

[INTENDED FOR CYCLE E]

ADOPTION AGREEMENT  
KSOP/401(k)

The undersigned adopting employer hereby adopts this Plan. The Plan is intended to qualify as a tax-exempt plan under Code sections 401(a) and 501(a), respectively. The ESOP Accounts of the Plan and the applicable portion of the Trust are also intended to qualify as a tax-exempt employee stock ownership plan and trust under Code section 4975(e)(7). The Plan shall consist of this Adoption Agreement, its related Basic Plan Document #CE-KSOP and any related Appendix and Addendum to the Adoption Agreement. Unless otherwise indicated, all Section references are to Sections in the Basic Plan Document.

COMPANY INFORMATION

1. Name of adopting employer (Plan Sponsor): \_\_\_\_\_
2. Address: \_\_\_\_\_
3. City: \_\_\_\_\_ 4. State: \_\_\_\_\_ 5. Zip: \_\_\_\_\_
6. Phone number: \_\_\_\_\_ 7. Fax number: \_\_\_\_\_
8. Plan Sponsor EIN: \_\_\_\_\_
9. Plan Sponsor fiscal year end: \_\_\_\_\_
- 10a. Plan Sponsor entity type:
  - i.  C Corporation
  - ii.  S Corporation
  - iii.  Non Profit Organization
  - iv.  Partnership
  - v.  Limited Liability Company
  - vi.  Limited Liability Partnership
  - vii.  Sole Proprietorship
  - viii.  Union
  - ix.  Government Agency
  - x.  Other: \_\_\_\_\_ (must be a legal entity recognized under the Code)
- 10b. If 10a.viii (Union) is selected, enter name of the representative of the parties who established or maintain the Plan: \_\_\_\_\_
11. State of organization of Plan Sponsor: \_\_\_\_\_
- 12a. The Plan Sponsor is a member of an affiliated service group:  
 Yes  No
- 12b. If 12a is "Yes", list all members of the group (other than the Plan Sponsor): \_\_\_\_\_
- 13a. The Plan Sponsor is a member of a controlled group:  
 Yes  No
- 13b. If 13a is "Yes", list all members of the group (other than the Plan Sponsor): \_\_\_\_\_

PLAN INFORMATION

A. GENERAL INFORMATION.

1. **Plan Number:** \_\_\_\_\_
2. **Plan name:**
  - a. \_\_\_\_\_
  - b. \_\_\_\_\_
3. **Effective Date:**
- 3a. Original effective date of Plan: \_\_\_\_\_
- 3b. Is this a restatement of a previously-adopted plan?  
 Yes  No
- 3c. If 3b is "Yes", effective date of Plan restatement: \_\_\_\_\_  
**NOTE:** If 3b is "No", the Effective Date shall be the date specified in 3a, otherwise the date specified in 3c; provided, however, that when a provision of the Plan states another effective date, such stated specific effective date shall apply as to that provision. The date specified in 3a for a new plan, or the date specified in 3c for an amended and restated plan, may not be earlier than the first day of the Plan Year during which the Plan is adopted by the Plan Sponsor.
- 4a. **Plan Year** means each 12-consecutive month period ending on \_\_\_\_\_ (e.g. December 31).
- 4b. The Plan has a short Plan Year:  
 Yes  No
- 4c. If 4b is "Yes", the short Plan Year begins \_\_\_\_\_ and ends \_\_\_\_\_.
5. **Limitation Year** means:
  - i.  Plan Year
  - ii.  calendar year
  - iii.  tax year of the Plan Sponsor
- 6a. The Plan is frozen as to eligibility and benefits

Yes  No

**6b.** If **A.6a** is "Yes", enter the date the Plan was frozen \_\_\_\_\_.

**NOTE:** If **A.6a** is "Yes", no Eligible Employee shall become a Participant, no Participant shall be eligible to further participate in the Plan and no contributions shall accrue as of the date specified in **A.6b**.

#### Plan Features

**10a. Elective Deferrals.** Elective Deferrals are permitted (Section 4.01) (If "No", questions regarding Elective Deferrals, Voluntary Contributions, Matching Contributions and 401(k) safe harbor contributions are disregarded and no Voluntary Contributions, Matching Contributions or 401(k) safe harbor contributions shall be permitted - **A.11** and **A.12** shall be deemed to be "No".):

Yes  No

**10b.** If **A.10a** is "Yes", the Final 401(k) Regulations issued on December 29, 2004 shall be effective for Plan Years beginning on or after: \_\_\_\_\_.

