

## ADOPTION AGREEMENT FOR THE NON-STANDARDIZED DATAIR DEFINED BENEFIT PENSION PLAN

Note: Section references are to the Plan. All capitalized terms are defined in the Plan. All dates are entered in the MM/DD or MM/DD/YYYY format, as applicable.

The DATAIR Employee Benefit Systems, Inc. Defined Benefit Pension Plan ("the Plan") is hereby adopted by:

\_\_\_\_\_

(the "Employer").

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

\_\_\_\_\_

- Multiple Employer Plan under Code sec. 413(c), the Plan Sponsor is
  - the Lead Sponsor of a Multiple Employer Plan that includes Participating Employers.
  - an adopting Affiliated Employer of a Multiple Employer Plan. The Lead Sponsor is \_\_\_\_\_.

*Note: Affiliated Employers as a participating employer, will need to sign this Adoption Agreement or a complete a separate Adoption Agreement, and the Multiple Employer Participation Agreement.*

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

The Plan Effective Date of the Plan is: \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY)

(May not be earlier than the first day of the Plan Year in which it is adopted, or for restatement of an existing plan, the first day of the current Plan Year.)

- a. The Plan is an amendment of a preexisting Plan which was originally effective: \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY)
- b. The Plan is an amendment and restatement of a preexisting Plan which was originally effective: \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY)
- c. Frozen Plan:

All benefit accruals under this Plan were frozen:

- c.1. Effective: \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY)
- c.2. For the Plan Year commencing: \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY)

Employees were no longer permitted to enter this Plan:

- c.3. Effective: \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY)
- c.4. For the Plan Year commencing: \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY)

No increased benefits on account of changes in Compensation:

- c.5. Effective: \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY)

c.6. For the Plan Year commencing: \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY)

Years of Credited Service excluded after:

c.7. Effective: \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY)

c.8. For the Plan Year commencing: \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY)

- d. This Plan is intended to meet the requirements as a Fully Insured ("Code section 412(e)") Plan, including the requirements for the safe harbor for insurance contract plans in Treasury Regulations section 1.401(a)(4)-3(b)(5). (See Article 2.7 of Base Plan Document for additional requirements and guidance.)

SAMPLE

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

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

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

1. Employer Address : \_\_\_\_\_
2. Employer Telephone : \_\_\_\_\_
3. Employer Tax ID : \_\_\_\_\_
4. Employer Fiscal Year : \_\_\_/\_\_\_ to \_\_\_/\_\_\_ (MM/DD)
5. Three Digit Plan Number : \_\_\_\_\_
6. Plan Year : \_\_\_/\_\_\_ to \_\_\_/\_\_\_ (MM/DD)  
(must be 12 consecutive months.)
7. Short Plan Year : \_\_\_/\_\_\_/\_\_\_ to \_\_\_/\_\_\_/\_\_\_ (MM/DD/YYYY)
8. Plan Agent : \_\_\_\_\_
9. Plan Administrator : \_\_\_\_\_
10. Plan Administrator ID Number : \_\_\_\_\_
11. IRS Determination Letter Date: \_\_\_/\_\_\_/\_\_\_ (MM/DD/YYYY)  
(leave blank for a new plan).
12. IRS File Folder Number: \_\_\_\_\_  
(leave blank for a new plan).
13. Legal Organization of Employer:
  - a. Sole Proprietorship
  - b. Partnership
  - c. C Corporation
  - d. S Corporation
  - e. Limited Liability Company (LLC)
  - f. Limited Liability Partnership (LLP)
  - g. Not for Profit Corporation
  - h. Professional Service Corporation
  - i. Other: \_\_\_\_\_  
(must be a legal entity recognized under federal income tax law)
14. Business Code : \_\_\_\_\_  
(Form 5500; 6 digit NAICS)
15. State of Legal Construction : \_\_\_\_\_
16. Date Business Commenced : \_\_\_/\_\_\_/\_\_\_ (MM/DD/YYYY)

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

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

- Controlled Group: (List participating members.)
- Affiliated Service Group: (List participating members.)

*Note: This list is optional and for informational purposes only. Controlled Group and Affiliated Service Group members who are also Participating Employers will sign this Adoption Agreement, a separate Adoption Agreement, or a Participating Employer Agreement.*

18. Trust Information:

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

- a. Plan Trustees:
- b. Trust ID Number: \_\_\_\_\_
- c. The Trust shall be known \_\_\_\_\_

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

- d.1. Not applicable (see attached Non-DATAIR Trust).
- d.2. Act by the Majority.
- d.3. The act of any \_\_\_\_ (insert number) of individuals acting in the capacity of the Trustee.

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

## A. Eligibility and Service Provisions

**A1. Eligible Employees** - All Employees, including Employees of certain related businesses and Leased Employees are eligible except for certain members of a collective bargaining unit and non-resident aliens with no U.S. source income, unless otherwise specified below. An Employer that is a member of a controlled group or affiliated service group must adopt this Plan for its Employees to be eligible to participate in this Plan. (Select all applicable. Selections other than a., d., and o. are not safe harbor and are subject to nondiscrimination testing.)

- a. All Employees are eligible except members of a collective bargaining unit and nonresident aliens with no U.S. source income (Plan provision).

In lieu of the Plan provision described in a., you may select the inclusions and exclusions below. For example, selecting only b. means that all Employees, including members of a collective bargaining unit, but excluding nonresident aliens with no U.S. income, will be eligible.

- b. Include members of collective bargaining unit.
- c. Include non-resident aliens with no U.S. source income.
- d. Exclude Employees acquired in a Code section 410(b)(6)(C) transaction.
- e. Exclude Leased Employees.
- f. Exclude Key Employees.
- g. Exclude all Highly Compensated Employees.
- h. Exclude Highly Compensated Employees who are Key Employees.
- i. Exclude Highly Compensated Employees who are not Key Employees.
- j. Exclude Self-Employed Individuals.
- k. Exclude Employees whose compensation is based solely on commissions.
- l. Exclude Employees who are paid on an hourly basis.
- m. Exclude Employees who have a stated salary and are not paid on an hourly basis.
- n. Exclude Employees who are not eligible for Employer-provided health and welfare benefits.
- o. Exclude Employees not covered by a collective bargaining agreement with the following unions:  
\_\_\_\_\_.
- p. Permit one-time election not to participate pursuant to Section 2.1.6.
- q. Exclude the following Employees: \_\_\_\_\_.  
*Note: This is not considered a modification to the pre-approved plan.*
- r. Other - Specify: \_\_\_\_\_.

*Note: The exclusions entered in o., q., and r. cannot discriminate in favor of Highly Compensated Employees. These provisions cannot result in the group of NHCEs participating under the Plan being only those NHCEs with the lowest amount of compensation and/or the shortest periods of Service and who may represent the minimum number of these Employees necessary to satisfy coverage under Code section 410(b). These provisions cannot indirectly impose an impermissible age or service condition that would fail to satisfy section 410(a) of the Code or Treas. Reg section 1.410(a)-3(e)(1).*

**A2. Highly Compensated Employee Determination** - Highly Compensated Employee means any Employee who: (1) was a 5-Percent Owner at any time during the year or the preceding year, or (2) for the preceding year had compensation from the Employer in excess of \$80,000 (as adjusted by the Secretary pursuant to Code section 415(d)), and, if the Employer so elects, was in the top-paid group for the preceding year. The top-paid group election and the calendar year data election must apply consistently to the determination years of all plans of the Employer. (May not select a. with any other options otherwise select all applicable.)

- a. Plan provision.
- b. Top-paid group election - Highly Compensated Employee determination limited to top twenty percent (20%) of Employees by pay.
- c. Calendar year data election - Method for determining greater than \$80,000 in compensation (as adjusted by the Secretary pursuant to Code section 415(d)), uses compensation paid during the calendar year beginning with or within the Look-Back Year (not available for calendar year plans).
  - d. The employee census for all plans will be based on:
    - d.1. The preceding Plan Year.
    - d.2. The calendar year beginning within the preceding Plan Year.
    - d.3. The twelve (12) month period ending \_\_\_/ \_\_\_. (MM/DD) (Select this option when using the Plan Year of another plan of the Employer.)

**A3. Computation Periods for Years of Service**

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

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

**Computation Periods for Vesting Service and Credited Service** - The computation period for a Year of Service shall be the 12-consecutive month period selected below:

- | <b>Vesting Service</b>   | <b>Credited Service</b>  |  |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | c. The Plan Year.  |
| <input type="checkbox"/> | <input type="checkbox"/> | d. The Employee's Eligibility Computation Period.                          |
| <input type="checkbox"/> | <input type="checkbox"/> | e. The twelve (12) month period ending on the employment anniversary date. |
| <input type="checkbox"/> | <input type="checkbox"/> | f. The calendar year ending with or within the Plan Year.                  |

**A4. Hour of Service** - Service is credited on the basis of actual hours for which the Employee is paid or entitled to payment. The Employer may elect to use the Elapsed Time Method to determine years of service. (Complete a. or b. for each purpose.)

Service for Eligibility Purposes	Vesting Service	Credited Service	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	a. Service is based on actual hours and following equivalency will be used when records of hours are not maintained: (Also select one of a.1. through a.4.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	a.1. Days Worked - An Employee will be credited with ten (10) Hours of Service if he is credited with at least one (1) Hour of Service during the day.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	a.2. Weeks Worked - An Employee will be credited with forty-five (45) Hours of Service if he is credited with at least one (1) Hour of Service during the week.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	a.3. Semi-monthly or Two-week (bi-weekly) Payroll Period - An Employee will be credited with ninety-five (95) Hours of Service if he is credited with at least one (1) Hour of Service during the payroll period.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	a.4. Months Worked - An Employee will be credited with one hundred ninety (190) Hours of Service if he is credited with at least one (1) Hour of Service during the month.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b. Service is determined under the Elapsed Time Method, and fractional years are measured using: (Also select one of b.1. through b.5. and one of b.6. though b.9.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.1. Exact dates in years.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.2. Exact dates in months.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.3. Calendar month granted if Employee credited with an Hour of Service.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.4. Nearest calendar months.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.5. Completed calendar months.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	and rounded to the nearest:
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.6. One-twelfth (1/12) of a year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.7. One-tenth (1/10) (.1) of a year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.8. One-hundredth (1/100) (.01) of a year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.9. One-thousandth (1/1000) (.001) of a year.

**A5. Years of Service**

*Note: For Eligibility and Vesting purposes, no more than one thousand (1,000) hours may be required, though a lesser number may be specified. For Credited Service, no more than two thousand (2,000) hours may be required for a Year of Credited Service, with proration required for one thousand (1,000) hours or more.*

**Years of Eligibility Service** - If service for eligibility purposes is based on Hours of Service, a Year of Eligibility Service is granted for each computation period during which at least one thousand (1,000) hours are credited, unless otherwise specified below. (Skip to Years of Vesting Service if Elapsed Time Method is selected for eligibility purposes. See Definition "Elapsed Time Method.")

- a. At least one thousand (1,000) hours credited during an Eligibility Computation Period (Plan provision).
- b. \_\_\_\_\_ Hours of Service (not to exceed one thousand (1,000)) credited during an Eligibility Computation Period.

**Years of Vesting Service** (Select one of c. through e., or f.)

Determined based on Hours of Service method using one of the following:

- c. At least one thousand (1,000) hours credited during a computation period for Vesting Service (Plan provision).
- d. \_\_\_\_\_ Hours of Service (not to exceed one thousand (1,000)) credited during a computation period for Vesting Service.
- e. \_\_\_\_\_ Hours of Service (not to exceed one thousand (1,000)), pro-rata year given if less than specified hours.
- f. Determined under the Elapsed Time Method using the following measure:
  - f.1. \_\_\_\_\_ months of service (not to exceed twelve (12) months).
  - f.2. \_\_\_\_\_ days of service (not to exceed three hundred sixty-five (365) days).

All Years of Vesting Service are taken into account UNLESS you exclude certain years. (Select either g. or any combination of h. through k.)

- g. Include all Years of Vesting Service.
- h. Exclude Years of Vesting Service prior to age eighteen (18).
- i. Exclude Years of Vesting Service prior to the original Effective Date of this Plan.
- j. Exclude Years of Vesting Service prior to the original Effective Date of predecessor plan (Only available if predecessor plan excluded such service). Original Effective Date of predecessor plan: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_.
- k. Exclude Years of Vesting Service for which Mandatory Employee Contributions were not made.

**Years of Credited Service**

(Complete l.-n. if Credited Service is based on Hours of Service. If the Benefit Formula selected in D3. uses compensation, must select l. If Credited Service is based on the Elapsed Time Method, leave blank and refer to the Definition "Elapsed Time Method.")

