a loan default.

13.10 Termination of Employment.

- (a) **Offset of outstanding loan.** Unless elected otherwise in AA Appendix B or in a separate written loan agreement, a Participant loan becomes due and payable in full immediately upon the Participant's termination of employment. Upon a Participant's termination, the Participant may repay the entire outstanding balance of the loan (including any accrued interest) within a reasonable period following termination of employment. If the Participant does not repay the entire outstanding loan balance, the Participant's vested Account Balance will be reduced by the remaining outstanding balance of the loan, to the extent such Account Balance is available as security on the loan, pursuant to Section 13.06, and the remaining vested Account Balance will be distributed in accordance with the distribution provisions under Section 8. If the outstanding loan balance of a deceased Participant is not repaid, the outstanding loan balance shall be treated as a distribution to the Participant and shall reduce the death benefit amount payable to the Beneficiary.
- (b) **Direct Rollover.** Unless elected otherwise in AA Appendix B or in a separate written loan agreement, upon termination of employment, a Participant may request a Direct Rollover of the loan note (provided the distribution is an Eligible Rollover Distribution) to another qualified plan which agrees to accept a Direct Rollover of the loan note. A Participant may not engage in a Direct Rollover of a loan to the extent the Participant has already received a deemed distribution with respect to such loan.
- (c) **Modified loan policy.** A separate loan policy or written modifications to this loan policy may modify this Section 13.10, including, but not limited to: (1) a provision to permit loan repayments to continue beyond termination of employment; (2) to prohibit the Direct Rollover of a loan note; and (3) to provide for other events that may accelerate the Participant's repayment obligation under the loan.

13.11 Amendment of Plan to Eliminate Participant Loans. The Plan may be amended at any time to eliminate Participant loans on a prospective basis. However, the elimination of a Participant loan feature may not result in the acceleration of payment of any existing Participant loans, unless the terms of the Participant loan permit such acceleration.

13.12 Mergers, Transfers or Direct Rollovers from another Plan/Change in Loan Record Keeper. Except as otherwise provided in an Investment Arrangement and related loan agreement, and subject to applicable requirements in Code §72(p) and the regulations thereunder, any Participant loan transferred into the Plan as the result of a merger, consolidation, or plan to plan transfer, or rolled over to the Plan from another plan, shall be administered in accordance with the provisions of the note reflecting such loan, and shall remain outstanding until repaid in accordance with its terms, except that the Participant may be permitted to renegotiate the terms of the loan to the extent necessary to ensure the administration of such loan continues to satisfy the requirements of Code §72(p) and the regulations thereunder. In addition, if there is a change in the person or persons to whom the record keeping of Participant loans has been delegated, a loan shall continue to be administered in accordance with the provisions of the note reflecting such loan, and shall remain outstanding until repaid in accordance with its terms, except that the Participant may be permitted to renegotiate the terms of a loan to the extent necessary to ensure the administration of the loan after the change in the loan record keeper continues to satisfy the requirements of Code §72(p) and the regulations thereunder, regardless of any contrary election under AA §B-14.

SECTION 14
PLAN AMENDMENTS, TERMINATION, MERGERS, EXCHANGES AND TRANSFERS

14.01 Plan Amendments.

- (a) **Amendment by the Employer.** The Employer shall have the right at any time to amend the Plan. (The ability to amend the Plan as authorized under this subsection (a) applies only to the Employer that executes the Signature Page of the Adoption Agreement. Any amendment to the Plan by the Employer under this subsection (a) also applies to any other Employer that participates under the Plan as a Participating Employer.) Such amendments include, but are not limited to:
- (1) The Employer may change any optional selections under the Adoption Agreement.
 - (2) The Employer may add additional language or provisions to the Plan.
 - (3) The Employer may change the administrative selections under AA Appendix C by replacing the appropriate page(s) within the Adoption Agreement. Such amendment does not require re-execution of the Employer Signature Page.
 - (4) The Employer may amend administrative provisions of the Plan document, including the name of the Plan, Employer, Trustee, and Plan Administrator.
 - (5) The Employer may add or change provisions permitted under the Plan and/or specify or change the effective date of a provision as permitted under the Plan and correct obvious and unambiguous typographical errors and/or cross-references that merely correct a reference but that do not in any way change the original intended meaning of the provisions.
- (b) **Reduction of Account Balance.** No amendment to the plan shall be effective to the extent that it has the effect of reducing a Participant's Account Balance.

14.02 Plan Termination. The Employer may terminate (or freeze) this Plan at any time, as provided under Treas. Reg. §1.457-10. The Employer will amend the Plan as necessary to effectuate a Plan termination.

- (a) **Distribution upon Plan termination.** Upon the termination of the Plan, the Plan Administrator shall direct the distribution of Account Balances to Participants in accordance with the provisions under Section 8 as soon as administratively practicable after termination of the Plan. Regardless of the elections made in the Agreement, upon Plan termination, the Plan Administrator may make a lump sum payout of a Participant's vested Account Balance without the consent of the Participant or Beneficiaries.
- (b) **Termination upon merger, liquidation or dissolution of the Employer.** The Plan may terminate upon the liquidation or dissolution of the Employer provided however, that in any such event, arrangements may be made for the Plan to be continued by any successor to the Employer.
- (c) **Missing Participants.** Upon termination of the Plan, if any Participant cannot be located after a reasonable diligent search, the Plan Administrator may make a direct rollover to an IRA selected by the Plan Administrator. An automatic rollover under this subsection (c) may be made on behalf of any missing Participant, regardless of the value of such Participant's vested Account Balance.

14.03 Merger or Consolidation. In the event the Plan is merged or consolidated with another plan, each Participant must be entitled to a benefit immediately after such merger or consolidation that is at least equal to the benefit the Participant would have been entitled to if the Plan terminated immediately before such merger or consolidation.

SECTION 15
MISCELLANEOUS

- 15.01 Exclusive Benefit.** Except as provided under this Section 15, no part of the Plan assets may revert to the Employer prior to the satisfaction of all liabilities under the Plan nor will such Plan assets be used for, or diverted to, a purpose other than the exclusive benefit of Participants or their Beneficiaries.

No amendment may authorize or permit any portion of the assets held under the Plan to be used for or diverted to a purpose other than the exclusive benefit of Participants or their Beneficiaries, except to the extent such assets are used to pay taxes or administrative expenses of the Plan. An amendment also may not cause or permit any portion of the assets held under the Plan to revert to or become property of the Employer.

- 15.02 Return of Employer Contributions.** Upon written request by the Employer, the Trustee may return any Employer Contributions made because of a mistake of fact to the Employer.

- 15.03 Alienation or Assignment.** Except as permitted under applicable statute or regulation, a Participant or Beneficiary may not assign, alienate, transfer or sell any right or claim to a benefit or distribution from the Plan, and any attempt to assign, alienate, transfer or sell such a right or claim shall be void, except as permitted by statute or regulation. Any such right or claim under the Plan shall not be subject to attachment, execution, garnishment, sequestration, or other legal or equitable process. This prohibition against alienation or assignment also applies to the creation, assignment, or recognition of a right to a benefit payable with respect to a Participant pursuant to a domestic relations order, unless such order is determined to be a QDRO pursuant to Section 11.06.

- 15.04 Participants' Rights.** The adoption of this Plan by the Employer does not give any Participant, Beneficiary, or Employee a right to continued employment with the Employer and does not affect the Employer's right to discharge an Employee or Participant at any time. This Plan also does not create any legal or equitable rights in favor of any Participant, Beneficiary, or Employee against the Employer or Plan Administrator. Unless the context indicates otherwise, any amendment to this Plan is not applicable to determine the benefits accrued (and the extent to which such benefits are vested) by a Participant or former Employee whose employment terminated before the effective date of such amendment, except where application of such amendment to the terminated Participant or former Employee is required by statute, regulation or other guidance of general applicability. Where the provisions of the Plan are ambiguous as to the application of an amendment to a terminated Participant or former Employee, the Plan Administrator has the authority to make a final determination on the proper interpretation of the Plan.

- 15.05 Military Service.** To the extent required under Code §414(u), an Employee who returns to employment with the Employer following a period of qualified military service will receive any contributions, benefits and service credit required under Code §414(u), provided the Employee satisfies all applicable requirements under the Code and regulations. In determining the amount of contributions under Code §414(u), Plan Compensation will be deemed to be the compensation the Employee would have received during the period while in military service based on the rate of pay the Employee would have received from the Employer but for the absence due to military leave. If the compensation the Employee would have received during the leave is not reasonably certain, Plan Compensation will be equal to the Employee's average compensation from the Employer during the twelve (12) month period immediately preceding the military leave or, if shorter, the Employee's actual period of employment with the Employer.

- (a) **Death benefits under qualified military service.** In the case of a Participant who dies while performing qualified military service (as defined in Code §414(u)), the survivors of the Participant are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan as though the Participant resumed and then terminated employment on account of death. This provision is effective with respect to deaths occurring on or after January 1, 2007.
- (b) **Benefit accruals.** If elected under AA §10-3, for benefit accrual purposes, the Plan will treat an individual who dies or becomes disabled (as defined under the terms of the Plan) while performing qualified military service (as defined in Code §414(u)) with respect to the Employer, as if the individual has resumed employment in accordance with the individual's reemployment rights under the Uniformed Services Employment and Reemployment Rights Act (USERRA) on the day preceding death or disability (as the case may be) and terminated employment on the actual date of death or disability. This provision is effective with respect to deaths and disabilities occurring on or after January 1, 2007.
- (1) This subsection (b) shall apply only if all individuals performing qualified military service with respect to the Employer maintaining the plan who die or became disabled as a result of performing qualified military service prior to reemployment by the employer are credited with service and benefits on reasonably equivalent terms.

- (2) The amount of employee contributions and the amount of elective deferrals of an individual treated as reemployed under this subsection (b) shall be determined on the basis of the individual's average actual employee contributions or elective deferrals for the lesser of:
- (i) the 12-month period of service with the Employer immediately prior to qualified military service, or
 - (ii) if service with the Employer is less than such 12-month period, the actual length of continuous service with the Employer.
- (c) **Plan distributions.** Notwithstanding the provisions regarding the treatment of Differential Pay and if elected under AA §9-2(a), an individual may be treated as having a Severance from Employment during any period the individual is performing service in the Uniformed Services for purposes of receiving a Plan distribution under Code §457(d). If an individual elects to receive a distribution while on military leave, the individual may not make Salary Deferrals under the Plan during the 6-month period beginning on the date of the distribution.
- (d) **Make-Up Contributions.** A Participant who is reemployed following a qualified military leave shall have the right to make up any Salary Deferrals or After-Tax Employee Contributions to which such Participant would have been entitled but for the fact the Participant was on qualified military leave. The Employer will also make any Employer Contributions and Matching Contributions the Participant would have earned during the period of qualified military leave had the Participant remained employed during such period. The Employer will only be required to make Matching Contributions if the reemployed Participant makes up the underlying contributions that were eligible for the Matching Contributions.

In determining the amount of Make-Up Contributions, a Participant may make under this subsection (d), a Participant will be treated as earning Plan Compensation during the period the Participant was on qualified military leave equal to:

- (1) the rate of pay the Participant would have received from the Employer during such period had the Participant not been on qualified military leave, or
- (2) if the Plan Compensation the Participant would have received during such period was not reasonably certain, the Participant's average Plan Compensation during the 12-month period immediately preceding the qualified military leave (or the entire period of employment, if shorter).

If the Employer is required under this subsection (d) to make Employer Contributions for a reemployed Participant, the Employer must make such Employer Contributions not later than 90 days after the date of reemployment or the date the Employer Contributions are otherwise due for the year in which the military service was performed. For Salary Deferrals and After-Tax Employee Contributions, a Participant who is reemployed following a qualified military leave may make up such contributions during the period beginning on the date of reemployment and ending on the earlier of the date that is three times the length of the military service period or 5 years from the date of reemployment. Any required Matching Contributions must be made in the same manner as other Matching Contribution under the Plan following the Participant's contribution of the amounts eligible for the Matching Contributions.

Any make up contributions under this subsection (d) are subject to the Code §457(b) Basic Annual Limit under **Section 5** for the year for which the make-up contribution would have been made had the Participant not been on qualified military leave.

- 15.06** **Annuity Contracts.** Any annuity contract distributed under the Plan must be nontransferable. In addition, the terms of any annuity contract purchased and distributed to a Participant or Beneficiary must comply with all requirements under this Plan.
- 15.07** **Use of IRS compliance programs.** Nothing in this Plan document should be construed to limit the availability of the IRS' compliance programs. An Employer may take whatever corrective actions are permitted under the IRS compliance programs, as is deemed appropriate by the Plan Administrator or Employer.
- 15.08** **Governing Law.** The provisions of this Plan shall be construed, administered, and enforced in accordance with the provisions of applicable Federal Law and, to the extent applicable, the laws of the state in which the Employer has its principal place of business. Alternatively, the Employer may designate the governing state law under AA §10-5.
- 15.09** **Waiver of Notice.** Any person entitled to a notice under the Plan may waive the right to receive such notice, to the extent such a waiver is not prohibited by law, regulation or other pronouncement.
- 15.10** **Use of Electronic Media.** The Plan Administrator may use telephonic or electronic media to satisfy any notice requirements required by this Plan, to the extent permissible under regulations (or other generally applicable guidance). In addition, a

Participant's consent to immediate distribution may be provided through telephonic or electronic means, to the extent permissible under regulations (or other generally applicable guidance). The Plan Administrator also may use telephonic or electronic media to conduct plan transactions such as enrolling participants, making (and changing) salary reduction elections, electing (and changing) investment allocations, applying for Plan loans, and other transactions, to the extent permissible under regulations (or other generally applicable guidance).

- 15.11 Severability of Provisions.** In the event that any provision of this Plan shall be held to be illegal, invalid or unenforceable for any reason, the remaining provisions under the Plan shall be construed as if the illegal, invalid or unenforceable provisions had never been included in the Plan.
- 15.12 Binding Effect.** The Plan, and all actions and decisions made thereunder, shall be binding upon all applicable parties, and their heirs, executors, administrators, successors and assigns.
- 15.13 Same-Sex Spouses.** Effective June 26, 2013, to the extent applicable to Governmental Plans, any Plan rule that applies because a Participant is married must be applied with respect to a Participant who is married to an individual of the same sex. See Notice 2015-86, Notice 2014-19, Rev. Rul. 2013-17, and the decision in U.S. v Windsor, 570 U.S. 12 (2013). For example, under the required minimum distribution rules of Code §401(a)(9) and the rollover rules of Code §402(c), certain options are provided for a surviving spouse that are not available to a non-spouse beneficiary. These options must be provided to a same-sex spouse.

SECTION 16
PARTICIPATING EMPLOYERS

- 16.01 Participation by Participating Employers.** A Related Employer may elect to participate under this Plan by executing a Participating Employer Adoption Page. A Participating Employer may not contribute to this Plan unless it executes the Participating Employer Adoption Page.
- 16.02 Participating Employer Adoption Page.**
- (a) **Application of Plan provisions.** By executing a Participating Employer Adoption Page, a Participating Employer adopts all the provisions of the Plan, including the elective choices made by the signatory Employer under the Adoption Agreement. The Participating Employer may elect under the Participating Employer Adoption Page to modify the elective provisions under the Adoption Agreement as they apply to the Participating Employer.
 - (b) **Plan amendments.** In addition, unless provided otherwise under the Participating Employer Adoption Page, a Participating Employer is bound by any amendments made to the Plan in accordance with Section 14.01.
 - (c) **Trust Declaration.** The Participating Employer agrees to use the same Trustee(s) as is designated on the Trust Declaration under the Agreement, except as provided in a separate agreement.
- 16.03 Compensation of Related Employers.** In applying the provisions of this Plan, Total Compensation includes amounts earned with a Related Employer, regardless of whether such Related Employer executes a Participating Employer Adoption Page. The Employer may elect under AA §5-3(j) to exclude amounts earned with a Related Employer that does not execute a Participating Employer Adoption Page for purposes of determining an Employee's Plan Compensation.
- 16.04 Discontinuance of Participation by a Participating Employer.** A Participating Employer may discontinue its participation under the Plan at any time. To document a Participating Employer's cessation of participation, the following procedures should be followed: (1) the Participating Employer should adopt a resolution that formally terminates active participation in the Plan as of a specified date, (2) the Employer that has executed the Employer Signature Page should re-execute such page, indicating an amendment by page substitution through the deletion of the Participating Employer Adoption Page executed by the withdrawing Participating Employer, and (3) the withdrawing Participating Employer should provide any notices to its Employees that are required by law. Discontinuance of participation means that no further benefits accrue after the effective date of such discontinuance with respect to employment with the withdrawing Participating Employer. The portion of the Plan attributable to the withdrawing Participating Employer may continue as a separate plan, under which benefits may continue to accrue, through the adoption by the Participating Employer of a successor plan (which may be created through the execution of a separate Adoption Agreement by the Participating Employer) or by spin-off of the portion of the Plan attributable to such Participating Employer followed by a merger or transfer into another existing plan, as specified in a merger or transfer agreement.
- 16.05 Operational Rules for Related Employer Groups.** If an Employer has one or more Related Employers, the Employer and such Related Employer(s) constitute a Related Employer group. In such case, the following rules apply to the operation of the Plan.
- (a) If the term "Employer" is used in the context of administrative functions necessary to the operation, establishment, maintenance, or termination of the Plan, only the Employer executing the Employer Signature Page under the Adoption Agreement, and any Related Employer executing a Participating Employer Adoption Page, is treated as the Employer.
 - (b) Hours of Service are determined by treating all members of the Related Employer group as the Employer, except as specifically provided in the Plan.
 - (c) The term Excluded Employee is determined by treating all members of the Related Employer group as the Employer, except as specifically provided in the Plan.
 - (d) Compensation is determined by treating all members of the Related Employer group as the Employer, except as specifically provided in the Plan.
 - (e) An Employee is not treated as terminated from employment if the Employee is employed by any member of the Related Employer group.

In all other contexts, the term "Employer" generally means a reference to all members of the Related Employer group, unless the context requires otherwise. If the terms of the Plan are ambiguous with respect to the treatment of the Related Employer group as the Employer, the Plan Administrator has the authority to make a final determination on the proper interpretation of the Plan.



Parrish Medical Center

403(b) and 457(b) Retirement Plan Fund Menu Review

Period Ending October 31, 2025

This document is confidential and is intended solely for
the use and information of the client to whom it is addressed.



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Parrish Medical Center Retirement (Pension) Committee

November 03, 2025

Agenda

- I. Brief Economic Commentary**
- II. Fund Menu Reviews – Morningstar and Zephyr**
- III. Participant Education**
- IV. Plan Provider Responsibilities**
- V. Regular Meetings and Fiduciary Responsibilities**
- VI. Questions**



Market Commentary 3rd Quarter 2025 *“New Highs”*

<u>Equities</u>	3 rd Quarter 2025 Performance	YTD 2025 Performance	2024	2023	2022
S&P 500	+7.79%	+13.72%	+23.31%	+24.23%	-19.44%
DJIA	+5.22%	+9.06%	+12.88%	+13.70%	-8.78%
NASDAQ	+11.24%	+17.34%	+28.64%	+43.42%	-33.10%

<u>Fixed Income Yields</u>	3 rd Quarter Close 2025	Year End 2024	Year End 2023	Year End 2022
10 Year T-Note	4.15	4.57	3.87	3.88
30 Year T-Bond	4.73	4.79	4.09	3.98

While there was no shortage of concerns for investors in the Q3 2025, stocks powered higher on the back of the artificial intelligence boom and a long-awaited Federal Reserve interest rate cut. Stocks went into the quarter in the midst of a rebound from April’s sharp tariff-driven selloff. With President Donald Trump having retreated from imposing most of the harshest levies he had threatened, investors were heartened by solid earnings and (at the start of the quarter) the appearance of a still-healthy economy. At the same time, the AI boom showed no signs of slowing, with companies announcing massive investments in AI infrastructure, fueling a strong rise in technology stocks. The numbers are staggering: AI investment thus far in 2025 has eclipsed ALL consumer spending in the USA. Trillions are flowing into the AI buildout.

However, the economic picture turned cloudy over the course of the quarter. Downward revisions to job growth and weak new readings on employment showed the economy was not as solid as investors believed. Meanwhile, inflation readings crept higher as Trump’s tariffs began to be passed on to consumers. And in the background, Trump’s attacks on the Fed’s independence worried a growing number of investors, fueling a downtrend in the value of the US dollar. For stocks, the prospect of a softening jobs market was seen as a positive, since it pushed the Fed to cut rates. We still haven’t emerged from the now 17-year-old era of looking at all economic statistics using the Federal Reserve lens. Often during this period markets have reacted not simply on good or bad economic news, but rather on how the Federal Reserve will adjust interest

rates based on such data. Bad news sometimes triggered positive moves in the market, while good news has been tempered by the fear of protracted tight Fed policy in the face of inflation.

Year to date performance in equities has been great, with the NASDAQ leading the way +17.34%. The S&P500, which has exposure to the AI growth trade, was up +13.72% for the year at September end. The DJIA, which as a reminder is an average of 30 component equities, and not a broad index, was the laggard at +9% as its weighting to Apple and Nvidia is a small fraction of what we see in the S&P500.

Bonds continue to confound, as the Federal Reserve, now two rate cuts into its accommodative policy trend, has not been able to substantially impact the long end of the yield curve. As a reminder, the only traditional interest rate the Fed can impact directly is the overnight rate. The rest of the yield curve is market driven, and the market is not convinced rates should be coming down. Dollar debasement premium, where bond purchasers require a higher interest rate when there are concerns over currency value at maturation, is alive and well. Inflation fears are keeping longer term rates higher as well. Lastly, yields traditionally move higher when the economy is trending well, which it is. While the government is closed at the time of this writing, most recent data has shown +3% growth over the past year. That is strong. So while 4%+ on the long end of the yield curve (10+ years) is a nice yield compared to the post-financial crisis norm, those expecting total return (interest plus appreciation) making a comeback in portfolios may be waiting longer than expected at the beginning of the year.

With the fear of sounding like a broken record, we continue to advise our clients and friends to keep their seatbelt buckled as the ride is far from over. Global exogenous events like wars, both hot and cold, continue to wreak havoc on the desire for order and peace. Unknown final trade agreements and tariffs will continue to cause more volatility. Bond yield divergence between the US and EU will also play a large part in market success; however, expectations of a strengthening dollar may be a headwind.

Finally, as always, our long-term thoughts have not changed: a properly diversified portfolio, rebalanced thoughtfully, and deployed to conservative, top tier managers, will continue to provide strong positive results for the long-term investor. It is a time to be cautious and disciplined. When markets get frothy, we rebalance back to policy. When markets over-correct, we rebalance back to policy. Discipline is the name of the game for the long-run, and it has proven to be the cornerstone of portfolio success over the many decades we have been investing.

As we continue down this path together, we are reminded of the trust you have placed in Anderson Financial over the years. We are a firm with a long-term perspective having a mindful eye on short term liabilities. While we work hard for you, our clients are our friends, and we continually strive to serve you in a way that maximizes your portfolio's upside without suffering all the occasional downside. Thank you for the opportunity to continue to serve you.