**10c.** If **A.10a** is "Yes", Roth Elective Deferrals are permitted:

Yes  No

**10d.** If **A.10a** is "Yes" and **A.10c** is "Yes", enter the effective date for Roth Elective Deferrals: \_\_\_\_\_.

**NOTE:** The effective date may not be earlier than January 1, 2006.

**11. Voluntary Contributions.** Voluntary (after-tax) Contributions are permitted (Section 4.01) (If "No", questions regarding Voluntary Contributions are disregarded.):

i.  Yes

ii.  No

iii.  Formerly Allowed

**12. Matching Contributions.** Matching Contributions are permitted (Section 4.02) (If "No", questions regarding Matching Contributions are disregarded.):

Yes  No

**13. Non-Elective Contributions.** Non-Elective Contributions are permitted. (Section 4.03) (If "No", questions regarding Non-Elective Contributions are disregarded.):

Yes  No

**14. ESOP Accounts.** The following Accounts shall constitute the ESOP Accounts of the Plan (Section 1.02. Check all that apply)

a.  Matching Contribution Account

b.  Non-Elective Contribution Account

**NOTE:** It may be possible for other Accounts to be specified as ESOP Accounts. Consult with appropriate counsel before specifying any other Accounts.

#### ESOP Contributions

**15a.** If more than one ESOP Account is specified in **A.14** and the Company Stock to be allocated to ESOP Accounts is insufficient to fully fund the contributions to the ESOP Accounts, specify the ordering rule of the ESOP contributions made in the form of Company Stock (Section 4A.01(b)):

i.  Pro rata

ii.  Pursuant to the special ordering rule in **A.15b**

**15b.** If **A.15a.ii** (special ordering rule) is selected, specify the ordering rule: \_\_\_\_\_

#### Compensation

**20a.** Definition of Compensation:

i.  **W-2.** Wages within the meaning of Code section 3401(a) and all other payments of compensation to an Employee by the Employer (in the course of the Employer's trade or business) for which the Employer is required to furnish the Employee a written statement under Code sections 6041(d), 6051(a)(3), and 6052.

ii.  **Withholding.** Wages within the meaning of Code section 3401(a) for the purposes of income tax withholding at the source.

iii.  **415 Safe Harbor.** Only those items specified in Treas. Reg. section 1.415(c)-2(b)(1) and excluding all those items listed in Treas. Reg. section 1.415(c)-2(c).

**20b.** If **A.20a.iii** (415 Safe Harbor) is selected, exclude amounts received during the year by an employee pursuant to a nonqualified unfunded deferred compensation plan to the extent includable in gross income:

Yes  No

**21a.** Include deferrals in definition of Compensation:

Yes  No

Unless "No" is checked, Compensation shall also include any amount which is contributed by the Company pursuant to a salary reduction agreement and which is not includable in the gross income of the Employee under Code sections 125, 402(e)(3), 402(h), 403(b), 132(f) or 457.

**21b.** If **A.21a** is "Yes", deferrals are included for the following purposes:

i.  Matching Contributions.

ii.  Nonelective Contributions.

**NOTE:** Deferrals listed in **A.21a** are always included in the definition of Compensation for purposes of Elective Deferrals and Voluntary Contributions.

- 22a.** Include Post Severance Compensation in definition of Compensation for allocation purposes:  
 Yes  No
- 22b.** If **A.22a** is "Yes", Post Severance Compensation is included for the following purposes:  
**i.**  Elective Deferrals and Voluntary Contributions.  
**ii.**  Matching Contributions.  
**iii.**  Nonelective Contributions.
- 22c.** If **A.22a** is "Yes", effective date of inclusion of Post Severance Compensation shall be limitation years beginning on or after:  
\_\_\_\_\_.
- 22d.** Determine compensation for allocation purposes using Post Year End Compensation:  
 Yes  No  
**NOTE:** If "Yes" is selected, amounts earned during the current year and paid during the first few weeks of the next year will be included in current year compensation.
- 22e.** If **A.22d** is "Yes", effective date of inclusion of Post Year End Compensation shall be limitation years beginning on or after:  
\_\_\_\_\_.
- 22f.** Include in Compensation payments made to an individual on account of qualified military service:  
 Yes  No
- 22g.** Include in Compensation payments made to a Participant who is permanently and totally disabled:  
 Yes  No
- 22h.** Include deemed Code section 125 compensation in definition of Compensation:  
 Yes  No  
**NOTE:** The elections specified in **A.20b** and **A.22a - A.22h** will also apply for purposes of Testing Compensation.

