Lehighton Area School District
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: Lehighton Area School District

Address: 1000 Union Street

City, State, Zip Code: Lehighton, PA 18235

Telephone: 6103774490

1-2 **EMPLOYER IDENTIFICATION NUMBER (EIN).** 246002508

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 _______________

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.

____

[***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.** Lehighton Area School District 403(b) Plan

Original Effective Date: January 1, 2009

Restatement Effective Date: January 1, 2026

[***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.** 000

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: U.S. OMNI & TSACG Compliance Services

Address: 73 Eglin Parkway NE, Ste. 202, Fort Walton Beach, FL 32548

Telephone: 888-777-5827

[***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		
☐	☐	☐	(a)	No exclusions
N/A	☐	☐	(b)	Collectively Bargained Employees (as defined in Section 1.21 of the BPD)
☐	☐	☐	(c)	Non-resident aliens who receive no compensation from the Employer which constitutes U.S. source income
☑	☐	☐	(d)	Student Employees (as defined in Section 1.97 of the BPD)
☐	☐	☐	(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	☐	☐	(f)	Employees who normally work less than ___ hours a week.
☐	☐	☐	(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): ______________________
☐	☐	☐	(h)	Employees eligible for a 401(k) plan sponsored by the Employer Specify name of the 401(k) plan (optional): _________________________
☐	☐	☐	(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	☐	☐	(j)	Seasonal Employees
N/A	☐	☐	(k)	Temporary Employees
N/A	☐	☐	(l)	Interns
N/A	☐	☐	(m)	Per diem Employees
N/A	☐	☑	(n)	Other: Eligibility for employer contributions is set forth in the applicable agreements between the employer and employee.
N/A	☐	☐	(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	
☐	☐	(1) There is no minimum service requirement for participation in the Plan.
☐	☐	(2) One Year of Service (as defined in Section 2.03(a)(1) of the BPD and AA §4-3).
☐	☐	(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. ☐ (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. ☐ (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).)
☐	☐	(4) The completion of ___ Hours of Service during an Eligibility Computation Period (as defined in AA §4-3). [*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.*]
☐	☐	(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: ☐ (A) There is no minimum service requirement for participation in the Plan. ☐ (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. ☐ (C) Under the Elapsed Time Method as defined in AA §4-3 below. ☐ (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.*]

Match	ER	
☐	☐	(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: Any service requirements for employer contributions is set forth in the applicable agreement between the employer and employee.

[***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:** All entry dates for employees to receive an employer contributions is set forth in the applicable agreement between the employer and employee.

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		
☐	☑	(h)	**next following** satisfaction of the minimum age and service requirements.
☐	☐	(i)	**coinciding with or next following** satisfaction of the minimum age and service requirements.
☐	☐	(j)	**nearest** the satisfaction of the minimum age and service requirements.
☐	☐	(k)	**preceding** the satisfaction of the minimum age and service requirements.
☐	☐	(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		
☐	☑	(m)	**Describe** any special rules that apply with respect to the Entry Dates under this AA §4-2: <u>All entry dates for employees to receive an employer contributions is set forth in the applicable agreement between the employer and employee.</u> [***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.*]

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		
☐	☐	(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.
☐	☐	(b)	**Eligibility Computation Period.** The Plan will use Anniversary Years for all Eligibility Computation Periods.
☐	☐	(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	
☐	☐	(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.

☐ (1) For Match, must complete a _____ period of service

☐ (2) For ER, must complete a ____ period of service

[***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.*]

☐ ☐ (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:

☐ (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.

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.

☐ (9) **Describe:** ____

[***Note:*** *Any description under (9) must be definitely determinable with respect to Hours of Service.*]

☐ ☐ (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.

☐ The Nonvested Participant Break in Service rule applies to all Employees, including Employees who have not had a Severance from Employment.

☐ ☐ (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.

☐ The One-Year Break in Service rule applies to all Employees, including Employees who have not had a Severance from Employment.

☐ ☐ (h) **Special eligibility provisions:** ____

[***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.*]

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
☐ (i)	______________________________	☐	☐	☐

☐ (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		
☑	☐	☑	(a)	No exclusions.
N/A	☐	☐	(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).
☐	☐	☐	(c)	All fringe benefits (cash and noncash), reimbursements or other expense allowances, moving expenses, deferred compensation, and welfare benefits.
☐	☐	☐	(d)	Compensation above $___.
☐	☐	☐	(e)	Amounts received as a bonus.
☐	☐	☐	(f)	Amounts received as commissions.
☐	☐	☐	(g)	Overtime payments.
☐	☐	☐	(h)	Amounts received for services performed for a non-signatory Related Employer. (See Section 2.02(c) of the BPD.)
☐	☐	☐	(i)	"Deemed §125 compensation" as defined in Section 1.101(d) of the BPD.

☐	☐	☐	(j) Amounts received after Severance from Employment. (See Section 1.101(b) of the BPD.)
☐	☐	☐	(k) Differential Pay (as defined in Section 1.101(e) of the BPD).
☐	☐	☐	(l) Leave of absence pay.
☐	☐	☐	(m) Describe adjustments to Plan Compensation: ______________________

[***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	
☑	☐	☑	(1) The Plan Year.
☐	☐	☐	(2) The calendar year ending in the Plan Year.
☐	☐	☐	(3) The Employer's fiscal tax year ending in the Plan Year.
☐	☐	☐	(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	
☐	☐	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: All employer contribution formulas are set forth in the applicable agreement between the employer and employee.

☐ (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 %
☐ (1) From ___ and up through ___	___%
☐ (2) From ___ and up through ___	___%
☐ (3) From ___ and up through ___	___%
☐ (4) From ___ and up through ___	___%
☐ (5) From ___ and up through ___	___%
☐ (6) From ___ and up through ___	___%
☐ (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:** All employer contribution allocation formulas are set forth in the applicable agreement between the employer and employee.