Fund Option Check List

Parrish Medical Center 403(b) Plan - Active Funds

Fund Menu Review - Executive Summary - Review as of 10/31/2025

Managers Name / Style	Recommended Action	Style Consistency	Risk-Adjusted Returns	Performance Consistency	Peer Ranking	Manager Tenure	Investment Score
American Century Equity Income	None	Yes	Yes	No	Above	High	4 Stars
American Funds EuroPacific Growth	None	Yes	Yes	Yes	Above	High	5 Stars
Eaton Vance Atlanta Cap SMID Cap	None	Yes	Yes	Yes	Above	High	5 Stars
Fidelity Advisor Value	None	Yes	Yes	Yes	Above	High	5 Stars
PIMCO Small Cap StocksPLUS Inst.	None	Yes	Yes	Yes	Above	High	5 Stars
Fidelity Four in One Index Fund	None	Yes	Yes	Yes	Above	High	5 Stars
Fidelity Blue Chip Growth Fund	None	Yes	Yes	Yes	Above	High	5 Stars
Neuberger Berman Socially Responsible Fund	None	Yes	Yes	No	Above	High	4 Stars
TCW Total Return Bond	None	Yes	Yes	Yes	Above	High	5 Stars
MFS New Discovery Value A	None	Yes	Yes	Yes	Above	High	5 Stars
William Blair Small Medium Cap Growth	None	Yes	Yes	Yes	Above	High	5 Stars
Glenmead Large Cap Core	None	Yes	Yes	No	Above	High	4 Stars

Above	Performed Above Median	Below	Performed in Below Median*	Watch	Watchlist
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Note: The spreadsheet above indicates whether each investment option meets the performance criteria established as part of the selection process used in constructing the fund option menu. If any single fund fails to achieve two of the six criteria, that fund will be placed on our Watchlist and given a defined period of time to improve at least one of the two failed criteria. "N/A" scores above represent either an investment option that is not currently under Bott-Anderson's research coverage, or an individual criterion not applicable to a particular investment option. A brief explanation of the six criteria is detailed below:

Style Consistency - Does the fund exhibit consistent style attributes over rolling 60 month periods?

Risk-Adjusted Returns - On a risk-adjusted basis, versus the style/benchmark (Market Capture Ratio) over a rolling 5 year period?

Performance Consistency - Has the fund outperformed its benchmark over the past 1, 3 and 5 years?

Peer Ranking - How does the fund rank against its peers over the past 1, 3, 5 years - median ranking over the past 5 years?

Manager Tenure - High or Low portfolio manager tenure ("Star System or Committee Driven")

Anderson Financial Partners, Inc.

Fund Option Check List

Parrish Medical Center 403(b) Plan - Target and Passive Funds

Fund Menu Review - Executive Summary - Review as of 10/31/2025

Managers Name / Style	Recommended Action	Style Consistency	Risk-Adjusted Returns	Performance Consistency	Peer Ranking	Manager Tenure	Investment Score
Fidelity Multi-Asset Index Fund	None	Yes	Yes	Yes	Above	High	5 Stars
Vanguard Dividend Appreciation Index	None	Yes	Yes	Yes	Above	High	5 Stars
Vanguard Growth Admiral Index	None	Yes	Yes	Yes	Above	High	5 Stars
Vanguard International Developed Markets	None	Yes	Yes	Yes	Above	High	5 Stars
Vanguard International Emerging Markets	None	Yes	Yes	Yes	Above	High	5 Stars
Vanguard Mid Cap Index	None	Yes	Yes	Yes	Above	High	5 Stars
Vanguard S&P 500 Admiral Index	None	Yes	Yes	Yes	Above	High	5 Stars
Vanguard Short-Term Bond Admiral Index	None	Yes	Yes	Yes	Above	High	5 Stars
Vanguard Total Bond Market Admiral Index	None	Yes	Yes	Yes	Above	High	5 Stars
Vanguard Value Admiral Index	None	Yes	Yes	Yes	Above	High	5 Stars
T. Rowe Price Retirement 2010	None	Yes	Yes	Yes	Above	High	5 Stars
T. Rowe Price Retirement 2020	None	Yes	Yes	Yes	Above	High	5 Stars
T. Rowe Price Retirement 2030	None	Yes	Yes	Yes	Above	High	5 Stars
T. Rowe Price Retirement 2040	None	Yes	Yes	Yes	Above	High	5 Stars
T. Rowe Price Retirement 2050	None	Yes	Yes	Yes	Above	High	5 Stars
T. Rowe Price Retirement 2060	None	Yes	Yes	Yes	Above	High	5 Stars

Strategic Value Annuity

Above	Performed Above Median	Below	Performed in Below Median*	Watch	Watchlist
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Total Target and Passive

Total Plan

Anderson Financial Partners, Inc.

Fund Option Check List

Parrish Medical Center 457 Plan

Investment Review - Executive Summary Review as of 10/31/25 - Active Page 1

Managers Name / Style	Recommended Action	Style Consistency	Risk-Adjusted Returns	Performance Consistency	Peer Ranking	Manager Tenure	Investment Score
Alliance Bernstein Small Mid Cap Value A	None	Yes	Yes	Yes	Above	High	5 Stars
Allspring Growth A	Watch	Yes	Yes	No	Below	High	3 Stars
American Century Inflation Adj Bond A	None	Yes	Yes	Yes	Below	High	4 Stars
American Century Small Cap Value A	None	Yes	Yes	Yes	Above	High	5 Stars
American Funds AMCAP R3	Remove	Yes	Yes	No	Below	High	3 Stars
American Funds American Balanced R3	None	Yes	Yes	Yes	Above	High	5 Stars
American Funds Europacific Growth R3	None	Yes	Yes	Yes	Above	High	5 Stars
American Funds Income Fund of America R3	Watch	Yes	Yes	No	Below	High	3 Stars
American Funds New Perspective R3	None	Yes	Yes	Yes	Above	High	5 Stars
Baron Opportunity Fund	None	Yes	Yes	Yes	Above	High	5 Stars
Baron Growth	None	Yes	Yes	Yes	Above	High	5 Stars
Blackrock Sustainable Emerging Markets	None	Yes	Yes	Yes	Above	High	5 Stars

Above Performed Above Median

Below Performed in Below Median*

W Watch list

Note: The spreadsheet above indicates whether each investment option meets the performance criteria established as part of the selection process used in constructing the fund option menu. If any single fund fails to achieve two of the six criteria, that fund will be placed on our Watch list and given a defined period of time to improve at least one of the two failed criteria. "N/A" scores above represent either an investment option that is not currently under Bott-Anderson's research coverage, or an individual criterion not applicable to a particular investment option. A brief explanation of the six criteria is detailed below:

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Anderson Financial Partners, Inc.

Fund Option Check List

Parrish Medical Center 457 Plan

Investment Review - Executive Summary Review as of 10/31/25 - Active Page 2

Managers Name / Style	Recommended Action	Style Consistency	Risk-Adjusted Returns	Performance Consistency	Peer Ranking	Manager Tenure	Investment Score
Macquarie (Delaware) Corp Bd A	None	Yes	Yes	Yes	Above	High	5 Stars
Dodge & Cox International Stock	None	Yes	Yes	Yes	Above	High	5 Stars
Dodge & Cox Income	None	Yes	Yes	Yes	Above	High	5 Stars
BNY Mellon Appreciation	Watch	Yes	Yes	No	Below	High	3 Stars
Dreyfus International Bond	Remove	Yes	Yes	No	Below	High	3 Stars
Fidelity Advisor International Real Estate A	Watch	Yes	Yes	No	Below	High	3 Stars
Fidelity Advisor Real Estate A	Watch	Yes	Yes	No	Below	High	3 Stars
Fidelity Advisor Leveraged Company Stock A	None	Yes	Yes	Yes	Above	High	5 Stars
Fidelity Advisor Stock Select Mid Cap A	None	Yes	Yes	No	Above	High	4 Stars
Franklin Income A	None	Yes	Yes	Yes	Above	High	5 Stars
Goldman Sachs Growth Oppr. A	None	Yes	Yes	No	Above	High	4 Stars
Invesco Growth and Income A	None	Yes	Yes	No	Above	High	4 Stars

Above Performed Above Median

Below Performed in Below Median*

W Watch list

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Anderson Financial Partners, Inc.

Fund Option Check List

Parrish Medical Center 457 Plan

Investment Review - Executive Summary Review as of 10/31/25 - Active Page 3

Managers Name / Style	Recommended Action	Style Consistency	Risk-Adjusted Returns	Performance Consistency	Peer Ranking	Manager Tenure	Investment Score
Invesco Small Cap Equity A	None	Yes	Yes	Yes	Above	High	5 Stars
Invesco COMSTOCK A	None	Yes	Yes	Yes	Above	High	5 Stars
Invesco Equity Income A	None	Yes	Yes	Yes	Above	High	5 Stars
Invesco Euro Growth A	Watch	Yes	Yes	No	Below	High	3 Stars
Invesco Global Opportunities A	Watch	Yes	Yes	No	Below	High	3 Stars
Pimco Total Return A	None	Yes	Yes	Yes	Above	High	5 Stars
TCW Total Return N	Remove	Yes	Yes	No	Below	High	3 Stars
Macquarie (Delaware) Diversified Income	None	Yes	Yes	Yes	Above	High	5 Stars

Above performed Above Median

Below

Performed in Below Median*

W

Watch list

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Anderson Financial Partners, Inc.

Fund Option Check List

Parrish Medical Center 457 Plan

Investment Review - Executive Summary Review as of 10/31/25 - Passive Funds

Managers Name / Style	Recommended Action	Style Consistency	Risk-Adjusted Returns	Performance Consistency	Peer Ranking	Manager Tenure	Investment Score
Fidelity S&P500 Index Fund	None	Yes	Yes	Yes	Above	High	5 Stars
Vanguard 500 Index Admiral	None	Yes	Yes	Yes	Above	High	5 Stars
Vanguard High Yield Corp Inv.	None	Yes	Yes	Yes	Above	High	5 Stars
Vanguard Inflation Protected Securities Inv.	None	Yes	Yes	Yes	Above	High	5 Stars
Nationwide Money Market	Money Market						

Above Performed Above Median

Below

Performed in Below Median*

W

Watch list

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Anderson Financial Partners, Inc.

QUALITY COMMITTEE

Dan Aton, Chairperson
Robert L. Jordan, Jr., C.M. (ex-officio)
Elizabeth Galfo, M.D.
Billy Specht
Billie Fitzgerald
Herman A. Cole, Jr.
Stan Retz, CPA
Maureen Rupe
Ashok Shah, M.D.
Aluino Ochoa, M.D., President/Medical Staff
Alphonse Pecoraro, M.D., Designee, Vice Chairperson
Christopher Manion, M.D., Designee
George Mikitarian (non-voting)

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
QUALITY COMMITTEE
MONDAY, NOVEMBER 3, 2025, at 12:00 P.M.
FIRST FLOOR, CONFERENCE ROOM 2/3/4/5**

CALL TO ORDER

I. Approval of Minutes

Motion to approve the minutes of the September 8, 2025 meeting.

II. Vision Statement

III. Dashboard

IV. Stroke Outcomes and Disease Specific Certification – Ms. Cottrell

V. Executive Session (if necessary)

ADJOURNMENT

NOTE: IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE QUALITY COMMITTEE WITH RESPECT TO ANY MATTER CONSIDERED AT THIS MEETING, HE/SHE WILL NEED A RECORD OF PROCEEDINGS AND, FOR SUCH PURPOSES, MAY NEED TO ENSURE A VERBATIM RECORD OF THE PROCEEDINGS IS MADE AND THAT THE RECORD INCLUDES TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

PERSONS WITH A DISABILITY WHO NEED A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHOULD CONTACT THE ADMINISTRATIVE OFFICES AT 951 NORTH WASHINGTON AVENUE, TITUSVILLE, FLORIDA 32796, AT LEAST FORTY-EIGHT (48) HOURS PRIOR TO THE MEETING. FOR INFORMATION CALL (321) 268-6110. THIS NOTICE WILL FURTHER SERVE TO INFORM THE PUBLIC THAT MEMBERS OF THE BOARD OF DIRECTORS OF NORTH BREVARD MEDICAL SUPPORT, INC. MAY BE IN ATTENDANCE AND MAY PARTICIPATE IN DISCUSSIONS OF MATTERS BEFORE THE NORTH BREVARD COUNTY HOSPITAL DISTRICT BOARD OF DIRECTORS EDUCATIONAL, GOVERNMENTAL AND COMMUNITY RELATIONS COMMITTEE. TO THE EXTENT OF SUCH DISCUSSION, A JOINT PUBLIC MEETING OF THE NORTH BREVARD COUNTY HOSPITAL DISTRICT, BOARD OF DIRECTORS EDUCATIONAL, GOVERNMENTAL AND COMMUNITY RELATIONS COMMITTEE AND NORTH BREVARD MEDICAL SUPPORT, INC. SHALL BE CONDUCTED.

DRAFT
NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
QUALITY COMMITTEE

A regular meeting of the Quality Committee of the North Brevard County Hospital District operating Parrish Medical Center was held on September 8, 2025, in Conference Room 2/3/4/5, First Floor. The following members were present.

Dan Aton, Chairperson
Robert L. Jordan, Jr., C.M.
Stan Retz, CPA
Herman A. Cole, Jr.
Billy Specht
Maureen Rupe
Ashok Shah, M.D.
Billie Fitzgerald
Alphonse Pecoraro, M.D., Vice Chair
Christopher Manion, M.D.
George Mikitarian (non-voting)

Members absent:
Elizabeth Galfo, M.D. (excused)
Aluino Ochoa, M.D., President/Medical Staff (excused)

CALL TO ORDER

Mr. Aton called the meeting to order at 2:06 p.m.

VISION STATEMENT

Ms. Cottrell shared the committee's vision statement, which is to ensure affordable access to safe, high quality patient care to the communities we serve.

QUALITY DASHBOARD REVIEW

Ms. Cottrell reviewed the Quality Dashboard discussing each indicator score as it relates to clinical quality and cost. Ms. Cottrell answered questions and received comments from committee members concerning the dashboard and her earlier discussion. Copies of the Power Point slides presented by Ms. Cottrell are appended to the file copy of these minutes.

THE JOINT COMMISSION ACCREDITATION 360

Ms. Cottrell provided an overview of the Joint Commission's new Accreditation 360 model, which is launching January 1, 2026. Copies of the Power Point slides presented are appended to the file copy of these minutes.

OTHER

There was no other business brought before the committee.

ADJOURNMENT

There being no further business, the Quality Committee meeting adjourned at 2:31 p.m.

Dan Aton,
Chairperson



Healing Families – Healing Communities®

parrishhealthcare.com

Quality Agenda

November 3, 2025

1. Approval of Minutes
2. Vision Statement
3. Dashboard
4. Stroke Outcomes and Disease Specific Certification

Quality Committee

Vision Statement

“Assure affordable access to safe, high quality patient care to the communities we serve.”



Healing Families – Healing Communities®

parrishhealthcare.com

Dashboard



Healing Families – Healing Communities®

parrishhealthcare.com

Performance dashboard

Description	Definition	QTR	Rolling YTD	Goal
Stroke	Stroke management compliance	88%	86%	Goal: = 100%
Readmission	All cause 30-day readmissions	12.6% 31/247	12.0% 128/1055	Goal: ≤ 14.6%
Person Centered flow	Emergency department throughput	184	194	Goal: ≤ 176 minutes
Person Experience	Top box HCAHPs domain score for overall rating	60.2%	61.3%	Target: ≥ 72%
Social Determinants of Health	Percent of patients screened	97.04%	95.29%	Target: 93%
Social Determinants of Health	Percent who screened positive	5.31%	8.47%	

Performance dashboard

Description	Definition	QTR	Rolling YTD	Rolling 3 YR	Goal
Heart Attack	30-day readmission rate	7.1% 1/14	9.5% 4/42	8.8% 12/137	Goal: < 14%
Heart Failure	30-day readmission rate	16.4% 2/12	17.1% 13/76	22.0% 75/341	Goal: < 20%
COPD	30-day readmission rate	10% 1/10	6.5% 3/46	13.7% 21/153	Goal: < 18%
Pneumonia	30-day readmission rate	14.8% 4/27	12.1% 21/174	11.5% 70/609	Goal: < 16%
Hip/Knee	30-day readmission rate	50% 2/4	14.3% 2/14	6.4% 5/78	Goal: < 4.5%
Combined	30-day readmission rate	14.9% 10/67	12.2% 43/352	13.9% 183/1318	Goal: < 14%

Performance dashboard

Description	Definition	Rolling YTD	Days Since Last Infection	National Rate
CLABSI	Central Line Associated Bloodstream Infection	1.230	84 days	< 0.663
CAUTI	Catheter Associated Urinary Tract Infection	1.275	130 days	< 0.539
MRSA bacteremia	Hospital onset MRSA bacteremia	1.326	121 days	< 0.721
<i>C. difficile</i> infection	Hospital onset <i>C. difficile</i> infection	0.429	42 days	< 0.390
SSI	Combined Abdominal hysterectomy and colon procedures	0.000	652 days	< 0.873

Primary Stroke Center

Stroke Outcomes and TJC Disease Specific Re-certification



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parrishhealthcare.com

Stroke Program

Mission and goals

- Provide quality stroke care
- Provide stroke-related education
- Monitor outcomes and performance improvement

Stroke Program

Benefits

- Designation of excellence for care of stroke patients
- Consistent approach to care
- Commitment to higher standard of clinical service
- Framework to improve patient outcomes
- Strengthens community confidence in quality and safety of care, treatment and services

TJC Stroke Survey Window

Primary Stroke Center

- Initial Certification in 2004
- On-site survey occurs every 2 years
- Window for visit opens December 6, 2025

COMMUNITY DATA

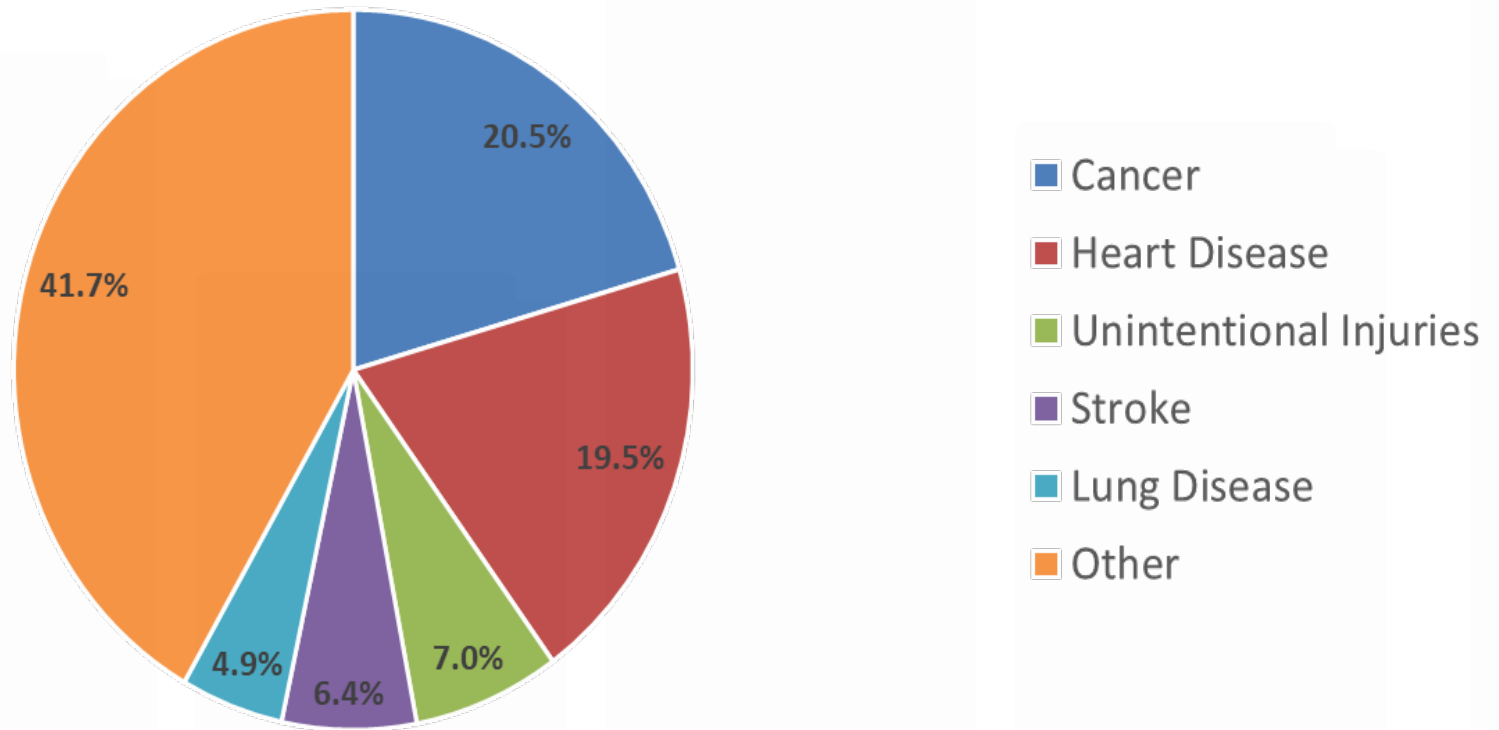


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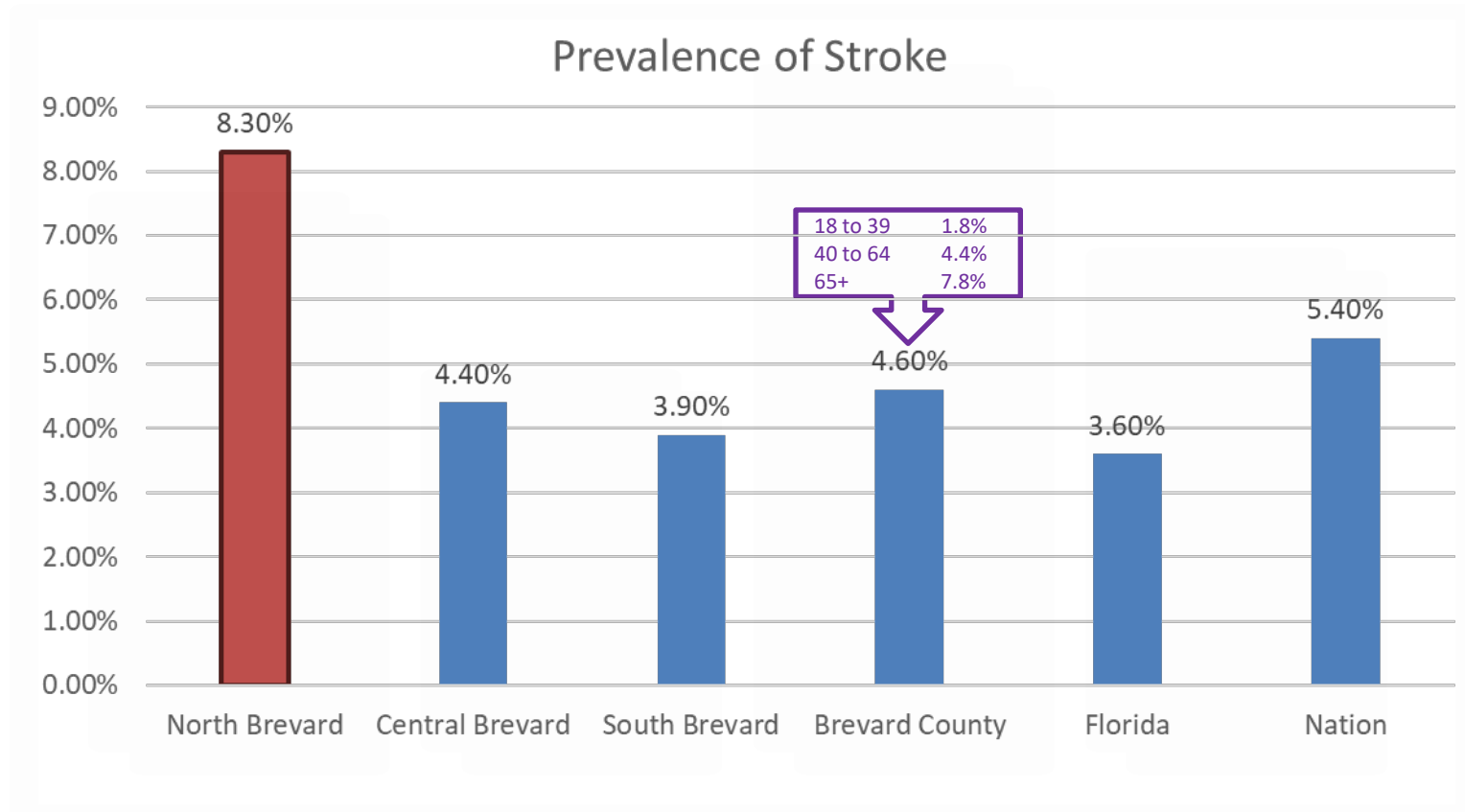
Brevard County census data