### Compensation Exclusions

- 23a.** Exclude pay earned before participation in Plan from definition of Compensation:  
 Yes  No  
Unless "No" is checked, Compensation shall include only that compensation which is actually paid to the Participant by the Company during that part of the Plan Year the Participant is eligible to participate in the Plan. Otherwise, Compensation shall include that compensation which is actually paid to the Participant by the Company during the Plan Year.
- 23b.** Exclude certain fringe benefits from definition of Compensation:  
 Yes  No  
If "Yes" is checked, Compensation shall exclude all of the following items (even if includable in gross income): reimbursements or other expense allowances, fringe benefits (cash and noncash), moving expenses, deferred compensation, and welfare benefits.
- 24a.** Exclude other pay from definition of Compensation for the following Participants:  
**i.**  None  
**ii.**  Highly Compensated Employees only  
**iii.**  All Participants
- 24b.** If **A.24a.ii** or **iii** is selected, describe other pay excluded from definition of Compensation and indicate for what purposes (e.g., Elective Deferrals, Matching, etc.) the Compensation is excluded: \_\_\_\_\_.  
**NOTE:** The pay specified above must be objectively determinable and may not be specified in a manner that is subject to Company discretion.  
**NOTE:** If the Plan is intended to be a safe harbor 401(k) plan (**C.1a** is not "No"), the Compensation used to allocate the safe harbor contributions must be safe harbor compensation within the meaning of Treas. Reg. 1.401(k)-3(b)(2).

### Testing Compensation

- 26.** Definition of Testing Compensation:  
**i.**  **W-2.** Wages within the meaning of Code section 3401(a) and all other payments of compensation to an Employee by the Employer (in the course of the Employer's trade or business) for which the Employer is required to furnish the Employee a written statement under Code sections 6041(d), 6051(a)(3), and 6052.  
**ii.**  **Withholding.** Wages within the meaning of Code section 3401(a) for the purposes of income tax withholding at the source.  
**iii.**  **415 Safe Harbor.** Only those items specified in Treas. Reg. section 1.415(c)-2(b)(1) and excluding all those items listed in Treas. Reg. section 1.415(c)-2(c).

### Highly Compensated Employee

- 29.** Use top-paid group election in determining Highly Compensated Employees:  
 Yes  No
- 30.** Use calendar year beginning with or within the preceding Plan Year in determining Highly Compensated Employees:  
 Yes  No

## Other Definitions

32. Definition of Disability:
- i.  The Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. The permanence and degree of such impairment shall be supported by medical evidence.
  - ii.  The determination by the Social Security Administration that the Participant is eligible to receive disability benefits under the Social Security Act.
  - iii.  The Participant suffers from a physical or mental impairment that results in his inability to engage in any occupation comparable to that in which the Participant was engaged at the time of his disability. The permanence and degree of such impairment shall be supported by medical evidence.
  - iv.  The Participant is eligible to receive benefits under a Company-sponsored disability plan.
  - v.  The Participant is mentally or physically disabled under uniform rules consistently applied to all Participants in like circumstances.
33. Name of state or commonwealth for choice of law (Section 14.05): \_\_\_\_\_

## B. ELIGIBILITY.

### Exclusions

The term "Eligible Employee" shall not include (Check items **B.1 - B.4a** as appropriate):