[***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: <u>All employer contributions to former employees is set forth in the applicable agreement between the employer and the employee.</u>

[***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: <u>All employer contributions for unaccrued sick leave, if any, are set forth in the applicable agreement between the employer and the employee.</u>

☑ (2) The Employer will make Employer Contributions of amounts of accrued unpaid vacation leave, as described below: <u>All employer contributions for unpaid vacation leave, if any, are set forth in the applicable agreement between the employer and the employee.</u>

☑ (3) The Employer will make Employer Contributions of amounts of accrued unpaid PTO leave, as described below: <u>All employer contributions for unaccrued PTO leave, if any, are set forth in the applicable agreement between the employer and the employee.</u>

[***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) ____ 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)):

☐ (A) Monthly ☐ (B) Weekly

☐ (C) Daily ☐ (D) Semi-monthly

☐ (E) Hours worked ☐ (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.*]

☐ (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) 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: Any allocation conditions for employer contributions are set forth in the applicable agreement between the employer and employee.

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 January 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 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) ____% 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 permissive 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: ____**

[***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 ____________. [*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 ___% 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:** ______________________________

[***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):

☐ (1) Any limit on the amount of Eligible Contributions does not apply to:

☐ (i) Discretionary match

☐ (ii) Fixed match

☐ (iii) Tiered match

☐ (iv) Year of Service match

☐ (v) Employee group match

☐ (2) Any limit on Matching Contributions does not apply to:

☐ (i) Discretionary match

☐ (ii) Fixed match

☐ (iii) Tiered match

☐ (iv) Year of Service match

☐ (v) Employee group match

☐ (d) **Special limits applicable to Matching Contributions:** ______________________________

[***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) _____ 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)):

    ☐ (A) Monthly ☐ (B) Weekly

    ☐ (C) Daily ☐ (D) Semi-monthly

    ☐ (E) Hours worked ☐ (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 62____ (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: ____

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	
☑	☐	(1) Full and immediate vesting
☐	☐	(2) 3-year cliff vesting schedule
☐	☐	(3) 5-year graded vesting schedule
☐	☐	(4) 6-year graded vesting schedule
☐	☐	(5) 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

____% 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

ER **Match**

☐ (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**

ER	Match	
☐	☐	(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.
☐	☐	(b) **Vesting Computation Period.** Instead of the Plan Year: ☐ (1) The Plan will use Anniversary Years for all Vesting Computation Periods. ☐ (2) Describe: ____ [***Note:*** *Any Vesting Computation Period described in (2) must be a 12-consecutive month period and must apply uniformly to all Participants.*]
☐	☐	(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.
☐	☐	(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: ☐ (1) All Employees. ☐ (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: ☐ (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. ☐ (9) **Describe:** ________________________________ [***Note:*** *Any description under (9) must be definitely determinable with respect to Hours of Service.*]
☐	☐	(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.) ☐ The Nonvested Participant Break in Service rule applies to all Employees, including Employees who have not had a Severance from Employment.
☐	☐	(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. ☐ The One-Year Break in Service rule applies to all Employees, including Employees who have not had a Severance from Employment.
☐	☐	(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		
☑	☐	(a)	N/A. All contributions are 100% vested. [*Do not complete the rest of this AA §8-6.*]
☐	☐	(b)	Reallocated as additional Employer Contributions or as additional Matching Contributions.
☐	☐	(c)	Used to reduce Employer Contributions and/or Matching Contributions.

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

☐	☐	(d)	for the Plan Year in which the forfeiture occurs.
☐	☐	(e)	within 12 months following the Plan Year in which the forfeiture occurs.
☐	☐	(f)	for the Plan Year in which the forfeiture occurs or the following 12 months.

Forfeitures used for Plan expenses:

☐	☐	(g)	Forfeitures will be used to pay Plan expenses prior to applying forfeitures under subsection (b) or (c).
☐	☐	(h)	Forfeitures will be used to pay Plan expenses if any forfeitures remain after applying forfeitures under subsection (b) or (c).
☐	☐	(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:

☐	☐	(j)	Forfeitures are not subject to any allocation conditions.
☐	☐	(k)	Forfeitures are subject to a last day of employment allocation condition.
☐	☐	(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:

☐	☐	(m)	Describe: ______________________________ [***Note:*** *Any language added under this subsection (m) must relate solely to the treatment of forfeitures.*]

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: No involuntary cash outs are permitted.

[***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: No involuntary cash outs are permitted.

[***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: ________

[***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

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	
☐	☐	☐	(a) No in-service distributions are permitted.
☑	☐	☐	(b) Attainment of age 59½.
☐	☐	☐	(c) Attainment of age ____. [*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.*]

Deferral	Match	ER	
☑	☐	☐	(d) A Hardship (that satisfies the safe harbor rules under Section 8.08(e)(1) of the BPD). [***Note:*** *Not applicable to amounts attributable to Matching Contributions and Employer Contributions held in a Custodial Account.*] 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.
☐	☐	☐	(e) A non-safe harbor Hardship described in Section 8.08(e)(2) of the BPD. [*Not applicable to amounts attributable to Matching Contributions and Employer Contributions held in a Custodial Account.*] (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. ☐ Participants are required to obtain all nontaxable loans available under the Plan and all other plans maintained by the Employer. ☐ (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: ________________________________
☐	☐	☐	(f) Attainment of Normal Retirement Age. [*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.*]
☐	☐	☐	(g) Attainment of Early Retirement Age. [*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.*]
☑	☐	☐	(h) Upon a Participant becoming Disabled. [*The definition of disability may be different depending on the contribution type, as elected in AA§2-8.*]
☑	**N/A**	**N/A**	(i) As a Qualified Reservist Distribution as defined under Section 8.08(d) of the BPD.
N/A	☐	☐	(j) Completion of ____ Years of Service or ____months of service. [*Not applicable with respect to amounts held in a Custodial Account.*]
☑	☐	☐	(k) A Qualified Birth or Adoption Distribution (QBAD). (See AA §10-3 for detailed elections relating to QBADs.)
☑	☐	☐	(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.
☐	☐	☐	(m) Upon attainment of age ____ and ____ years of participation. [*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.*]

Deferral	Match	ER		
N/A	☐	☐	(n)	The amounts being withdrawn have been held in the Plan for at least two years. [*Not applicable to amounts attributable to Matching Contributions and Employer Contributions held in a Custodial Account*.]
☐	☐	☑	(o)	Describe: All in service distributions for employer contributions follow the same rules as salary deferrals.