- l. \_\_\_\_\_ Hours of Service (not to exceed one thousand (1,000)).
- m. \_\_\_\_\_ Hours of Service, pro-rata year given if less than specified hours (not to exceed two thousand (2,000)).
- n. \_\_\_\_\_ Hours of Service, pro-rata year given if less than specified hours provided at least \_\_\_\_\_ hours are earned (first blank not to exceed two thousand (2,000), second blank not to exceed one thousand (1,000)).

*Note: See D7. for limits on Credited Service when calculating benefits.*



**A6. Service with Predecessor Employers/Prior Employers** - Service with Predecessor Employers is treated as service for the Employer, if the Employer maintains the plan of the Predecessor Employer. In all other cases, predecessor service is granted as specified below. Where applicable, identify the Predecessor Employer(s) and any document(s) that provide(s) for the crediting of service with such predecessor(s).

- a. No predecessor service is being granted.
- b. The Plan credits predecessor service as specified in this option b.

Service with the following entities shall be credited as service under this Plan:

\_\_\_\_\_

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

*Note: Descriptions entered for providing crediting predecessor service must include the requirements for meeting service under Code sections 410(a) and/or 411.*

The granting of predecessor service is due to:

- b.1. Adoption of predecessor's plan.
- b.2. Merger of predecessor's plan and this Plan.
- b.3. Spin-off of portion of predecessor's plan to form this Plan.
- b.4. Termination of predecessor's plan.
  - b.4.A. Assets and liabilities transferred to this Plan.
  - b.4.B. Assets of prior plan distributed. Service granted for those employed as of \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_. (MM/DD/YYYY)

Such service credit will be counted for: (Select all applicable.)

- b.5. Eligibility.
  - b.6. Vesting.
  - b.7. Benefits computations.
  - b.8. Attainment of Early or Normal Retirement Age.
- c. The Plan credits service with Prior Employers as specified in this option c.  
Service with the following Prior Employers shall be credited as service under this Plan:
- \_\_\_\_\_

Such service credit will be counted for (select all applicable):

- c.1. Eligibility.
- c.2. Vesting.
- c.3. Benefits computations.
- c.4. Attainment of Early or Normal Retirement Age.

*Note: Service with the Predecessor Employer or Prior Employer that exceeds the 5-year safe harbor amount may require a demonstration that the years of service with the Predecessor Employer or Prior Employer credited for eligibility, credited service, and vesting purposes does not result in discrimination in favor of the Highly Compensated Employees.*

**A7. Eligibility Requirements (Section 2.1.1)** - An Employee is eligible to participate in the Plan if he satisfies the following requirements during the Eligibility Computation Period. (Select all applicable. Selecting more than one option means that an Employee must meet all indicated requirements for eligibility, except for option e. "Employed on". Option e. overrides any other requirement.)

- a. No age or service required.
- b. Minimum age of \_\_\_\_ years. (Not to exceed twenty-one (21). Partial years may be used.)
- c. Service requirement. (If a service requirement applies, select one of c.1. through c.3.)
  - c.1. Minimum of \_\_\_\_ Year(s) of Eligibility Service, where a Year of Eligibility Service is selected under A5. (Not to exceed two (2) years. If two (2) years is selected, must select full and immediate vesting.)
  - c.2. Minimum of \_\_\_\_ months of Eligibility Service - use Elapsed Time Method. (Not to exceed twenty-four (24) months. If more than twelve (12) months is selected, must select full and immediate vesting. An Employee cannot be required to complete any specified number of Hours of Eligibility Service.)
  - c.3. Minimum of \_\_\_\_ months (not to exceed twelve (12)) of service in which the Employee is credited with \_\_\_\_ Hours of Eligibility Service in each month, but in no event will the Employee be required to complete more than one (1) Year of Eligibility Service as defined in Part 1, Article 2 of the Plan.
    - c.3.A. Months must be consecutive, but in no event will the Employee be required to complete more than one (1) Year of Eligibility Service as defined in Part 1, Article 2.
- d. In determining the applicable Entry Date, the service requirement described above is satisfied as soon as the hours or months requirements are met, not at the end of the Eligibility Computation Period.

*Note: Elections in e. below require testing under 1.401(a)(4)-4 Benefits, Rights, and Features.*

- e. Eligible Employees employed on \_\_\_\_/\_\_\_\_/\_\_\_\_ (MM/DD/YYYY) are eligible as indicated below. Select either or both of the following if Employees must also meet the eligibility requirements selected above:
  - e.1. Age requirement.
  - e.2. Service requirement. (If not selected, Employees that would otherwise never work one thousand (1,000) hours per year will enter the Plan.)

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

- e.3. The date specified: \_\_\_\_/\_\_\_\_/\_\_\_\_ (MM/DD/YYYY) (prior to next Plan Entry Date).
- e.4. The Effective Date of this document.
- e.5. The next Plan Entry Date.

**A8. Break in Service** - A Break in Service occurs if an Employee fails to complete more than five hundred (500) Hours of Eligibility Service during the applicable computation period unless a lesser number is specified.

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

Eligibility	Vesting	Credited Service	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	a. Plan provision. A Break in Service will occur if the Employee fails to complete more than five hundred (500) Hours of Eligibility Service.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b. A Break in Service will occur if the Employee fails to complete more than ___ (not to exceed five hundred (500)) Hours of Eligibility Service. Specify hours, not to exceed five hundred (500).
___	___	___	c. A Break in Service will occur after a one (1) year period of severance under the Elapsed Time Method, substituting one of the following in lieu of an Hours of Eligibility Service requirement:
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	c.1. Consecutive calendar days (not to exceed ninety-one (91)). Specify days, not to exceed ninety-one (91).
___	___	___	c.2. Consecutive calendar months (not to exceed three (3)). Specify months, not to exceed three (3).
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
___	___	___	

**A9. Entry Date (Section 2.1.2)** - An Employee who satisfies the eligibility requirements enters the Plan on the Entry Date. Then Entry Date is:

- a. Semiannual - First Entry Date: \_\_\_/\_\_\_ (MM/DD) or the date six (6) months later, coincident with or next following satisfaction of the eligibility requirements.
- b. Quarterly - First Entry Date: \_\_\_/\_\_\_ (MM/DD) and the same day of the month occurring in each successive three (3) month period, coincident with or next following satisfaction of the eligibility requirements.
- c. Monthly - The \_\_\_\_\_ day of each calendar month of the Plan Year, coincident with or next following satisfaction of the eligibility requirements.
- d. First day of next Plan Year coincident with or next following satisfaction of the eligibility requirements, but in no event later than \_\_\_ months (not to exceed six (6)) after satisfaction of the requirements.
- e. First day of the next Plan Year after satisfaction of the eligibility requirements, but in no event later than \_\_\_ months (not to exceed six (6)) after satisfaction of the requirements.
- f. First day of the \_\_\_\_\_ month (not to exceed six (6)) after satisfaction of the eligibility requirements, but in no event later than the first day of the next Plan Year.
- g. The \_\_\_\_\_ day of the Plan Year in which the eligibility requirements are satisfied. (If "last" is used, eligibility requirements, A7. above, cannot exceed six (6)) months of service and age twenty and one-half (20-1/2) or eighteen (18) months of service and age twenty and one-half (20-1/2) with immediate one hundred percent (100%) vesting.)
- h. First day of the Plan Year nearest to the date the eligibility requirements are satisfied.
- i. First day of the Plan Year coincident with or next following the date the eligibility requirements are satisfied, but in no event later than six (6) months after satisfying the eligibility requirements.

- j. First day of the Plan Year coincident with or next following the satisfaction of the eligibility requirements. (Eligibility requirements, A7. above, cannot exceed six (6) months of service and age twenty and one-half (20-1/2) or eighteen (18) months of service and age twenty and one-half (20-1/2) with immediate one hundred percent (100%) vesting.)
- k. Anniversary Date coincident with or next following the satisfaction of the eligibility requirements but in no event later than the first day of the next Plan Year or six (6) months after satisfying the eligibility requirements.
- l. Anniversary Date of the Plan Year in which the eligibility requirements are satisfied, but in no event later than six (6) months after satisfying the eligibility requirements.
- m. Date of satisfaction of the eligibility requirements.

SAMPLE

## B. Date Provisions

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

- a. Plan provision - Last day of the Plan Year.
- b. The first day of the Plan Year.
- c. \_\_\_/\_\_\_ (MM/DD) of each Plan Year.
- d. Other - Specify: \_\_\_\_\_ (Enter date such as "The last Saturday in December." Must be at least annually.)

**B2. Normal Retirement Age** - For each Participant, the Normal Retirement Age is: (Select one of a., b., or c. You may also select one or more of d. through l. If more than one option is selected, Normal Retirement Age is attained on the first date the requirements of any option are met and must not violate 411(a)(8). Also, complete m. if the definition of Normal Retirement Age changed on or after May 22, 2007.)

- a. Statutory: The later of age sixty-five (65) or the fifth (5th) anniversary of participation in the Plan. For this purpose only, participation is assumed to commence as of the first day of the first Plan Year in which the Employee became a Participant.

*Note: For options b. through l.: The age entered below must not be later than age sixty-five (65). The Normal Retirement Age cannot be earlier than the earliest retirement age that is reasonably representative of the typical retirement age for the industry in which the Plan Participants work. Age sixty-two (62) or older automatically meets this requirement. In no event may the Normal Retirement Age be earlier than fifty-five (55). Regardless of the age and service / participation requirements specified below, in no event shall Normal Retirement Age be later than the age at the later of age sixty-five (65) or the fifth (5th) anniversary of participation.*

*If an age of 55 or greater but less than 62 is used as the Normal Retirement Age, the Plan will have NO reliance from the opinion letter as to whether that age is reasonable for the Employer's industry.*

- b. Age \_\_\_\_ (not to exceed sixty-five (65) and cannot be less than fifty-five (55)).
- c. Age \_\_\_\_ and the \_\_\_\_ anniversary of the participation commencement date. For this purpose only, participation is assumed to commence as of the first day of the first Plan Year in which the Employee became a Participant.
- d. Age \_\_\_\_ and \_\_\_\_ Years of Eligibility Service.
- e. Age \_\_\_\_ and \_\_\_\_ Years of Participation.
- f. Sum of age and Years of Eligibility Service equals \_\_\_\_.
- g. Sum of age and Years of Participation equals \_\_\_\_.
- h. Age \_\_\_\_ and the sum of the age and Years of Eligibility Service equals \_\_\_\_.
- i. Age \_\_\_\_ and the sum of age and Years of Participation equals \_\_\_\_.
- j. Age \_\_\_\_ and the \_\_\_\_ anniversary of employment.
- k. Age \_\_\_\_ and the \_\_\_\_ anniversary of actual participation in the Plan.
- l. Other - Specify: \_\_\_\_\_, but in no event later than the later of age sixty-five (65) or the fifth (5th) anniversary of participation. (Cannot discriminate in favor of Highly Compensated Employees.)
- m. Normal Retirement Age was changed effective \_\_\_/\_\_\_/\_\_\_\_\_ (May 22, 2007 or later). Prior to this change, Normal Retirement Age was:
  - m.1. Age \_\_\_\_\_.
  - m.2. The later of age \_\_\_\_ or the \_\_\_\_ anniversary of actual participation.
  - m.3. Other - Specify: \_\_\_\_\_.

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

- a. The actual date Normal Retirement Age is attained.
- b. The first day of the month in which Normal Retirement Age is attained.
- c. The first day of the month nearest the date Normal Retirement Age is attained.
- d. The first day of the month coincident with or next following the date Normal Retirement Age is attained.
- e. Anniversary Date of the Plan Year in which Normal Retirement Age is attained, but in no event later than six (6) months following attainment of Normal Retirement Age.
- f. Anniversary Date nearest the date Normal Retirement Age is attained.
- g. Anniversary Date coincident with or next following the date Normal Retirement Age is attained, but in no event later than six (6) months following attainment of Normal Retirement Age.
- h. Anniversary Date coincident with or next preceding the date Normal Retirement Age is attained.
- i. The last day of the month in which Normal Retirement Age is attained.
- j. The last day of the month nearest the date Normal Retirement Age is attained.
- k. The last day of the month coincident with or next following the date Normal Retirement Age is attained.

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

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

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

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

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

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

**B7. Limitation Year** - The Limitation Year for purposes of the limitation imposed by Code section 415 is the Plan Year unless another period is specified below:

- a. Plan provision - Plan Year.
- b. Calendar year coinciding with or ending within the Plan Year.
- c. The 12-consecutive month period ending \_\_\_\_/\_\_\_\_. (MM/DD)
- d. Employer Fiscal Year ending with or within the Plan Year.
- e. The 12-consecutive month period ending \_\_\_\_\_  
(Specify. e.g. "the last Friday in February") with or within Plan Year.