- 1.  **Union.** Any Employee who is included in a unit of Employees covered by a collective bargaining agreement, if retirement benefits were the subject of good faith bargaining, and if the collective bargaining agreement does not provide for participation in this Plan.
- 2.  Any **Leased Employee** (as defined in Article 2).
- 3.  **Non-Resident Alien.** Any Employee who is a non-resident alien who received no earned income (within the meaning of Code section 911(d)(2)) which constitutes income from services performed within the United States (within the meaning of Code section 861(a)(3)).
- 4a.  **Other.** Other Employees described in **B.4b** (any exclusion must satisfy Code section 401(a)).
- 4b. If **B.4a** is selected, describe other excluded Employees from definition of Eligible Employee and indicate for what purposes (e.g., Elective Deferrals, Matching, etc.) the Employees are excluded: \_\_\_\_\_
- 5. **Opt-Out.** An Employee may irrevocably elect not to participate in the Plan:  
 Yes  No

**NOTE:** Any classification specified in **B.4b** must be an objectively defined classification of Employees.

### Other Employer Service

- 6a. Count a maximum of five years service with other non-affiliated employers for eligibility purposes:  
 Yes  No
- 6b. If **B.6a** is "Yes", list other employers and indicate for what purposes (e.g., Elective Deferrals, Matching, etc.) the service applies: \_\_\_\_\_

### Break in Service

- 7a. **Rule of parity.** If an Employee does not have any nonforfeitable right to the Account balance derived from Employer contributions, exclude eligibility service before a period of five (5) consecutive One-Year Breaks in Service/Periods of Severance.  
 Yes  No
- 7b. **One-year holdout.** (Applies for purposes of eligibility to receive Non-Elective Contributions only). If an Employee has a One-Year Break in Service/Period of Severance, exclude eligibility service before such period until the Employee has completed a Year of Eligibility Service after returning to employment with the Employer.  
 Yes  No

### Immediate Participation

- 8a. If the Plan is a new plan, allow immediate participation to all Eligible Employees employed on the date specified in **B.8b**:  
 Yes  No
- 8b. If **B.8a** is "Yes", all Eligible Employees employed on \_\_\_\_\_ shall become eligible to participate in the Plan as of such date.

### Eligibility Service Computation Rules

**NOTE:** The responses to **B.9** are used only to the extent that the Plan determines eligibility service by the hour of service method.

- 9a. Eligibility Computation Period switch to Plan Year:  
 Yes  No
- 9b. Select hours equivalency for eligibility purposes:
- i.  None
- An Employee shall be credited with the following service with the Employer:
- ii.  10 Hours of Service for each day or partial day
  - iii.  45 Hours of Service for each week or partial week
  - iv.  95 Hours of Service for each semi-monthly payroll period or partial semi-monthly payroll period
  - v.  190 Hours of Service for each month or partial month

### Elective Deferrals/Voluntary Contributions

An Eligible Employee shall be eligible to make Elective Deferrals/Voluntary Contributions (if permitted pursuant to **A.10/A.11**) at the time specified in **B.13** upon meeting the requirements of **B.10** through **B.12** (Section 3.01):