[***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		
☐	☐	(a)	No in-service distributions are permitted.
☐	☐	(b)	Attainment of age 59½.
☐	☐	(c)	Attainment of age ____.
☐	☐	(d)	A Hardship (that satisfies the safe harbor rules under Section 8.08(e)(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.
☐	☐	(e)	A non-safe harbor Hardship described in Section 8.08(e)(2) of the BPD. (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. ☐ Participants are required to obtain all nontaxable loans available under the Plan and all other plans maintained by the Employer. ☐ (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: ______________________________
☐	☐	(f)	Attainment of Normal Retirement Age.
☐	☐	(g)	Attainment of Early Retirement Age.
☐	☐	(h)	Upon a Participant becoming Disabled.
☐	☐	(i)	As a Qualified Reservist Distribution as defined under Section 8.08(d) of the BPD.
☐	☐	(j)	Completion of ____ Years of Service or ____ months of service.
☐	☐	(k)	A Qualified Birth or Adoption Distribution (QBAD). (See AA §10-3 for detailed elections relating to QBADs.)

Rollover	After-Tax		
☐	☐	(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.
☐	☐	(m)	Upon attainment of age ____ and ____ years of participation. [*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.*]
N/A	☐	(n)	The amounts being withdrawn have been held in the Plan for at least two years. [*Not applicable to amounts attributable to Matching Contributions and Employer Contributions held in a Custodial Account.*]
☐	☐	(o)	Describe: ____ [***Note****: Any event described in subsection (o) may not violate the permissible distribution events under the Plan.*]

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 $____.

☐ (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:** ____________________________________

[***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 $50,000____ (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 2____ 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 nondiscriminatory 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, 2026

[*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: Lehighton Area School District 403(b) Plan

(3) The original effective date of the plan(s) being restated: January 1, 2009

☐ (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): U.S. Omni & TSACG Compliance Services, Inc.

Address: 220 Alexander Street, Suite 400, Rochester, New York 14607

Telephone number: 850-244-7306

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.

Lehighton Area School District
(Name of Employer)

____
(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 December 15, 2025.

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.

☑ Administrative functions are specified in a separate service agreement.

ADDENDUM B
VENDORS OF INVESTMENT ARRANGEMENTS

This Addendum B lists the Vendors of Investment Arrangements approved for use under the Plan, effective January 1, 2026.

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
Ameriprise Financial	annuity contract and/or custodial account	Active
Equitable	annuity contract and/or custodial account	Active
Invesco OppenheimerFunds	annuity contract and/or custodial account	Active
Kades-Margolis Corp.	annuity contract and/or custodial account	Active
Lincoln Investment Planning, LLC (Pershing custodian)	annuity contract and/or custodial account	Active
Metropolitan Life Insurance Company	annuity contract and/or custodial account	Active
New York Life Insurance & Annuity Corp.	annuity contract and/or custodial account	Active
PFS Investments (Primerica)	annuity contract and/or custodial account	Active
Safeco Insurance of America	annuity contract and/or custodial account	Active
The Legend Group (Pershing custodian)	annuity contract and/or custodial account	Active
Thrivent Financial	annuity contract and/or custodial account	Active

SECURE 2.0 ACT INTERIM AMENDMENT
ELECTIVE PROVISIONS

These Elective Provisions provide for elections related to the SECURE 2.0 Act Interim Amendment. **All provisions and elections made below are your document Provider's defaults.** Application of the SECURE 2.0 Act Interim Amendment and the Elective Provisions may depend on the Investment Arrangement(s) associated with the Plan.

ELECTIVE PROVISIONS RELATING TO EMPLOYER CONTRIBUTIONS

S2-1. OPTIONAL TREATMENT OF EMPLOYER CONTRIBUTIONS AS DESIGNATED ROTH NONELECTIVE CONTRIBUTIONS. (S2IA §3.01)

☐ (a) A Participant may not elect to treat a nonforfeitable Employer Contribution made on behalf of such Participant as a Designated Roth Nonelective Contribution.

☐ (b) Effective __ (insert date on or after December 30, 2022), a Participant MAY elect to treat a nonforfeitable Employer Contribution made on behalf of such Participant as a Designated Roth Nonelective Contribution.

☑ (c) Describe special any special rules relating to the optional treatment of nonforfeitable Employer Contributions as a Designated Roth Nonelective Contribution: Special rules relating to the optional treatment of nonforfeitable Employer Contributions as a Designated Roth Nonelective Contribution are set forth in the applicable agreement between the employer and the employee and/or in an employer administrative/board policy.

ELECTIVE PROVISIONS RELATING TO SALARY DEFERRALS

S2-2. MANDATORY AUTOMATIC ENROLLMENT. (S2IA §4.01)

[***Note:*** *The mandatory automatic enrollment requirements do not apply to the Pre-Approved Retirement Income Account (RIA) 403(b) Plan (#09-001), the Church 403(b) Plan (#11-001) or the Public School/Dual Status 403(b) Plan (#12-001). The mandatory automatic enrollment requirements also do not apply to the Pre-Approved 403(b) Plan for 501(c)(3) Organizations and Electing Churches (#08-001) or the Salary Reduction Only 403(b) Plan (#10-001), if such Plan is exempted from the requirements under Code §414A, including a Plan maintained by an Employer that normally employs 10 or fewer Employees, a Plan maintained by an Employer that has been in existence for less than 3 years, or a Plan established before December 29, 2022. (See S2IA §4.01(e).)*]

☐ (a) **The Plan is exempt from the mandatory automatic enrollment requirements. [Note:** Designation under this S2-2(a) as to whether and why the Plan is exempt from the automatic enrollment requirements is optional. The exemption may be determined administratively.]

The Plan is exempt from the mandatory automatic enrollment requirements because:

☐ (1) The Plan was established before December 29, 2022.

☐ (2) The Plan is maintained by an Employer that normally employs 10 or fewer Employees.

☐ (3) The Plan is maintained by an Employer that has been in existence for less than 3 years.

☐ (4) The Plan is a governmental plan (within the meaning of Code §414(d).

☐ (5) The Plan is a church plan (within the meaning of Code §414(e).

[***Note****: If the Plan is exempt from the mandatory automatic enrollment requirements, do not complete the elective provisions under (b) – (f) below. Additionally, an Employer is not required to complete the following elective provisions if the elections in the Adoption Agreement already satisfy the mandatory automatic enrollment requirements.*]

The following elections apply for the first Plan Year beginning after December 31, 2024 or, if later, the date the Plan is initially effective, unless the Employer designates a special effective date under subsection (f) below.