Leading Causes of Death (Brevard County, 2023)



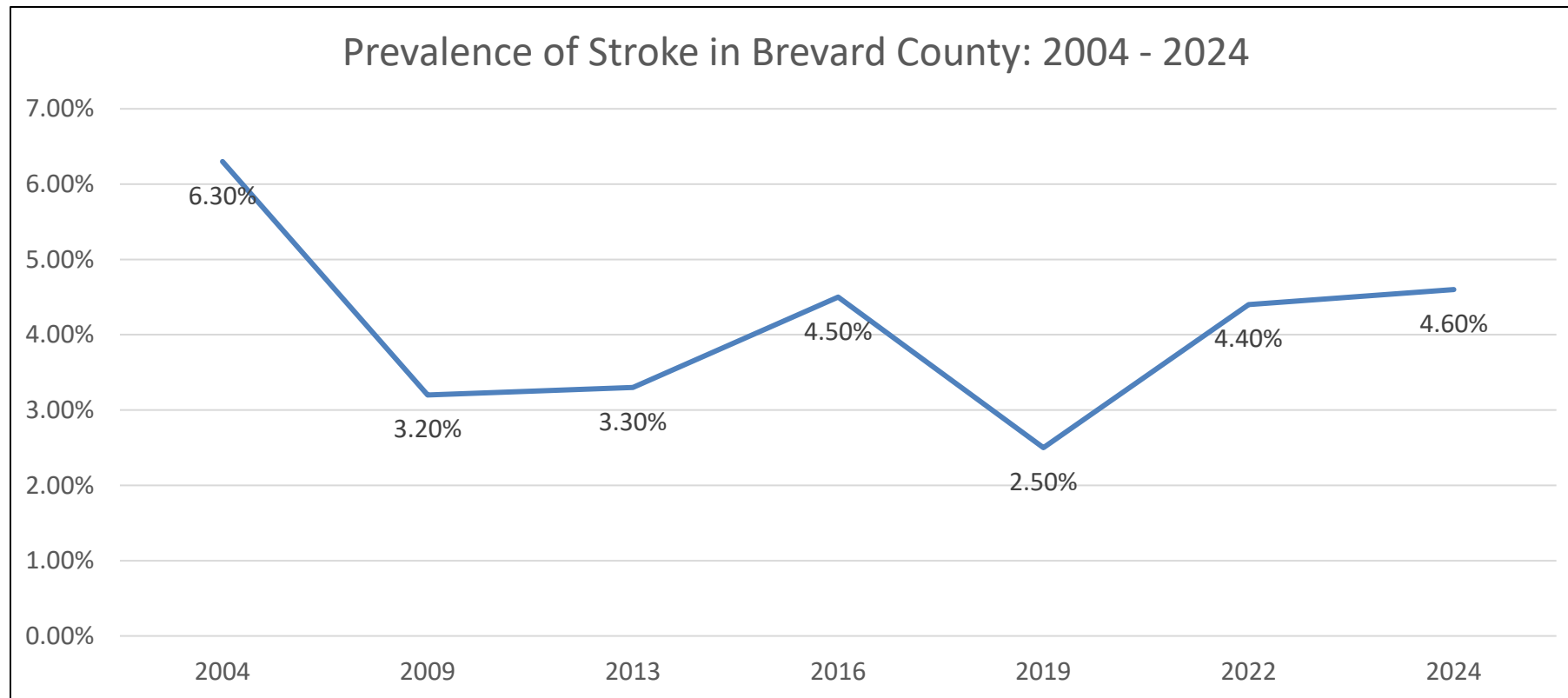
Population served

Community Health Needs Assessment



Brevard County

Community Health Needs Assessment



PARRISH DATA



Healing Families – Healing Communities®

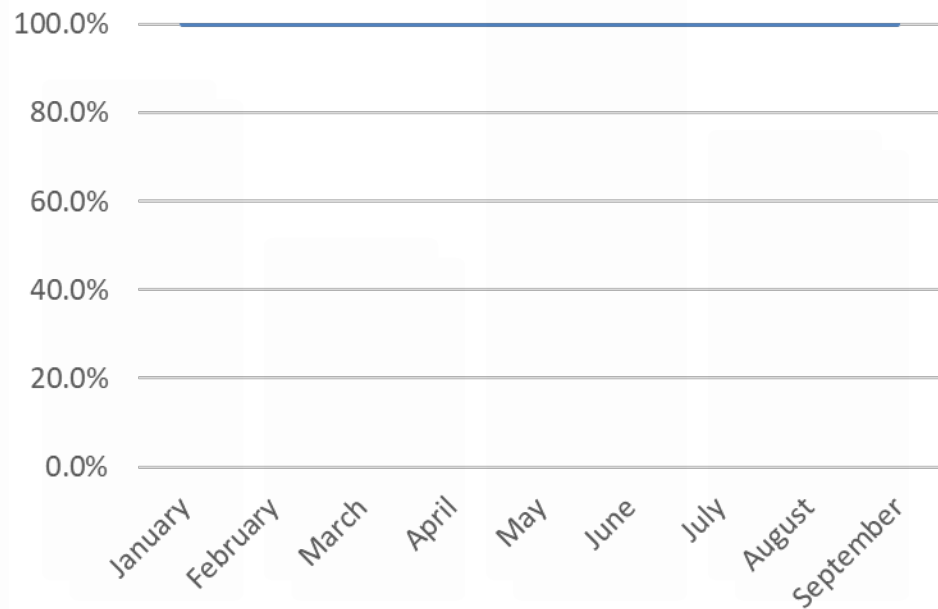
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Stroke Performance Standards

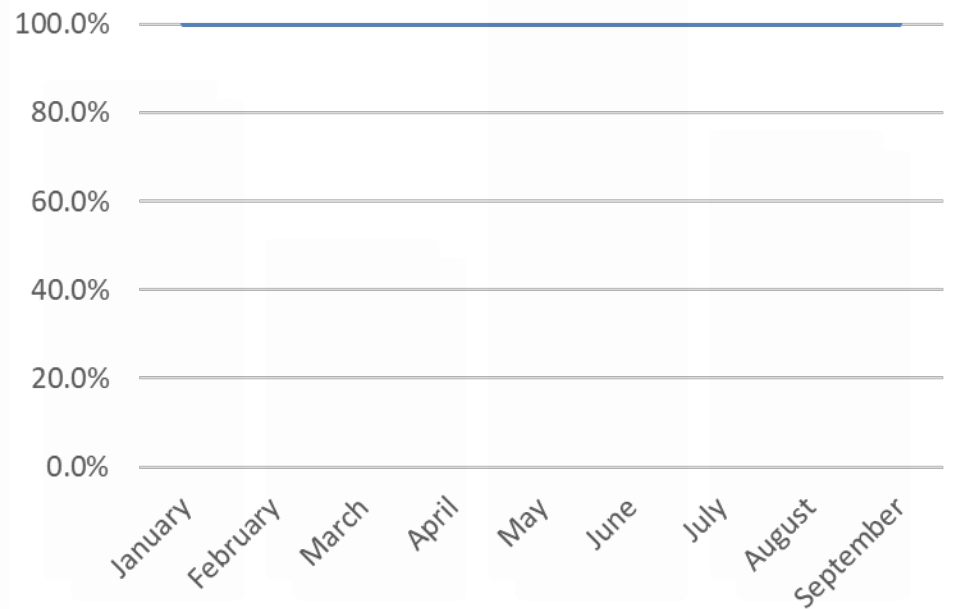
Standard	Description
CSTK-01	Stroke severity assessment (NIHSS)
STK-OP-1	Arrival to transfer to another hospital
STK-1	VTE prophylaxis
STK-2	Discharged on antithrombotic therapy
STK-3	Anticoagulation therapy for A. Fib
STK-4	Thrombolytic therapy
STK-5	Antithrombotic therapy by day 2
STK-6	Discharged on cholesterol-reducing medication
STK-8	Stroke education
STK-10	Assessed for Rehabilitation

Performance

STK-1 VTE Prophylaxis 2025

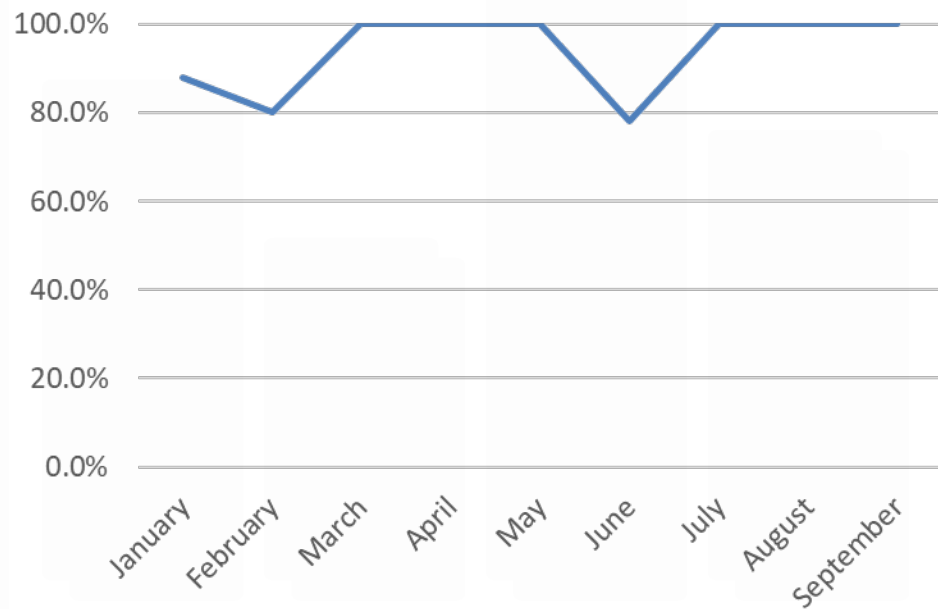


STK-2 Discharged on Antithrombotic 2025

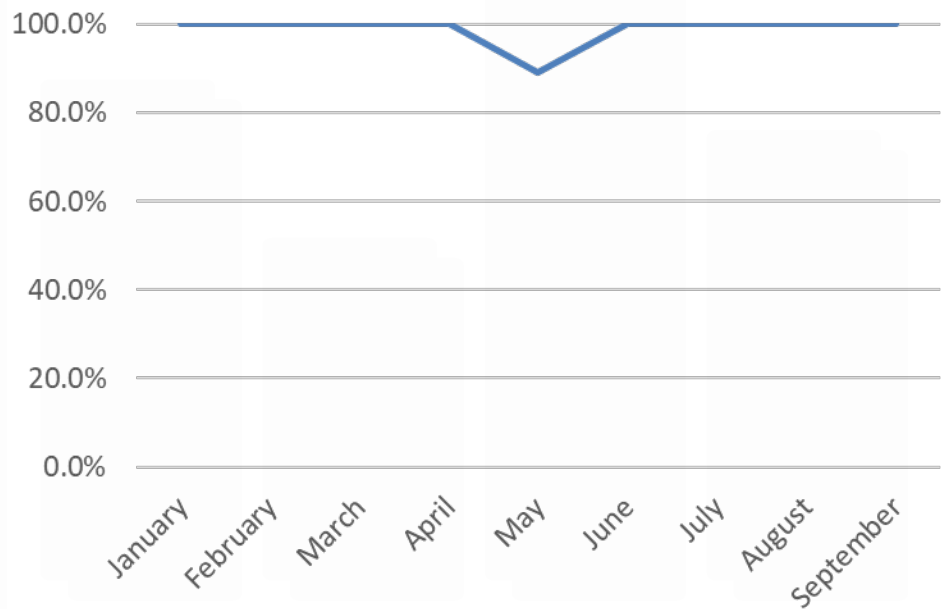


Performance

STK-5 Antithrombotic (by Day 2) 2025

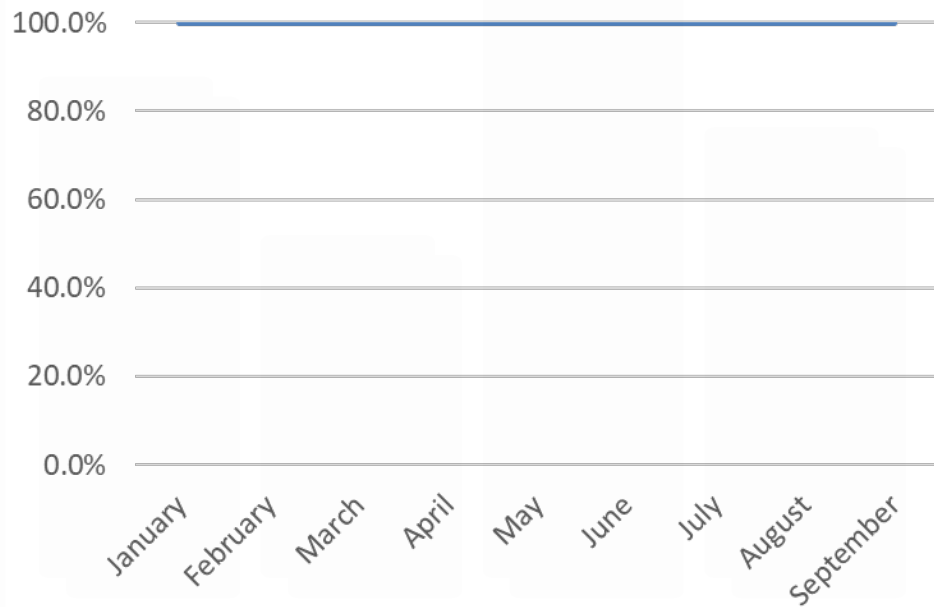


STK-6 Discharged on a Statin 2025

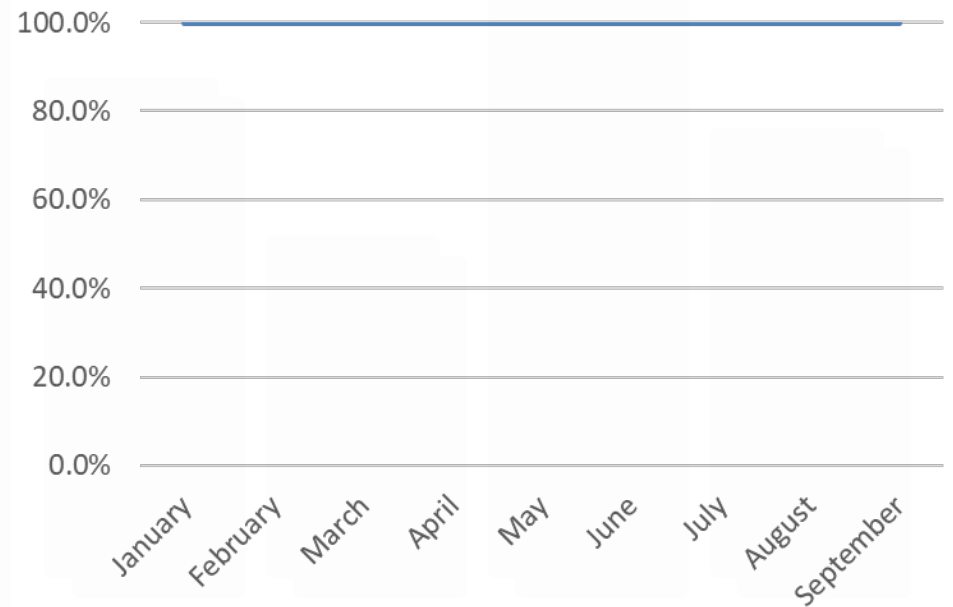


Performance

STK-8 Stroke Education 2025



STK-10 Assessed for Rehab 2025



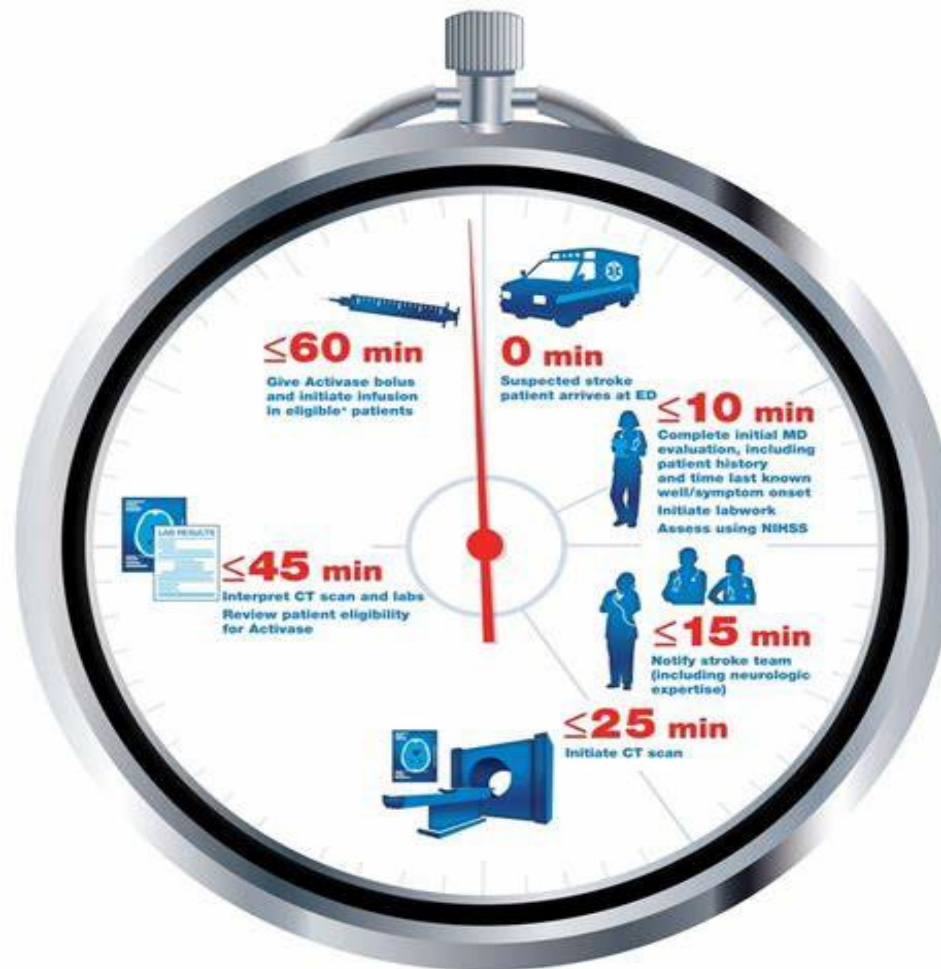
PERFORMANCE IMPROVEMENT PROJECTS



Healing Families – Healing Communities®

parrishhealthcare.com

The Golden Hour



Performance Improvement Projects

Update:

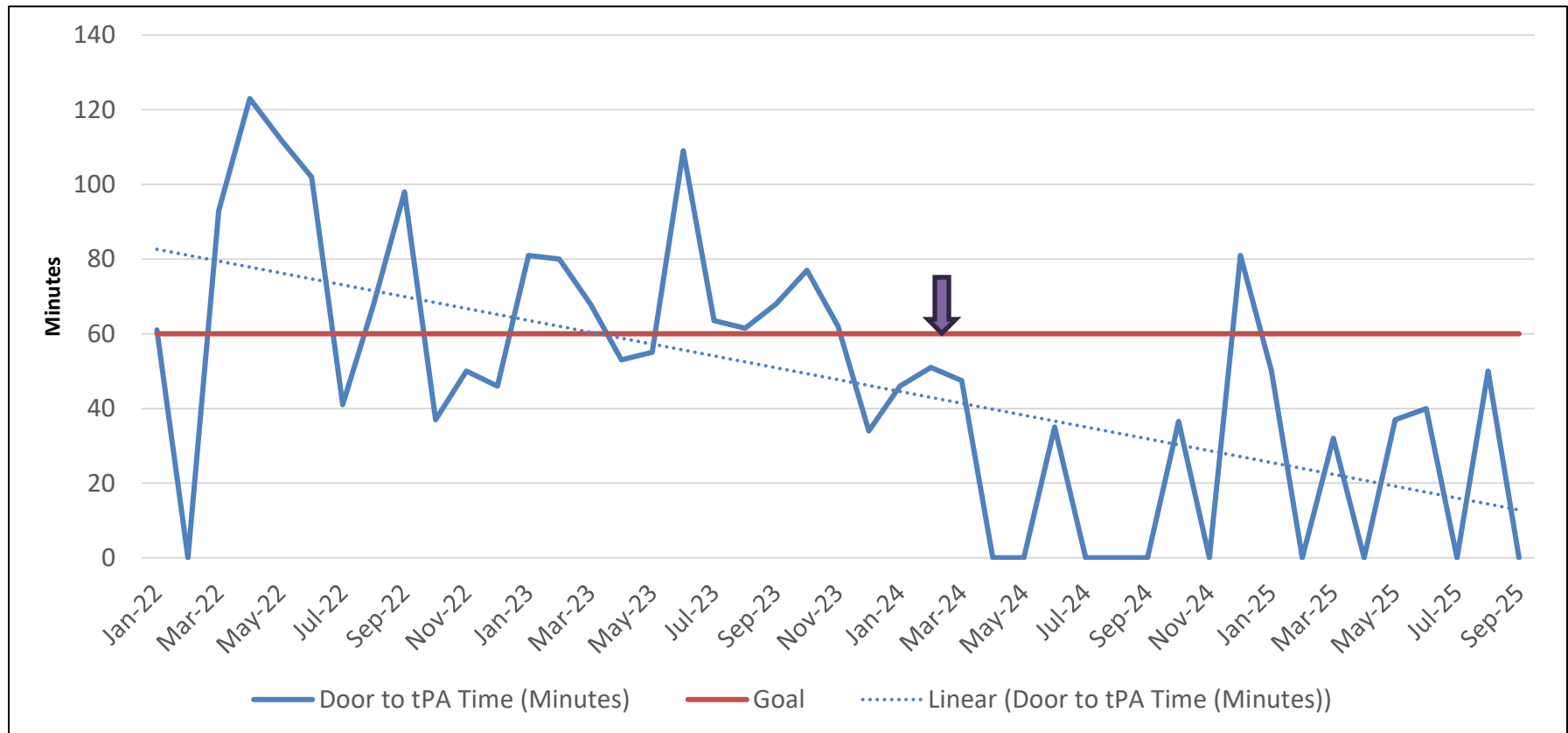
- Thrombolytic therapy

New:

- NIHSS within 12 hours of arrival
- Patient arrival to CT resulted < 45 min
- Stroke patient transfers to other hospital (ED only)