10. Minimum age requirement for Elective Deferrals/Voluntary Contributions: \_\_\_\_\_ (21 maximum - leave blank or enter "0" if none)
- 11a. Minimum service requirement for Elective Deferrals/Voluntary Contributions:
- i.  None
  - ii.  Completion of One Year of Eligibility Service (See **B.11c** for hours of service required for a year of service if the Plan does not use the Elapsed Time method in **B.11b**)
  - iii.  Completion of \_\_\_\_\_ Hours of Service (not more than 1,000) in a \_\_\_\_\_ month period (Not to exceed 12.)
  - iv.  Completion of \_\_\_\_\_ Hours of Service (not to exceed 1,000) within a twelve month period.
  - v.  Completion of \_\_\_\_\_ months of service (not to exceed 12 months--elapsed time only).
- NOTE: If B.11a.iii - B.11a.iv is selected and the Plan uses the Hours of Service method, the service requirement under B.11a shall be deemed met no later than the end of an Eligibility Computation Period during which the Eligible Employee completes 1,000 Hours of Service; provided, that the individual is an Eligible Employee on the applicable entry date. Service taken into account for purposes of B.11a shall be determined under the terms and conditions as is specified for determining a Year of Eligibility Service.**
- NOTE: If B.11a.iv is selected, the service requirement under B.11a shall be deemed met at the time the specified number of Hours of Service are completed.**
- 11b. Eligibility service computation method for Elective Deferrals. (Unless **B.11b.ii** (Elapsed Time) is selected, the Plan will use the Hours of Service method for determining eligibility service for Elective Deferrals):
- i.  Hours of Service
  - ii.  Elapsed Time
- 11c. If **B.11a.ii** is selected and if **B.11b** is "Hours of Service", enter the number of Hours of Service necessary for Year of Eligibility Service for purposes of Elective Deferrals: \_\_\_\_\_ (Not more than 1,000. If left blank, the Plan will use 1,000 Hours of Service.)
- 12a. In addition to the foregoing, the Plan provides for additional requirements for eligibility to make Elective Deferrals/Voluntary Contributions:  
 Yes  No
- 12b. If **B.12a** is "Yes", describe any other eligibility requirements: \_\_\_\_\_.
- 13a. Frequency of entry dates for Elective Deferrals/Voluntary Contributions:
- i.  An Eligible Employee shall become a Participant eligible to make Elective Deferrals/Voluntary Contributions immediately upon meeting the requirements of **B.10** through **B.12**.
  - ii.  first day of each calendar month
  - iii.  first day of each plan quarter
  - iv.  first day of the first month and seventh month of the Plan Year
  - v.  first day of the Plan Year
  - vi.  the dates specified in **B.13c**.
- 13b. If **B.13a.i** and **B.13a.vi** (immediate entry/dates specified in **B.13c**) are not selected, an Eligible Employee shall become a Participant eligible to make Elective Deferrals/Voluntary Contributions on the entry date selected in **B.13a** that is:
- i.  coincident with or next following
  - ii.  next following
- the date the requirements of **B.10** through **B.12** are met.
- 13c. If **B.13a.vi** (dates specified in **B.13c**) is selected, describe the other entry dates: \_\_\_\_\_.

### Matching Contributions

An Eligible Employee shall be eligible to receive an allocation of Matching Contributions (if permitted pursuant to **A.12**) at the time specified in **B.23** upon meeting the requirements of **B.20** through **B.22** (Section 3.02):

20. Minimum age requirement for Matching Contributions: \_\_\_\_\_ (21 maximum - leave blank or enter "0" if none)
- 21a. Minimum service requirement for Matching Contributions (Cannot exceed 1 year, unless the Plan provides a nonforfeitable right to 100% of the Participant's Matching Contribution Account balance after not more than 2 years of service, in which case up to 2 years is permitted):
- i.  None

- ii.  Completion of \_\_\_\_\_ Year(s) of Eligibility Service (Not to exceed 2. See **B.21c** for hours of service required for a year of service if the Plan does not use the Elapsed Time method in **B.21b**)
- iii.  Completion of \_\_\_\_\_ Hours of Service (not more than 1,000) in a \_\_\_\_\_ month period (Not to exceed 12.)
- iv.  Completion of \_\_\_\_\_ Hours of Service (not to exceed 1,000) within a twelve month period.
- v.  Completion of \_\_\_\_\_ months of service (not to exceed 24 months--elapsed time only).

**NOTE:** If 1-1/2 Years of Eligibility Service is selected, an Eligible Employee shall be deemed to earn 1/2 Year of Eligibility Service on the date that is six months after the end of the Eligibility Computation Period during which he earns his first Year of Eligibility Service; provided, that the individual is an Eligible Employee on the applicable entry date. Other fractional years may not be used.

**NOTE:** If **B.21a.iii** - **B.21a.iv** is selected and the Plan uses the Hours of Service method, the service requirement under **B.21a** shall be deemed met no later than the end of an Eligibility Computation Period during which the Eligible Employee completes 1,000 Hours of Service; provided, that the individual is an Eligible Employee on the applicable entry date. Service taken into account for purposes of **B.21a** shall be determined under the terms and conditions as is specified for determining a Year of Eligibility Service.

**NOTE:** If **B.21a.iv** is selected, the service requirement under **B.21a** shall be deemed met at the time the specified number of Hours of Service are completed.