☐ (b) **Eligible Automatic Contribution Arrangement deferral percentage and automatic increase.**

☐ (1) **Initial automatic (default) Salary Deferral percentage. ____**% of Plan Compensation (percentage must be between 3% and 10%)

☐ (2) **Automatic (default) Salary Deferral percentage increase.** For each Plan Year beginning after an Employee's initial period under the arrangement, the percentage of the default Salary Deferral is increased by 1 percentage point until the percentage is ____% of Plan Compensation (must be at least 10%, but may not exceed 15%)

☐ (3) **Special application of automatic increase provisions.** The Employer may describe under this subsection (3) special rules applicable to automatic increase provisions: ____

[***Note:*** *Special rules must satisfy all applicable statutory and regulatory requirements.*]

☐ (c) **Application of automatic (default) Salary Deferral provisions.** The automatic (default) Salary Deferral election under subsection (b) will apply to Participants who enter the Plan after the automatic (default) Salary Deferral provisions are effective and to current Participants eligible to participate in the Plan at the time the automatic (default) Salary Deferral provisions are effective as set forth below.

☐ (1) **Current Participants.** The automatic (default) Salary Deferral provisions apply to all other eligible Participants as follows:

☐ (i) Automatic (default) Salary Deferral provisions apply to current Participants who have not entered into an affirmative Salary Deferral election. ***(Under this election, the automatic (default) Salary Deferral provisions do not apply to current Participants who have made an affirmative Salary Deferral election to not defer into the Plan).***

☐ (ii) Automatic (default) Salary Deferral provisions apply to current Participants who have not entered into a Salary Deferral election and to current Participants who have made an affirmative Salary Deferral election not to defer under the Plan.

☐ (iii) Automatic (default) Salary Deferral provisions apply to all current Participants who have not entered into a Salary Deferral election that is at least equal to the automatic (default) Salary Deferral amount under subsection (b)(1). Current Participants who have made a Salary Deferral election that is less than the automatic (default) Salary Deferral amount, or who have not made a Salary Deferral election, will automatically be increased to the automatic (default) Salary Deferral amount unless the Participant enters into a new Salary Deferral election on or before the effective date of the automatic (default) Salary Deferral provisions.

☐ (iv) Describe: ____

☐ (2) **Expiration of affirmative deferral elections.** Unless this subsection (2) is elected, for purposes of the automatic (default) Salary Deferral provisions of the Plan, a Participant's affirmative Salary Deferral election will not expire. If this subsection (2) is elected, a Participant's affirmative Salary Deferral election will expire:

☐ (i) At the end of each Plan Year.

☐ (ii) Describe date that the affirmative Salary Deferral election will expire: ________________________

Expiration applies to the following:

☐ (iii) All affirmative Salary Deferral elections.

☐ (iv) Only to affirmative Salary Deferral elections that are less than the current automatic (default) Salary Deferral rate.

If a Participant fails to complete a new affirmative Salary Deferral election subsequent to the prior election expiring, the Participant becomes subject to the automatic (default) Salary Deferral percentage as specified in the Plan pursuant to the automatic (default) Salary Deferral provisions. Each year, the Participant may always complete a new affirmative Salary Deferral election and designate a new Salary Deferral percentage.

(3) **Treatment of automatic (default) Salary Deferral.** Any Salary Deferrals made pursuant to an automatic (default) Salary Deferral election will be treated as Pre-Tax Deferrals, unless designated otherwise under this subsection (3).

☐ Any Salary Deferrals made pursuant to an automatic (default) Salary Deferral election will be treated as Roth Deferrals.

[***Note:*** *This subsection (3) may only be checked if Roth Deferrals are permitted under the Plan.*]

(d) **Permissive redetermination of periods without automatic (default) Salary Deferrals.** The uniform automatic (default) Salary Deferral percentages under (b) above are based on the date the Employee's initial period begins. However, if, after the Employee's initial period began, the Employee did not have automatic (default) Salary Deferral made for an entire Plan Year, then an Employee's initial period is redetermined as follows or under separate administrative procedures: (If no elections are made below or under separate administrative procedures, the initial period is not redetermined.)

☐ (1) **Redetermination for Employee who became ineligible.** If, for an entire Plan Year, no automatic (default) Salary Deferral were made solely because the Employee was not eligible to make Salary Deferrals under the Plan for that Plan Year, then the Employee's initial period is redetermined so that it begins on the date the Employee is again eligible to make Salary Deferrals under the Plan.

☐ (2) **Redetermination for Employee who remained eligible and made an affirmative Salary Deferral election.** If, for an entire Plan Year, no automatic (default) Salary Deferral were made to the Plan solely because the Employee made an affirmative Salary Deferral election in a different amount (including an election not to make Salary Deferrals), then the Employee's initial period is redetermined so that it begins:

☐ (i) On the first day of the Plan Year that begins after the first full Plan Year in which the affirmative election was in effect.

☐ (ii) Describe date for which an Employee's initial period is redetermined (may not be earlier than the first day of the Plan Year beginning after the last day of the Plan Year that follows the Plan Year that includes the date the initial period began): ____

(e) **Permissible withdrawals.**

(1) **Time period for electing a permissible withdrawal.** A Participant who had an automatic (default) Salary Deferral made under the Plan must be allowed to withdraw such contributions (and earnings attributable thereto). Unless otherwise elected below, a Participant must request a permissible withdrawal no later than 90 days after the date of the Participant's first automatic (default) Salary Deferral under the EACA.

☐ 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 automatic (default) Salary Deferral are withheld would otherwise have been included in gross income.

(2) **Employee with no automatic (default) Salary Deferral for a full Plan Year.** Unless elected otherwise below, an Employee who would otherwise be subject to the automatic (default) Salary Deferral requirements but who for an entire Plan Year did not have automatic (default) Salary Deferral made under the Plan (e.g., a Participant who terminated employment) may elect a permissible withdrawal within the applicable time period if automatic (default) Salary Deferral begin at a later time (e.g., the Employee is rehired).

☐ The ability to take permissible withdrawals does not apply to an Employee who would otherwise be subject to the automatic (default) Salary Deferral requirements but who for an entire Plan Year did not have automatic (default) Salary Deferral made under the Plan.