### C. Compensation

**C1. Compensation (Definitions, Section 2.6.2(b), and 3.1.2(d))** - For purposes of the Plan, a Participant's Compensation is based on one of the Code section 415 definitions of Compensation, as selected below.

**Note: Use caution when selecting different definitions of Compensation for the various Plan purposes.**

- | Compensation for Accruals | Compensation for Code sections 415 and 416 purposes |  |
|---------------------------|---|--|
| <input type="checkbox"/>  | <input type="checkbox"/>                            | a. Wages, tips, and other compensation entered on Box 1 of Form W-2.   |
| <input type="checkbox"/>  | <input type="checkbox"/>                            | b. Code section 3401(a) compensation (compensation for FICA purposes).   |
| <input type="checkbox"/>  | <input type="checkbox"/>                            | c. Code section 415(c)(3) compensation.  |
| <input type="checkbox"/>  | <input type="checkbox"/>                            | d. Simplified Code section 415(c)(3) compensation, as defined in Treasury Regulation section 1.415(c)-2(d)(2). |

**Deferrals** - Specify the deferrals to be excluded from the definition used for Plan Compensation. All salary deferrals must be included or excluded to maintain a Code section 414(s) safe harbor definition of Compensation.

Indicate the **exclusions** from among the salary deferrals by selecting e., or any of f. through k. Leave blank to **include** all salary deferrals in Compensation. Any election but for e. will require section 414(s) nondiscrimination testing. (Any exclusions below from Compensation are for the purpose of Accruals only.)

- e. All of the deferrals listed in f. through k.
- f. 402(h)(1)(B) (SEP deferrals).
- g. 125 (Cafeteria Plan).
- h. 132(f)(4) (Transportation).
- i. 402(e)(3) (401(k) and 403(b) deferrals).
- j. 457(b) deferrals.
- k. 408(p) (Simple Retirement Account 402(k) deferrals).

**Deemed Code Section 125 Compensation** - The Plan may include Deemed Code Section 125 Compensation in the definition of Compensation. (Select l. or one of m. or n. for the basic definition of Compensation selected above. This selection does not affect the safe harbor status of the definition of Compensation.)

- l. Not applicable. No Cafeteria Plan or no Deemed Code Section 125 Compensation.

- | Compensation for Accruals        | Compensation for Code sections 415 and 416 purposes |  |
|----------------------------------|---|--|
| <input type="checkbox"/> Include | <input type="checkbox"/> Include                    | m. Include Deemed Code Section 125 Compensation. |
| <input type="checkbox"/> Exclude | <input type="checkbox"/> Exclude                    | n. Exclude Deemed Code Section 125 Compensation. |



**C2. Modifications to Compensation -**

**Exclusions** - Compensation for purposes of Accruals shall exclude the following: (No exclusions in this area, other than e., taxable employee benefits, are permitted for Code section 414(s) safe harbor Compensation.)

- a. Overtime.
- b. Commissions.
- c. Discretionary bonuses.
- d. Bonuses.
- e. Taxable employee benefits.
- f. In excess of \$\_\_\_\_\_.
- g. Other exclusion - specify: \_\_\_\_\_ . (Cannot discriminate in favor of Highly Compensated Employees.)

**Final Code section 415 regulations and HEART Act Compensation** - (Select "include" or "exclude" regarding the treatment as Compensation of amounts described below. These selections do not affect the safe harbor status of the definition of Compensation.)

**Compensation for Accruals**

**Compensation for Code sections 415 and 416 purposes**

- |                                  |                                  |   |
|----------------------------------|----------------------------------|---|
| <input type="checkbox"/> Include | <input type="checkbox"/> Include | h. Include amounts paid during the first few weeks of the next Limitation Year. |
| <input type="checkbox"/> Exclude | <input type="checkbox"/> Exclude | i. Exclude amounts paid during the first few weeks of the next Limitation Year. |

**Compensation for nonparticipating nonresident aliens** - For administrative convenience in determining Key and Highly Compensated Employees, the Employer may elect to exclude Compensation paid to nonresident aliens who are not Participants.

- j. Exclude Compensation paid to nonresident aliens who do not participate to the extent Compensation is excluded from gross income and not effectively connected with a U.S. trade or business.
- k. Include Compensation paid to nonresident aliens who do not participate, though Compensation is excluded from gross income and not effectively connected with a U.S. trade or business.

**Salary Continuation while on Military Leave**

*Note: Differential Wage Payments are salary continuation payments received while on active military duty for more than thirty (30) days. For Plan Years beginning on or after January 1, 2008, Differential Wage Payments are included in Compensation for Code sections 415 and 416 purposes.*

- l. Also include Differential Wage Payments in Compensation for Accruals.
- m. Exclude Differential Wage Payments in Compensation for Accruals.
- n. Include salary continuation payments for military service that do not meet the definition of Differential Wage Payments in Compensation for Code sections 415 and 416 purposes and for Plan purposes.
- o. Exclude salary continuation payments for military service that do not meet the definition of Differential Wage Payments.

**Salary Continuation for Disabled Participants** - (Select one of p. or q., to include, or select r. to exclude salary continuation payments to Disabled Participants as Compensation.)

- | <b>Compensation for Accruals</b> | <b>Compensation for Code sections 415 and 416 purposes</b> |  |
|----------------------------------|--|--|
| <input type="checkbox"/> Include | <input type="checkbox"/> Include                           | p. Include Compensation paid to any Participant who is permanently and totally Disabled. (Check this box only if salary continuation applies to all Participants who are permanently and totally Disabled for a fixed or determinable period.) |
| <input type="checkbox"/> Include | <input type="checkbox"/> Include                           | q. Include Compensation paid to any Participant who is not Highly Compensated and who is permanently and totally Disabled.   |
| <input type="checkbox"/> Exclude | <input type="checkbox"/> Exclude                           | r. Exclude Compensation paid to Participants who are permanently and totally Disabled.   |

**Post-Severance Compensation** - (Select to "include" or "exclude" certain items as Post-Severance Compensation. These selections do not affect the safe harbor status of the definition of Compensation.)

- s. Apply the Plan's rules regarding certain Post-Severance Compensation in Limitation Years beginning after \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY) (Select this option and specify a date before July 1, 2007, if the provisions of the Plan regarding the inclusion of certain Post-Severance Compensation in the definition of Compensation applied prior to July 1, 2007.)

- | <b>Compensation for Accruals</b> | <b>Compensation for Code sections 415 and 416 purposes</b> |  |
|----------------------------------|--|--|
| <input type="checkbox"/> Include | <input type="checkbox"/> Include                           | t. Include Post-Severance Compensation that is for unused sick, vacation or leave pay. |
| <input type="checkbox"/> Exclude | <input type="checkbox"/> Exclude                           | u. Exclude Post-Severance Compensation that is for unused sick, vacation or leave pay. |

Complete v. or w. only if Compensation for that Plan purpose is defined as Code section 415(c)(3) Compensation

- | <b>Compensation for Accruals</b> | <b>Compensation for Code sections 415 and 416 purposes</b> |  |
|----------------------------------|--|--|
| <input type="checkbox"/> Include | <input type="checkbox"/> Include                           | v. Include amounts received post-severance pursuant to an unfunded deferred compensation plan. |
| <input type="checkbox"/> Exclude | <input type="checkbox"/> Exclude                           | w. Exclude amounts received post-severance pursuant to an unfunded deferred compensation plan. |

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

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

**C4. Compensation Computation Period**

**Compensation  
for Accruals**

**Compensation for  
Code sections**

- |                          | <b><u>415</u></b>        | <b><u>416</u></b>        |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | N/A                      | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | N/A                      |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | N/A                      |
| <input type="checkbox"/> | <input type="checkbox"/> | N/A                      |

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

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

- a. From Entry Date as a Participant.
- b. For the twelve (12) month period ending in the initial year of participation.

**C6. Average Compensation** - (Select all applicable.)

- a. Average Annual Compensation.
- b. Average Monthly Compensation.

Is based upon the Compensation which yields the highest average received during:

- c. Plan provision - the three (3) consecutive Years of Eligibility Service while a Participant.
- d. Any \_\_\_ consecutive years (minimum of three (3)).
- e. \_\_\_ consecutive years (minimum of three (3)) of the last \_\_\_ years.
- f. The final \_\_\_ years (minimum of three (3)).
- g. All years (career average).
- h. Annual (current) Compensation (applies only to Accumulation Plans).

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

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

Exclude Compensation received: (Select all applicable.)

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

**C8. Compensation for Code Section 416** - A Participant's Highest Average Annual Compensation for Top-Heavy purposes shall be based on:

- a. Highest consecutive \_\_\_ (not to exceed five (5)) years.
- b. Average of Top-Heavy years only.
- c. Compensation for all years with the Employer.

## D. Normal Retirement Benefits

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

- a. Life annuity.
- b. Life annuity with a certain period of:
  - b.1. 5 years.
  - b.2. 10 years.
  - b.3. 15 years.
  - b.4. 20 years.
- c. Qualified Joint and \_\_\_\_\_% (fifty (50) to one hundred (100) percent) survivor annuity with spouse as beneficiary, if married. If single:
  - c.1. Life annuity.
  - c.2. Joint and survivor annuity assuming beneficiary is same age as Participant.
  - c.3. Life annuity guaranteed for \_\_\_\_ (not to exceed 20) years.
- d. Joint and \_\_\_\_\_% (fifty (50) to one hundred (100) percent) survivor annuity with any beneficiary.

*(Note: A Normal Form of Benefit other than a Straight Life Annuity could result in a violation of the limitations of section 415 of the Code.)*

**D2. Total Monthly Benefit**

- a. The monthly benefit determined under the formula selected below.
- b. The greater of the Participant's Adjusted Frozen Accrued Benefit and the monthly benefit determined under the benefit formula selected below, based on total Years of Credited Service (formula "with wear away").
- c. The sum of the Participant's Adjusted Frozen Accrued Benefit and the monthly benefit determined under the benefit formula selected below, based on Years of Credited Service earned after the Fresh Start Date (formula "without wear away").
- d. The greater of (i) the monthly benefit determined under the benefit formula selected below, based on total Years of Credited Service, and (ii) the sum of Participant's Adjusted Frozen Accrued Benefit and the monthly benefit determined under the benefit formula selected below, based on Years of Credited Service earned after the Fresh Start Date (formula "with extended wear away").
- e. The monthly benefit, as selected above, offset by the monthly benefit provided by:
  - e.1. A defined benefit plan (specify name of plan):  
\_\_\_\_\_.
  - e.2. A defined contribution plan (specify name of plan):  
\_\_\_\_\_.

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

**D3. Benefit Formulas** - Each benefit formula alternative must provide meaningful benefits within the meaning of Code section 401(a)(26).  
**Integrated formulas**

- a. Fixed Benefit Excess

\_\_\_\_\_ % (Base Benefit Percentage) of the Participant's Average Annual/Monthly Compensation up to the Integration Level

PLUS

\_\_\_\_\_ % (Excess Benefit Percentage) of the Participant's Average Annual/Monthly Compensation in excess of the Integration Level

*Note: The Excess Benefit Percentage may not exceed the lesser of (1) two (2) times the Base Benefit Percentage or (2) the Base Benefit Percentage plus thirty-five (35) (or other entry in D6.a. or D6.c., if less) times the factor in H11. If the Employer has ever maintained another plan utilizing permitted disparity or integrated with Social Security, Section 2.3.14 of the Base Plan Document regarding Cumulative Permitted Disparity and Overall Permitted Disparity shall apply.*

- b. Fixed Benefit Offset  
\_\_\_\_\_ % (Gross Benefit Percentage) of the Participant's Average Annual/Monthly Compensation  
LESS

- b.1. \_\_\_\_\_ % (Offset Percentage) of the Participant's Final Average Compensation  
 b.2. \_\_\_\_\_ % of the Participant's Primary Insurance Amount (PIA) from Social Security  
 b.3. the lesser of \_\_\_\_\_ % of the Participant's Primary Insurance Amount (PIA) or \_\_\_\_\_ % (Offset Percentage) of the Participant's Final Average Compensation

*Note: The Offset Percentage may not exceed the lesser of (1) one-half (1/2) of the Gross Benefit Percentage (adjusted by the ratio of a Participant's Average Annual/Monthly Compensation to his Final Average Compensation, if such ratio is less than one), or (2) thirty-five (35) (or other entry in D6.a. or D6.c., if less) times the factor in H11. If the Employer has ever maintained another plan utilizing permitted disparity or integrated with Social Security, Section 2.3.14 of the Base Plan Document regarding Cumulative Permitted Disparity and Overall Permitted Disparity shall apply.*