Performance Improvement Update

Door to tPA Administration



Performance Improvement Projects

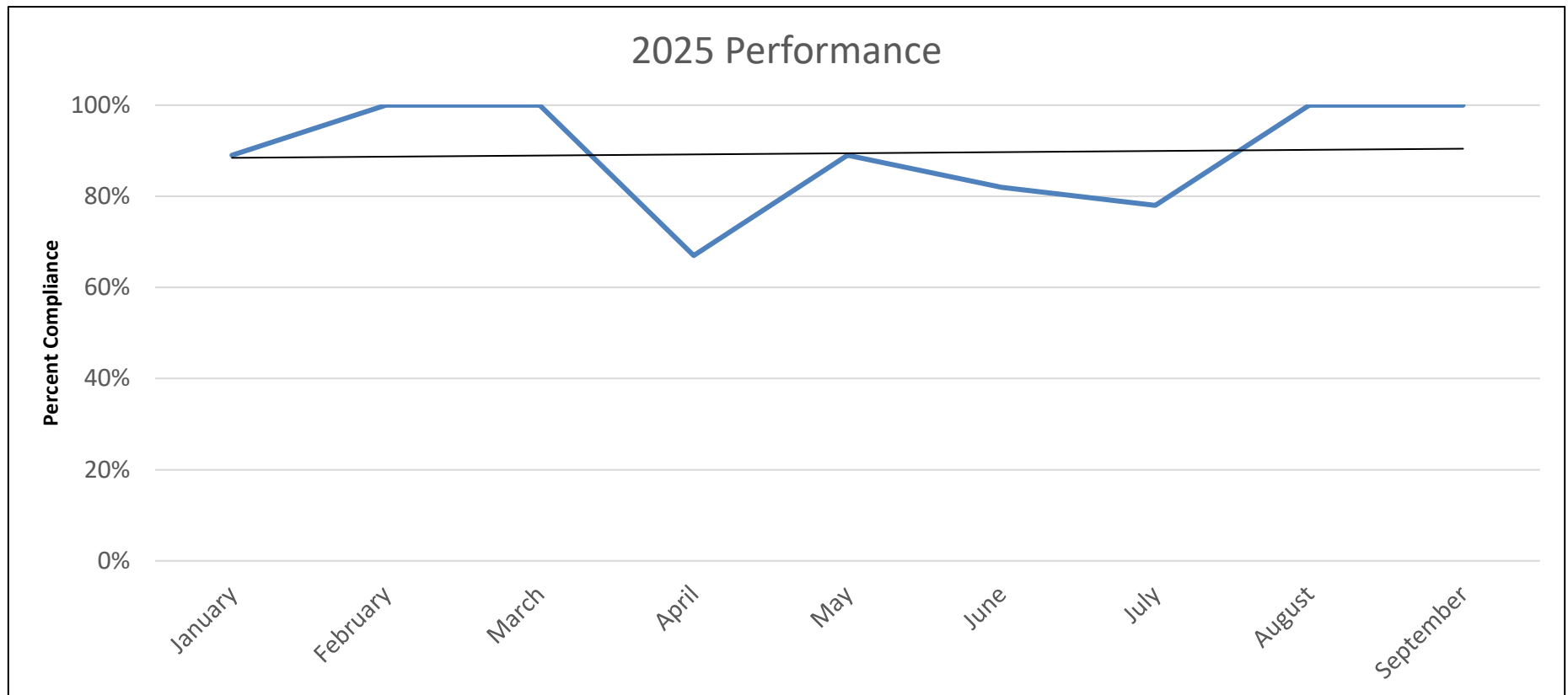
NIHSS within 12 hours of arrival

Improvement actions:

- NIHSS added to all CT orders
- NIHSS added to additional chief complaints
- Continuous education

Performance Improvement Projects

NIHSS within 12 hours of arrival



Performance Improvement Projects

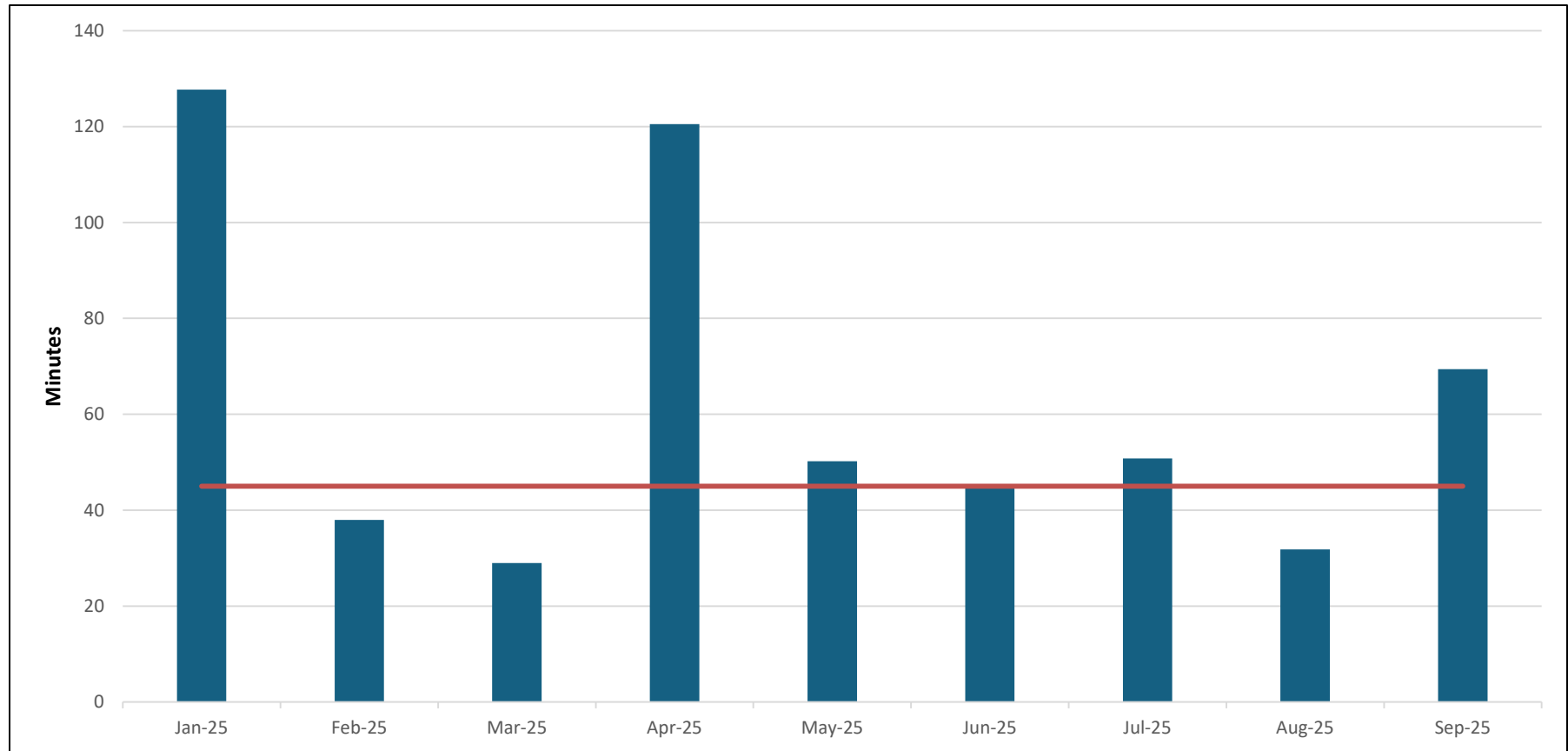
Patient arrival to CT resulted < 45 min

Improvement actions:

- Stroke stop
- IV insertion after CT scan

Performance Improvement Projects

Patient arrival to CT resulted < 45 min



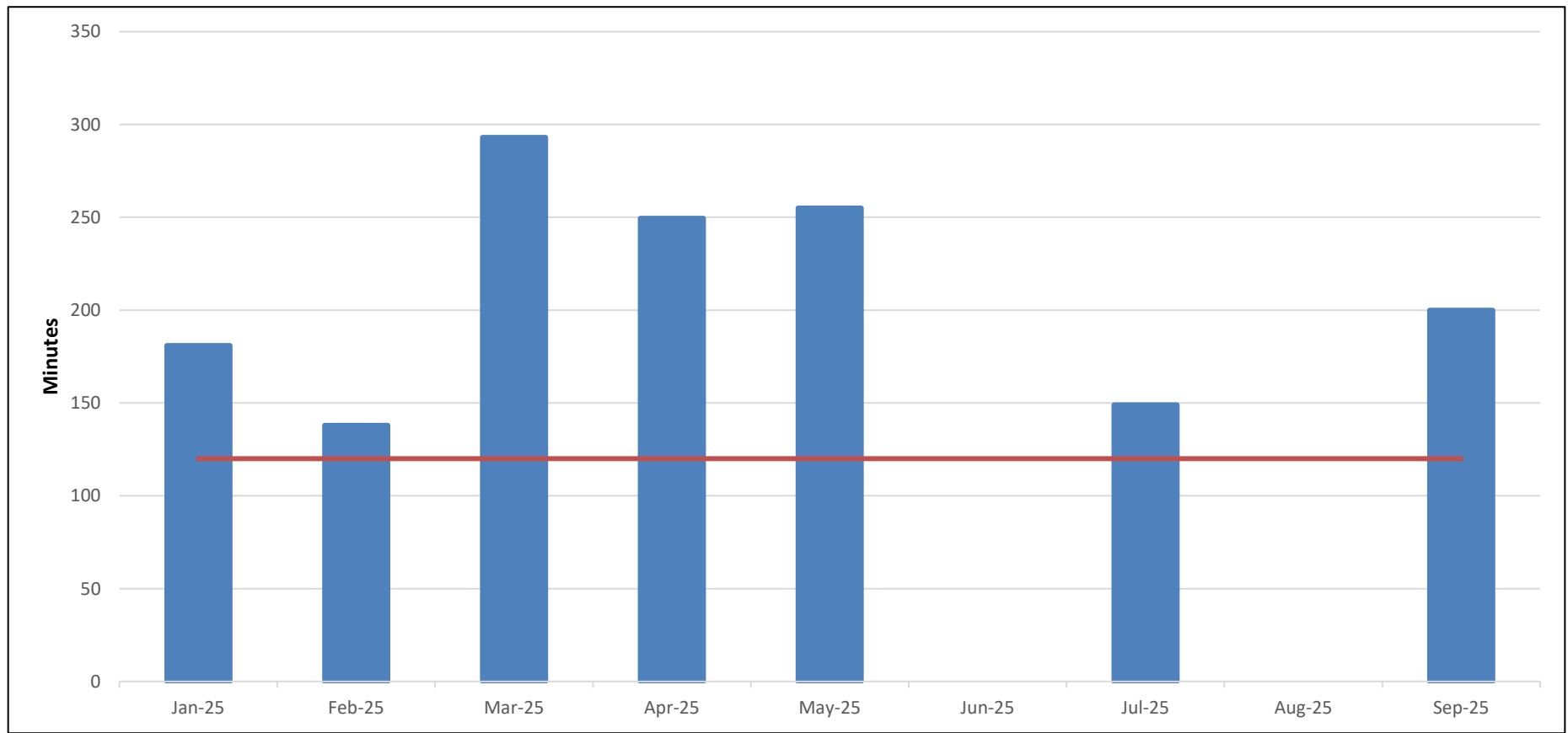
Performance Improvement Projects

Stroke patient transfers to other hospitals (ED only)



Performance Improvement Projects

Stroke patient transfers to other hospitals (ED only)



Questions?



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PLANNING COMMITTEE

Billy Specht, Chairperson

Maureen Rupe, Vice Chairperson

Robert L. Jordan, Jr., C.M. (ex-officio)

Dan Aton

Aluino Ochoa, M.D., President/Medical Staff

George Mikitarian, President/Chief Executive Officer (non-voting)

AGENDA NORTH BREVARD COUNTY HOSPITAL DISTRICT OPERATING PARRISH MEDICAL CENTER PLANNING, PHYSICAL FACILITIES AND PROPERTIES COMMITTEE MONDAY, NOVEMBER 3, 2025 FIRST FLOOR CONFERENCE ROOM

CALL TO ORDER

- I. Review and Approval of Minutes

Motion: To approve the minutes of the February 3, 2025, and March 3, 2025 meetings.

- II. Partnership – Mr. Graybill

- III. FY 26 Capital Budget Request – Health and Fitness Center – Mr. Moehring

Motion: To recommend to the Finance Committee to approve the Health and Fitness renovation project at 2210 Cheney Highway at a total cost not to exceed the amount of \$350,000.00.

- IV. FY26 Capital Budget Request – CT Scanner Replacement – Mr. Graybill

Motion: To recommend to the Finance Committee to approve the replacement of the CT Scanner at Parrish Healthcare Center at Port St. John at a total cost not to exceed the amount of \$400,000.00.

- V. Other

- VI. Executive Session (if necessary)

ADJOURNMENT

NOTE: IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE FINANCE COMMITTEE WITH RESPECT TO ANY MATTER CONSIDERED AT THIS MEETING, HE/SHE WILL NEED A RECORD OF PROCEEDINGS AND, FOR SUCH PURPOSES, MAY NEED TO ENSURE A VERBATIM RECORD OF THE PROCEEDINGS IS MADE AND THAT THE RECORD INCLUDES TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

PERSONS WITH DISABILITY WHO NEED SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHOULD CONTACT THE ADMINISTRATIVE OFFICES, AT 951 NORTH WASHINGTON AVENUE, TITUSVILLE, FLORIDA 32796, AT LEAST FORTY-EIGHT (48) HOURS PRIOR TO THE MEETING. FOR INFORMATION CALL (321) 268-6110.

THIS NOTICE WILL FURTHER SERVE TO INFORM THE PUBLIC THAT MEMBERS OF THE BOARD OF DIRECTORS OF NORTH BREVARD MEDICAL SUPPORT, INC. MAY BE IN ATTENDANCE AND MAY PARTICIPATE IN DISCUSSIONS OF MATTERS BEFORE THE NORTH BREVARD COUNTY HOSPITAL DISTRICT BOARD OF DIRECTORS FINANCE COMMITTEE. TO THAT EXTENT OF SUCH DISCUSSIONS, A JOINT PUBLIC MEETING OF THE NORTH BREVARD COUNTY HOSPITAL DISTRICT BOARD OF DIRECTORS FINANCE COMMITTEE AND THE NORTH BREVARD MEDICAL SUPPORT, INC. SHALL BE CONDUCTED.

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
PLANNING, PHYSICAL FACILITIES AND PROPERTIES COMMITTEE**

A regular meeting of the Planning, Physical Facilities and Properties Committee (Planning Committee) of the North Brevard County Hospital District operating Parrish Medical Center was held on February 3, 2025 in Conference Room 2/3/4/5, First Floor. The following members, representing a quorum, were present:

Robert L. Jordan, Jr., C.M.
Herman A. Cole, Jr.
Maureen Rupe
Billy Specht
Dan Aton
Billie Fitzgerald
George Mikitarian (non-voting)
Aluino Ochoa, M.D.

Member(s) Absent:
None

A copy of the attendance roster of others present during the meeting is appended to the file copy of these minutes.

CALL TO ORDER

Mr. Jordan called the meeting to order at 12:53 p.m. The Planning Committee recessed at 12:54 p.m. and the Executive Committee convened for the purpose of receiving the report from the City Manager. The Planning Committee resumed at 1:06 p.m.

REVIEW AND APPROVAL OF MINUTES

Discussion ensued and the following motion was made by Mr. Cole, seconded by Mr. Specht and approved (6 ayes, 0 nays, 0 abstentions).

***ACTION TAKEN: MOTION TO APPROVE THE MINUTES OF THE
SEPTEMBER 10, 2012 MEETING AS DISTRIBUTED.***

INTERVENTIONAL RADIOLOGY LAB PROJECT

Messrs. Moehring and Graybill summarized and discussed the memorandum contained in the packet regarding the FY25 Capital Budget Request for the Interventional Radiology Equipment replacement. Copies of the Power Point slides presented are appended to the

file copy of these minutes. Discussion ensued and the following motion was made by Mr. Cole, seconded by Mr. Specht and approved (7 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO RECOMMEND THE FINANCE COMMITTEE APPROVE THE INTERVENTIONAL RADIOLOGY LAB PROJECT RENOVATION AND EQUIPMENT FOR AN AMOUNT NOT TO EXCEED \$2,425,100.

OTHER

There was no other business brought before the committee.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 1:31 p.m.

Robert L. Jordan, Jr., C.M.
Chairperson, Board of Directors

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
PLANNING, PHYSICAL FACILITIES AND PROPERTIES COMMITTEE**

A regular meeting of the Planning, Physical Facilities and Properties Committee (Planning Committee) of the North Brevard County Hospital District operating Parrish Medical Center was held on March 3, 2025 in Conference Room 2/3/4/5, First Floor. The following members, representing a quorum, were present:

Robert L. Jordan, Jr., C.M.
Herman A. Cole, Jr.
Billy Specht
Dan Aton
Aluino Ochoa, M.D.
George Mikitarian (non-voting)

Member(s) Absent:
Maureen Rupe (excused)

A copy of the attendance roster of others present during the meeting is appended to the file copy of these minutes.

CALL TO ORDER

Mr. Jordan called the meeting to order at 1:07 p.m. Discussion ensued and the following motion was made by Mr. Cole, seconded by Mr. Specht and approved (5 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO APPROVE THE TEMPORARY ADDITION OF HERMAN COLE TO THE PLANNING COMMITTEE.

ELECTION OF OFFICERS

Mr. Jordan opened the floor for nominations for Chairperson of the Planning Committee. Mr. Cole nominated Mr. Specht; Mr. Aton seconded the nomination. Mr. Cole moved to close nominations, seconded by Mr. Aton and was approved unanimously by the members present.

ACTION TAKEN: MOTION TO ELECT BILLY SPECHT AS CHAIRPERSON OF THE PLANNING COMMITTEE.

PLANNING, PHYSICAL FACILITIES AND PROPERTIES COMMITTEE

MARCH 3, 2025

PAGE 2

Mr. Specht opened the floor for nominations for Vice Chairperson. Mr. Cole nominated Maureen Rupe. Mr. Cole moved to close the nominations, seconded by Mr. Jordan and approved unanimously by the members present.

ACTION TAKEN: MOTION TO ELECT MAUREEN RUPE AS VICE-CHAIRPERSON OF THE PLANNING COMMITTEE.

OTHER

There was no other business brought before the committee.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 1:11 p.m.

Billy Specht
Chairperson



MEMORANDUM

To: Planning Committee

From: Michael Moehring, CFO

Subject: FY26 Capital Budget Request – Health & Fitness

Date: November 3, 2025

I am writing to request approval for the renovation project for the Health and Fitness location at 2210 Cheney Highway. This renovation project is included in the current fiscal year's capital budget and is critical to ensuring a safe environment for our Health and Fitness membership. The scope of the renovation project will include paint, flooring, window replacement, infrastructure repair, IT equipment, access control, furniture as well as other cosmetic improvements.

Thank you for your support in our efforts to maintain high-quality diagnostic imaging services for our patients and community.

Motion: To recommend the Finance Committee to approve the Health and Fitness renovation project at 2210 Cheney Highway at a total cost not to exceed the amount of \$350,000.00.



MEMORANDUM

To: Planning Committee

From: Matthew F. Graybill, AVP, Operations

Subject: FY26 Capital Budget Request – CT Scanner Replacement

Date: November 3, 2025

I am writing to request approval for the budgeted replacement of the CT scanner located at Port St. John, in the Diagnostic Imaging area. This project is included in the current fiscal year's capital budget and is critical to ensuring continued reliability, image quality, and patient safety within our diagnostic imaging services.

The existing CT scanner, installed in 2007, has exceeded its expected useful life and is increasingly prone to downtime and high maintenance and repair costs. More importantly, advancements in imaging technology now allow for significantly improved image resolution, faster scan times, and reduced radiation exposure, all of which enhance accuracy and patient experience.

The proposed replacement unit Siemens Perspective 128 Slice CT Scanner was selected following a competitive evaluation process involving our clinical, technical, and procurement teams. The total cost, including equipment purchase, installation, minor room modifications, and a small contingency is \$400,000.

This investment directly supports our hospital's commitment to clinical excellence, operational efficiency, and person-centered care. It will strengthen our diagnostic capabilities in key service lines such as cardiology and oncology.

Thank you for your support of our efforts to maintain high-quality diagnostic imaging services for our patients and community.

Motion: To recommend to the Finance Committee to approve the replacement of the CT Scanner at Parrish Healthcare Center at Port St. John at a total cost not to exceed the amount of \$400,000.00.



Healing Families – Healing Communities®

parrishmed.com

Parrish Healthcare | Health & Wellness



Parrish Healthcare | Health & Fitness Center



Parrish Health & Fitness Operated by the YMCA



Questions?



FINANCE COMMITTEE

Herman A. Cole, Jr. Chairperson
Stan Retz, CPA, Vice Chairperson
Robert L. Jordan, Jr., C.M., (ex-officio)
Billie Fitzgerald
Maureen Rupe
Dan Aton
Christopher Manion, M.D.
Aluino Ochoa, M.D., President/Medical Staff
George Mikitarian, President/CEO (non-voting)

**FINANCE COMMITTEE MEETING
NORTH BREVARD COUNTY HOSPITAL DISTRICT OPERATING
PARRISH MEDICAL CENTER
MONDAY, NOVEMBER 3, 2025
FIRST FLOOR CONFERENCE ROOMS 2/3/4/5**

CALL TO ORDER

- I. Approval of minutes.

Motion: To recommend approval of the September 8, 2025 meeting.

- II. Public Comments

- III. Financial Review – Mr. Moehring

- IV. Restated North Brevard County Hospital District 403(b) Plan – Mr. McAlpine

Motion: To recommend the Board of Directors approve the Resolution and Secretary's Certificate of the North Brevard County Hospital District Approving the Restatement of and the Amendment to the North Brevard County Hospital District d/b/a Parrish Medical Center 403(b) plan.

- V. Restated North Brevard County Hospital District 457(b) Plan – Mr. McAlpine

Motion: To recommend the Board of Directors approve the Resolution and Secretary's Certificate of the North Brevard County Hospital District Approving a Restatement of the North Brevard County Hospital District d/b/a Parrish Medical Center 457(b) plan.

- VI. FY 26 Capital Budget Request – Health and Fitness Center

Motion: To recommend to the Board of Directors to approve the Health and Fitness renovation project at 2210 Cheney Highway at a total cost not to exceed the amount of \$350,000.00.

- VII. FY26 Capital Budget Request – CT Scanner Replacement

Motion: To recommend to the Board of Directors to approve the replacement of the CT Scanner at Parrish Healthcare Center at Port St. John at a total cost not to exceed the amount of \$400,000.00.

VIII. Membership Reappointment for Stan Retz

Motion: To recommend the Board of Directors approve the reappointment of Stan Retz to the Retirement and Planning Committee for a two-year term beginning January 1, 2026 through December 31, 2028.

IX. Disposals

Motion: To recommend to the Board of Directors to declare the equipment listed in the requests for Disposal of Obsolete or Surplus Property Forms as surplus and obsolete and dispose of same in accordance with FS274.05 and FS274.96.

X. Executive Session (if necessary)

ADJOURNMENT

NOTE: IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE FINANCE COMMITTEE WITH RESPECT TO ANY MATTER CONSIDERED AT THIS MEETING, HE/SHE WILL NEED A RECORD OF PROCEEDINGS AND, FOR SUCH PURPOSES, MAY NEED TO ENSURE A VERBATIM RECORD OF THE PROCEEDINGS IS MADE AND THAT THE RECORD INCLUDES TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

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**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
FINANCE COMMITTEE**

A regular meeting of the Finance Committee of the North Brevard County Hospital District operating Parrish Medical Center was held on September 8, 2025, in Conference Room 2/3/4/5, First Floor. The following members, representing a quorum, were present:

Herman A. Cole, Jr., Chairperson
Stan Retz, Vice Chairperson
Robert Jordan, Jr., C.M.
Billie Fitzgerald
Dan Aton
Maureen Rupe
Christopher Manion, M.D.
Aluino Ochoa, M.D. (2:36 p.m.)
George Mikitarian (non-voting)

Member(s) Absent:
None

A copy of the attendance roster of others present during the meeting is appended to the file copy of these minutes.

CALL TO ORDER

Mr. Cole called the meeting to order at 2:32 p.m.

PUBLIC COMMENTS

There were no public comments.

FINANCIAL REVIEW

Mr. Moehring summarized the July financial statements of the North Brevard County Hospital District and the year-to-date financial performance of the Health System. Mr. Moehring answered questions and received comments from the members of the committee.

FY 2026 MAJOR BUDGET VOLUME ASSUMPTIONS AND OPERATING BUDGET

Discussion ensued and the following motion was made by Mr. Retz seconded by Mr. Jordan and approved (8 ayes, 0 nays, 0 abstentions.)

***ACTION TAKEN: MOTION TO RECOMMEND THE BOARD OF DIRECTORS
APPROVE THE FY 2026 MAJOR VOLUME ASSUMPTIONS AND APPROVE THE FY
2026 OPERATING BUDGET, AS PRESENTED.***

INTER-GOVERNMENTAL TRANSFER – DISPROPORTIONATE SHARE

Mr. Moehring described the opportunity to fund the Medicaid DSH for SFY2026. Discussion ensued and the following motion was made by Mr. Jordan seconded by Mr. Retz and approved (8 ayes, 0 nays, 0 abstentions.)