☐ (f) Describe special rules, including effective date rules, applicable to the mandatory automatic enrollment under the Plan: _

S2-3. AGE 50 CATCH-UP CONTRIBUTIONS. (S2IA §4.02) [If the Employer has elected to not permit Age 50 Catch-Up Contributions under the Adoption Agreement, no elections are necessary under this §S2-3. Note that the Plan default is that the Plan permits Age 50 Catch-Up Contributions.]

(a) **Age 50 Catch-Up Contribution elections.** Unless otherwise elected under this §S2-3(a), a Plan that permits Age 50 Catch-Up Contributions added the higher Age 50 Catch-Up Contribution Limit for Participants who have attained ages 60 - 63, effective for taxable years beginning on January 1, 2025.

☐ (1) The higher Age 50 Catch-Up Contribution Limit for Participants who have attained ages 60 - 63 is not permitted under the Plan.

☐ (2) The higher Age 50 Catch-Up Contribution Limit for Participants who have attained ages 60 – 63 was added to the Plan effective ____ [insert date after January 1, 2025].

☐ (3) The higher Age 50 Catch-Up Contributions for Participants who have attained ages 60 - 63 were permitted for taxable years beginning on or after January 1, 2025, but are no longer permitted under the Plan, effective ____ [insert date].

☐ (4) Collectively Bargained Employees who are eligible to make Salary Deferrals under the Plan are not eligible for the higher Age 50 Catch-Up Contribution Limit for Participants who have attained ages 60 - 63.

(b) **Age 50 Catch-Up Contributions that are eligible for Matching Contributions.** Unless elected otherwise under this §S2-3(b), a Plan that includes an election to make Age 50 Catch-Up Contributions that are eligible for Matching Contributions (see AA §6B-3) will provide such Matching Contributions on all Age 50 Catch-Up Contributions (including higher Age 50 Catch-Up Contributions) that are permitted under the Plan.

☐ (1) Only regular Age 50 Catch-Up Contributions are eligible for Matching Contributions. Higher Age 50 Catch-Up Contributions for Participants who have attained ages 60 - 63 are not eligible for Matching Contributions.

☐ (2) Only regular Age 50 Catch-Up Contributions are eligible for Matching Contributions. Matching Contributions on higher Age 50 Catch-Up Contributions for Participants who have attained ages 60 - 63 are no longer made to the Plan, effective ____ [insert date after January 1, 2025].

☐ (3) Describe any special rules or provisions, including effective dates, relating to Age 50 Catch-Up Contributions and their eligibility for Matching Contributions: ____

[***Note:*** *If no elections are made above, the Plan will treat higher Age 50 Catch-Up Contributions in the same manner as Age 50 Catch-Up Contributions as designated under AA §6B-3*.]

(c) **Elections relating to Roth Deferrals and Age 50 Catch-Up Contributions.**

☐ (1) Age 50 Catch-Up Contributions are removed from the Plan effective _____ [insert date on or after January 1, 2024].

☐ (2) Roth Deferrals are added to the Plan effective ____ [enter a date on or after January 1, 2024].

[***Note:*** *In lieu of making elections under this subsection (c), the Employer may make appropriate elections (i.e., to remove Age 50 Catch-Up Contributions or to add Roth Deferrals) under the Adoption Agreement. If Roth Deferrals are added under (2) above, the Plan defaults for Roth Deferrals will apply unless otherwise described under subsection (f) below*.]

☐ (3) Highly Paid Individuals (i.e., any eligible Participant whose wages (as defined in Code §3121(a)) for the preceding calendar year from the employer sponsoring the Plan exceeded $150,000 (as adjusted) are not eligible to make Age 50 Catch-Up Contributions under the Plan.

☐ (4) Highly Compensated Employees and Highly Paid Individuals (i.e., any eligible Participant whose wages (as defined in Code §3121(a)) for the preceding calendar year from the employer sponsoring the Plan exceeded $150,000 (as adjusted) are not eligible to make Age 50 Catch-Up Contributions under the Plan.

☐ (5) Highly Compensated Employees with net earnings from self-employment for the preceding calendar year that exceeded $150,000 (as adjusted) and Highly Paid Individuals (i.e., any eligible Participant whose wages (as defined in Code §3121(a)) for the preceding calendar year from the employer sponsoring the Plan exceeded $150,000 (as adjusted) are not eligible to make Age 50 Catch-Up Contributions under the Plan.

(d) **Deemed Roth Age 50 Catch-Up Contribution election.** Unless elected otherwise below, the Plan deems a Participant who is subject to the Roth Age 50 Catch-Up Contribution requirement to have irrevocably designated any Age 50 Catch-Up Contributions as a Roth Deferral.

☐ (1) The Plan does not provide for a deemed Roth Catch-Up Contribution election, unless the Plan Administrator notifies the Participant of such a deemed Roth Catch-Up Contribution election before the Participant makes a Salary Deferral election. (See SECURE 2.0 Act IA §4.02(d).)

☐ (2) The Plan does not provide for a deemed Roth Catch-Up Contribution election. The Participant must make an election to treat Catch-Up Contributions as Roth Catch-Up Contributions. (See SECURE 2.0 Act IA §4.02(d).)

☐ (e) **Aggregation of employers for determining the "employer sponsoring the Plan" for purposes of Code §414(v)(7).** For purposes of Code §414(v)(7) and determining wages from the "employer sponsoring the Plan," the following employers are aggregated, as allowed under Treas. Reg. §1.414(v)-2(b)(4) (e.g., employers using a common paymaster or part of a Related Employer group): ____

[***Note:*** *In lieu of listing aggregated employers above, the Employer may describe such aggregated employers in a separate written administrative procedure*.]

☐ (f) Describe other special rules or provisions, including effective date rules, relating to Age 50 Catch-Up Contributions: ___

S2-4. LTPT EMPLOYEES. (S2IA §4.03) Effective for Plan Years beginning on or after January 1, 2025, the Plan must permit LTPT Employees to make Salary Deferrals into the Plan, as required under Code §§403(b)(12). The Employer may make elections under this Elective Provisions §S2-4 consistent with the requirements of Code §§403(b)(12) and S2IA §4.03. Elections under this Elective Provisions §S2-4 are not necessary if no Employees will ever be eligible to make Salary Deferrals solely because of the LTPT Employee requirements or if the Plan is not subject to Title I of ERISA.