- 21b.** Eligibility service computation method for Matching Contributions. (Unless **B.21b.ii** (Elapsed Time) is selected, the Plan will use the Hours of Service method for determining eligibility service for Matching Contributions):
  - i.  Hours of Service
  - ii.  Elapsed Time
- 21c.** If **B.21a.ii** is selected and if **B.21b** is "Hours of Service", enter the number of Hours of Service necessary for Year of Eligibility Service for purposes of Matching Contributions: \_\_\_\_\_ (Not more than 1,000. If left blank, the Plan will use 1,000 Hours of Service.)
- 22a.** In addition to the foregoing, the Plan provides for additional requirements for eligibility to receive allocations of Matching Contributions:  
 Yes  No
- 22b.** If **B.22a** is "Yes", describe any other eligibility requirements: \_\_\_\_\_.
- 23a.** Frequency of entry dates for Matching Contributions:
  - i.  An Eligible Employee shall become a Participant eligible to receive an allocation of Matching Contributions immediately upon meeting the requirements of **B.20** through **B.22**.
  - ii.  first day of each calendar month
  - iii.  first day of each plan quarter
  - iv.  first day of the first month and seventh month of the Plan Year
  - v.  first day of the Plan Year
  - vi.  the dates specified in **B.23c**.
- 23b.** If **B.23a.i** and **B.23a.vi** (immediate entry/dates specified in **B.23c**) are not selected, an Eligible Employee shall become a Participant eligible to receive an allocation of Matching Contributions on the entry date selected in **B.23a** that is:
  - i.  coincident with or next following
  - ii.  next following
  - iii.  coincident with or immediately preceding
  - iv.  immediately preceding
  - v.  nearest to  
the date the requirements of **B.20** through **B.22** are met.
- 23c.** If **B.23a.vi** (dates specified in **B.23c**) is selected, describe the other entry dates: \_\_\_\_\_.  
**NOTE:** If **C.1a.ii** is selected (safe harbor match), the conditions specified in **B.20** - **B.23** may not be less favorable than those specified in **B.10** - **B.13** except to the extent that Section 5.03(g) applies.

#### Non-Elective Contributions

An Eligible Employee shall be eligible to receive an allocation of Non-Elective Contributions (if permitted pursuant to **A.13**) at the time specified in **B.33** upon meeting the requirements of **B.30** through **B.32** (Section 3.03(a)):

- 30.** Minimum age requirement for Non-Elective Contributions: \_\_\_\_\_ (21 maximum - leave blank or enter "0" if none)
  - 31a.** Minimum service requirement for Non-Elective Contributions (Cannot exceed 1 year, unless the Plan provides a nonforfeitable right to 100% of the Participant's Non-Elective Contribution Account balance after not more than 2 years of service, in which case up to 2 years is permitted.):
    - i.  None
    - ii.  Completion of \_\_\_\_\_ Years(s) of Eligibility Service (Not to exceed 2. See **B.31c** for hours of service required for a year of service if the Plan does not use the Elapsed Time method in **B.31b**)
    - iii.  Completion of \_\_\_\_\_ Hours of Service (not more than 1,000) in a \_\_\_\_\_ month period (Not to exceed 12.)
    - iv.  Completion of \_\_\_\_\_ Hours of Service (not to exceed 1,000) within a twelve month period.
    - v.  Completion of \_\_\_\_\_ months of service (not to exceed 24 months--elapsed time only).
- NOTE:** If 1-1/2 Years of Eligibility Service is selected, an Eligible Employee shall be deemed to earn 1/2 Year of Eligibility Service on the date that is six months after the end of the Eligibility Computation Period during which he earns his first Year of Eligibility Service; provided, that the individual is an Eligible Employee on the applicable entry date. Other fractional years may not be used.

**NOTE:** If **B.31a.iii** - **B.31a.iv** is selected and the Plan uses the Hours of Service method, the service requirement under **B.31a** shall be deemed met no later than the end of an Eligibility Computation Period during which the Eligible Employee completes 1,000 Hours of Service; provided, that the individual is an Eligible Employee on the applicable entry date. Service taken into account for purposes of **B.31a** shall be determined under the terms and conditions as is specified for determining a Year of Eligibility Service.

**NOTE:** If **B.31a.iv** is selected, the service requirement under **B.31a** shall be deemed met at the time the specified number of Hours of Service are completed.