ACTION TAKEN: MOTION TO RECOMMEND THE BOARD OF DIRECTORS TO AUTHORIZE MANAGEMENT TO ENTER INTO A LETTER OF AGREEMENT WITH THE AGENCY FOR HEALTH CARE ADMINISTRATION TO FUND MEDICAID DSH FOR SFY 2026.

INTER-GOVERNMENTAL TRANSFER – LOW INCOME POOL

Mr. Moehring described the opportunity to fund LIP for SFY 2026. Discussion ensued and the following motion was made by Mr. Jordan seconded by Mr. Retz and approved (8 ayes, 0 nays, 0 abstentions.)

ACTION TAKEN: MOTION TO RECOMMEND THE BOARD OF DIRECTORS TO AUTHORIZE MANAGEMENT TO ENTER INTO A LETTER OF AGREEMENT WITH THE AGENCY FOR HEALTH CARE ADMINISTRATION TO FUND LIP FOR SFY 2026.

INTER-GOVERNMENTAL TRANSFER – HOSPITAL DPP

Mr. Moehring described the opportunity to fund Hospital DPP for Year 5. Discussion ensued and the following motion was made by Mr. Jordan seconded by Mr. Retz and approved (8 ayes, 0 nays, 0 abstentions.)

ACTION TAKEN: MOTION TO RECOMMEND THE BOARD OF DIRECTORS TO AUTHORIZE MANAGEMENT TO ENTER INTO A LETTER OF AGREEMENT WITH THE AGENCY FOR HEALTH CARE ADMINISTRATION TO FUND HOSPITAL DPP FOR YEAR 5.

INTER-GOVERNMENTAL TRANSFER – PHYSICIAN DPP

Mr. Moehring described the opportunity to fund Physician DPP for SFY 2026. Discussion ensued and the following motion was made by Mr. Jordan seconded by Mr. Retz and approved (8 ayes, 0 nays, 0 abstentions.)

ACTION TAKEN: MOTION TO RECOMMEND THE BOARD OF DIRECTORS TO AUTHORIZE MANAGEMENT TO ENTER INTO A LETTER OF AGREEMENT WITH THE AGENCY FOR HEALTH CARE ADMINISTRATION TO FUND PHYSICIAN DPP FOR SFY 2026.

ADJOURNMENT

There being no further business to come before the committee, the Finance Committee meeting adjourned at 2:50 p.m.

Herman A. Cole, Jr.,
Chairman

**RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
NORTH BREVARD COUNTY HOSPITAL DISTRICT
APPROVING THE RESTATEMENT OF AND THE AMENDMENT TO THE
NORTH BREVARD COUNTY HOSPITAL DISTRICT
D/B/A PARRISH MEDICAL CENTER 403(b) PLAN**

The Board of Directors of the North Brevard County Hospital District, d/b/a Parrish Medical Center, at a meeting duly called and held for which notice was given in accordance with Florida Statutes Chapter 286.011, and at which a quorum was present, hereby adopts the following recitals and resolutions:

WHEREAS, the North Brevard County Hospital District (the “District”) is a special hospital district of the State of Florida created by special act of the Florida Legislature in 1953 by Chapter 28924, Laws of Florida, re-codified by Ch. 2003-362, Laws of Florida; and

WHEREAS, the District established the North Brevard County Hospital District, a Special Tax District operating the North Brevard County District d/b/a Parrish Medical Center 403(b) Plan (the “Plan”), effective as of January 1, 1989; and

WHEREAS, the Pension Administrative Committee of the District (the “Committee”) assists in the administration of the Plan and provides recommendations to the District regarding the Plan; and

WHEREAS, the District reserved the right to amend the Plan; and

WHEREAS, the Committee has recommended the District restate the Plan to maintain its continued compliance with the Internal Revenue Code and other legal requirements, a copy of which is attached as Exhibit “A”; and

WHEREAS, the Committee has recommended the District adopt an amendment to the Plan which is intended to comply with the so-called CARES/SECURE Acts, a copy of which is attached hereto as Exhibit “B”.

RESOLVED, that the District hereby adopts the Plan restatement (which includes an “Adoption Agreement” and a “Basic Plan Document”) recommended by the Committee, attached hereto as Exhibit “A” and the amendment attached hereto as Exhibit “B”.

RESOLVED, that the proper officers of the District are hereby authorized and directed to take any and all actions necessary to effect the foregoing resolutions and that any and all actions heretofore taken by any officer or director of the District in connection to the foregoing resolutions are ratified, confirmed and approved in all respects.

This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2025.

BOARD OF NORTH BREVARD COUNTY
HOSPITAL DISTRICT

By: _____
Printed Name: Robert L. Jordan, Jr.
Its: Chairman

ATTEST:

By: _____
Printed Name: Elizabeth T. Galfo, M.D.
Its: Secretary

**SECRETARY'S CERTIFICATE ACKNOWLEDGING
RESTATEMENT AND AMENDMENT
OF THE
NORTH BREVARD COUNTY HOSPITAL DISTRICT
D/B/A
PARRISH MEDICAL CENTER
403(b) PLAN**

The undersigned Secretary of the North Brevard County Hospital District hereby certifies that the following resolutions were adopted by the North Brevard County Hospital District at a formal meeting for which notice was given in accordance with Florida Statutes Chapter 286.011 and that such resolutions have not been amended or rescinded since that date.

WHEREAS, the North Brevard County Hospital District (the "District") is a special hospital district of the State of Florida created by special act of the Florida Legislature in 1953 by Chapter 28924, Laws of Florida, re-codified by Ch. 2003-362, Laws of Florida; and

WHEREAS, the District established the North Brevard County Hospital District, a Special Tax District operating Parrish Medical Center 403(b) Plan (the "Plan"), effective as of January 1, 1989; and

WHEREAS, the Retirement Planning Committee of the District (the "Committee") assists in the administration of the Plan and provides recommendations to the District regarding the Plan; and

WHEREAS, the District reserved the right to amend the Plan; and

WHEREAS, the Committee has recommended the District restate the Plan to maintain its continued compliance with the Internal Revenue Code and other legal requirements, a copy of which is attached hereto as Exhibit "A"; and

WHEREAS, the Committee has recommended the District adopt an amendment to the Plan which is intended to comply with the so-called CARES/SECURE Acts, a copy of which is attached hereto as Exhibit "B".

RESOLVED, that the District hereby adopts the Plan restatement (which includes an ("Adoption Agreement" and a "Basic Plan Document") recommended by the Committee, attached hereto as Exhibit "A" and the amendment attached hereto as Exhibit "B".

RESOLVED, that the proper officers of the District are hereby authorized and directed to take any and all actions necessary to effect the foregoing resolutions and that any and all actions heretofore taken by any officer or director of the District in connection to the foregoing resolutions are ratified, confirmed and approved in all respects.

Date: _____, 2025

By: _____, Secretary

Printed Name: Elizabeth T. Galfo, M.D.

Its Secretary

**RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
NORTH BREVARD COUNTY HOSPITAL DISTRICT
APPROVING A RESTATEMENT OF THE
NORTH BREVARD COUNTY HOSPITAL DISTRICT
D/B/A PARRISH MEDICAL CENTER 457(b) PLAN**

The Board of Directors of the North Brevard County Hospital District, d/b/a Parrish Medical Center, at a meeting duly called and held for which notice was given in accordance with Florida Statutes Chapter 286.011, and at which a quorum was present, hereby adopts the following recitals and resolutions:

WHEREAS, the North Brevard County Hospital District (the “District”) is a special hospital district of the State of Florida created by special act of the Florida Legislature in 1953 by Chapter 28924, Laws of Florida, re-codified by Ch. 2003-362, Laws of Florida; and

WHEREAS, the District established the North Brevard County Hospital District, a Special Tax District operating the North Brevard County District d/b/a Parrish Medical Center 457(b) Plan (the “Plan”), effective as of January 1, 2004; and

WHEREAS, the Retirement Planning Committee of the District (the “Committee”) assists in the administration of the Plan and provides recommendations to the District regarding the Plan; and

WHEREAS, the District reserved the right to amend the Plan; and

WHEREAS, the Committee has recommended the District restate the Plan to maintain its continued compliance with the Internal Revenue Code and other legal requirements, a copy of which is attached as Exhibit “A”.

RESOLVED, that the District hereby adopts the Plan restatement (which includes an “Adoption Agreement” and a “Basic Plan Document”) recommended by the Committee, attached hereto as Exhibit “A”.

RESOLVED, that the proper officers of the District are hereby authorized and directed to take any and all actions necessary to effect the foregoing resolutions and that any and all actions heretofore taken by any officer or director of the District in connection to the foregoing resolutions are ratified, confirmed and approved in all respects.

This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2025.

BOARD OF NORTH BREVARD COUNTY
HOSPITAL DISTRICT

By: _____
Printed Name: Robert L. Jordan, Jr.
Its: Chairman

ATTEST:

By: _____
Printed Name: Elizabeth T. Galfo, M.D.
Its: Secretary

**SECRETARY’S CERTIFICATE ACKNOWLEDGING
A RESTATEMENT OF THE
NORTH BREVARD COUNTY HOSPITAL DISTRICT
D/B/A
PARRISH MEDICAL CENTER
457(b) PLAN**

The undersigned Secretary of the North Brevard County Hospital District hereby certifies that the following resolutions were adopted by the North Brevard County Hospital District at a formal meeting for which notice was given in accordance with Florida Statutes Chapter 286.011 and that such resolutions have not been amended or rescinded since that date.

WHEREAS, the North Brevard County Hospital District (the “District”) is a special hospital district of the State of Florida created by special act of the Florida Legislature in 1953 by Chapter 28924, Laws of Florida, re-codified by Ch. 2003-362, Laws of Florida; and

WHEREAS, the District established the North Brevard County Hospital District, a Special Tax District operating Parrish Medical Center 457(b) Plan (the “Plan”), effective as of January 1, 2004; and

WHEREAS, the Retirement Planning Committee of the District (the “Committee”) assists in the administration of the Plan and provides recommendations to the District regarding the Plan; and

WHEREAS, the District reserved the right to amend the Plan; and

WHEREAS, the Committee has recommended the District restate the Plan to maintain its continued compliance with the Internal Revenue Code and other legal requirements, a copy of which is attached hereto as Exhibit “A”.

RESOLVED, that the District hereby adopts the Plan restatement (which includes an “Adoption Agreement” and a “Basic Plan Document”) recommended by the Committee, attached hereto as Exhibit “A”.

RESOLVED, that the proper officers of the District are hereby authorized and directed to take any and all actions necessary to effect the foregoing resolutions and that any and all actions heretofore taken by any officer or director of the District in connection to the foregoing resolutions are ratified, confirmed and approved in all respects.

Date: _____, 2025

By: _____, Secretary
Printed Name: Elizabeth T. Galfo, M.D.
Its Secretary

NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
TITUSVILLE, FLORIDA

Request for Disposal of Obsolete or Surplus Property

The assets listed below are considered obsolete, inefficient, or have ceased to serve any useful function. Board approval for disposal is requested.

Asset Description	Asset Control KN #	Purchase Date	Purchase Amount	CE #	Reason for Disposal	Net Book Value (Provided by Finance)	Dept. #
Stretcher, Electric	KN021895	07/05/2002	\$4,854.00	PMC02288	Unit is End of life and obsolete.	0.00	1.300

Requesting Department - Beds _____ Department Director *C. P. Cole*
 Net Book Value (Finance) Marianno Havanec 30 Jul 2025 EMC Member *J. C. Dickens* 7/28/25
 Sr. VP Finance/CFO *[Signature]* President CEO *[Signature]*
 Board Approval: (Date) _____ CFO Signature _____
 Requestor Notified Finance _____
 Asset Disposed of or Donated _____
 Removed from Asset List (Finance) _____
 Requested Public Entity for Donation _____
 Entity Contact _____
 Telephone _____

DATE: 07/30/25 @ 0801
USER: HAVANMT

Parrish Medical Center FA *Live*
CURRENT VALUE REPORT

PAGE 1

CREATED BY USER: HAVANMT

FROM FACILITY: SYSTEM	FROM ASSET NUMBER: KN021895	FROM ASSET CLASS: BEGINNING	FROM DEPARTMENT: BEGINNING	
THRU FACILITY: SYSTEM	THRU ASSET NUMBER: KN021895	THRU ASSET CLASS: END	THRU DEPARTMENT: END	
FROM STATUS DATE: BEGINNING	FROM ACQUIRED DATE: BEGINNING	FROM RETIRE DATE: BEGINNING	FROM RETIRE TYPE: BEGINNING	FROM RETIRE TYPE DATE:
THRU STATUS DATE: END	THRU ACQUIRED DATE: END	THRU RETIRE DATE: END	THRU RETIRE TYPE: END	THRU RETIRE TYPE DATE:

FACILITY: SYSTEM
CLASS: MEQ-HOSP MOVEABLE EQUIP - HOSPITAL

NUMBER	DESCRIPTION	LIFE	STATUS	STS DATE	ACQ DATE	RET DATE	COST	BOOK
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DEPARTMENT: 1.381 1 ER DEPT

KN021895	STRETCHER - EXTENDED STAY SYNERGY SERIES		ACTIVE	08/07/02	07/05/02		4854.40	0.00
							-----	-----
							4854.40	0.00

✓ KOZ

TOTAL FOR CLASS:	4854.40	0.00
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NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
TITUSVILLE, FLORIDA

Request for Disposal of Obsolete or Surplus Property

The assets listed below are considered obsolete, inefficient, or have ceased to serve any useful function. Board approval for disposal is requested.

Asset Description	Asset Control KN #	Purchase Date	Purchase Amount	CE #	Reason for Disposal	Net Book Value (Provided by Finance)	Dept. #
Draeger Anesthesia unit	KN029298	08/31/2009	40,250.00	PMC01086	Main board software error. Not holding calibrations unit is EOL	0	1.385

Requesting Department Anesthesia Department Director KH202
Net Book Value (Finance) ~~1550/2025~~ EMC Member _____
Sr. VP Finance/CFO [Signature] President/CEO _____
Board Approval: (Date) _____ CFO Signature [Signature]
Requestor Notified Finance _____
Asset Disposed of or Donated _____
Removed from Asset List (Finance) _____
Requested Public Entity for Donation _____
Entity Contact _____
Telephone _____

PAGE 1

FROM RETIRE TYPE DATE:
THRU RETIRE TYPE DATE:

0.00

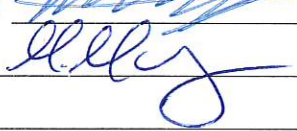
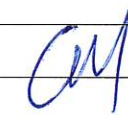
0.00

NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
TITUSVILLE, FLORIDA

Request for Disposal of Obsolete or Surplus Property

The assets listed below are considered obsolete, inefficient, or have ceased to serve any useful function. Board approval for disposal is requested.

Asset Description	Asset Control KN #	Purchase Date	Purchase Amount	CE #	Reason for Disposal	Net Book Value (Provided by Finance)	Dept. #
X Ray Film, Densitometer	KN021918	08/01/2001	\$1,032.35	0071-02185		0.00	1.427
Stretcher, Electric	KN028025	11/05/2003	\$4,573.00	PMC03135		0.00	1.319

Requesting Department - Multiple Department Director Buddi Mae Vandeynort - 1.427
Net Book Value (Finance) ~~155012025~~ EMC Member _____
Sr. VP Finance/CFO  President/CEO 
Board Approval: (Date) _____ CFO Signature _____
Requestor Notified Finance _____
Asset Disposed of or Donated _____
Removed from Asset List (Finance) _____
Requested Public Entity for Donation _____
Entity Contact _____
Telephone _____

DATE: 07/15/25 @ 0823
USER: HAVANMT

Parrish Medical Center FA *Live*
CURRENT VALUE REPORT

PAGE 1

CREATED BY USER: HAVANMT

FROM FACILITY: SYSTEM
THRU FACILITY: SYSTEM

FROM ASSET NUMBER: KN021918
THRU ASSET NUMBER: KN021918

FROM ASSET CLASS: BEGINNING
THRU ASSET CLASS: END

FROM DEPARTMENT: BEGINNING
THRU DEPARTMENT: END

FROM STATUS DATE: BEGINNING
THRU STATUS DATE: END

FROM ACQUIRED DATE: BEGINNING
THRU ACQUIRED DATE: END

FROM RETIRE DATE: BEGINNING
THRU RETIRE DATE: END

FROM RETIRE TYPE: BEGINNING
THRU RETIRE TYPE: END

FROM RETIRE TYPE DATE:
THRU RETIRE TYPE DATE:

FACILITY: SYSTEM
CLASS: MEQ-PSJ DI MOVEABLE EQUIP-PSJ HC

NUMBER	DESCRIPTION	LIFE	STATUS	STS DATE	ACQ DATE	RET DATE	COST	BOOK
--------	-------------	------	--------	----------	----------	----------	------	------

DEPARTMENT: 1.427 1 DIAG C/PSJ

KN021918 DENSITOMETER-GAM 2331, FILTER & BRUSH

ACTIVE 11/13/01 08/01/01

1032.35 0.00

1032.35 0.00

TOTAL FOR CLASS:

1032.35

0.00

✓ K0021

DATE: 07/15/25 @ 0824
USER: HAVANMT

Parrish Medical Center FA *Live*
CURRENT VALUE REPORT

PAGE 1

CREATED BY USER: HAVANMT

FROM FACILITY: SYSTEM
THRU FACILITY: SYSTEM

FROM ASSET NUMBER: KN028025
THRU ASSET NUMBER: KN028025

FROM ASSET CLASS: BEGINNING
THRU ASSET CLASS: END

FROM DEPARTMENT: BEGINNING
THRU DEPARTMENT: END

FROM STATUS DATE: BEGINNING
THRU STATUS DATE: END

FROM ACQUIRED DATE: BEGINNING
THRU ACQUIRED DATE: END

FROM RETIRE DATE: BEGINNING
THRU RETIRE DATE: END

FROM RETIRE TYPE: BEGINNING
THRU RETIRE TYPE: END

FROM RETIRE TYPE DATE:
THRU RETIRE TYPE DATE:

FACILITY: SYSTEM
CLASS: MEQ-SDSC

MOVEABLE EQUIP - NORTH BLDG (OLD SDSC)

NUMBER	DESCRIPTION	LIFE	STATUS	STS DATE	ACQ DATE	RET DATE	COST	BOOK
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DEPARTMENT: 1.319 1 WOUND CARE

KN028025	STRETCHER CHAIR WOUND CARE		ACTIVE	12/09/03	11/05/03			
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4573.20	0.00
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4573.20	0.00
---------	------

✓ K002

TOTAL FOR CLASS:	4573.20	0.00
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NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
TITUSVILLE, FLORIDA

Request for Disposal of Obsolete or Surplus Property

The assets listed below are considered obsolete, inefficient, or have ceased to serve any useful function. Board approval for disposal is requested.

Asset Description	Asset Control KN #	Purchase Date	Purchase Amount	CE #	Reason for Disposal	Net Book Value (Provided by Finance)	Dept. #
Air compressor, Vertical	KN23422	12/11/2002	1082.00	N/A	Unit is not working and no longer needed by the department.	0.00	

Requesting Department - Sterile Processing, SPD _____ Department Director 

Net Book Value (Finance)  12 Jun 2025 EMC Member _____

Sr. VP Finance/CFO  President/CEO _____

Board Approval: (Date) _____ CFO Signature 

Requestor Notified Finance _____

Asset Disposed of or Donated _____

Removed from Asset List (Finance) _____

Requested Public Entity for Donation _____

Entity Contact _____

Telephone _____

DATE: 06/04/25 @ 0948
USER: HAVANMT

Parrish Medical Center FA *Live*
CURRENT VALUE REPORT

PAGE 1

CREATED BY USER: HAVANMT

FROM FACILITY: SYSTEM
THRU FACILITY: SYSTEM

FROM ASSET NUMBER: KN023422
THRU ASSET NUMBER: KN023422

FROM ASSET CLASS: BEGINNING
THRU ASSET CLASS: END

FROM DEPARTMENT: BEGINNING
THRU DEPARTMENT: END

FROM STATUS DATE: BEGINNING
THRU STATUS DATE: END

FROM ACQUIRED DATE: BEGINNING
THRU ACQUIRED DATE: END

FROM RETIRE DATE: BEGINNING
THRU RETIRE DATE: END

FROM RETIRE TYPE: BEGINNING
THRU RETIRE TYPE: END

FROM RETIRE TYPE DATE:
THRU RETIRE TYPE DATE:

FACILITY: SYSTEM
CLASS: MEQ-HOSP MOVEABLE EQUIP - HOSPITAL

NUMBER	DESCRIPTION	LIFE	STATUS	STS DATE	ACQ DATE	RET DATE
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COST

BOOK

DEPARTMENT: 1.375

1 SPD

KN023422 AIR COMPRESSOR - VERTICAL

ACTIVE 12/11/02 08/07/02

1082.00

0.00

1082.00

0.00

✓ K292

TOTAL FOR CLASS:

1082.00

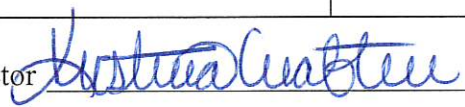



0.00

NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
TITUSVILLE, FLORIDA

Request for Disposal of Obsolete or Surplus Property

The assets listed below are considered obsolete, inefficient, or have ceased to serve any useful function. Board approval for disposal is requested.

Asset Description	Asset Control KN #	Purchase Date	Purchase Amount	CE #	Reason for Disposal	Net Book Value (Provided by Finance)	Dept. #
Simulator, Patient, Multiparameter	KN024832	12/03/2003	\$2,252.85	PMC04105	Unit is End of life and obsolete.	0.00	1.781
Simulator, Patient, Multiparameter	KN024833	12/3/2003	\$2252.85	PMC04104		0.00	1.781

Requesting Department - Education Department Director 
 Net Book Value (Finance)  12 Jun 2025 EMC Member _____
 Sr. VP Finance/CFO  President/CEO 
 Board Approval: (Date) _____ CFO Signature _____
 Requestor Notified Finance _____
 Asset Disposed of or Donated _____
 Removed from Asset List (Finance) _____
 Requested Public Entity for Donation _____
 Entity Contact _____
 Telephone _____

DATE: 06/11/25 @ 1132
USER: HAVANMT

Parrish Medical Center FA *Live*
CURRENT VALUE REPORT

PAGE 1

CREATED BY USER: HAVANMT

FROM FACILITY: SYSTEM
THRU FACILITY: SYSTEM

FROM ASSET NUMBER: KN024832
THRU ASSET NUMBER: KN024832

FROM ASSET CLASS: BEGINNING
THRU ASSET CLASS: END

FROM DEPARTMENT: BEGINNING
THRU DEPARTMENT: END

FROM STATUS DATE: BEGINNING
THRU STATUS DATE: END

FROM ACQUIRED DATE: BEGINNING
THRU ACQUIRED DATE: END

FROM RETIRE DATE: BEGINNING
THRU RETIRE DATE: END

FROM RETIRE TYPE: BEGINNING
THRU RETIRE TYPE: END

FROM RETIRE TYPE DATE:
THRU RETIRE TYPE DATE:

FACILITY: SYSTEM
CLASS: MEQ-HOSP MOVEABLE EQUIP - HOSPITAL

NUMBER	DESCRIPTION	LIFE	STATUS	STS DATE	ACQ DATE	RET DATE	COST	BOOK
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DEPARTMENT: 1.781 1 EDUCATION

KN024832 PATIENT STIMULATOR (BLACK BOX SIMULATOR) - RHTH ACTIVE 01/08/04 12/03/03

2252.85 0.00

2252.85 0.00

✓ KDDA

TOTAL FOR CLASS: 2252.85 0.00

DATE: 06/11/25 @ 1135
USER: HAVANMT

Parrish Medical Center FA *Live*
CURRENT VALUE REPORT

PAGE 1

CREATED BY USER: HAVANMT

FROM FACILITY: SYSTEM
THRU FACILITY: SYSTEM

FROM ASSET NUMBER: KN024833
THRU ASSET NUMBER: KN024833

FROM ASSET CLASS: BEGINNING
THRU ASSET CLASS: END

FROM DEPARTMENT: BEGINNING
THRU DEPARTMENT: END

FROM STATUS DATE: BEGINNING
THRU STATUS DATE: END

FROM ACQUIRED DATE: BEGINNING
THRU ACQUIRED DATE: END

FROM RETIRE DATE: BEGINNING
THRU RETIRE DATE: END

FROM RETIRE TYPE: BEGINNING
THRU RETIRE TYPE: END

FROM RETIRE TYPE DATE:
THRU RETIRE TYPE DATE:

FACILITY: SYSTEM
CLASS: MEQ-HOSP MOVEABLE EQUIP - HOSPITAL

NUMBER	DESCRIPTION	LIFE	STATUS	STS DATE	ACQ DATE	RET DATE	COST	BOOK
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DEPARTMENT: 1.781 1 EDUCATION

KN024833 PATIENT STIMULATOR (BLACK BOX SIMULATOR) - RHYT ACTIVE 01/08/04 12/03/03

2252.85 0.00

2252.85 0.00

✓ KOB

TOTAL FOR CLASS: 2252.85 0.00

NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
TITUSVILLE, FLORIDA

Request for Disposal of Obsolete or Surplus Property

The assets listed below are considered obsolete, inefficient, or have ceased to serve any useful function. Board approval for disposal is requested.