[***Note:*** *Because the LTPT Employee requirements do not apply to plans not subject to Title I of ERISA, these requirements do not apply to the Pre-Approved Retirement Income Account (RIA) 403(b) Plan (#09-001), the Salary Reduction Only Plan (#10-001), the Church 403(b) Plan (#11-001) or the Public School/Dual Status 403(b) Plan (#12-001).*]

☐ (a) **Eligibility for Employer Contributions and Matching Contributions.** Unless elected otherwise below, LTPT Employees are not eligible for Employer Contributions or Matching Contributions under the Plan.

In addition to the ability to make Salary Deferrals, LTPT Employee may receive the following in the same manner and under the same conditions as other Eligible Employees under the Plan: [Note: The elections below are effective for Plan Years beginning on or after January 1, 2025 or such later date as designated.]

☐ (1) All available Employer Contributions and Matching Contributions, effective ____.

☐ (2) Employer Contributions (including Qualified Nonelective Employer Contributions), effective ____.

☐ (3) Matching Contributions (including Qualified Matching Contributions), effective ____.

☐ (4) Safe Harbor 403(b) Plan Contributions, effective ____.

☐ (5) Describe: ____________________

☐ (b) **Eligibility Computation Period (ECP).** Unless elected otherwise below, the ECP rules under the Plan apply to LTPT Employees.

☐ (1) The ECP for an LTPT Employee is based on Anniversary Years and will not switch to the Plan Year.

☐ (2) Describe ECP rules applicable to LTPT Employees: ____________________
[***Note:*** *Any description under this (2) must be consistent with requirements for ECPs under the Plan*.]

☐ (c) **Entry Date.** Unless elected otherwise below, the Entry Date rules under the Plan apply to LTPT Employees.

☐ (1) The Entry Date for LTPT Employees will be the first day of the 1st and 7th month of the Plan Year.

☐ (2) Describe the Entry Date rules applicable to LTPT Employees: ____________________
[***Note****: Any description under this (2) must be consistent with requirements for Entry Dates under the Plan*.]

(d) **Collectively Bargained Employees and non-resident aliens.** If Collectively Bargained Employees and/or non-resident aliens who receive no compensation from the Employer that constitutes U.S. source income are otherwise eligible for the Plan, the Employer may elect to exclude such Employees from the LTPT Employee rules below:

☐ (1) Collectively Bargained Employees are excluded from eligibility as LTPT Employees.

☐ (2) Non-resident aliens who receive no compensation from the Employer that constitutes U.S. source income are excluded from eligibility as LTPT Employees.

(e) **Roth Deferrals.** LTPT Employees may make Roth Deferrals if Roth Deferrals are permitted under the Plan, unless the Employer elects otherwise below:

☐ LTPT Employees are not permitted to make Roth Deferrals under the Plan.

(f) **After-Tax Employee Contributions.** LTPT Employees may make After-Tax Employee Contributions if After-Tax Employee Contributions are permitted under the Plan, unless the Employer elects otherwise below:

☐ LTPT Employees are not permitted to make After-Tax Employee Contributions under the Plan.

(g) **Rollover Contributions.** LTPT Employees may make Rollover Contributions if Rollover Contributions are permitted under the Plan, unless the Employer elects otherwise below:

☐ LTPT Employees are not permitted to make Rollover Contributions under the Plan.

(h) **Automatic Contribution Arrangements.** LTPT Employees are subject to the Plan's Automatic Contribution Arrangement provisions (including automatic escalation), unless the Employer elects otherwise below:

☐ (1) LTPT Employees are not subject to the Automatic Contribution Arrangement provisions of the Plan.

☐ (2) LTPT Employees are subject to the Plan's Automatic Contribution Arrangement provisions (**excluding automatic escalation**).

[***Note:*** *If the Plan is subject to the mandatory automatic enrollment rules under S2IA §4.01, LTPT Employees must be automatically enrolled in the Plan and the above elections do not apply*.]

(i) **Vesting Computation Periods (VCPs).** LTPT Employee will not receive vesting credit for VCPs beginning before January 1, 2023, unless the Employer elects otherwise below:

☐ (1) All VCPs beginning before January 1, 2023 will be taken into account for determining vesting credit for LTPT Employees.

☐ (2) Describe the VCPs beginning before January 1, 2023 that will be taken into account for determining vesting credit for LTPT Employees: ______________________________

(j) **Nondiscrimination and coverage election.** If the Plan is not a Safe Harbor 403(b) Plan, the Employer may administratively elect on an annual basis to exclude LTPT Employee from all nondiscrimination and coverage tests.

If the Plan is a Safe Harbor 403(b) Plan, the Employer excludes LTPT Employees from all nondiscrimination and coverage tests, unless elected otherwise below:

☐ The Plan is a Safe Harbor 403(b) Plan and the Employer elects to INCLUDE LTPT Employees in all nondiscrimination and coverage tests. (The Employer must make this nondiscrimination and coverage election before the Plan Year for which the election applies.)

(k) **Automatic Increase for Participants with Affirmative Salary Deferral election.** LTPT Employees are subject to the Plan's provisions relating to automatic increase for Participants with affirmative Salary Deferral Election under AA §6A-6.

☐ LTPT Employees are not subject to the Plan's provisions relating to automatic increase for Participants with affirmative Salary Deferral Election under AA §6A-6.

☐ (l) **Describe other rules applicable to LTPT Employees.** ______________________________

[***Note****: Any rules under this (l) must be consistent with requirements for the participation of LTPT Employees as set forth under S2IA §4.03.*]

S2-5. STARTER 403(b) PLANS FOR EMPLOYERS WITH NO RETIREMENT PLAN. (S2IA §4.05)

[*Note: The Starter 403(b) Plan provisions do not apply to Pre-Approved Public School/Dual Purpose 403(b) Plan (#12-001).]*

☐ **Establishment of Starter 403(b) Plan.** The Employer establishes a Starter 403(b) Plan, as of the effective date indicated on the Employer Signature Page of the Adoption Agreement. The effective date may be no earlier than December 31, 2023.