- c. Unit Benefit Excess  
\_\_\_\_\_ % (Base Benefit Percentage) of the Participant's Average Annual/Monthly Compensation up to the Integration Level multiplied by the Participant's Years of Credited Service, limited to a maximum of \_\_\_\_ (the "initial period")  
PLUS  
\_\_\_\_\_ % (Excess Benefit Percentage) of the Participant's Average Annual/Monthly Compensation in excess of the Integration Level multiplied by the Participant's Years of Credited Service, limited to a maximum of \_\_\_\_ (May not exceed the number of years in the initial period entered above. Must equal the initial period if either of the two clauses below are selected)

PLUS

\_\_\_\_\_ % (Excess Benefit Percentage) of the Participant's Average Annual/Monthly Compensation multiplied by the Participant's Years of Credited Service in excess of the initial period, limited to a maximum of \_\_\_\_ (May not exceed 35 less the number of years in the initial period)

PLUS

\_\_\_\_\_ % (not to exceed the lesser of: (1) the Excess Benefit Percentage or (2) 133-1/3 percent of the Base Benefit Percentage) of the Participant's Average Annual/Monthly Compensation multiplied by Years of Credited Service in excess of thirty-five (35), limited to a maximum of \_\_\_\_

*Note: The Excess Benefit Percentage may not exceed the lesser of (1) two (2) times the Base Benefit Percentage or (2) the Base Benefit Percentage plus the factor in H11. If the Employer has ever maintained another plan utilizing permitted disparity or integrated with Social Security, Section 2.3.14 of the Base Plan Document regarding Cumulative Permitted Disparity and Overall Permitted Disparity shall apply.*

*The initial period cannot exceed thirty-five (35). For Plans intending to satisfy a Code section 401(a)(4) safe harbor, the initial period cannot be less than twenty-five (25) if the fractional accrual rule is selected in D8.a.*

d. Unit Benefit Offset

\_\_\_\_\_ % (Gross Benefit Percentage) of the Participant's Average Annual/Monthly Compensation multiplied by the Participant's Years of Credited Service, limited to a maximum of \_\_\_\_ (the "initial period")

LESS

- d.1. \_\_\_\_\_ % (Offset Percentage) of the Participant's Final Average Compensation multiplied by the Participant's Years of Credited Service, limited to a maximum of \_\_\_\_ (May not exceed the number of years in the "initial period" entered above.)
- d.2. \_\_\_\_\_ % of the Participant's Primary Insurance Amount (PIA) from Social Security multiplied by the Participant's Years of Credited Service, limited to a maximum of \_\_\_\_ (May not exceed the number of years in the "initial period" entered above.)
- d.3. the lesser of: (1) \_\_\_\_\_ % of the Participant's Primary Insurance Amount (PIA) or (2) \_\_\_\_\_ % (Offset Percentage) of the Participant's Final Average Compensation, multiplied by the Participant's Years of Credited Service, limited to a maximum of \_\_\_\_ years (May not exceed the number of years in the "initial period" entered above.)

PLUS

\_\_\_\_\_ % (Gross Benefit Percentage) of the Participant's Average Annual/Monthly Compensation multiplied by the Participant's Years of Credited Service in excess of the initial period, limited to a maximum of \_\_\_\_ (May not exceed thirty-five (35) less the number of years in the initial period.)

PLUS

\_\_\_\_\_ % (not to exceed the lesser of: (1) the Gross Benefit Percentage or (2) 133-1/3 percent of the difference between the Gross Benefit Percentage and Offset Percentage) of the Participant's Average Annual/Monthly Compensation multiplied by the Participant's Years of Credited Service in excess of thirty-five (35), limited to a maximum of \_\_\_\_

*Note: The Offset Percentage may not exceed the lesser of (1) one-half (1/2) of the Gross Benefit Percentage (adjusted by the ratio of a Participant's Average Annual/Monthly Compensation to his Final Average Compensation, if such ratio is less than one), or (2) the factor in H11. If the Employer has ever maintained another plan utilizing permitted disparity or integrated with Social Security, Section 2.3.14 of the Base Plan Document regarding Cumulative Permitted Disparity and Overall Permitted Disparity shall apply.*

*The initial period cannot exceed thirty-five (35). For Plans intending to satisfy a Code section 401(a)(4) safe harbor, the initial period cannot be less than twenty-five (25) if the fractional accrual rule is selected.*

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

\_\_\_\_\_ % (Base Benefit Percentage) of the Participant's Average Annual/Monthly Compensation up to the Integration Level

PLUS

\_\_\_\_\_ % (Excess Benefit Percentage) of the Participant's Average Annual/Monthly Compensation in excess of the Integration Level

OR, after thirty-five (35) years,

\_\_\_\_\_ % (not to exceed the lesser of: (1) the Excess Benefit Percentage or (2) 133-1/3 percent of the Base Benefit Percentage) of the Participant's Average Annual/Monthly Compensation

*Note: The Excess Benefit Percentage may not exceed the lesser of (1) two (2) times the Base Benefit Percentage or (2) the Base Benefit Percentage plus the factor in H11.*

*Note: The Excess Benefit Percentage may only be applied for the first thirty-five (35) years of a Participant's benefit. Thereafter, he must accrue a benefit based on his total Average Annual/Monthly Compensation. If the Employer has ever maintained another plan utilizing permitted disparity or integrated with Social Security, Section 2.3.14 of the Base Plan Document regarding Cumulative Permitted Disparity and Overall Permitted Disparity shall apply.*

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

\_\_\_\_\_ % (Gross Benefit Percentage) of the Participant's Average Annual/Monthly Compensation  
LESS

- f.1. \_\_\_\_\_ % (Offset Percentage) of the Participant's Final Average Compensation  
 f.2. \_\_\_\_\_ % of the Participant's Primary Insurance Amount (PIA) from Social Security  
 f.3. the lesser of \_\_\_\_\_ % of the Participant's Primary Insurance Amount (PIA) or \_\_\_\_\_ % (Offset Percentage) of the Participant's Final Average Compensation

OR, after thirty-five (35) years,  
\_\_\_\_\_ % (not to exceed the lesser of: (1) the Gross Benefit Percentage or (2) 133-1/3 percent of the difference between the Gross Benefit Percentage and Offset Percentage) of the Participant's Average Annual/Monthly Compensation

*Note: The Offset Benefit Percentage may not exceed the lesser of (1) one-half (1/2) of the Gross Benefit Percentage (adjusted by the ratio of a Participant's Average Annual/Monthly Compensation to his Final Average Compensation, if such ratio is less than one), or (2) the factor in H11.*

*Note: The Offset Percentage may only be applied for the first thirty-five (35) years of a Participant's benefit. Thereafter, he must accrue a benefit based on his total Average Annual/Monthly Compensation. If the Employer has ever maintained another plan utilizing permitted disparity or integrated with Social Security, Section 2.3.14 of the Base Plan Document regarding Cumulative Permitted Disparity and Overall Permitted Disparity shall apply.*

**Non-Integrated formulas**

- g. Fixed Benefit
- g.1. \_\_\_\_\_ % of the Participant's Average Annual/Monthly Compensation reduced pro-rata for less than \_\_\_\_ Years of Credited Service.  
 g.2. \$ \_\_\_\_\_ reduced pro-rata for less than \_\_\_\_ Years of Credited Service.

*Note: Plans intending to meet a Code section 401(a)(4) safe harbor must enter a number for Years of Credited Service not less than twenty-five (25).*

- h. Unit Benefit
- h.1. \_\_\_\_\_ % of the Participant's Average Annual/Monthly Compensation multiplied by the Participant's Years of Credited Service, limited to a maximum of \_\_\_\_.  
 h.2. \$ \_\_\_\_\_ multiplied by the Participant's Years of Credited Service, limited to a maximum of \_\_\_\_.

*Note: Plans intending to meet a Code section 401(a)(4) safe harbor must enter a number for Years of Credited Service not less than twenty-five (25), if the fractional accrual rule is selected in D8.a.*

- i. Unit Benefit for Past and Future Service
- i.1. \_\_\_\_\_ % of the Participant's Average Annual/Monthly Compensation multiplied by the Participant's Years of Credited Service prior to \_\_\_\_/\_\_\_\_/\_\_\_\_ (MM/DD/YYYY), limited to a maximum of \_\_\_\_,  
PLUS  
\_\_\_\_\_ % of the Participant's Average Annual/Monthly Compensation multiplied by the Participant's Years of Credited Service subsequent to \_\_\_\_/\_\_\_\_/\_\_\_\_, (MM/DD/YYYY) limited to a maximum of \_\_\_\_.



- i.2. \$ \_\_\_\_\_ multiplied by the Participant's Years of Credited Service prior to \_\_\_/\_\_\_/\_\_\_\_\_, (MM/DD/YYYY) limited to a maximum of \_\_\_\_\_,
- PLUS
- \$ \_\_\_\_\_ multiplied by the Participant's Years of Credited Service after such date and prior to \_\_\_/\_\_\_/\_\_\_\_\_, (MM/DD/YYYY) limited to a maximum of \_\_\_\_\_,
- PLUS
- \$ \_\_\_\_\_ multiplied by the Participant's Years of Credited Service after such date and prior to \_\_\_/\_\_\_/\_\_\_\_\_, (MM/DD/YYYY) limited to a maximum of \_\_\_\_\_,
- PLUS
- \$ \_\_\_\_\_ multiplied by the Participant's Years of Credited Service after such date, limited to a maximum of \_\_\_\_\_.

*Note: Plans intending to meet a Code section 401(a)(4) safe harbor must enter numbers for Years of Credited Service such that the sum is not less than 25. In addition, if there is an overall maximum years selected in D9., the years will be allocated such that the maximum benefit results.*

- j. Graded Unit Benefit
- j.1. \_\_\_\_\_ % of the Participant's Average Annual/Monthly Compensation for the first \_\_\_ Years of Credited Service,
- PLUS
- j.2. \_\_\_\_\_ % of the Participant's Average Annual/Monthly Compensation for the Participant's next \_\_\_ Years of Credited Service,
- PLUS
- j.3. \_\_\_\_\_ % of the Participant's Average Annual/Monthly Compensation for the Participant's next \_\_\_ Years of Credited Service,
- PLUS
- j.4. \_\_\_\_\_ % of the Participant's Average Annual/Monthly Compensation for the Participant's Years of Credited Service in excess of \_\_\_, limited to a maximum of \_\_\_\_\_.

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

*Note: Plans intending to meet a Code section 401(a)(4) safe harbor must enter numbers for Years of Credited Service such that the sum is not less than twenty-five (25).*

- k. Accumulation Plans (The formula below defines a Participant's annual accrual. The benefit at retirement is the sum of these accruals for each year until actual retirement.)
- k.1. \_\_\_\_\_ % of the Participant's Average Annual/Monthly Compensation.
- k.2. \$ \_\_\_\_\_.

Formulas By Class

- I. A percentage of Average  I.1. Annual  I.2. Monthly Compensation multiplied by Years of Credited Service based on the table below:

Employee Classification	Benefit Percentage	Service or Participation (S/P)	Limit to Years	Description of Classification
A	_____ %	_____	_____	_____
B	_____ %	_____	_____	_____
C	_____ %	_____	_____	_____

*Note: This arrangement must satisfy IRS section 401(a)(26) including the meaningful benefit requirement of Treasury Regulation 1.401(a)(26)-3(c)(2). The groups cannot be designed in such a manner which could result in the group of NHCEs participating being only those NHCEs with the lowest amounts of compensation and/or the shortest periods of service and who may represent the minimum number of these employees necessary to satisfy coverage under Code Section 410(b).*

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

Employee Classification	Dollar Amount	Service or Participation (S/P)	Limit to Years	Description of Classification
A	_____ \$	_____	_____	_____
B	_____ \$	_____	_____	_____
C	_____ \$	_____	_____	_____

*Note: This arrangement must satisfy IRS section 401(a)(26) including the meaningful benefit requirement of Treasury Regulation 1.401(a)(26)-3(c)(2). The groups cannot be designed in such a manner which could result in the group of NHCEs participating being only those NHCEs with the lowest amounts of compensation and/or the shortest periods of service and who may represent the minimum number of these employees necessary to satisfy coverage under Code Section 410(b).*

- n. Accumulation Plan: The sum of a percentage of each Participants Average  n.1. Annual  n.2. Monthly Compensation multiplied by Years of Credited Service, such percentage based on the Participant's classification.