Asset Description	Asset Control KN #	Purchase Date	Purchase Amount	CE #	Reason for Disposal	Net Book Value (Provided by Finance)	Dept. #
Warming Cabinet, Electric	KN027568	08/21/2002	\$3,349.00	PMC04743	Unit is End of life and obsolete.	0.00	1.430

Requesting Department - Pharmacy _____ Department Director John Warner 6/3/2025

Net Book Value (Finance) 10 Jun 2025 EMC Member _____

Sr. VP Finance/CFO [Signature] President/CEO [Signature]

Board Approval: (Date) _____ CFO Signature _____

Requestor Notified Finance _____

Asset Disposed of or Donated _____

Removed from Asset List (Finance) _____

Requested Public Entity for Donation _____

Entity Contact _____

Telephone _____

DATE: 06/02/25 @ 1526
USER: HAVANMT

Parrish Medical Center FA *Live*
CURRENT VALUE REPORT

PAGE 1

CREATED BY USER: HAVANMT

FROM FACILITY: SYSTEM
THRU FACILITY: SYSTEM

FROM ASSET NUMBER: KN027568
THRU ASSET NUMBER: KN027568

FROM ASSET CLASS: BEGINNING
THRU ASSET CLASS: END

FROM DEPARTMENT: BEGINNING
THRU DEPARTMENT: END

FROM STATUS DATE: BEGINNING
THRU STATUS DATE: END

FROM ACQUIRED DATE: BEGINNING
THRU ACQUIRED DATE: END

FROM RETIRE DATE: BEGINNING
THRU RETIRE DATE: END

FROM RETIRE TYPE: BEGINNING
THRU RETIRE TYPE: END

FROM RETIRE TYPE DATE:
THRU RETIRE TYPE DATE:

FACILITY: SYSTEM
CLASS: MEQ-HOSP MOVEABLE EQUIP - HOSPITAL

NUMBER	DESCRIPTION	LIFE	STATUS	STS DATE	ACQ DATE	RET DATE	BOOK	COST
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DEPARTMENT: 1.430 1 PHARMACY

KN027568	WARMING CABINET 20.5		ACTIVE	12/11/02	08/21/02		0.00	3349.00
							-----	-----
							0.00	3349.00

✓ KOG

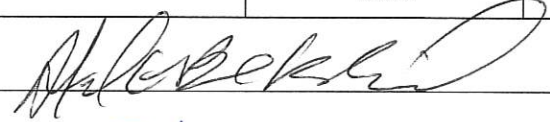
TOTAL FOR CLASS:	0.00	3349.00
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NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
TITUSVILLE, FLORIDA



Request for Disposal of Obsolete or Surplus Property

The assets listed below are considered obsolete, inefficient, or have ceased to serve any useful function. Board approval for disposal is requested.

Asset Description	Asset Control KN #	Purchase Date	Purchase Amount	CE #	Reason for Disposal	Net Book Value (Provided by Finance)	Dept. #
Treatment table, Hi Lo	KN023166	12/01/1999	1536.25	PMC04093	Unit is no longer used and obsolete. To be sent to auction.	0.00	1.441
NuStep, lower body	KN023468	09/09/2002	3093.66	PMC03061		0.00	1.483
NuStep, lower body	KN023470	09/09/2002	3093.67	PMC02977		0.00	1.482
PRO 1000, upper body	KN028237	08/09/2004	3185.00	PMC04160		0.00	1.483
Scifit ISO	KN028883	11/06/2007	2915.30	PMC04249		0.00	1.441
Re Orbiliner Trainer	KN029554	07/09/2010	3937.09	PMC04256		0.00	1.441
Performa, Abdomen	KN028877	11/06/2007	4951.00	PMC04327		0.00	1.441
Kore Balance	KN030178	03/03/2015	13995.00	PMC01761		0.00	1.471
Metron, bariatric table	KN030179	03/03/2015	2299.80	PMC04260		664.30	1.481
Matrix, recumbent bike	KN030240	03/03/2015	3631.50	PMC01784		0.00	1.961
SciFit Pro	KN030241	03/03/2015	3832.26	PMC01773		0.00	1.961

Requesting Department - PT / Health and Fitness / Rehab _____ Department Director 

Net Book Value (Finance)  25 AUG 2025 _____ EMC Member _____

Sr. VP Finance/CFO  _____ President/CEO 

Board Approval: (Date) _____ CFO Signature _____

Requestor Notified Finance _____

Asset Disposed of or Donated _____

Removed from Asset List (Finance) _____

Requested Public Entity for Donation _____

Entity Contact _____

Telephone _____

DATE: 08/19/25 @ 0838
USER: HAVANMT

Parrish Medical Center FA "Live"
CURRENT VALUE REPORT

PAGE 1

CREATED BY USER: HAVANMT

FROM FACILITY: SYSTEM FROM ASSET NUMBER: KN023166 FROM ASSET CLASS: BEGINNING FROM DEPARTMENT: BEGINNING
THRU FACILITY: SYSTEM THRU ASSET NUMBER: KN023166 THRU ASSET CLASS: END THRU DEPARTMENT: END

FROM STATUS DATE: BEGINNING FROM ACQUIRED DATE: BEGINNING FROM RETIRE DATE: BEGINNING FROM RETIRE TYPE: BEGINNING FROM RETIRE TYPE DATE:
THRU STATUS DATE: END THRU ACQUIRED DATE: END THRU RETIRE DATE: END THRU RETIRE TYPE: END THRU RETIRE TYPE DATE:

FACILITY: SYSTEM
CLASS: MEQ-PSJ DI MOVEABLE EQUIP-PSJ HC

NUMBER	DESCRIPTION	LIFE	STATUS	STS DATE	ACQ DATE	RET DATE	COST	BOOK
--------	-------------	------	--------	----------	----------	----------	------	------

DEPARTMENT: 1.441 1 PT/PSJ

KN023166	TABLE - HI-LO TREATMENT (CE#02533)		ACTIVE	12/01/99	04/01/99		1536.25	0.00
							-----	-----
							1536.25	0.00

✓ KOG

TOTAL FOR CLASS: 1536.25 0.00

DATE: 08/19/25 @ 0836
USER: HAVANMT

Parrish Medical Center FA "Live"
CURRENT VALUE REPORT

PAGE 1

CREATED BY USER: HAVANMT

FROM FACILITY: SYSTEM
THRU FACILITY: SYSTEM

FROM ASSET NUMBER: KN023468
THRU ASSET NUMBER: KN023468

FROM ASSET CLASS: BEGINNING
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FROM DEPARTMENT: BEGINNING
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FROM STATUS DATE: BEGINNING
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FROM ACQUIRED DATE: BEGINNING
THRU ACQUIRED DATE: END

FROM RETIRE DATE: BEGINNING
THRU RETIRE DATE: END

FROM RETIRE TYPE: BEGINNING
THRU RETIRE TYPE: END

FROM RETIRE TYPE DATE:
THRU RETIRE TYPE DATE:

FACILITY: SYSTEM

CLASS: MEQ-PT/H&F MOVABLE EQUIP-PT H&F OPERATING

NUMBER DESCRIPTION

LIFE STATUS STS DATE ACQ DATE RET DATE

COST

BOOK

DEPARTMENT: 1.483

1 CARDIAC REHAB

KN023468 NUSTEP

ACTIVE 09/09/02 08/01/02

3093.66

0.00

3093.66

0.00

✓ KOG

TOTAL FOR CLASS:

3093.66

0.00

DATE: 08/19/25 @ 0835
USER: HAVANMT

Parrish Medical Center FA "Live"
CURRENT VALUE REPORT

PAGE 1

CREATED BY USER: HAVANMT

FROM FACILITY: SYSTEM
THRU FACILITY: SYSTEM

FROM ASSET NUMBER: KN023470
THRU ASSET NUMBER: KN023470

FROM ASSET CLASS: BEGINNING
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FROM DEPARTMENT: BEGINNING
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FROM STATUS DATE: BEGINNING
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FROM ACQUIRED DATE: BEGINNING
THRU ACQUIRED DATE: END

FROM RETIRE DATE: BEGINNING
THRU RETIRE DATE: END

FROM RETIRE TYPE: BEGINNING
THRU RETIRE TYPE: END

FROM RETIRE TYPE DATE:
THRU RETIRE TYPE DATE:

FACILITY: SYSTEM

CLASS: MEQ-H&F MOVEABLE EQUIP - HEALTH & FITNESS

NUMBER	DESCRIPTION	LIFE	STATUS	STS DATE	ACQ DATE	RET DATE	COST	BOOK
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DEPARTMENT: 1.482 1 H&F

KN023470 MUSTEP CE#4298 ACTIVE 09/09/02 08/01/02

3093.67 0.00

3093.67 0.00

✓ KOZ

TOTAL FOR CLASS: 3093.67 0.00

DATE: 10/28/25 @ 1141
USER: GREENKD

Parrish Medical Center FA *Live*
CURRENT VALUES REPORT

PAGE 1

CREATED BY USER: GREENKD

FROM FACILITY: SYSTEM
THRU FACILITY: SYSTEM

FROM ASSET NUMBER: KN028237
THRU ASSET NUMBER: KN028237

FROM ASSET CLASS: BEGINNING
THRU ASSET CLASS: END

FROM DEPARTMENT: BEGINNING
THRU DEPARTMENT: END

FROM STATUS DATE: BEGINNING
THRU STATUS DATE: END

FROM ACQUIRED DATE: BEGINNING
THRU ACQUIRED DATE: END

FROM RETIRE DATE: BEGINNING
THRU RETIRE DATE: END

FROM RETIRE TYPE: BEGINNING
THRU RETIRE TYPE: END

FROM RETIRE TYPE DATE:
THRU RETIRE TYPE DATE:

FACILITY: SYSTEM
DEPARTMENT: 1.483

1 CARDIAC REHAB

NUMBER DESCRIPTION

LIFE STATUS STS DATE ACQ DATE RET DATE

COST

BOOK

CLASS: MEQ-PT/H&F MOVABLE EQUIP - PT H&F OPERATING

KN028237 CARDIO PULM REHAB-SCIFIT PR01000 UBE (CE# 0071-

ACTIVE 08/09/04 07/07/04

3185.00

0.00

3185.00

0.00

✓ KORA

TOTAL FOR DEPARTMENT:

3185.00

0.00

DATE: 08/19/25 @ 0835
USER: HAVANMT

Parrish Medical Center FA "Live"
CURRENT VALUE REPORT

PAGE 1

CREATED BY USER: HAVANMT

FROM FACILITY: SYSTEM FROM ASSET NUMBER: KN028883 FROM ASSET CLASS: BEGINNING FROM DEPARTMENT: BEGINNING
THRU FACILITY: SYSTEM THRU ASSET NUMBER: KN028883 THRU ASSET CLASS: END THRU DEPARTMENT: END

FROM STATUS DATE: BEGINNING FROM ACQUIRED DATE: BEGINNING FROM RETIRE DATE: BEGINNING FROM RETIRE TYPE: BEGINNING FROM RETIRE TYPE DATE:
THRU STATUS DATE: END THRU ACQUIRED DATE: END THRU RETIRE DATE: END THRU RETIRE TYPE: END THRU RETIRE TYPE DATE:

FACILITY: SYSTEM
CLASS: MEQ-PSJ DI MOVEABLE EQUIP-PSJ HC

NUMBER	DESCRIPTION	LIFE	STATUS	STS DATE	ACQ DATE	RET DATE	COST	BOOK
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DEPARTMENT: 1.441 1 PT/PSJ

KN028883 SCIFIT ISO 1000R (CE#0071-04029) ACTIVE 11/06/07 08/08/07

2915.30 0.00

2915.30 0.00

✓ KOGA

TOTAL FOR CLASS: 2915.30 0.00

DATE: 08/19/25 @ 0831
USER: HAVANMT

Parrish Medical Center FA "Live"
CURRENT VALUE REPORT

PAGE 1

CREATED BY USER: HAVANMT

FROM FACILITY: SYSTEM	FROM ASSET NUMBER: KN029554	FROM ASSET CLASS: BEGINNING	FROM DEPARTMENT: BEGINNING	
THRU FACILITY: SYSTEM	THRU ASSET NUMBER: KN029554	THRU ASSET CLASS: END	THRU DEPARTMENT: END	
FROM STATUS DATE: BEGINNING	FROM ACQUIRED DATE: BEGINNING	FROM RETIRE DATE: BEGINNING	FROM RETIRE TYPE: BEGINNING	FROM RETIRE TYPE DATE:
THRU STATUS DATE: END	THRU ACQUIRED DATE: END	THRU RETIRE DATE: END	THRU RETIRE TYPE: END	THRU RETIRE TYPE DATE:

FACILITY: SYSTEM
CLASS: MEQ-PSJ DI MOVEABLE EQUIP-PSJ HC

NUMBER	DESCRIPTION	LIFE	STATUS	STS DATE	ACQ DATE	RET DATE	COST	BOOK
--------	-------------	------	--------	----------	----------	----------	------	------

DEPARTMENT: 1.441 1 PT/PSJ

KN029554	REX ORBILINER TRAINER (CE#05233)		ACTIVE	07/09/10	06/02/10		3937.09	0.00
							-----	-----
							3937.09	0.00

✓ K292

TOTAL FOR CLASS:	3937.09	0.00
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DATE: 08/19/25 @ 0838
USER: HAVANMT

Parrish Medical Center FA "Live"
CURRENT VALUE REPORT

PAGE 1

CREATED BY USER: HAVANMT

FROM FACILITY: SYSTEM	FROM ASSET NUMBER: KN028877	FROM ASSET CLASS: BEGINNING	FROM DEPARTMENT: BEGINNING	
THRU FACILITY: SYSTEM	THRU ASSET NUMBER: KN028877	THRU ASSET CLASS: END	THRU DEPARTMENT: END	
FROM STATUS DATE: BEGINNING	FROM ACQUIRED DATE: BEGINNING	FROM RETIRE DATE: BEGINNING	FROM RETIRE TYPE: BEGINNING	FROM RETIRE TYPE DATE:
THRU STATUS DATE: END	THRU ACQUIRED DATE: END	THRU RETIRE DATE: END	THRU RETIRE TYPE: END	THRU RETIRE TYPE DATE:

FACILITY: SYSTEM
CLASS: MEQ-PSJ DI MOVEABLE EQUIP-PSJ HC

NUMBER	DESCRIPTION	LIFE	STATUS	STS DATE	ACQ DATE	RET DATE	COST	BOOK
--------	-------------	------	--------	----------	----------	----------	------	------

DEPARTMENT: 1.441 1 PT/PSJ

KN028877	PERFORMA TX PKG B-BLACK (CE#0071-04032)		ACTIVE	11/06/07	08/08/07		4951.00	0.00
							-----	-----
							4951.00	0.00

✓ K002

TOTAL FOR CLASS:	4951.00	0.00
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DATE: 08/19/25 @ 0840
USER: HAVANMT

Parrish Medical Center FA "Live"
CURRENT VALUE REPORT

PAGE 1

CREATED BY USER: HAVANMT

FROM FACILITY: SYSTEM
THRU FACILITY: SYSTEM

FROM ASSET NUMBER: KN030178
THRU ASSET NUMBER: KN030178

FROM ASSET CLASS: BEGINNING
THRU ASSET CLASS: END

FROM DEPARTMENT: BEGINNING
THRU DEPARTMENT: END

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FACILITY: SYSTEM

CLASS: MEQ-HOSP MOVEABLE EQUIP - HOSPITAL

NUMBER	DESCRIPTION	LIFE	STATUS	STS DATE	ACQ DATE	RET DATE	COST	BOOK
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DEPARTMENT: 1.471 1 P T/H&F

KN030178 KOREBALANCE 17 ACTIVE 03/03/15 02/03/15

13995.00 0.00

13995.00 0.00

✓ K002

TOTAL FOR CLASS: 13995.00 0.00

DATE: 10/28/25 @ 1143
USER: GREENKD

Parrish Medical Center FA *Live*
CURRENT VALUES REPORT

PAGE 1

CREATED BY USER: GREENKD

FROM FACILITY: SYSTEM
THRU FACILITY: SYSTEM

FROM ASSET NUMBER: KN030179
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FROM ASSET CLASS: BEGINNING
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FACILITY: SYSTEM
DEPARTMENT: 1.481

1 P T

NUMBER DESCRIPTION

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COST

BOOK

CLASS: MEQ-HOSP MOVABLE EQUIP - HOSPITAL

KN030179 METRON 3 SECTION BARIATRIC TABLE

ACTIVE 03/03/15 02/03/15

2299.80

664.30

2299.80

664.30

✓ KDA

TOTAL FOR DEPARTMENT:

2299.80

664.30

DATE: 08/19/25 @ 0839
USER: HAVANMT

Parrish Medical Center FA "Live"
CURRENT VALUE REPORT

PAGE 1

CREATED BY USER: HAVANMT

FROM FACILITY: SYSTEM
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FROM ASSET NUMBER: KN030240
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FACILITY: SYSTEM
CLASS: MEQ-HOSP

MOVEABLE EQUIP - HOSPITAL

NUMBER DESCRIPTION

LIFE STATUS STS DATE ACQ DATE RET DATE

COST

BOOK

DEPARTMENT: 1.961 1 PMG TITUS LANDING DX

KN030240 MATRIX R5X RECUMBENT CYCLE

ACTIVE 03/03/15 02/03/15

3631.50

0.00

3631.50

0.00

✓ K00A

TOTAL FOR CLASS:

3631.50

0.00

DATE: 08/19/25 @ 0832
USER: HAVANMT

Parrish Medical Center FA *Live*
CURRENT VALUE REPORT

PAGE 1

CREATED BY USER: HAVANMT

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THRU RETIRE TYPE DATE:

FACILITY: SYSTEM
CLASS: MEQ-HOSP

MOVEABLE EQUIP - HOSPITAL

NUMBER	DESCRIPTION	LIFE	STATUS	STS DATE	ACQ DATE	RET DATE	COST	BOOK
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DEPARTMENT: 1.961 1 PMG TITUS LANDING DX

KN030241	SCIFIT PR01 UBE WITH ADJUSTABLE SEAT		ACTIVE	03/03/15	02/03/15			
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3832.26	0.00
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3832.26	0.00

✓ KORA

TOTAL FOR CLASS:	3832.26	0.00
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Healing Families – Healing Communities®

parrishmed.com

Finance Committee

FYTD September 30, 2025 – Performance Dashboard

Indicator	FYTD 2025 Actual	FYTD 2025 Budget	FYTD 2024 Actual
ED Visits	32,294	30,837	30,369
IP Admissions	4,888	4,458	4,427
Surgical Cases	5,647	6,267	5,475
LOS	5.3	5.0	5.7
OP Volumes	92,551	89,937	84,640
Hospital Margin %	12.36%	11.90%	8.53%
Investment Income \$	\$3.7 Million	\$1.5 Million	\$6.3 Million

EXECUTIVE COMMITTEE

Stan Retz, CPA, Chairman

Robert L. Jordan, Jr., C.M.

Herman A. Cole, Jr.

Elizabeth Galfo, M.D.

Maureen Rupe

George Mikitarian, President/CEO (non-voting)

DRAFT AGENDA EXECUTIVE COMMITTEE NORTH BREVARD COUNTY HOSPITAL DISTRICT OPERATING PARRISH MEDICAL CENTER MONDAY, NOVEMBER 3, 2025 FIRST FLOOR, CONFERENCE ROOM 2/3/4/5 IMMEDIATELY FOLLOWING FINANCE COMMITTEE

CALL TO ORDER

- I. Approval of Minutes

Motion to approve the minutes of the September 8, 2025 meeting.

- II. Reading of the Huddle

- III. Report from Titusville City Council Liaison – Tom Abbate

- IV. Attorney Report – Mr. Boyles

- V. Executive Session (if needed)

ADJOURNMENT

NOTE: IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE BOARD WITH RESPECT TO ANY MATTER CONSIDERED AT THIS MEETING, HE/SHE WILL NEED A RECORD OF PROCEEDINGS AND, FOR SUCH PURPOSES, MAY NEED TO ENSURE A VERBATIM RECORD OF THE PROCEEDINGS IS MADE AND THAT THE RECORD INCLUDES TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

PERSONS WITH A DISABILITY WHO NEED A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHOULD CONTACT THE ADMINISTRATIVE OFFICES, AT 951 NORTH WASHINGTON AVENUE, TITUSVILLE, FLORIDA 32796, AT LEAST FORTY-EIGHT (48) HOURS PRIOR TO THE MEETING. FOR INFORMATION CALL (321) 268-6110.

THIS NOTICE WILL FURTHER SERVE TO INFORM THE PUBLIC THAT MEMBERS OF THE BOARD OF DIRECTORS OF NORTH BREVARD MEDICAL SUPPORT, INC. MAY BE IN ATTENDANCE AND MAY PARTICIPATE IN DISCUSSIONS OF MATTERS BEFORE THE NORTH BREVARD COUNTY HOSPITAL DISTRICT BOARD OF DIRECTORS EXECUTIVE COMMITTEE. TO THE EXTENT OF SUCH DISCUSSIONS, A JOINT PUBLIC MEETING OF THE NORTH BREVARD COUNTY HOSPITAL DISTRICT BOARD OF DIRECTORS EXECUTIVE COMMITTEE AND NORTH BREVARD MEDICAL SUPPORT, INC. SHALL BE CONDUCTED.

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
EXECUTIVE COMMITTEE**

A regular meeting of the Executive Committee of the North Brevard County Hospital District operating Parrish Medical Center was held on September 8, 2025, in Conference Room 2/3/4/5, First Floor. The following members were present:

Stan Retz, CPA, Chairman
Robert L. Jordan, Jr., C.M., Vice Chairman
Herman A. Cole, Jr.
Maureen Rupe
George Mikitarian (non-voting)

Members Absent:
Elizabeth Galfo, M.D. (excused)

A copy of the attendance roster of others present during the meeting is appended to the file copy of these minutes.

CALL TO ORDER

Mr. Retz called the meeting to order at 2:51 p.m.

READING OF THE HUDDLE

Ms. Parham presented the Weekly Huddle.

CEO PERFORMANCE REVIEW

Mr. Boyles summarized the CEO Performance Evaluation previously distributed to the Board, noting the positive comments and scores that were received. Discussion ensued and the following motion was made by Mr. Cole, seconded by Mr. Retz, and approved (4 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO RECOMMEND THE BOARD OF DIRECTORS APPROVE THE CEO PERFORMANCE EVALUATION AND REPORT AS PRESENTED.