An Employer adopting a Starter 403(b) Plan should complete the Adoption Agreement consistent with the requirements applicable to a Starter 403(b) Plan, as described under S2IA §4.05. The Employer must designate an automatic (default) deferral percentage of at least 3% and not more than 15%, a minimum service requirement of not more than one Year of Service, a minimum age requirement of not more than age 21, and an Entry Date.

S2-6. PENSION-LINKED EMERGENCY SAVINGS ACCOUNT (PLESA). (S2IA §4.06)

(a) **Establishment of a PLESA.** Unless otherwise elected below, the Plan does not include PLESAs.

☐ Effective for Plan Years beginning on or after ____ [enter a date no earlier than January 1, 2024], the Employer establishes, as part of the Plan, a PLESA for the benefit of eligible Participants, as provided under Code §402A(e) and ERISA §§801 – 804.

(b) **Elections relating to PLESAs.** If PLESAs are established under the Plan, the Employer may make the following elections:

☐ (1) Instead of $2,500 the Plan limits the portion of a Participant's Account attributable to PLESA contributions to $____ [insert amount less than $2,500]

☐ (2) Instead of requiring an affirmative election by a Participant to contribute to the PLESA, the Plan will automatically enroll eligible Participants at a rate of ____% [must be 3% or less]

ELECTIVE PROVISIONS RELATING TO MATCHING CONTRIBUTIONS

S2-7. OPTIONAL TREATMENT OF MATCHING CONTRIBUTIONS AS DESIGNATED ROTH MATCHING CONTRIBUTIONS. (S2IA §5.01)

☐ (a) A Participant may not elect to treat a nonforfeitable Matching Contribution made on behalf of such Participant as a Designated Roth Matching Contribution.

☐ (b) Effective ____ [*insert date on or after December 30, 2022*], a Participant MAY elect to treat a nonforfeitable Matching Contribution made on behalf of such Participant as a Designated Roth Matching Contribution.

☑ (c) Describe any special rules relating to the optional treatment of nonforfeitable Matching Contributions as a Designated Roth Matching Contribution: Special rules relating to the optional treatment of nonforfeitable Matching Contributions as a Designated Roth Matching Contribution are set forth in the applicable agreement between the employer and the employee and/or in an employer administrative/board policy.

S2-8. TREATMENT OF QUALIFIED STUDENT LOAN PAYMENTS (QSLPs) AS SALARY DEFERRALS FOR PURPOSES OF MATCHING CONTRIBUTIONS. (S2IA §5.02)

☐ (a) The Plan does not treat QSLPs as Salary Deferrals (or After-Tax Employee Contributions, if applicable) for purposes of Matching Contributions.

☐ (b) Effective for Plan Years beginning on or after ____ [*enter a date no earlier than January 1, 2024*], the Plan will treat QSLPs as Salary Deferrals (or After-Tax Employee Contributions, if applicable) for purposes of Matching Contributions, as provided for under §110 of the SECURE 2.0 Act.

☑ (c) Describe any special rules relating to the treatment of QSLPs as Salary Deferrals (or After-Tax Employee Contributions, if applicable) for purposes of Matching Contributions: Special rules relating to the treatment of QSLPs as Salary Deferrals (or After-Tax Employee Contributions, if applicable) are set forth in the applicable agreement between the employer and the employee and/or in an employer administrative/board policy.

S2-9. FEDERAL SAVER'S MATCHING CONTRIBUTION. (S2IA §5.03)

☑ (a) Employer will not accept receipt of the federal saver's matching contribution.

☐ (b) The Employer elects to accept the receipt of the federal saver's matching contribution, effective ____ [*insert date on or after January 1, 2027*].

☐ (c) Describe special rules applicable to the federal saver's matching contribution: ________________________________

ELECTIVE PROVISIONS RELATING TO DISTRIBUTIONS

S2-10. AVAILABILITY OF INVOLUNTARY CASH-OUT DISTRIBUTIONS. (S2IA §6.01)

☑ (a) **No change to Involuntary Cash-Out Distribution related-provisions as elected under the Adoption Agreement and as applicable before January 1, 2024 (i.e., prior to the effective date of §304 of the SECURE 2.0 Act).**

☐ (b) **Involuntary Cash-Out Distributions.** Beginning January 1, 2024, or, if later, ____ [insert date after January 1, 2024], a Participant who has a Severance from Employment with a vested Account Balance of $7,000 or less will receive an Involuntary Cash-Out Distribution, subject to the Automatic Rollover provisions under the Plan.

☐ (c) **No Involuntary Cash-Out Distributions.** Beginning January 1, 2024, or, if later, ____ [insert date after January 1, 2024], 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.

☐ (d) **Lower Involuntary Cash-Out Distribution threshold.** Beginning January 1, 2024, or, if later, ____ [insert date after January 1, 2024], 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:

- ☐ (1) $1,000
- ☐ (2) $5,000
- ☐ (3) $____ (*must be less than $7,000*)

☐ (e) **Application to spousal consent requirements.** Beginning January 1, 2024, or, if later, ____ [insert date after January 1, 2024], if the Plan is subject to the Qualified Joint and Survivor Annuity rules and this subsection (e) is elected, the elections in subsections (a) - (d) do not apply in determining the dollar threshold for spousal consent under the Plan and instead the spousal consent threshold is $7,000 or such lower amount as selected below:

- ☐ (1) $1,000
- ☐ (2) $5,000
- ☐ (3) $____ (*must be less than $7,000*)

☐ (f) Describe any special rules relating to Involuntary Cash Out Distributions and/or spousal consent requirements: _______

S2-11. AVAILABILITY OF IN-SERVICE DISTRIBUTIONS. (S2IA §§6.02, 6.03, 6.04, 6.05, 6.07) 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 S2-11. If more than one option is selected for a particular contribution type under this S2-11, a Participant may take an in-service distribution upon the occurrence of any of the selected events, unless designated otherwise under this S2-11.

If the Plan allows for Rollover Contributions under AA §C-2 or After-Tax Employee Contributions under AA §6D, unless elected otherwise under this S2-11, a Participant may take an in-service distribution from such Participant's Rollover Account and After-Tax Employee Contribution Account at any time. If the Plan provides for Safe Harbor Contributions (SH) under AA §6C, unless elected otherwise under this S2-11, a Participant may take an in-service distribution from such Participant's Safe Harbor Contribution Account at the same time as elected for Salary Deferrals under S2-11. Unless otherwise described under S2-11(e), a Participant may take an in-service distribution from a Transfer Account as allowed for the underlying contribution source.