Employee Classification	Benefit Percentage	Service or Participation (S/P)	Limit to Years	Description of Classification
A	_____ %	_____	_____	_____
B	_____ %	_____	_____	_____
C	_____ %	_____	_____	_____

*Note: This arrangement must satisfy IRS section 401(a)(26) including the meaningful benefit requirement of Treasury Regulation 1.401(a)(26)-3(c)(2). The groups cannot be designed in such a manner which could result in the group of NHCEs participating being only those NHCEs with the lowest amounts of compensation and/or the shortest periods of service and who may represent the minimum number of these employees necessary to satisfy coverage under Code Section 410(b).*

**D4. Fresh Start Dates** - A Fresh Start Date is the date upon which benefits are frozen under the prior Plan provisions and begin accruing under the new Plan provisions. The Employee groups subject to this provision must be definitely determinable. A Fresh Start Date may occur for the following reasons:

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

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

- c. Code section 401(a)(17) Participants. A Fresh Start Date exists for all Participants whose Accrued Benefit was based on Compensation that met the requirements of Code section 401(a)(17) until a change in the law. There are two possible Fresh Start Dates: one with respect to the Tax Reform Act of 1986 (TRA '86) and the other with respect to the Omnibus Budget Reconciliation Act of 1993 (OBRA '93).
  - c.1. TRA '86 Fresh Start Date \_\_\_/\_\_\_/\_\_\_\_ (MM/DD/YYYY) (must be the last day of the Plan Year beginning in 1988, 1989, 1990, 1991, 1992, or 1993).
  - c.2. OBRA '93 Fresh Start Date \_\_\_/\_\_\_/\_\_\_\_ (MM/DD/YYYY) (must be the last day of the Plan Year beginning in 1993).

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

Fresh Start Date: \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY) Acquired group:

\_\_\_\_\_  
Fresh Start Date: \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY) Acquired group:

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

Fresh Start Date: \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY) Employee group:

\_\_\_\_\_  
Fresh Start Date: \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY) Employee group:

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

- a. Other than Code section 401(a)(17) Participants.
  - a.1. No adjustment.
  - a.2. Fraction based on old Compensation definition.
  - a.3. Fraction based on new Compensation definition.

- a.4. Fraction based on reconstructed Compensation as of the following Plan Year: (cannot precede the Fresh Start Date)
  - a.4.A. 1989  a.4.B. 1992
  - a.4.C. 1990  a.4.D. 1993
  - a.4.E. 1991  a.4.F. 1994
- a.5. Substitute new Compensation in old formula.
- b. Code section 401(a)(17) Participants.
  - b.1. No adjustment.
  - b.2. OBRA '94 Frozen Accrued Benefit based on total service.
  - b.3. OBRA '94 Frozen Benefit based on service after TRA '86 Frozen Benefit Fresh Start Date.
- c. The adjustments above are subject to the following limitations (only applicable if a.1. and b.1. are not selected).
  - c.1. No limits.
  - c.2. Limited to \_\_\_\_\_% (not to exceed one hundred percent (100%)) of the otherwise permitted adjustment.
  - c.3. Limited to \_\_\_\_\_% (not to exceed one hundred percent (100%)) of the Participant's Frozen Accrued Benefit.
  - c.4. May not exceed the greater of the Participant's Frozen Accrued Benefit, or \$\_\_\_\_\_.

**D6. Integrated Formula Reductions to Benefits** - For Plans with an integrated fixed benefit formula (D3.a. or D3.b.), the benefit shall be reduced for Participants with less than the requisite Years of Credited Service as follows:

- a. The total benefit (excess Plans) or net benefit (offset Plans) shall be reduced pro-rata for less than \_\_\_\_\_ Years of Credited Service.
- b. The total benefit (excess Plans) or net benefit (offset Plans) shall be reduced pro-rata for less than 33-1/3 Years of Credited Service.
- c. The Base Benefit (excess Plans) or Gross Benefit (offset Plans) shall be reduced pro-rata for less than \_\_\_\_\_ Years of Credited Service. (No more than thirty-five (35))
- d. The Excess Benefit (excess Plans) or Offset (offset Plans) shall be reduced pro-rata for less than \_\_\_\_\_ Years of Credited Service. (No more than thirty-five (35))

*Note: Plans intending to meet a Code section 401(a)(4) safe harbor must select option a. or b. If option a. is selected, enter a number between twenty-five (25) and thirty-five (35), inclusive. If the number is less than thirty-five (35), adjustments to the Maximum Permitted Disparity must be made. See notes in D3.a. and D3.b. regarding adjustments.*

*Note: Plans selecting the 133-1/3% rule in D8.b. must select option b.*

**D7. Limits on Credited Service** - (Plans which select formula c. or d. in D2. will exclude Credited Service prior to the Fresh Start Date in the formula without wear away. Select below any other restrictions.)

- a. For non-integrated formulas (D3.(g). through D3.(n)) or in calculating the total Benefit under an integrated formula,
  - a.1. Include all years with the Employer.
  - a.2. Include years while a Participant.
  - a.3. Disregard years prior to \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY)
  - a.4. Disregard years in excess of \_\_\_ years. (Non-integrated formulas only.)

- b. In calculating the Basic Benefit or Benefit before Offset under an integrated formula,
  - b.1. Include all years with the Employer.
  - b.2. Include years while a Participant.
  - b.3. Disregard years prior to \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY)
- c. In calculating the Excess Benefit or Offset under an integrated formula,
  - c.1. Include all years with the Employer.
  - c.2. Include years while a Participant.
  - c.3. Disregard years prior to \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY)

*Note: Plans with an integrated formula intending to meet a Code section 401(a)(4) safe harbor must select option a. and must exclude years prior to five (5) years before the effective date of the benefit formula.*

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

*Note: Code section 412(e) Plans may not select option a.1., b.1., or c.1., unless the Plan was in effect on September 19, 1991. See additional restrictions in Article 2.7 of Base Plan Document.*

**D8. Benefit Accrual Rules**

- a. Fractional Rule based upon:
  - a.1. All years with the Employer.
  - a.2. Years while a Participant.
  - a.3. Disregard years prior to \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY)
  - a.4. Disregard years in excess of \_\_\_\_\_.

*Note: Plans intending to meet a Code section 401(a)(4) safe harbor must select the same option(s) as D7., and, if a.4. is selected, enter the same number of years entered in D6. (fixed benefit Plans) or D3. (unit benefit Plans).*

*Note: Plans using formula c. or d. in D2. will limit years in the numerator (but not the denominator) to those after the Fresh Start Date in the formula without wear away.*

- b. 133-1/3%/Unit Credit Rule.  
*Note: Plans using formula c. or d. in D2. will apply this option using years while a Participant after the Fresh Start Date in the formula without wear away.*
- c. 3% Rule based upon years while a Participant, limited to a maximum of 33-1/3.

*Note: Plans using formula c. or d. in D2. will apply this option using years while a Participant after the Fresh Start Date in the formula without wear away.*

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

*Note: See Article 2.7 of Base Plan Document for additional requirements these Plans must satisfy.*
- e. Accumulation Plan - sum of the individual accruals each year.

**D9. Limitations on Benefits**

- a. In addition to any Top-Heavy benefits, the minimum monthly -
  - a.1. Not applicable.
  - a.2. Benefit at retirement is \$ \_\_\_\_\_ (not in excess of the annual defined benefit dollar limit divided by twelve (12)).
  - a.3. Benefit at retirement is \_\_\_\_\_% (not to exceed one hundred percent (100%)) of Average Annual/Monthly Compensation.
  - a.4. Accrued benefit is \$ \_\_\_\_\_ per Year of Credited Service.
  - a.5. Accrued benefit is \_\_\_\_\_% of Average Annual/Monthly Compensation per Year of Credited Service.
  
- b. In addition to any limits under Code section 415, the maximum monthly -
  - b.1. Not applicable.
  - b.2. Benefit at retirement is \$ \_\_\_\_\_ (not in excess of the annual defined benefit dollar limit divided by twelve (12)).
  - b.3. Benefit at retirement is \_\_\_\_\_% (not to exceed one hundred percent (100%)) of Average Annual/Monthly Compensation.
  - b.4. Accrued benefit is \$ \_\_\_\_\_ per Year of Credited Service.
  - b.5. Accrued benefit is \_\_\_\_\_% of Average Annual/Monthly Compensation per Year of Credited Service.
  
- c. For purposes of a.4., a.5., b.4., and b.5., Credited Service:
  - c.1. In excess of \_\_\_ years will be disregarded.
  - c.2. Prior to \_\_\_/\_\_\_/\_\_\_\_\_ (MM/DD/YYYY) will be disregarded.
  
- d. Benefit increases resulting from the repeal of Code section 415(e), effective as of the first day of the first Limitation Year beginning in 2000, shall be provided to:
  - d.1. All Participants.
  - d.2. Only Participants who have at least one Hour of Service in the Limitation Year beginning in 2000.
  
- e. Benefits shall be rounded to the nearest \$ \_\_\_\_\_.
  
- f. Severance from Employment.
  - f.1. Automatically adjust, pursuant to Code section 415(d), the Defined Benefit Compensation Limitation applicable to the Participant in any Limitation Year beginning after the date of severance.
  - f.2. Automatically adjust, pursuant to Code section 415(d), the Defined Benefit Dollar Limitation applicable to the Participant in any Limitation Year beginning after the date of severance.

**D10. Fail Safe Accruals - Pursuant to Section 2.2.5, the Employer:**

- a. Elects to provide "Fail Safe" accruals for certain Employees not otherwise eligible for an accrual if the Plan stands to fail Code section 401(a)(26) or Code section 410(b)(1)(A) or (B).
- b. Does not use any "Fail Safe" provisions.

**D11. Cost of Living Adjustments** - Former Employees will have their benefits increased to reflect the increases in the cost of living as follows: (Select one.)

- a. The percentage adjustment to Social Security Benefits for the year under Code section 215(i)(2)(A) of the Social Security Act from the later of the Participant's commencement of benefits or the attainment of age sixty-two (62).
- b. \_\_\_\_\_% per year, provided such increase is less than the percentage adjustment to Social Security Benefits for the year under Code section 215(i)(2)(A) of the Social Security Act and the Participant has commenced benefits and attained age sixty-two (62).
- c. Annual increases of the lesser of \_\_\_\_\_% (x.xx%, not to exceed 4.99%) or a percentage equal to the annual increase in the consumer price index for all items issued by the Bureau of Labor Statistics.
- d. Not applicable. Adjustments, if any, will be made on an ad hoc basis (requires Plan amendment).

**D12. Plan Actuarial Equivalence** - Except as provided in Subsections 2.3.12(d) and (e) of the Plan, the actuarial assumptions used in computing any optional form of payment under the Plan shall be:

a. Plan/Code section 415 Assumptions for plans that are not subject to Code section 412(e).

<u>Pre-Retirement</u> _____ %	<u>Postretirement</u> _____ %	
		a.1. Interest rate. (Specify in each column. For integrated formulas, must be between 7.5% and 8.5%, inclusive.)
		a.2. Mortality table. (Select one in each column.)
<input type="checkbox"/>	N/A	a.2.A. No preretirement mortality.
<input type="checkbox"/>	<input type="checkbox"/>	a.2.B. UP84 (Unisex)
<input type="checkbox"/>	<input type="checkbox"/>	a.2.C. 71IAM - Male
<input type="checkbox"/>	<input type="checkbox"/>	a.2.D. 71IAM - Female
<input type="checkbox"/>	<input type="checkbox"/>	a.2.E. 71GAM - Male
<input type="checkbox"/>	<input type="checkbox"/>	a.2.F. 71GAM - Female
<input type="checkbox"/>	<input type="checkbox"/>	a.2.G. 83IAM - Male
<input type="checkbox"/>	<input type="checkbox"/>	a.2.H. 83IAM - Female
<input type="checkbox"/>	<input type="checkbox"/>	a.2.I. 83GAM - Male
<input type="checkbox"/>	<input type="checkbox"/>	a.2.J. 83GAM - Female
<input type="checkbox"/>	<input type="checkbox"/>	a.2.K. 83GAM - Blended
<input type="checkbox"/>	<input type="checkbox"/>	a.2.L. UP-94 - Male
<input type="checkbox"/>	<input type="checkbox"/>	a.2.M. UP-94 - Female
<input type="checkbox"/>	<input type="checkbox"/>	a.2.N. UP-94 - Blended
<input type="checkbox"/>	<input type="checkbox"/>	a.2.O. GAR-94 - Unisex
<input type="checkbox"/>	<input type="checkbox"/>	a.2.P. RP-2000 - Male
<input type="checkbox"/>	<input type="checkbox"/>	a.2.Q. RP-2000 - Female
<input type="checkbox"/>	<input type="checkbox"/>	a.2.R. RP-2000 - Blended
<input type="checkbox"/>	<input type="checkbox"/>	a.2.S. Applicable Mortality defined at 3.1.2(d)(2).
<input type="checkbox"/>	<input type="checkbox"/>	a.2.T. Mortality table, based upon a fixed blend of 50 percent of the unloaded male mortality rates and 50 percent of the unloaded female mortality rates underlying the mortality rates in the 94 GAR, projected to 2002. The table set forth in Rev. Rul. 2001-62.
N/A	<input type="checkbox"/>	a.2.U. Other postretirement mortality table. (Specify.)