ATTORNEY REPORT

Mr. Boyles introduced Mr. Joshua Grimm who recently presented on the One Big Beautiful Bill Act summary to the Medical Staff.

OTHER

There was no other business to come before the committee.

ADJOURNMENT

There being no further business to discuss, the committee adjourned at 3:05 p.m.

Stan Retz, CPA
Chairman

EDUCATION COMMITTEE

Billie Fitzgerald, Chairperson
Maureen Rupe, Vice Chairperson
Robert L. Jordan, Jr., C.M. (ex-officio)
Elizabeth Galfo, M.D., Chairperson
Billy Specht
Herman A. Cole, Jr.
Dan Aton
Stan Retz, CPA
Ashok Shah, M.D.
Aluino Ochoa, M.D.
George Mikitarian, President/CEO (Non-voting)

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
EDUCATIONAL, GOVERNMENTAL AND COMMUNITY RELATIONS COMMITTEE
MONDAY, NOVEMBER 3, 2025
IMMEDIATELY FOLLOWING EXECUTIVE SESSION
FIRST FLOOR CONFERENCE ROOM 2/3/4/5**

CALL TO ORDER

- I. Review and Approval of Minutes

Motion to approve the minutes of the September 8, 2025 meeting.

- II. Board Self-Assessment – Mr. Lifton
III. Executive Session (if necessary)

ADJOURNMENT

NOTE: IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE EDUCATION COMMITTEE WITH RESPECT TO ANY MATTER CONSIDERED AT THIS MEETING, HE/SHE WILL NEED A RECORD OF PROCEEDINGS AND, FOR SUCH PURPOSES, MAY NEED TO ENSURE A VERBATIM RECORD OF THE PROCEEDINGS IS MADE AND THAT THE RECORD INCLUDES TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

PERSONS WITH A DISABILITY WHO NEED A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHOULD CONTACT THE ADMINISTRATIVE OFFICES AT 951 NORTH WASHINGTON AVENUE, TITUSVILLE, FLORIDA 32796, AT LEAST FORTY-EIGHT (48) HOURS PRIOR TO THE MEETING. FOR INFORMATION CALL (321) 268-6110.

THIS NOTICE WILL FURTHER SERVE TO INFORM THE PUBLIC THAT MEMBERS OF THE BOARD OF DIRECTORS OF NORTH BREVARD MEDICAL SUPPORT, INC. MAY BE IN ATTENDANCE AND MAY PARTICIPATE IN DISCUSSIONS OF MATTERS BEFORE THE NORTH BREVARD COUNTY HOSPITAL DISTRICT BOARD OF DIRECTORS EDUCATIONAL, GOVERNMENTAL AND COMMUNITY RELATIONS COMMITTEE. TO THE EXTENT OF SUCH DISCUSSION, A JOINT PUBLIC MEETING OF THE NORTH BREVARD COUNTY HOSPITAL DISTRICT, BOARD OF DIRECTORS EDUCATIONAL, GOVERNMENTAL AND COMMUNITY RELATIONS COMMITTEE AND NORTH BREVARD MEDICAL SUPPORT, INC. SHALL BE CONDUCTED.

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
EDUCATIONAL, GOVERNMENTAL AND COMMUNITY RELATIONS COMMITTEE**

A regular meeting of the Educational, Governmental and Community Relations Committee of the North Brevard County Hospital District operating Parrish Medical Center was held on September 8, 2025, at 3:06 p.m. in Conference Room 2/3/4/5, First Floor. The following members were present:

Billie Fitzgerald, Chairperson
Maureen Rupe, Vice Chairperson
Robert L. Jordan, Jr., C.M.
Stan Retz, CPA
Herman A. Cole, Jr.
Billy Specht
Dan Aton
Ashok, Shah, M.D.
Aluino Ochoa, M.D.
George Mikitarian (non-voting)

Member(s) Absent:
Elizabeth Galfo, M.D.(excused)

CALL TO ORDER

Ms. Fitzgerald called the meeting to order at 3:06 p.m.

CANCER CENTER UPDATE

Mr. Graybill shared the recent grand opening of the Parrish Healthcare North Titusville facility on June 16, 2025, offering medical oncology, surgery, pathology, and diagnostic imaging, among other services. Mr. Graybill added that a recent partnership with Infigo Clinical research will bring cutting-edge treatments through clinical trials. Additionally, Parrish Cancer Center will soon be treating a wide range of cancers and benign conditions that respond to radiation therapy. Copies of the Power Point slides presented by Mr. Graybill are appended to the file copy of these minutes.

OTHER

No other items were presented for consideration by the committee.

ADJOURNMENT

There being no further business to come before the committee, the Educational, Governmental and Community Relations Committee meeting adjourned at 3:29 p.m.

Billie Fitzgerald,
Chairperson



Board Self-Assessment

November 3, 2025

Self-Assessment Overview

- Background
- Process
- Questionnaire responses, interview comments
- Bylaws, agendas, minutes
- Comparison with:
 - Similar hospitals
 - Effective governance practices
- Comments and questions

Background

- Specified in bylaws
 - Educational Committee responsibility
 - October, November of odd-numbered years
- Element of good governance
 - 61% of hospitals (45% of government-sponsored) conduct periodic formal self-assessment
- Previous PMC self-assessments facilitated by Lifton Associates

Process

- Introduction at October meeting
- Questionnaire
- Interviews
- Bylaws, agendas
- Comparison with prior years, other hospitals

Questionnaire Summary

- Questionnaire revised in 2025
- All questionnaires returned
- High scores; consistent w/2023, prior years

Responses to Item 1

	<u>Parrish</u>		<u>Peer Group*</u>
	<u>2025</u>	<u>2023</u>	
1.a. Quality Oversight	4.8	4.7	4.2
1.b. Financial Oversight	4.7	4.2	4.5
1.c. Strategic Direction	4.7	4.3	4.2
1.d. Board Development	4.9	4.8	3.7
1.e. Management Oversight	4.7	4.8	4.2
1.f. Community Benefit and Advocacy	4.8	4.6	4.0

**Think Bold: Looking Forward with a Fresh Governance Mindset: The Governance Institute's 2023 Biennial Survey of Hospitals and Healthcare Systems (government-sponsored hospitals)*

Responses to Items 2-6

	<u>2025</u>	<u>2023</u>
2. Reports are clear; recommendations supported	4.8	4.6
3. Meetings are efficient	4.8	4.5
4. I feel free to speak; others respect my opinions	4.8	4.7
5. Board deals effectively with medical staff	4.8	4.6
6. Appropriate, adequate educational material	4.7	4.9

Open-Ended Questions, Interviews

- Challenges
 - Uncertainty
 - ✓ Nationally; resolution of government shutdown re: healthcare spending
 - ✓ Locally; Rockledge replacement – what and when?
 - Physician, nurse recruitment and retention
- Reflections on the past two years
 - Health First now a sometime ally; litigation concluded
 - Stronger financial position
 - More confident in PMC's position and role

Bylaws and Agendas

- Bylaws
 - Update specified in bylaws; even years in November, Executive Committee
 - Most recent update
 - ✓ Reflect contemporary practice and terminology
 - ✓ Retirement Planning Committee

Comparison with Other Boards

- Similar
 - Size (9 vs 8)
 - Meeting frequency
 - Committee structure
- Different
 - More physicians (2 vs 0.6)
 - Diversity; more minority members

Governance Practice Comparison

Standard

Periodic board self-assessment
Conflict of interest policies
Meet in executive session
“Dashboard” presentations
Up-to-date medical staff plan
Periodic review of bylaws
Consent agenda
Resources for education

PMC

Bylaws; odd years
Bylaws
Yes, for specified activities
For some information
Per policy; maintained
Bylaws; even years
Yes
Yes; Board committee

James Lifton, LFACHE
Lifton Associates, LLC
305 S. Chester
Park Ridge, Illinois 60068
847.224.6787

jim@liftonassociates.com
www.liftonassociates.com

**DRAFT AGENDA
BOARD OF DIRECTORS MEETING - REGULAR MEETING
NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
NOVEMBER 3, 2025
NO EARLIER THAN 2:00 P.M.,
FOLLOWING THE LAST COMMITTEE MEETING
FIRST FLOOR, CONFERENCE ROOM 2/3/4/5**

CALL TO ORDER

- I. Pledge of Allegiance
- II. PMC's Vision – *Healing Families – Healing Communities*
- III. Approval of Agenda
- IV. Recognitions(s)
 - A. New Providers (memo included)
- V. Review and Approval of Minutes (September 8, 2025 Regular Meeting, September 8, 2025 First Public Hearing, and September 22, 2025 Second Public Hearing)
- VI. Open Forum for PMC Physicians
- VII. Public Input and Comments***¹
- VIII. Unfinished Business***
- IX. New Business***
- X. Medical Staff Report Recommendations/Announcements
- XI. Public Comments (as needed for revised Consent Agenda)
- XII. Consent Agenda***
 - A. Finance Committee
 - 1. **Motion to recommend the Board of Directors approve the Resolution and Secretary's Certificate of the North Brevard County Hospital District Approving the Restatement of and the Amendment to the North Brevard County Hospital District d/b/a Parrish Medical Center 403(b) plan.**

2. **Motion to recommend the Board of Directors approve the Resolution and Secretary's Certificate of the North Brevard County Hospital District Approving the Restatement of the North Brevard County Hospital District d/b/a Parrish Medical Center 457(b) plan.**
3. **Motion to recommend the Board of Directors to approve the Health and Fitness renovation project at 2210 Cheney Highway at a total cost not to exceed the amount of \$350,000.00.**
4. **Motion to recommend the Board of Directors to approve the replacement of the CT Scanner at Parrish Healthcare Center at Port St. John at a total cost not to exceed the amount of \$400,000.00.**
5. **Motion to recommend the Board of Directors approve the reappointment of Stan Retz to the Retirement and Planning Committee for a two-year term beginning January 1, 2026 through December 31, 2028.**
6. **Motion: To recommend to the Board of Directors to declare the equipment listed in the requests for Disposal of Obsolete or Surplus Property Forms as surplus and obsolete and dispose of same in accordance with FS274.05 and FS274.96.**

***¹ Pursuant to PMC Policy 9500-154:

- non-agenda items – 3 minutes per citizen
- agenda items for board action -- 3 minutes per citizen, permitted prior to board discussion for regular agenda action items and prior to board action on consent agenda
- 10 minute total per citizen
- must be related to the responsibility and authority of the board or directly to an agenda item [see items marked ***]

XIII. Committee Reports

- A. Quality Committee
- B. Finance Committee
- C. Executive Committee
- D. Educational, Governmental and Community Relations Committee
- E. Planning, Physical Facilities & Properties Committee

XIV. Process and Quality Report – Mr. Mikitarian

- A. Other Related Management Issues/Information
- B. Hospital Attorney - Mr. Boyles

BOARD OF DIRECTORS MEETING
NOVEMBER 3, 2025
PAGE 3

XV. Other

A. Monthly Media Report (memo included)

XVI. Closing Remarks – Chairman

XVII. Executive Session (if necessary)

ADJOURNMENT

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ANY MEMBER OF THE PUBLIC THAT WILLFULLY INTERRUPTS OR DISTURBS A MEETING OF THE BOARD OF DIRECTORS IS SUBJECT TO REMOVAL FROM THE MEETING BY AN OFFICER AND SUCH OTHER ACTIONS AS MAY BE DEEMED APPROPRIATE AS PROVIDED IN SECTION 871.01 OF THE FLORIDA STATUTES.



Healing Families – Healing Communities®

parrishhealthcare.com

Shannon Gomes, MD

Family Practice – Parrish Medical Group

Medical School: Jagiellonian University, Medical College, Krakow, Poland

Residency: The Wright Center for Graduate Medical Education, Scranton, PA

Residency Transfer: Southern Illinois University



Ahmed al-Tabaqchali, MD

Apogee Physicians – Hospitalist

Medical School: University of
Anbar, College of Medicine,
Iraq

Residency: New York Medical
College, Metropolitan,
Internal Medicine

Fellowship: Saint Vincent
Hospital, Worcester, MA
Slee Medicine



Erich Arias, MD

TeamHealth – Emergency Medicine

Medical School – Universidad de Monterrey Facultad de Medicina, Mexico

Residency – Latrobe Area Hospital, Pennsylvania
Family Medicine



Jorge Arroyo-Roldan, MD

TeamHealth – Emergency Medicine

Medical School: San Juan
Bautista School of Medicine,
Puerto Rico

Residency: University of Puerto
Rico School of Medicine,
Emergency Medicine Residency

**Emergency Medicine Advanced
Ultrasound Fellowship:** HCA
Kendall Hospital



Douglas Green, MD

TeamHealth – Emergency Medicine

Doctor of Medicine: University
of Oklahoma College of
Medicine, OK

Residency, Emergency Medicine

University of Oklahoma College of
Medicine, OK

Residency Completion:

University of Florida, Jacksonville



Komal Harisinghani, MD

Apogee Physicians – Hospitalist

**Doctor of Medicine: Saint James School
of Medicine, Anguilla**

**Residency: Internal Medicine
Wellstar Spalding Griffin, GA**



Leonard Allmond, MD

TeamHealth – Anesthesia

- **Medical School**: University of California, San Francisco
- **Residency**: University of California, San Francisco
- **Fellowship**: Obstetric Anesthesia University of Colorado Health Sciences Center



DRAFT
NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
BOARD OF DIRECTORS – REGULAR MEETING

A regular meeting of the Board of Directors of the North Brevard County Hospital District operating Parrish Medical Center (the District) was held at 4:23 p.m. on September 8, 2025 in Conference Room 2/3/4/5, First Floor. The following members were present:

Robert L. Jordan, Jr., C.M., Chairperson
Stan Retz, Vice Chairperson
Herman A. Cole, Jr.
Billy Specht
Billie Fitzgerald
Maureen Rupe
Dan Aton
Ashok Shah, M.D.

Member(s) Absent:
Elizabeth Galfo, M.D. (excused)

A copy of the attendance roster of others present during the meeting is appended to the file copy of these minutes.

CALL TO ORDER

Mr. Jordan called the meeting to order at 4:23 p.m. and determined a quorum was present per Article 1.1.4 of the District Bylaws.

PLEDGE OF ALLEGIANCE

Mr. Jordan led the Board of Directors, staff and public in reciting the Pledge of Allegiance.

PMC’S VISION – *Healing Families – Healing Communities®*

Mr. Jordan led the Board of Directors, staff and public in reciting PMC’s Vision – *Healing Families – Healing Communities®*.

APPROVAL OF MEETING AGENDA

Mr. Jordan requested approval of the meeting agenda in the packet as revised. Discussion ensued and the following motion was made by Mr. Cole, seconded by Mr. Specht, and approved (8 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION APPROVING THE REVISED MEETING AGENDA OF THE BOARD OF DIRECTORS OF THE DISTRICT AS PRESENTED.

RECOGNITIONS

There were no recognitions.

OPEN FORUM FOR PMC PHYSICIANS

There were no physician comments.

PUBLIC COMMENTS

There were no public comments.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

North Brevard Medical Support Liaison Report

Mr. Retz presented the North Brevard Medical Support Liaison report from its August 14, 2025, meeting.

MEDICAL STAFF REPORT RECOMMENDATIONS/ANNOUNCEMENTS

There were no recommendations or announcements.

CONSENT AGENDA

Discussion ensued regarding the consent agenda, and the following motion was made by Mr. Specht, seconded by Mr. Cole, and approved (8 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO APPROVE THE FOLLOWING REVISED CONSENT AGENDA ITEMS:

Consent Agenda

I. Consent Agenda***

A. Finance Committee

1. ***Motion to recommend the Board of Directors to approve the FY 2026 Major Volume Assumptions and the FY 2026 Operating Budget, as presented.***

2. *Motion to recommend the Board of Directors to authorize management to enter into a letter of agreement with the Agency for Health Care Administration to fund Medicaid DSH for SFY 2026.*
3. *Motion to recommend the Board of Directors to authorize management to enter into a letter of agreement with the Agency for Health Care Administration to fund LIP for SFY 2026.*
4. *Motion to recommend the Board of Directors to authorize management to enter into a letter of agreement with the Agency for Health Care Administration to fund Hospital DPP for year 5.*
5. *Motion to recommend the Board of Directors to authorize management to enter into a letter of agreement with the Agency for Health Care Administration to fund Physician DPP for SFY 2026.*

II. Executive Committee

1. *Motion to recommend the Board of Directors accept the CEO performance review and report as presented.*

COMMITTEE REPORTS

Quality Committee

Mr. Jordan reported all items were covered during the Quality Committee meeting.

Finance Committee

Mr. Cole reported all items were covered during the Finance Committee meeting.

Executive Committee

Mr. Retz reported all items were covered during the Executive Committee meeting.

Educational, Governmental and Community Relations Committee

Ms. Fitzgerald reported that all items were covered during the Educational, Governmental and Community Relations Committee meeting.

Planning, Physical Facilities and Properties Committee

Mr. Jordan reported the Planning, Physical Facilities and Properties Committee did not meet.

Process And Quality Report

No additional information was presented.

Hospital Attorney

Legal counsel had no further report.

OTHER

Mr. Moehring introduced Mr. Mark Fallon, Executive Director, IT.

CLOSING REMARKS

Mr. Jordan shared about the recent passing of his father and the comfort he found through the support of fellow Care Partners.

ADJOURNMENT

There being no further business to discuss, the Parrish Medical Center Board of Directors meeting adjourned at 4:38 p.m.

Robert L. Jordan, Jr., C.M.
Chairman

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER – SPECIAL MEETING
PUBLIC HEARING**

The Board of Directors of the North Brevard County Hospital District operating Parrish Medical Center held a special meeting and Public Hearing on September 8, 2025, at 5:01 p.m. in Conference Room 2/3/4/5, First Floor. The following members, representing a quorum, were present:

Robert L. Jordan, Jr., C.M.
Maureen Rupe
Herman A. Cole, Jr.
Billy Specht
Billie Fitzgerald

Member(s) Absent:
Elizabeth Galfo, M.D. (excused)
Stan Retz, CPA (excused)
Ashok Shah MD (excused)
Dan Aton (excused)

A copy of the attendance roster of others present during the meeting is appended to the file copy of these minutes.

CALL TO ORDER

Mr. Jordan called the meeting to order at 5:01 p.m. and stated that this is the first of two public hearings to establish the millage rate and budget for FY2025-2026 for the North Brevard County Hospital District as required by the Laws of Florida.

TENTATIVE MILLAGE RATE

Mr. Jordan asked if there were any public comments and/or questions regarding the tentative millage rate of \$0.0000 per \$1,000 valuation. No comments or questions were presented by the public. Mr. Jordan then asked for comments and/or questions from the Board of Directors regarding the millage rate of \$0.0000 per \$1,000 in valuation. No comments or questions were presented by the Members of the Board of Directors. Discussion ensued and the following motion was made by Mr. Cole, seconded by Mr. Specht, and approved (5 ayes, 0 nays, 0 abstentions).

***ACTION TAKEN: MOTION TO APPROVE AND ADOPT THE TENTATIVE
MILLAGE RATE OF \$0.0000 FOR FY2025-2026.***

TENTATIVE BUDGET FOR FY 2025-2026

Mr. Jordan asked if there were any public comments and/or questions related to the tentative budget for FY2025-2026 as presented. No comments or questions were presented. Mr. Jordan then asked for comments and/or questions from the Board of Directors regarding the tentative budget for FY2025-2026 as presented. No comments or questions were presented by the Members of the Board of Directors. Discussion ensued and the following motion was made by Mr. Cole, seconded by Mr. Specht and approved (5 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO APPROVE AND ADOPT THE TENTATIVE BUDGET FOR FY2025-2026 AS PRESENTED.

SECOND PUBLIC HEARING

Mr. Jordan announced that the second public hearing will be held on Monday, September 22, 2025, at 5:01 p.m.

ADJOURNMENT

There being no further business to discuss, the public hearing adjourned at 5:03 p.m.

Elizabeth Galfo, M.D.
Secretary

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER – SPECIAL MEETING
SECOND PUBLIC HEARING**

The Board of Directors of the North Brevard County Hospital District operating Parrish Medical Center held a special meeting on September 22, 2025, at 5:02 p.m. The following members, representing a quorum, were present:

Stan Retz, CPA
Elizabeth Galfo, M.D.
Herman A. Cole, Jr
Ashok Shah, M.D
Maureen Rupe
Dan Aton

Member(s) Absent:

Robert L. Jordan, Jr., C.M. (excused)
Billy Specht (Excused)
Billie Fitzgerald (excused)

A copy of the attendance roster of others present during the meeting is appended to the file copy of these minutes.

CALL TO ORDER

Mr. Retz called the special meeting to order at 5:02 p.m. and stated that this is the second of two special public hearings to establish the millage rate and budget for FY2025-2026 as required by the Laws of Florida.

TENTATIVE MILLAGE RATE

Mr. Retz stated the tentative millage rate of \$0.0000 per \$1,000 valuation is the prior year operating millage levy. Mr. Jordan asked if there were any questions or comments from the public. A copy of the resolution is appended to the file copy of these minutes. Discussion ensued and the following motion was made by Mr. Cole, seconded by Dr. Galfo, and approved (6 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO APPROVE TO ADOPT THE MILLAGE RESOLUTION RATE OF \$0.0000 PER \$1,000 VALUATION FOR FY2025-2026.

TENTATIVE BUDGET FOR FY2025-2026

Mr. Retz asked if there were any comments and/or questions from the public relating to the tentative budget for FY2025-2026 as presented. The following motion was made by Dr. Galfo, seconded by Mr. Cole and approved (6 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO APPROVE TO ADOPT THE FINAL BUDGET FOR FY2025-2026 AS PRESENTED.

ADJOURNMENT

There being no further business, the meeting adjourned at 5:06 p.m.

Elizabeth Galfo, M.D.
Secretary

Other Attendees:

George Mikitarian, President/CEO

Chris McAlpine, Sr. Vice President, Administration/CTO

Natalie Sellers, Sr. Vice President, Communication, Community and Corporate Services

Michael Moehring, CFO

Lisa Dickerson, Vice President, Nursing/CNO

Matt Graybill, Assistant Vice President, Operations

Annabell Prigge, Assistant Vice President, Medical Group Operations

Stephanie Parham, Executive Office Manager

Thomasina Middleton, Director, Finance

Sandra D'Cruz, Controller

MONTHLY MEDIA REPORT – September 2025



Please note where you see “impressions” the figure refers to the number of homes or individuals exposed to a message from Parrish Healthcare. The figure is calculated using circulation numbers as reported by the various publishers (where available) multiplied by the number of times PMC is mentioned, pictured, or number of times an advertisement ran in a month.

Estimated Impressions

Community Outreach (Attendees)	1,050
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Titusville Chamber Economic Outlook Brunch (September 3) ***(Attendance 150)***

Hosted at the Astronaut’s Memorial Foundation. Parrish Healthcare served as the Champion Sponsor. Natalie Sellers delivered sponsor remark, Parrish branded promotional items were placed on all tables, half page ad in the program, and social media mention on all Chamber of Commerce’s social platforms

Dream Cars for Kids (September 6) ***(Attendance 130)***

Third-party event with proceeds benefiting the Jess Parrish Medical Foundation, Parrish branded promotional items given out throughout event. Matthew Morak, Vaneesha Greco, Kathy Simonsen and teacher volunteers assisted at event.

Titusville Chamber of Commerce Luncheon (August 10) ***(Attendance 60)***

Provided sponsorship message (delivered by Lara Chicone focusing on Parrish’s lead in community asset mapping); Parrish branded promotional items placed on all tables and social media mention on all Chamber of Commerce’s social platforms.

Delaware North Health Fair KSC (September 16) ***(Attendance 200)***

Care Partners from multiple service lines supported the event including Wound Care (Kelly Lusk); Urology/GI (Sandra Sipplen); Sleep Lab (Eduardo Hernandez); Oncology (Shannon Luker); Parrish Home Health (Nadine Itani); Meghan Johnson (Parrish Health & Wellness); and Melissa Mansukhani (Cardiology).