[***Note:*** *In-service distributions must satisfy the distribution restrictions applicable to Custodial Accounts and Salary Deferral Accounts.*]

All Available Sources	Deferral	Match	ER	R/O	AT	SH	
☐	☐	☐	☐	☐	☐	☐	(a) As an Emergency Personal Expense Distribution beginning January 1, 2024, or, if later, ____ [insert date after January 1, 2024].
☑	☐	☐	☐	☐	☐	☐	(b) As a Domestic Abuse Distribution beginning January 1, 2024, or, if later, ____ [insert date after January 1, 2024].
☑	☐	☐	☐	☐	☐	☐	(c) As a Qualified Long-Term Care Distribution beginning December 30, 2025, or, if later, ____ [insert date after December 30, 2025].
☑	☐	☐	☐	☐	☐	☐	(d) As a Terminally Ill Individual Distribution beginning December 30, 2022, or, if later, ____ [insert date after December 30, 2022]. [***Note:*** *Not available with respect to Salary Deferrals or amounts held under a Custodial Account unless legislation amends Code §72(t)(2)(L) to allow a Terminally Ill Individual Distribution as a permissible distribution event under Code §403(b).*]
☐	☐	☐	☐	☐	☐	☐	(e) Describe: ________________________________

[***Note:*** *Unless designated otherwise under subsection (e), any selection(s) in the Deferral column also apply to Roth Contributions, QMACs and QNECs. Elections under the ER column also apply to Mandatory Contributions, unless otherwise provided in subsection (e). Any event described in subsection (e) may not violate the permissible distribution events under the Plan.]*

☐ (f) **Special distribution rules for in-service distributions.**

☐ (1) The following are not available to Participants who have had a Severance from Employment:

☐ (i) Emergency Personal Expense Distributions

☐ (ii) Domestic Abuse Distributions

☐ (iii) Qualified Long-Term Care Distributions

☐ (iv) Terminally Ill Individual Distributions

☐ (2) The following are not available unless the Participant is 100% vested in the source from which the distribution is taken:

☐ (i) Emergency Personal Expense Distributions

☐ (ii) Domestic Abuse Distributions

☐ (iii) Qualified Long-Term Care Distributions

☐ (iv) Terminally Ill Individual Distributions

☐ (3) Unless otherwise elected below, Hardship distributions may include earnings on Pre-Tax Deferral Accounts and Roth Deferral Accounts, effective for Plan Years beginning on or after January 1, 2024.

☐ (i) Hardship distributions may NOT include earnings on Pre-Tax Deferral Accounts and Roth Deferral Accounts.

☐ (ii) Hardship distributions may include earnings on Pre-Tax Deferral Accounts and Roth Deferral, effective ____ [insert date after January 1, 2024].

☐ (4) Unless otherwise elected below, Hardship distributions may include QNEC, QMAC, Traditional Safe Harbor Contribution and QACA Safe Harbor Contribution Accounts (including earnings), effective for Plan Years beginning January 1, 2024.

☐ (i) Hardship distributions may NOT include the following Accounts (including earnings):

☐ (A) QNEC Account

☐ (B) QMAC Account

☐ (C) Traditional Safe Harbor Contribution Accounts

☐ (D) QACA Safe Harbor Contribution Accounts.

☐ (ii) Hardship distributions may include QNEC, QMAC, Traditional Safe Harbor and QACA Safe Harbor Accounts (including earnings), effective ____ [insert date after January 1, 2024].

☐ (5) Describe any special rules relating to Hardship distributions: ____

☐ (6) Other distribution rules: ____

S2-12. PEP FIDUCIARY FOR COLLECTING CONTRIBUTIONS TO THE PEP. (S2IA §8.01)

☐ Instead of the PPP, the fiduciary for collecting contributions to the PEP is: _____________________________________

S2-13. SPECIAL PROVISIONS.

If the Employer wishes to provide additional or clarifying provisions to this SECURE 2.0 Act Interim Amendment, the Employer may include such provisions below.

☐ Describe any special rules related to this SECURE 2.0 Act Interim Amendment: ________________________________

APPLICATION OF SECURE 2.0 ACT INTERIM AMENDMENT

Pursuant to Revenue Procedure 2023-37 and Section 14.01(a) of the Plan, this SECURE 2.0 Act Interim Amendment has been adopted by the Pre-Approved Plan Provider on behalf of all adopting Employers. This amendment applies to the signatory Employer and all Participating Employers under the Plan.

ACTION BY THE GOVERNING BOARD
RESTATEMENT OF 403(b) RETIREMENT PLAN

The undersigned, on behalf of the Governing Board, hereby certifies that at a meeting of the Governing Board of Lehighton Area School District ("Employer"), the following resolutions were approved:

WHEREAS, the Employer has maintained the Lehighton Area School District 403(b) Plan ("Plan") since January 1, 2009 for the benefit of eligible employees; and

WHEREAS, the Employer is restating the above-referenced Plan to comply with 2022 Cumulative List of Changes in Section 403(b) Requirements for 403(b) Pre-approved Plans and to continue to receive the tax benefits of an IRS pre-approved plan.

NOW, THEREFORE, BE IT RESOLVED that the Employer hereby adopts the Lehighton Area School District 403(b) Plan as a complete restatement of the prior Plan, to be effective on January 1, 2026;

RESOLVED FURTHER that the undersigned representative of the Employer is authorized to execute the restated Plan document and authorize the performance of any other actions necessary to implement the adoption of the Plan restatement. The Employer may designate any other authorized person to execute the restated Plan document and perform the necessary actions to adopt the restated Plan. The Employer will maintain a copy of the restated Plan, as approved by the Governing Board, along with a copy of the prior plan, in its files;

The undersigned hereby certifies that he/she is an Authorized Representative of the Employer and that the foregoing is a true record of a resolution duly adopted at a meeting of the Governing Board and that said meeting was held in accordance with state law and the Bylaws of the above-named Employer.

IN WITNESS WHEREOF, I have executed my name below as an Authorized Representative of the Employer.

____

Authorized Representative / Date