	_____	_____	
<input type="checkbox"/>	<input type="checkbox"/>		a.3. Mortality improvement projection. The Mortality Table selected above shall be projected to _____. (If applicable, select under the appropriate column, enter a year after 1970 and before 2015, and select the scale.)
_____	_____		With projection scale: (Complete if a.3. selected.)
<input type="checkbox"/>	<input type="checkbox"/>		a.3.A. C
<input type="checkbox"/>	<input type="checkbox"/>		a.3.B. D
<input type="checkbox"/>	<input type="checkbox"/>		a.3.C. G
<input type="checkbox"/>	<input type="checkbox"/>		a.3.D. H
<input type="checkbox"/>	<input type="checkbox"/>		a.3.E. AA
<input type="checkbox"/>	<input type="checkbox"/>		a.4. Setback (-)/Setforward (+): ____ years. (If applicable, select under the appropriate column and specify.)
_____	_____		

*Note: An actuary may determine that older mortality tables do not accurately represent the facts of the plan or the expected results for mortality and interest for the Actuarial Equivalence. The actuary may then adjust the mortality table with information they feel better represents the facts. This will be accomplished by using published scales from the Society of Actuaries which include scales C, D, G, H, or AA, along with any setbacks or setforwards if applicable, to estimate future mortality improvements.*

- b. **For Plans subject to Code section 412(e)**, the interest rate and mortality assumptions specified in the following Insurance or Annuity Contract that meets the conditions of Code section 412(e):

Contract name/number: \_\_\_\_\_  
 Company that issued the Contract: \_\_\_\_\_  
 Date of issuance: \_\_\_\_/\_\_\_\_/\_\_\_\_. (MM/DD/YYYY)

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

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

- c. Code section 417(e) Assumptions - The mortality table and interest rate are the Code section 417 applicable mortality table and interest rate as set forth in Sections 3.1.2(d)(1) and (2) of the Plan, or any other mortality table specified by the Secretary of the Treasury. The interest rate for each Stability Period is the interest rate determined during the associated Look Back Month.

- c.1. Effective Date for "Applicable Mortality Table" is for Plan Years beginning on and after January 1,  
 c.1.A. 2008     c.1.B. 2009

The Stability Period under the Plan is:

- c.2. One month.  
 c.3. One Plan quarter.  
 c.4. One calendar quarter.  
 c.5. One Plan Year.  
 c.6. One calendar year.



The Look Back Month under the Plan is the:

- c.7. First calendar month preceding the Stability Period.
- c.8. Second calendar month preceding the Stability Period.
- c.9. Third calendar month preceding the Stability Period.
- c.10. Fourth calendar month preceding the Stability Period.
- c.11. Fifth calendar month preceding the Stability Period.
- c.12. An average interest rate that is computed by averaging two or more consecutive months from among the first, second, third, fourth, and fifth calendar months preceding the Stability Period: \_\_\_\_\_ . (Specify the months in the average.)

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

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

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

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

**D13. Minimum Top-Heavy Benefits** - In the event that the Plan is Top-Heavy, the Top-Heavy vesting schedule selected in E1. will apply. In addition: (Must answer all of a. through d.)

- a. The Minimum Top-Heavy Retirement Benefit shall be \_\_\_\_\_ % (not less than two percent (2%)) per Year of Vesting Service, limited to a maximum of ten (10) Years of Vesting Service.
- b. Years of Vesting Service shall exclude:
  - b.1. Not applicable - no exclusions.
  - b.2. Years prior to 1984.
  - b.3. Years prior to the adoption of the Plan.
  - b.4. Years prior to Years of Credited Service while a Participant.  
*Note: If this option is selected, may not select C7.b.*
  - b.5. Years that the Plan was not Top-Heavy.
- c. The Minimum Top-Heavy Retirement Benefit shall be payable:
  - c.1. In the Normal Form of Benefit.
  - c.2. In the form of a life annuity only.
- d. Minimum Top-Heavy Retirement Benefits are provided for:
  - d.1. All Participants.
  - d.2. Only those Participants who are not Key Employees.

**D14. Determination of Top-Heavy Status**

- a. For purposes of computing the Top-Heavy Ratio, the Valuation Date under Section 2.6.2(j) of the Plan shall be \_\_\_\_/\_\_\_\_. (MM/DD)
- b. The actuarial assumptions to be used in determining the Top-Heavy Ratio shall be (recommend using same assumptions entered in D12):
- b.1. Preretirement interest rate: \_\_\_\_\_ %.
  - b.2. Preretirement mortality table: \_\_\_\_\_.
  - b.3. Setback (-)/Setforward (+): \_\_\_\_ years.
  - b.4. Postretirement interest rate: \_\_\_\_\_ %.
  - b.5. Postretirement mortality table: \_\_\_\_\_.
  - b.6. Setback (-)/Setforward (+): \_\_\_\_ years.

**D15. Integration Level** - For Plans with integrated excess benefit formulas (D3.a., c., or e.), the integration level is equal to: (Plans with a non-integrated formula, skip to D17.)

- a. The Participant's Covered Compensation for the Plan Year.
- b. The greater of \_\_\_\_\_ % (not to exceed fifty-percent (50%)) of the Covered Compensation of an individual who attains Social Security Retirement Age during the calendar year in which the Plan Year begins or \$ \_\_\_\_\_ (not to exceed \$10,000).
- c. \$ \_\_\_\_\_ (a single dollar amount not to exceed the greater of \$10,000 or one-half (1/2) of Covered Compensation of any person who attains Social Security Retirement Age during the calendar year in which the Plan Year begins).
- d. \$ \_\_\_\_\_ (more than \$10,000, but not to exceed the greater of \$25,450 or one hundred fifty percent (150%) of the Covered Compensation of an individual who attains Social Security Retirement Age in the current year, and in no event in excess of the Taxable Wage Base).
- e. The lesser of the Taxable Wage Base (for excess Plans) or Final Average Compensation (for offset Plans); or a uniform percentage equal to \_\_\_\_\_ % (greater than one hundred percent (100%) but not greater than one hundred fifty percent (150%)) of each Participant's Covered Compensation for the current year.

**D16. Covered Compensation** - Determined for the 35-year period ending on the last day of the calendar year:

- a. Plan provision - in which the Participant attains (or will attain) Social Security Retirement Age.
- b. Prior to the calendar year in which the Participant attains Social Security Retirement Age for Plan Years beginning prior to 1995.
- c. Ending within the Plan Year.
- d. Ending in the prior Plan Year.
- e. For the \_\_\_\_ Plan Year (enter a calendar year not earlier than 1989); provided, that the year entered is the same for each Participant and not more than five (5) years prior to the current Plan Year. If the year entered is more than five (5) years prior, the table for the Plan Year five (5) years prior will be used.

Covered Compensation shall be determined using tables published by the Commissioner that are:

- f. Not rounded.
- g. Rounded to the nearest \$3,000.

**D17. Final Average Compensation** - For offset benefit Plans, Final Average Compensation may be limited to a Participant's Average Annual/Monthly Compensation.

- a. Yes, limit Final Average Compensation.
- b. No, do not limit Final Average Compensation.

**E. Vesting Provisions**

**E1. Vesting Schedule (Section 2.4.1)** - Benefits will vest in accordance with the method specified in the Adoption Agreement.

**Vesting Schedule for Years when the Plan is not Top-Heavy**

**Top-Heavy Vesting Schedule**

- |                          |           |                          |   |
|--------------------------|-----------|--------------------------|---|
| <input type="checkbox"/> |           | N/A                      | a. At the rate of twenty percent (20%) each year after three (3) Years of Vesting Service (twenty percent (20%) vested in third year).                |
| <input type="checkbox"/> |           | <input type="checkbox"/> | b. At the rate of twenty percent (20%) each year after two (2) Years of Vesting Service (twenty percent (20%) vested in second year).                 |
| <input type="checkbox"/> | ___ years | <input type="checkbox"/> | c. One hundred percent (100%) vesting after ___ (not to exceed five (5), or three (3) for the Top-Heavy vesting schedule) Year(s) of Vesting Service. |
| <input type="checkbox"/> |           | <input type="checkbox"/> | d. One hundred percent (100%) vesting upon participation.   |
| <input type="checkbox"/> |           | <input type="checkbox"/> | e. Other. Enter the percentage for each service range. (Optional vesting schedule must be at least as favorable as a.)                                |

_____ %	_____ %	Less than 1 Year of Vesting Service
_____ %	_____ %	1 but less than 2 Years of Vesting Service
_____ %	_____ %	2 but less than 3 Years of Vesting Service
_____ %	_____ %	3 but less than 4 Years of Vesting Service
_____ %	_____ %	4 but less than 5 Years of Vesting Service
_____ %	_____ %	5 but less than 6 Years of Vesting Service
_____ %	_____ %	6 but less than 7 Years of Vesting Service
100%	100%	7 or more Years of Vesting Service

- f. One hundred percent (100%) vesting if any of the selected events occur while a Participant is employed by the Employer.
- |                          |                          |                            |
|--------------------------|--------------------------|----------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | f.1. Early Retirement Age. |
| <input type="checkbox"/> | <input type="checkbox"/> | f.2. Death.                |
| <input type="checkbox"/> | <input type="checkbox"/> | f.3. Disability.           |

**E2. Prior Vesting Schedule** - Section 3.8.3 provides that if the vesting schedule has been amended to a less favorable schedule, Participants may be entitled to have their vested interest calculated under the prior schedule. Complete the following ONLY if this is an amended plan that has a new vesting schedule that is less favorable than the prior schedule.

- a. A prior vesting schedule applies to certain Participants. The vesting schedule was amended effective \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY)
- b. Enter the vested percentage for each service range under the prior schedule.

_____ %	Less than 1 Year of Vesting Service
_____ %	1 but less than 2 Years of Vesting Service
_____ %	2 but less than 3 Years of Vesting Service
_____ %	3 but less than 4 Years of Vesting Service
_____ %	4 but less than 5 Years of Vesting Service
_____ %	5 but less than 6 Years of Vesting Service
_____ %	6 but less than 7 Years of Vesting Service

100%      7 or more Years of Vesting Service

**E3. Reemployment (Section 2.4.2)** - Years of Vesting Service completed after a Break in Service are not counted for purposes of increasing the vested percentage attributable to service before the Break in Service unless reemployed within five (5) years, or as otherwise indicated below:

- a. Plan provision described above (5-year break rule).
- b. Count all service after the Break in Service for purposes of increasing the vested percentage attributable to service before the Break in Service.
- c. Not applicable - one hundred percent (100%) immediate vesting.

SAMPLE

## F. Other Benefits

### F1. Early Retirement Benefits

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

### F2. Postponed Retirement Benefits - Those Participants working past Normal Retirement Date will be entitled to a retirement benefit of: (Select all applicable. If more than one option is selected, the Participant will choose the Postponed Retirement benefit.)

- a. The Accrued Benefit based on Compensation and Credited Service at actual retirement commencing at the Participant's actual retirement.
- b. The greater of the Accrued Benefit based on Compensation and Credited Service at actual retirement or the Actuarial Equivalent of the Accrued Benefit as of the Normal Retirement Date commencing at the Participant's actual retirement.
- c. The greater of the Accrued Benefit based on Compensation and Credited Service at actual retirement or the Actuarial Equivalent of the Accrued Benefit as of the Normal Retirement Date or the Actuarial Equivalent of the Accrued Benefit as of the first day of each Plan Year after the Participant's Normal Retirement Date and before his actual retirement commencing at the Participant's actual retirement.
- d. The Accrued Benefit as of his Normal Retirement Date, adjusted annually with payment commencing at the Participant's Normal Retirement Date: (Select one of d.1. through d.4.)
  - d.1. On the anniversary of the Participant's Normal Retirement Date.
  - d.2. Each December 31.
  - d.3. On the first day of the Plan Year.
  - d.4. On the last day of the Plan Year.

### F3. Disability Benefits

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

### F4. Death Benefits - Provided that the preretirement death benefit cannot be less than the present value of the Preretirement Survivor Annuity, the preretirement death benefits will be determined as selected below:

#### "One Year Marriage Rule" (Section 2.5.5(d))

- a. Apply the "One Year Marriage Rule."
- b. The "One Year Marriage Rule" does not apply.