Constitution Day (September 17) ***(Attendance 225)***

\$1,000 sponsor (with sponsorship table at banquet); inclusion in PPT, mention in advance publicity. Three-day celebration began on September 17th, flag ceremony at City Hall, awards banquet and concert by local high school bands.

Astronaut Youth Sports Assoc. (September 18) ***(Attendance 200)***

Dr. Anthony Allotta spoke to audience of 200 youth players and their coaches; Parrish branded promotional item distributed to all in attendance.

Titusville Rotary’s Spell-Abraction (September 27) ***(Attendance 85)***

\$360 Team Sponsor for event with 6 attendees (Parrish team placed first place).

Print Advertising/Impressions	936,900
<i>Brevard Business News (40,000/issue – Weekly - Contact: Adrienne Roth)</i>	<i>40,000</i>
<ul style="list-style-type: none"> 9.15.25 – Feature Article (Jess Parrish Medical Foundation Gala to Fund Technologies, Services for Hospital – in kind media donation) 	
<i>Happenings (5,500/issue – Monthly and Weekly - Contact: Randy Rodriguez)</i>	<i>5,500</i>
<ul style="list-style-type: none"> 9.20.25 – Cover Ad (Ortho Health General – Vers. A) 9.20.25 – Full Page Back Cover (Ortho Health, Hips – Vers. B) 9.20.25 – Full Page (Support Groups) 	
<i>Hometown News (14,725/issue – Weekly - Contact: Rodney Bookhardt)</i>	<i>58,900</i>
<ul style="list-style-type: none"> 9.05.25 – Full Page (Ortho Health – Hips, Ver. B) 9.12.25 – Full Page (Focused on the Future of Health) 9.19.25 – Full Page (da Vinci Robotic-Assisted Surgery) 9.26.25 – Full Page (Ortho Health – Hips, Ver. A) 	
<i>Florida Today (50,000/issue – Daily - Contact: Local IQ)</i>	<i>650,000</i>
<ul style="list-style-type: none"> 9.04.25 – Half Page (Ortho Health – General) 9.18.25 – Half Page (Ortho Health – Hips – Vers. A) 9.28.25 – Full Page (VELYS Robotic-Assisted Surgery) 9.03.25- Front Page Strip Ad (Lifelong Wellness. We're With You.) 9.05.25- Front Page Strip Ad (Lifelong Wellness. We're With You.) 9.07.25- Front Page Strip Ad (Lifelong Wellness. We're With You.) 9.10.25- Front Page Strip Ad (Lifelong Wellness. We're With You.) 9.12.25- Front Page Strip Ad (Lifelong Wellness. We're With You.) 9.17.25- Front Page Strip Ad (Lifelong Wellness. We're With You.) 9.19.25- Front Page Strip Ad (Lifelong Wellness. We're With You.) 9.21.25- Front Page Strip Ad (Lifelong Wellness. We're With You.) 9.24.25- Front Page Strip Ad (Lifelong Wellness. We're With You.) 9.28.25 - Front Page Strip Ad (Lifelong Wellness. We're With You.) 	
<i>Investing in Your Health Today (25,000/edition – Monthly - Contact: Barbara Rhoden)</i>	<i>25,000</i>
<ul style="list-style-type: none"> 9.20.25 – Full Page (PHC-PSJ Services) 9.20.25 – Full Page (BE FAST Stroke Symptoms) 9.20.25 – Full Page (Support Services) 	
<i>Space Coast Living (10,000/edition–5 Editions Annually-Contact: Lori Weisman)</i>	<i>10,000</i>
<ul style="list-style-type: none"> 9.20.25 – Full Page (Ortho Health – Hips) 	
<i>Space Coast Daily (60,000/edition – Monthly/Digital Daily - Contact: Giles Malone)</i>	<i>60,000</i>
<ul style="list-style-type: none"> 9.22.25 – Full Page (Ortho General) 	
<i>Ebony News (25,000/print edition; 1500 digital – Monthly - Contact: Barbara Rhoden)</i>	<i>26,500</i>

- 9.2025 – Half Page (Ortho Health – Hips)
- 9.2025 – Digital Ad (Your Heart Care Partners)

The Great Outdoors – Happenings (3,500/edition – Weekly - Contact: Greg Wostrel) 7,000

- 9.05.2025 – Full Page (Ortho Health – Hips Ver. A)
- 9.19.2025 – Full Page (Your Health is Your Greatest Asset)

Savings Safari (51,000/edition – Bi-monthly - Contact: Barbara Strickland) 51,000

- 9.02.25 – Insert, Side 1 (Ortho Health-Hips); Insert Side 2 (Focused on the Future)

Lifetimes Newsletter (Mailed quarterly to N. Brevard zip code) Summer Issue NA

- Note: Next Mailing will be October 2025, Fall Issue

Titusville Playhouse Playbill (Based on number of monthly performances) 3,000

- 9.2025 – Young Frankenstein (Sept. 12 – Sept. 29)

Digital Ad Impressions	660,033
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WFTV.com

- Impressions: 468,195
- Clicks: 1,864
- CTR: 0.45%

WFTV-OTT (Over the Top)

- Impressions: 28,895
- Video Completes: 28,557
- Video Completion Rate: 98.86%

WFTV (Streaming)

- Impressions: 64,510
- Video Completes: 63,396
- Video Completion Rate: 98.28%

Spectrum Reach (Streaming and TV)

- Impressions: 98,433
- Video Completes: 97,055
- Video Completion Rate: 98.60%

Social Media Channels	198,684
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Facebook:

- ***Parrish Healthcare: Reach – 174,613; Followers – 7,946***
- ***The Children’s Center: Reach – 4,486; Followers – 135***
- ***Parrish Health & Wellness: Reach – 828; Followers – 160***

Instagram: Reach – 8,858; Total Followers - 717

X (Twitter): Followers - 252

LinkedIn: Followers – 4,126 Impressions –9,409

YouTube:

- Total Views: 490
- Total Subscribers: 492
- New Subscribers: 2

Top 5 YouTube Videos (Total Video Views in September – 490):

- Parrish Healthcare: Where Healing Begins With Our Team: **51**
- Daily Two Segment Featuring Dr. Gabriel: **32**
- Daily Two Segment Featuring Dr. Musto: **29**
- Alzheimer’s SOS Vascular Dementia: **28**
- Patient Testimonial – Stuart Bodin: **27**

TV Impressions	3,149,100
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Station	Spots	Impressions
WFTV	84	2,620,300
WRDQ	105	528,800
Spectrum News 13	456	See Note Below
Total	645	3,149,100

Spectrum News 13 does not report impressions because of the magnitude of linear TV impressions they receive (i.e., televisions in businesses/commercial spaces, corporate offices, schools, etc.)

Commercials Aired:

Service Line	Title	ISCI	Impressions (000) A18+
Brand	Brand :05	PHCBRAND2505	40.2
Ortho	Ortho :10	PHCORTHO10	559.2
Ortho	Ortho :15	PHCORTHO15	1,060.10
Ortho	Ortho :30	PHCORTHO30	526.1
Pastor	Pastor :60	PHCPASTOR60	84.6
Pastor	Pastor :120	PHCPASTOR120	1.6
Robotics	Robotics :60	PHCVELYSJAMIE60	26.7
Robotics	Robotics :120	PHCVELYSJAMIE120	2.5
9 Family Minute			76.7
SQUEEZEBACK			138.3
JEOPARDY			633.10
Grand Total			3,149.1

Outdoor Advertising/Billboard/Bus Impressions**1,819,395****Billboards (Lamar – Contact: Jennifer Rzepiejewski, Clear Channel – Contact: Joe Schmitt):****Lamar – 4 Billboards (Messages & Locations)****457,204**

- **3666:** US1/Washington Ave. 1 MI N/O Garden St NB; (*Where New Beginnings Are Born - Women's Health, Maternity*)
- **3406:** US1 @ Blacks Rd. N/B; (*Your Heart Deserves the Best – Cardiology*)
- **1360:** US1-E/S N/O SR 528 S/B; (*Your Heart Deserves the Best – Cardiology*)
- **3667:** Washington Ave 1 MI n/o Garden St S/B; (*Where New Beginnings Are Born - Women's Health, Maternity*)

Clear Channel – 17 Billboards (Message & Location)**1,362,191**

- **5839:** US 1 WS 3.2mi N/O SR 528 F/N – 1, Cocoa; 81,829 (*Open Interviews*)
- **5584:** Grissom Pkwy NS 1mi W/O Industry Rd F/W - 2, Cocoa; 47,988 (*Emergency? We're Ready*)
- **5514:** US 1 ES 1.5mi N/O SR 528 F/S – 2; 107,258 988 (*Emergency? We're Ready*)
- **5333:** US 1 WS 1.3mi N/O SR 406 Garden St F/N – 2; 96,930 (*Fast, Expert. Emergency Care.*)
- **5332:** US 1 WS 1.3mi N/O SR 406 Garden St F/S – 1; 75,254 (*Focused on the Future of Patient Care*)
- **5331:** US 1 WS 1.5mi N/O SR 406 Garden St F/S – 1; 75,506 (*Emergency? We're Ready*)
- **5330:** US 1 WS 1.5mi N/O SR 406 Garden St F/N – 2; 92,942 (*Your Heart Deserves the Best*)
- **5329:** US 1 WS 0.2mi S/O SR 50 F/S – 1; 77,766 (*Focused on the Future of Patient Care*)
- **5306:** US 1 WS 0.7mi N/O SR 528 F/N – 2; 108,105 (*Get Back to What Moves You*)
- **5006:** US 1 ES 2.7mi N/O SR 528 F/S – 2; 97,000 (*Fast, Expert. Emergency Care.*)
- **3321:** US 1 WS 3.3mi N/O SR 528 F/S – 1; 76,697 (*Robotic-Assisted Surgery*)
- **1904:** SR 405 SS 0.5mi W/O SR 407 F/W – 1; 76,193 (*Emergency? We're Ready*)
- **1903:** SR 405 SS 0.5mi W/O SR 407 F/E – 2; 63,925 (*Fast, Expert. Emergency Care.*)
- **1538:** US 1 WS 2.3mi S/O SR 405 F/N – 2; 84,413 (*Get Back to What Moves You*)
- **1537:** US 1 WS 2.3mi S/O SR 405 F/S – 1; 77,547 (*Emergency? We're Ready*)
- **1155:** US 1 WS 1.4mi S/O SR 405 F/S – 2; 65,656 (*Your Heart Deserves the Best*)
- **1034:** US 1 WS 1.4mi S/O SR 405 F/S – 1; 57,181 (*Fast. Expert. Emergency Care.*)

Bus Wraps (Clear Channel – Contact: Joe Schmitt)**Not audited by Geopath and no estimate at this time when data will be available.**

- Bus 1 (MEL0012222)
- Bus 2 (1086572-MEL)

Brevard County Public Schools Van Wrap (Contact: Yvette Cruz)**Not audited by Geopath and no estimate at this time when data will be available.**

- 3-year commitment (Aug. 1, 2025 – July 31, 2028). Van wrap will be prominently displayed on vehicles used by North Brevard high schools — Astronaut, Space Coast, and Titusville. These vans serve as transportation for athletic teams and student extracurricular groups, traveling thousands of miles annually throughout Brevard County and across Florida for regional and state competitions.

Summary of Total Impressions	6,765,162
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News Releases Issued by Parrish	116,725
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- 9.01.25 – Brevard Business News (Parrish Welcomes Board-Certified Urologist Mark Swierzewski to the Community; Tufts Graduate, Army Veteran) ****40,000**
- 9.05.25 – Happenings (Parrish Healthcare Open Interviews) ****5,500**
- 9.12.25 - Happenings (Parrish Healthcare Open Interviews) ****5,500**
- 9.12.25 – Hometown News (Parrish Healthcare Partners with Health First’s Air Ambulance)
- 9.15.25 – Brevard Business News (Feature Article – Jess Parrish Medical Foundation Gala to fund Technologies, Services for Hospital) ****40,000.**
- 9.19.25 – Happenings (Space Coast Vipers Football Team thanks Parrish Healthcare for Donation of Guardian Caps); (Cancer Patient’s Wish for Wedding Celebration Fulfilled); (Parrish Medical Group Welcomes Board-Certified Psychiatric Mental Health Nurse Practitioner Johari Faison, APRN, PMHNP-BC) ****5,500**
- 9.19.25 – Hometown News (A Wedding for a Wish)
- 9.21.25 – Hometown News (Parrish Healthcare Supports Vipers with Safety Donation) ****14,725**
- 9.26.25 – Happenings (Parrish Healthcare Honors Extraordinary Nurse Staci Fleming Quarterly DAISY Award Honoree and Nominees Celebrated) ****5,500**

****Editions not included under Print Advertising/Impression section**

News Releases Issued by Others	NA
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- No releases by others in September 2025

Creative Examples



HEALTHY RIGHTS HEALTHY LIVES

Just like the constitution protects your freedoms, Parrish Healthcare is here to protect your health.

CELEBRATING CONSTITUTION WEEK

Parrish Healthcare has services throughout Brevard County.

- ★ Board Certified Physicians
- ★ First U.S. Member of Cleveland Clinic Connected
- ★ Nationally recognized 208-bed not-for-profit, public hospital
- ★ Newly designed health care centers, nationally recognized as the model for patient and family-centered care
- ★ Electronic access to medical records, appointments, bill paying and more through MyHealth Portal

Learn more about our services to help keep you and your family healthy by visiting parrishhealthcare.com



Healing Families—Healing Communities®

12

COMMUNITY SUPPORT GROUP SCHEDULE

<p>A.W.A.K.E. Sleep Support Group Meets the second Monday monthly, 6-7:30 PM Parrish Healthcare Center, Manatee Conference Room 3005 Port St. John Parkway, Port St. John Contact our Sleep Center team at 321-268-6408</p> <p>Cancer and Survivor Support Group Meets the third Wednesday monthly, 4-5:30 PM Parrish Healthcare Center, North Titusville, Conference Room 490 North Washington Avenue, Titusville Contact Shannon Luker at 321-268-6111, ext. 3544</p> <p>Caring for Caregivers Support Group Meets the second and fourth Thursday monthly, 9:30-11:30 AM Heritage Hall, 931 North Washington Avenue, Titusville Contact Janet Rooks at 321-268-6800</p> <p>Decoding Diabetes Class Meets the fourth Monday monthly, 2:30-4:30 PM Heritage Hall, Parrish Health Village 931 North Washington Avenue, Titusville Contact Casey Hodglin at 321-268-6111, ext. 7668</p> <p>Early Steps Community Play Date Meets the fourth Wednesday monthly, 9-10:30 AM The Children's Center, 5650 South Washington Avenue, Titusville Contact Mary Cancel at 321-292-1370</p> <p>Fearless Café Presented by St. Francis Reflections Life Stages Care and Parrish Healthcare Meets the first Wednesday monthly, 10-11 AM Heritage Hall, Parrish Health Village 931 North Washington Avenue, Titusville Contact Janet Rooks at 321-268-6800</p>	<p>Kidney Smart Class Meets the last Thursday monthly, 1-2:30 PM Heritage Hall, Parrish Health Village 931 North Washington Avenue, Titusville Contact Jackie Turner at 321-380-1245</p> <p>Mom's Support Group Meets Mondays, 10-11 AM The Children's Center, 5650 South Washington Avenue, Titusville Contact Melinda at melinda.hodges@parrishmed.com</p> <p>Parkinson's Support Group Meets the second Tuesday monthly, 11:15 AM-12:15 PM Parrish Health & Wellness Center 3065 Columbia Boulevard, C-104, Titusville Contact Barbara Franklin 321-345-1031 or BrevardParkinsons.org parrishhealthcare.com/parkinsonssupport</p> <p>Stroke and Heart Survivors Support Group Meets the third Tuesday monthly, 2-4 PM Heritage Hall, Parrish Health Village 931 North Washington Avenue, Titusville Contact Janet Rooks at 321-268-6800</p> <p>Tools to Quit Smoking Now Meets the last Tuesday monthly, 5:30-7:30 PM Parrish Medical Center, Conference Room 6 951 North Washington Avenue, Titusville Facilitated by Jennifer Holowitz, Tobacco Free Florida 407-889-2292, ext. 102</p>
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Visit parrishhealthcare.com/events for information and to register

Healing Families—Healing Communities®

PARRISH HEALTHCARE ORTHOPEDICS

CHANGING LIVES ONE STEP AT A TIME

Parrish Healthcare's orthopedics and sports medicine practice delivers exceptional care to help you move without pain and live without limits. Our expert team uses the latest techniques and technologies to provide effective treatments for all of your orthopedic needs.

- Joint Replacement and Reconstruction
- Pain Management
- Physical Rehabilitation Services
- Sports Injuries
- Trauma and Fracture Care

Visit parrishhealthcare.com/orthopedics

Healing Families—Healing Communities®

PARRISH HEALTHCARE ORTHOPEDICS

DON'T LET HIP PAIN SLOW YOU DOWN

Parrish Healthcare's orthopedics and sports medicine practice delivers exceptional care to help you move without pain and live without limits. Our expert team uses the latest techniques and technologies to provide effective treatments for all of your orthopedic needs.

- Joint Replacement and Reconstruction
- Pain Management
- Physical Rehabilitation Services
- Sports Injuries
- Trauma and Fracture Care
- Menopause

Visit parrishhealthcare.com/orthopedics



Cleveland Clinic Connected

Healing Families—Healing Communities®

YOUR HEALTH IS YOUR GREATEST ASSET

At Parrish Healthcare, we're here to support you in being your best and healthiest self—let's thrive together!

Visit parrishhealthcare.com to meet our providers today!



Cleveland Clinic Connected

Healing Families—Healing Communities®

Parrish Healthcare Center at Port St. John Your Community Healthcare Center Your Health, Our Mission

Parrish Healthcare Center at Port St. John is proud to serve all of your health care needs. Here you will experience convenient access to superior outpatient services, multi-specialty physicians, diagnostic imaging services and more within a one-of-a-kind LEED certified "green" healing environment.

5005 Port St. John Parkway, Port St. John, FL 32927

Located just east of I-95 (Exit 208)
on Port St. John Parkway



This location offers the following services and more:

- Urgent Care Center
- Community Conference Center
- Laboratory Services
- Parrish Medical Group Physicians
 - Endocrinology
 - Occupational Health
 - Orthopedics & Sports Medicine
 - Pain Management
 - Podiatry
 - Primary Care
- Parrish Sleep Disorders Center
- Diagnostic Imaging Services
 - Bone Density DEXA
 - Computed Tomography (CT)
 - Echovascular Ultrasound, X-Ray
 - Magnetic Resonance Imaging (MRI)
 - Mammography
 - Ultrasound
- Rehabilitation Services
 - Occupational Therapy
 - Physical Therapy
 - Speech Therapy

Visit parrishhealthcare.com or call 321-268-6868 to learn more



Cleveland Clinic Connected

Healing Families—Healing Communities®

Now Open! PARRISH HEALTHCARE CENTER | NORTH TITUSVILLE

MORE ROOM TO CARE, MORE WAYS TO HELP

Parrish Healthcare Center, North Titusville is designed to provide even greater access to the quality care you know and trust. Totalling 34,586 square feet, the center offers comprehensive cancer care and more. Right here, close to home.

- Oncology: Cancer Care, Radiation, Infusion Services and Cancer Boutique
- General Surgery
- Hematology
- Infusion Services
- Laboratory Services: Fully accredited by the College of American Pathologists, we offer blood, drug, glucose and urine tests, lipid panels, sickle cell screenings, blood bank services and more.
- Medical Offices

490 North Washington Avenue
Titusville, FL 32796

Visit parrishhealthcare.com/northtitusville or call 321-268-6868



Cleveland Clinic Connected

Healing Families—Healing Communities®

Changing Lives One Step at a Time



ORTHOPEDICS



PARRISH HEALTHCARE ORTHOPEDICS

DON'T LET HIP PAIN SLOW YOU DOWN

Parrish Healthcare's orthopedics and sports medicine practice delivers exceptional care to help you move without pain and live without limits. Our expert team uses the latest techniques and technologies to provide effective treatments for all of your orthopedic needs.

- Joint Replacement and Reconstruction
- Pain Management
- Physical Rehabilitation Services
- Sports Injuries
- Trauma and Fracture Care

Visit parrishhealthcare.com/orthopedics



 Cleveland Clinic Connected

Healing Families—Healing Communities®



Advanced Robotic Surgery Right here, close to home.

Minimally invasive, robotic-assisted surgery

What is the da Vinci® X^{DP} Surgical System?

With the da Vinci Surgical System, your Robotic Surgery Care Partners perform complex, minimally invasive surgical procedures through tiny incisions.

With the da Vinci system, your surgeon:

- Stays with you in the operating room and uses his or her hands to control a camera and surgical instruments to perform the procedure.
- Views the entire operation in 3DHD, giving your surgeon a crystal clear view of the surgical area that is magnified 10 times to what the human eye sees.
- Uses tiny instruments that move like a human hand, but with an even greater range of motion. The system's built-in tremor-filtration technology helps your surgeon move each instrument with smooth precision.

Why should you choose robotic-assisted surgery?

People choose surgery with the da Vinci system for a variety of reasons, such as less blood loss, shorter hospital stays and faster recovery.

As a leader in the field, we look forward to continuing to provide minimally invasive surgical options to our community.

Visit parrishhealthcare.com/roboticsurgery

The da Vinci® X^{DP} Surgical System can be used for the following procedures:

Colorectal

- Colon resection
- Rectal resection

General Surgery

- Hernia repair
- Gallbladder surgery

Gynecology

- Endometriosis resection
- Benign hysterectomy
- Hysterectomy for cancer
- Fibroid removal (myomectomy)

Urology

- Kidney surgery
- Prostate surgery



 Cleveland Clinic Connected

Healing Families—Healing Communities®



Gift of Light

THURSDAY,
DECEMBER 4TH
5-7:30 PM

HONOR A LOVED ONE

Start the season with holiday entertainment,
a spectacular tree lighting and
dazzling fireworks!

Join Parrish Medical Center for our FREE
annual holiday community celebration!
Honor a loved one by placing a light
on our holiday tree.

- ★ Hot Chocolate and Baked Goods
- ★ Face Painting
- ★ Kid-Friendly Holiday Crafts
- ★ Musical Entertainment and Dance Performances
- ★ Photos with Santa and Mrs. Claus
- ★ Food Trucks (Available beginning at 4:30 PM)

For more information visit
parrishhealthcare.com/giftoflight



Honor a loved one by placing a light on our 50-foot holiday tree!
To purchase a light, please call 321-269-4066 or visit parrishmedfoundation.com/donate

Healing Families—Healing Communities®

TO SPOT A STROKE **BE FAST**

Parrish Medical Center has earned The Joint Commission's Gold Seal of Approval.



B

BALANCE

LOSS OF BALANCE, HEADACHE OR DIZZINESS



E

EYES

BLURRED VISION

WHEN TO CALL 911?

If the person shows any of these symptoms, even if the symptoms go away, call 9-1-1 and get them to the hospital immediately. DO NOT DRIVE YOURSELF to the emergency room if you suspect you are having a stroke.

WATCH FOR SUDDEN

- Numbness or weakness of the leg
- Confusion or trouble understanding
- Trouble seeing in one or both eyes
- Severe headache with no known cause



F

FACE

ONE SIDE OF THE FACE IS DROOPING



A

ARMS

ARM OR LEG WEAKNESS



S

SPEECH

SPEECH DIFFICULTY



T

TIME

REMEMBER THE TIME SYMPTOMS STARTED AND CALL FOR AN AMBULANCE IMMEDIATELY

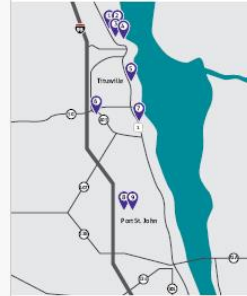


Healing Families—Healing Communities®

Cleveland Clinic Connected

A Great Place for Health Care

Find a Location Near You



Parrish Medical Center
951 N. Washington Ave.
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