#### Preretirement death benefit for plans not subject to Code section 412(e)

- c. \_\_\_\_\_% of the Joint and \_\_\_\_\_% Survivor Annuity that is the Actuarial Equivalent of the Accrued Benefit payable at Normal Retirement Date. (Cannot be less than fifty percent (50%) or

- greater than one hundred percent (100%))
- d. \_\_\_\_\_ % of the Participant's vested Accrued Benefit.
  - e. \_\_\_\_\_ % of Present Value of the Participant's vested Accrued Benefit.
  - f. The amount payable as the Preretirement Survivor Annuity (no preretirement death benefit payable to an unmarried Participant).
  - g. The Theoretical Individual Level Premium Reserve.
  - h. The Participant's Compensation for the \_\_\_\_\_ years prior to death.
  - i. \_\_\_\_\_ (not to exceed one hundred (100)) times the anticipated monthly retirement benefit, adjusted as below:
    - i.1. With no adjustment.
    - i.2. Plus the Present Value of Accrued Benefits.
    - i.3. Or, if less, the Present Value of Accrued Benefits.
    - i.4. Or, if greater, the Present Value of Accrued Benefits.
    - i.5. Plus the Theoretical Individual Level Premium Reserve.
    - i.6. Or, if greater, the Theoretical Individual Level Premium Reserve.
    - i.7. Or, if less, the Present Value of Accrued Benefits plus the proceeds of any life insurance policies on the Participant's life.
    - i.8. Or, if less, the Present Value of Accrued Benefits plus the proceeds of any life insurance policies on the Participant's life minus their cash surrender values.
  - j. The proceeds of any life insurance policies on the Participant's life, adjusted as below:
    - j.1. With no adjustment.
    - j.2. Plus the Theoretical Individual Level Premium Reserve.
    - j.3. Or, if greater, the Theoretical Individual Level Premium Reserve.
    - j.4. Minus the cash surrender value of the policies plus the Theoretical Individual Level Premium Reserve.
    - j.5. Plus the Present Value of Accrued Benefits.
    - j.6. Or, if greater, the Present Value of Accrued Benefits.
    - j.7. Plus the Present Value of Accrued Benefits minus the cash surrender value of the policies.
    - j.8. Or if greater, the Present Value of Accrued Benefits plus the cash surrender value of the policies.
    - j.9. Plus the Present Value of Accrued Benefits minus the cash surrender value of the policies, not to exceed the greater of the Present Value of Accrued Benefits or \_\_\_\_\_ (not to exceed one hundred (100)) times the anticipated monthly retirement benefit.
    - j.10. Plus the amount payable as the Preretirement Survivor Annuity.

**Fully Insured (Code section 412(e)) Plans**, and only those Plans, must select from the options below:

- k. The proceeds of any life insurance policies on the Participant's life plus the cash surrender value of annuity policies issued on the Participant's life, not to exceed one hundred (100) times the anticipated monthly retirement benefit.
- l. The proceeds of any life insurance policies on the Participant's life plus the cash surrender value of annuity policies issued on the Participant's life.

**F5. Designated Beneficiary** - In the event the Participant does not have a valid Designated Beneficiary, the Designated Beneficiary will be (*select one*):

- a.1. determined under Plan Section 3.6.2.
- a.2. the Participant's spouse; if no spouse, the Participant's estate.
- a.3. other (e.g., the Participant's spouse; if no spouse the Participant's children; if no children the Participant's estate): \_\_\_\_\_.

*Note: The Participant's spouse must be the first default Designated Beneficiary.*

Expiration of Beneficiary Designation: A Participant's valid beneficiary designation will expire when (*select one*):

- b.1. designations will never expire.
- b.2. upon divorce the ex-spouse shall be treated as having predeceased the Participant unless a beneficiary designation is completed post-divorce naming the ex-spouse as a Beneficiary.
- b.3. other (e.g., *marriage of the Participant*): \_\_\_\_\_.

*Note: A Beneficiary designation cannot expire upon legal separation.*

SAMPLE

## G. Distribution Provisions

**G1. Method of Distribution (Section 2.3.12)** – The Normal Form of Benefit is provided in D1, the Employer may elect to permit Plan distributions to be made in the following optional forms of distribution: (Select all applicable.)

- a. Lump sums.
  - a.1. Without regard to amount.
  - a.2. Not to exceed \$ \_\_\_\_\_.
  - a.3. If the Participant has completed \_\_\_\_ Years of Eligibility Service and has attained age \_\_\_\_ (subject to Treasury Regulations section 1.401(a)(4)-4 Nondiscriminatory Availability of Benefits, Rights, and Features).
- b. Installments over \_\_\_\_ years payable on an annual, quarterly, or monthly basis.
- c. Annuities.
  - c.1. For not more than \_\_\_\_ years.
  - c.2. For the life of: (Select all that apply.)
    - c.2.A. The Participant.
    - c.2.B. The Participant and spouse.
    - c.2.C. The Participant and a designated beneficiary.  
with a survivor percentage (options c.2.B. and c.2.C. only) of:
      - c.2.D. 50%.
      - c.2.E. 66-2/3%.
      - c.2.F. 75%.
      - c.2.G. 100%.
  - c.3. For a certain period of: (Select all that apply.)
    - c.3.A. 5 years.
    - c.3.B. 10 years.
    - c.3.C. 15 years.
    - c.3.D. 20 years.and thereafter for the life of: (Select all that apply.)
    - c.3.E. The Participant.
    - c.3.F. The Participant and spouse.
    - c.3.G. The Participant and a designated beneficiary.
  - c.4. For a period certain selected by the Participant that is less than the life expectancy of: (Select all that apply.)
    - c.4.A. The Participant.
    - c.4.B. The Participant and spouse.
    - c.4.C. The Participant and a designated beneficiary.  
Annuity increases as follows:
      - c.4.D. Non-increasing.
      - c.4.E. Increasing \_\_\_\_% annually (x.xx%, not to exceed 4.99%).
      - c.4.F. Increasing annually the lesser of \_\_\_\_% (x.xx%, not to exceed 4.99%) or a percentage equal to the annual increase in the consumer price index for all items issued by the Bureau of Labor Statistics.
- d. Retroactive Annuity Starting date.
  - d.1. Participant **may not** elect Retroactive Annuity Starting Date under Section 2.5.5(g).
  - d.2. Participant **may** elect Retroactive Annuity Starting Date under Section 2.5.5(g).



- e. Minimum Distribution to Non-Vested Participant:  
Minimum Distribution Amount shall be the lesser of \$ \_\_\_\_\_ (not to exceed \$100) or the present value of the accrued benefit.

**Direct and Participant Rollovers from the Plan**

- f. Direct Rollovers by non-spouse beneficiary to an inherited IRA were permitted for distributions after \_\_\_/\_\_\_/\_\_\_\_\_. (Enter a date on or after December 31, 2006 and prior to January 1, 2008 to indicate early adoption of this provision which is required for distributions after December 31, 2007..)
- g. The Plan permits or permitted Direct and/or Participant rollover of after-tax amounts to a 403(b) annuity contract effective \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY) (Effective date January 1, 2007 or later.)  
The Plan permits:
- g.1. Direct rollovers of after-tax amounts to a 403(b) annuity contract.
- g.2. Participant rollovers of after-tax amounts to a 403(b) annuity contract.

**G2. Mandatory Cash-out Provisions** - Participants with a present value of vested Accrued Benefits less than \$5,000 (or a lower threshold) may be paid out without their or their spouse's consent. (If option b. is selected must select option d.)

- a. No mandatory cash-outs.
- b. Threshold shall be \$ \_\_\_\_\_ (not to exceed \$5,000).

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

- c. Exclude Rollover Contributions when determining the value of the Participant's nonforfeitable vested Accrued Benefit for purposes of the Plan's involuntary cash-out rules.
- c.1. This election shall apply with respect to distributions made after \_\_\_/\_\_\_/\_\_\_\_\_. (enter a date no earlier than December 31, 2001) with respect to Participants who separated from service after: \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY) (Enter date. The date may be earlier than December 31, 2001.)
- d. Automatic Rollover. Subject to Section 2.3.13, the default form of distribution for vested Accrued Benefits that are greater than \$ \_\_\_\_\_ (not to exceed \$1,000) shall be a Direct Rollover.

**G3. Survivor Annuity Percentage** - If a Joint and Survivor Annuity is payable pursuant to G1.c.3.F or G, select the percentage payable as the survivor annuity:

- a. The survivor annuity is fifty percent (50%) of the amount payable during the joint lives of the Participant and spouse.
- b. Other Percentage - \_\_\_\_\_ % (not less than fifty percent (50%) nor more than one hundred percent (100)).
- c. Other Percentage selected by the Participant (not less than fifty percent (50%) nor more than one hundred percent (100)).

**G4. Time of Distribution (Section 2.5.1)** - Distributions to Participants who resign or are discharged prior to retirement are deferred until retirement date unless the Employer elects to permit distributions in advance of such date.

- a. Plan provision - Deferred until the Participant's Disability, death, Normal or Early Retirement Date.
- b. Distributions may be made at the Participant's election within a reasonable period following the Participant's date of termination of employment.
- c. Distributions may be made \_\_\_ months after termination of employment.

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

**G5. Distribution of Residual Assets (Section 2.5.9)**- Following satisfaction of all liabilities to Participants, any residual assets may be distributed to the Employer.

- a. Plan provision - Residual assets shall revert to the Employer.
- b. Residual assets shall be allocated among Participants, as elected below. Each such Participant shall receive an allocation equal to a percentage of the Residual Assets of the Plan, such percentage to equal the ratio that the Present Value of a monthly life annuity, payable at Normal Retirement Age, of one percent (1%) of his Average Monthly Compensation bears to the Present Value of such annuities for all such Participants. The Plan shall use reasonable actuarial factors for such allocation.
  - b.1. All Participants.
  - b.2. Participants who are Employees on the date this Plan terminates.

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

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

- a. Applies to all Participants in the Plan.
- b. Does not apply (benefits not suspended).
- c. Only those Participants described in Section 2.3.2 of the Plan whose benefits, if actuarially increased, would exceed the limitations of Section 3.1.1 of the Plan

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

- d. Employees who commence participation in the Plan on or after the later of the adoption date or the effective date of the suspension of benefit rules in Section 2.5.10 of the Plan.
- e. The portion of Participants' section 411(d)(6) protected benefits (within the meaning of Treasury Regulations section 1.411(d)-4, Q&A 1(a)) that accrue after the later of the adoption date or effective date of the suspension of benefit rules in Section 2.5.10 of the Plan.

**G7. Pre-termination Restrictions** - Section 3.1.8 imposes restrictions on the amount of benefits to be paid in any year to each of the "25 highest paid" Employees.

- a. The pre-termination restrictions based on the value of a Participant's benefits are effective \_\_\_/\_\_\_/\_\_\_ (MM/DD/YYYY) (no later than the first day of the 1994 Plan Year, or the Effective Date of the Plan, if later).
- b. Pre-termination Restrictions shall not apply if Plan has never benefited any Non-Highly Compensated Employee.

*Note: G7.b. is only available if previously selected on the DATAIR PPA (cycle 2) Defined Benefit document and will no longer be in effect after the Plan Year end in which this Post PPA (cycle 3) document is first adopted.*

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

- a. Distributions to an Alternate Payee are not permitted while the Participant continues to be employed before the earliest possible retirement age pursuant to Code section 414(p).
- b. Distributions to an Alternate Payee are permitted while the Participant continues to be employed on or after the date a Domestic Relations Order is determined to be a Qualified Domestic Relations Order by the Plan Administrator.

**G9. In-Service Distributions (Section 2.5.11)**

- a. No in-service distributions are allowed.
- b. Allow distributions prior to termination of employment upon attainment of:
  - b.1. Normal Retirement Age.
  - b.2. Age \_\_\_\_\_. (Must be at least age 62 and less than Normal Retirement Age.)
  - b.3. Other \_\_\_\_\_. (Enter description of Participants eligible for in-service distributions-such description may not result in distributions being made prior to age 62 or in a manner that discriminates in favor of Highly Compensated Employees.)
- c. In-service distributions shall be subject to the following limitations: (Only applicable if G9.a. is not selected. Select all that apply.)
  - c.1. Not applicable – no limitations
  - c.2. An In-Service Distribution shall only be available if the Participant's Accrued Benefit is 100% vested.
  - c.3. Participant is limited to \_\_\_\_ In-Service Distribution(s) from the Plan. (applied to all years, not per Plan Year).
  - c.4. Any In-Service Distribution shall be limited to \$\_\_\_\_\_ or 100% of the Participant's vested Present Value of Accrued Benefit, whichever is lower.
  - c.5. Any In-Service Distribution shall be limited to \_\_\_\_\_% of the Participant's vested Present Value of Accrued Benefit.
  - c.6. Other \_\_\_\_\_. (Enter description of restrictions on in-service distributions-such description may not discriminate in favor of Highly Compensated Employees.)

**G10. Required Minimum Distributions**

- a. Required Beginning Date - Section 2.5.4(i)(8) states that minimum distributions to a Participant must begin by April 1 of the calendar year following the calendar year in which the Participant attains age seventy and one-half (70-1/2).
  - a.1. Required Beginning Date is age seventy and one-half (70-1/2) for all Participants.
  - a.2. Exception for Non-5-Percent Owners - Required Beginning Date for Participants who are not 5-Percent Owners shall be the later of April 1st of the calendar year following the calendar year in which the Participant attains age seventy and one-half (70-1/2), or April 1st of the calendar year following the calendar year in which the Participant retires.

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

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

This election applies to:

- b.1. All distributions.
- b.2. The following distributions: \_\_\_\_\_.
- c. Participants or Beneficiaries may elect on an individual basis whether the 5-year rule or the life expectancy rule in Section 2.5.4 of the Plan applies to distributions after the death of a Participant who has a Designated Beneficiary. The election must be made no later than the earlier of September 30 of the calendar year in which distributions would be required to begin under Section 2.5.4 of the Plan, or by September 30 of the calendar year which contains the fifth anniversary of the Participant's (or, if applicable, surviving spouse's) death. If neither the Participant nor Beneficiary makes an election under this paragraph, distributions will be made in accordance with Section 2.5.4 of the Plan.
- d. A Designated Beneficiary who is receiving payments under the 5-year rule may make a new election to receive payments under the life expectancy rule until December 31, 2003, provided that all amounts that would have been required to be distributed under the life expectancy rule for all distribution calendar years before 2004 are distributed by the earlier of December 31, 2003, or the end of the 5-year period.

Required Minimum Distributions shall be in the form of:

- e. Lump Sum.
- f. Single Life Annuity.
- g. Annuity for \_\_\_ year Period certain and life (xx).
- h. Annuity for a Period certain selected by the Participant and no life contingency.
  - h.1. Non-increasing.
  - h.2. Increasing \_\_\_% annually (x.xx%, not to exceed 4.99%).
  - h.3. Increasing annually the lesser of \_\_\_% (x.xx%, not to exceed 4.99%) or the annual increase in the consumer price index.
- i. Joint and \_\_\_\_\_% Survivor Annuity (not less than fifty percent (50%) nor more than one hundred percent (100%)).
  - i.1. Over the life expectancy of the Participant's spouse.
  - i.2. Over the life expectancy of the Participant's Beneficiary.
  - i.3. If the Participant elects otherwise.
  - i.4. If the Participant or the Beneficiary elects otherwise.

## H. Other Administrative Provisions

**H1. Loans (Section 3.5.1)** - The Employer may elect to permit loans to Participants and Beneficiaries in accordance with the Participant loan program.

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

*Note: Loans may not be offered in Code section 412(e) Plans, pursuant to Sections 2.7.5 and 3.5.1.*

**H2. Rollovers (Section 3.9.3)** - The Employer may permit the transfer of Eligible Rollover Distributions from other qualified plans and IRAs to this Plan. (Select all applicable and if the effective date of the selection is other than the Effective Date of this Plan, specify below the provision's effective date.)

- a. Rollover contributions are not permitted.
- b. Rollover contributions are permitted only from other plans of the Employer. (Roth Rollovers are not permitted.)
  - b.1. The Plan will accept a Direct Rollover made on behalf of a Participant of this Plan from a qualified defined contribution plan maintained by the Employer in order to obtain an additional annuity, subject to the provisions of section 3.9.7 of the Plan.
- c. The indicated types of Rollovers or Transfers are permitted, and the Plan will accept rollovers from the plans/IRAs indicated below. (To permit Rollovers or Transfers, select all that apply under this option c.)

**Direct Rollover  
(Trust to Trust  
transfer)**

**Participant  
Rollover**

- |                          |   |        |  |
|--------------------------|---|--------|--|
| <input type="checkbox"/> | <input type="checkbox"/>                                    | c.     | Permitted, as indicated below, from:   |
| <input type="checkbox"/> | <input type="checkbox"/>                                    | c.1.   | A qualified plan described in Code sections 401(a) or 403(a), excluding after-tax employee contributions.  |
| <input type="checkbox"/> | N/A   | c.2.   | A qualified plan described in Code sections 401(a) or 403(a), including after-tax employee contributions.  |
| <input type="checkbox"/> | <input type="checkbox"/>                                    | c.3.   | An annuity contract described in Code section 403(b). After-tax amounts:   |
| <input type="checkbox"/> | <input type="checkbox"/>                                    | c.3.A. | Will be accepted by the Plan effective ___/___/____. (MM/DD/YYYY) (Effective date January 1, 2007 or later.)   |
| <input type="checkbox"/> | <input type="checkbox"/>                                    | c.3.B. | Are excluded. The Plan will not accept rollover of after-tax amounts.  |
| <input type="checkbox"/> | <input type="checkbox"/>                                    | c.4.   | An eligible plan under Code section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state. |
| <input type="checkbox"/> | <input type="checkbox"/>                                    | c.5.   | An Individual Retirement Account or Annuity described in Code sections 408(a) or (b) that is eligible to be rolled over. Transfer/ Rollover from a Roth IRA is not permitted.                |
| <br>                     |   |        |  |
| <input type="checkbox"/> | d. Rollovers are accepted:                                  |        |  |
| <input type="checkbox"/> | d.1. Only after Participant enters Plan.                    |        |  |
| <input type="checkbox"/> | d.2. From Employees in an eligible class before Plan entry. |        |  |
| <input type="checkbox"/> | d.3. Participant loans may be accepted as a rollover.       |        |  |
| <input type="checkbox"/> | d.4. Participant loans will not be accepted as a rollover.  |        |  |

**H3. Life Insurance Authorization (Section 3.4.1)** - The Employer may permit the purchase of life insurance policies.

- a. No life insurance policies shall be purchased.
- b. Life insurance may be purchased at the option of the Plan Administrator.
- c. Life insurance is mandatory.
- d. No life insurance policies shall be purchased after \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY) (Specify date.)
  - d.1. Must surrender life insurance policies.
  - d.2. Must convert life insurance to paid up policies.

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

- a. \_\_\_\_\_ (not to exceed one hundred (100)) times the anticipated monthly retirement benefit.
- b. The amount purchased by a premium equal to \_\_\_\_\_% (not to exceed one hundred percent (100%)) of the theoretical contribution generated when determining the Theoretical Individual Level Premium Reserve.
- c. An amount determined by the Employer, not to exceed the limitations of Section 3.4.1.
- d. The greater of \_\_\_\_\_ (not to exceed one hundred (100)) times the anticipated monthly retirement benefit or the amount purchased by \_\_\_\_\_% (not to exceed one hundred percent (100%)) of the theoretical contribution generated when determining the Theoretical Individual Level Premium Reserve.
- e. Amounts in effect on \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY) (Specify date.)

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

*Note: For this purpose, the face amount of insurance is limited to that which can be purchased for less than 66-2/3 percent (66.67%) (if whole life) or 33-1/3 percent (33.33%) (if term or universal life) of the theoretical contribution generated when determining the Theoretical Individual Level Premium Reserve.*

*Note: Must coordinate this provision with F4.*

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

- a. Shall not exceed \$\_\_\_\_\_ (not to exceed amount in H4) in total face amount.
- b. Shall not be purchased:
  - b.1. After the Participant has attained age \_\_\_\_\_.
  - b.2. Within \_\_\_ years of Normal Retirement Age.
  - b.3. After the Participant has attained Normal Retirement Age.
- c. Shall be purchased, provided:
  - c.1. The Participant has attained age \_\_\_\_\_.
  - c.2. The Participant has \_\_\_\_\_ Years of Eligibility Service.
  - c.3. The Participant has \_\_\_\_\_ Years of Eligibility Service as a Participant.
  - c.4. The initial amount is at least \$\_\_\_\_\_.
  - c.5. The additional amount is at least \$\_\_\_\_\_.
- d. Shall be purchased in multiples of \$\_\_\_\_\_.

- e. Shall not recognize benefit increases/decreases of less than \$ \_\_\_\_\_ unless the increase/decrease has been in effect for \_\_\_\_ years, where the change in benefit value is based on the:
  - e.1. PVAB
  - e.2. Annual Accrued Benefit
  - e.3. Monthly Accrued Benefit
- f. Shall be surrendered at Normal Retirement Age, if the Participant postpones retirement.
- g. Shall not be purchased on behalf of a Participant whose accrual is solely attributable to a minimum benefit under a Top-Heavy Plan.
- h. Shall be purchased for a Participant uninsurable at the standard rates, for up to \_\_\_\_\_% over the standard rates.

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

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

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

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

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

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

**H8. Top-Heavy Duplications** - The Employer who maintains two or more defined benefit plans makes the following election:

- a. Not applicable.
- b. A minimum non-integrated accrual of two percent (2%) of each non-key Participant's Average

Annual/Monthly Compensation shall be provided by:

- b.1. This Plan.
- b.2. The following defined benefit plan: \_\_\_\_\_.

**H9. Prior Plan Protected Benefits (Section 3.8.3)** - The adoption of this Plan shall not reduce or eliminate any previously accrued protected benefits under Code section 411(d)(6). In the event that this Adoption Agreement does not reflect an optional form of payment or other protected benefit accrued under a prior plan, the Employer may elect to attach an appendix to this Adoption Agreement, describing all such prior plan protected benefits.

- a. Not applicable. No prior plan protected benefits.
- b. No appendix. See prior plan document for prior plan protected benefits.
- c. Appendix describing prior plan protected benefits is attached to this Adoption Agreement.  
<Text Box>

*Note: If an IRC 411(d)(6) protected benefit in the Plan or a plan being merged into the Plan is not either 1) available as a provision through the pre-approved plan, or 2) the subject of a prior determination, advisory, or opinion letter, the Employer cannot rely on the pre-approved plan provider's opinion letter for qualification with respect to such benefit. If an IRC 411(d)(6) protected benefit in the Plan or a plan being merged into the Plan is not permitted in a pre-approved plan, as described by Revenue Procedure 2017-41, Sec. 6.03, such provision must be discontinued no later than the date the Employer adopts this pre-approved plan or, in the case of a merger, the merger date and shall apply only to the extent required under IRC 411(d)(6).*

**H10. Funding Based Limits**

a. Severe funding shortfall benefit accruals after cessation period. Benefit accruals that were not permitted to accrue because of the application of 3.1.12 shall be restored when that limitation ceases to apply if the continuous period of the limitation was 12 months or less and the plan's enrolled actuary certifies that the Adjusted Funding Target Attainment Percentage for the Plan Year would not be less than 60 percent taking into account any restored benefit accruals for the prior Plan Year.

- a.1. No reinstatement. Benefit accruals not permitted by benefit restrictions shall not be reinstated.
- a.2. Benefit accruals not permitted to accrue shall recommence and benefit accruals for the cessation period shall be reinstated. This election is effective:
  - a.2.A. As of the effective date of the Plan.
  - a.2.B. For Plan Years beginning on or after \_\_\_/\_\_\_/\_\_\_\_ (MM/DD/YYYY)  
(Enter the first day of the Plan Year for which the election is effective.)

b. Distribution Options under Benefit Restrictions (May select all, a combination or none)

- b.1. Participants and Beneficiaries previously limited to half single sum payments may elect to take full lump sum payments after the restrictions of this Section no longer apply.
- b.2. Participants and Beneficiaries with distribution options limited by the restrictions of this Section may select half single sum payments.
- b.3. The Plan Administrator shall provide ad hoc optional forms of benefit when only half single sum payments are allowed by the restrictions in this Section.
- b.4. Participants and Beneficiaries are permitted to elect backup distribution optional forms in case the optional form they have selected could later be subject to the restrictions of this Section.

c. Effective date. The selections in this H10 are as of the effective date of the Plan for new plans or \_\_\_/\_\_\_/\_\_\_\_ for restated plans. (MM/DD/YYYY) (For restatement purposes, generally the first day of the Plan Year beginning on or after January 1, 2008.)



**H11. Maximum Permitted Disparity Factors** – For Plans with an integrated formula, the maximum factor that can be entered in the benefit formula of D3. is derived from the tables below. First, select the table that corresponds to the mortality table selected in D12. Next, determine the applicable factor based on the Normal Retirement Age under the Plan ("NRA"), as specified in B2., (determined without regard to any Years of Participation requirement), and the Plan's Normal Form of Benefit, as specified in D1. If the Employer elects as an Integration Level option d. or e. in D15., the applicable factor shall be multiplied by .80. In addition, the applicable factor for a Code section 412(e) Plan must be further reduced by multiplying it by .80. The resulting factor is the maximum factor for unit benefit formulas (formulas c. and d. in D3.). For fixed benefit formulas (formulas a. and b. in D3.), the maximum factor is the resulting factor multiplied by the number of years entered in D6., but not in excess of thirty-five (35).

TABLES

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SAMPLE