- 31b.** Eligibility service computation method for Non-Elective Contributions. (Unless **B.31b.ii** (Elapsed Time) is selected, the Plan will use the Hours of Service method for determining eligibility service for Non-Elective Contributions):
- i.**  Hours of Service
  - ii.**  Elapsed Time
- 31c.** If **B.31a.ii** is selected and if **B.31b** is "Hours of Service", enter the number of Hours of Service necessary for Year of Eligibility Service for purposes of Non-Elective Contributions: \_\_\_\_\_ (Not more than 1,000. If left blank, the Plan will use 1,000 Hours of Service.)
- 32a.** In addition to the foregoing, the Plan provides for additional requirements for eligibility to receive allocations of Non-Elective Contributions:  
 Yes  No
- 32b.** If **B.32a** is "Yes", Describe any other eligibility requirements: \_\_\_\_\_.
- 33a.** Frequency of entry dates for Non-Elective Contributions:
- i.**  An Eligible Employee shall become a Participant eligible to receive an allocation of Non-Elective Contributions immediately upon meeting the requirements of **B.30** through **B.32**.
  - ii.**  first day of each calendar month
  - iii.**  first day of each plan quarter
  - iv.**  first day of the first month and seventh month of the Plan Year
  - v.**  first day of the Plan Year
  - vi.**  the dates specified in **B.33c**.
- 33b.** If **B.33a.i** and **B.33a.vi** (immediate entry/dates specified in **B.33c**) are not selected, an Eligible Employee shall become a Participant eligible to receive an allocation of Non-Elective Contributions on the entry date selected in **B.33a** that is:
- i.**  coincident with or next following
  - ii.**  next following
  - iii.**  coincident with or immediately preceding
  - iv.**  immediately preceding
  - v.**  nearest to
- the date the requirements of **B.30** through **B.32** are met.
- 33c.** If **B.33a.vi** (dates specified in **B.33c**) is selected, describe the other entry dates: \_\_\_\_\_.

## **C. CONTRIBUTIONS**

### **ADP/ACP Safe Harbor**

- 1a.** If **A.10** is "Yes" (Elective Deferrals are permitted), is this a safe-harbor plan exempt from most testing?
- i.**  No
  - ii.**  Yes - safe harbor match (See **C.21** through **C.28**)
  - iii.**  Yes - minimum 3% nonelective contribution pursuant to Section 4.04(a)
  - iv.**  Yes - to another plan
- 1b.** If **C.1a.i** is not selected, indicate the safe harbors the Plan is intended to satisfy:
- i.**  ADP (Code section 401(k)(12)) and ACP (Code section 401(m)(11))
  - ii.**  ADP (Code section 401(k)(12)) only
- NOTE:** If **C.1b.ii** (ADP only) is selected, the Plan will not be subject to any of the conditions and/or limitations that apply to the ACP safe harbor of Code section 401(m)(11).
- NOTE:** Mid-year changes to implement a qualified Roth contribution program under Code section 402A, or a hardship withdrawal under Part III of IRS Notice 2007-7 (relating to medical, tuition, and funeral expenses for a primary beneficiary under the plan) shall not cause a plan to fail to satisfy the safe harbor provisions of Code sections 401(k)(12) and/or 401(m)(11).
- 2.** If **C.1a.i** is not selected, enter effective date of safe harbor provisions: \_\_\_\_\_ (The effective date must comply with applicable IRS guidance.)
- NOTE:** A safe harbor Plan Year must be twelve months long or at least three months long if it is the first Plan Year of a newly established plan. If a cash or deferred arrangement is added to an existing plan, the cash or deferred arrangement (and safe harbor features) must be effective no later than three months prior to the end of the Plan Year.
- 3.** If **C.1a.iv** (to another plan) is selected, name of other plan to which safe harbor contributions are made:  
\_\_\_\_\_
- NOTE:** The other plan must use the same plan year as the Plan.
- 4a.** If **C.1a.iii** (3% nonelective) is selected, safe harbor nonelective contributions will be made on behalf of:
- i.**  All Participants
  - ii.**  Participants who are Nonhighly Compensated Employees

- 4b.** **iii.**  Participants who have met the greatest minimum age and service conditions permitted under Code section 410(a) If **C.1a.iii** is selected (3% nonelective) and **C.4a.i** (all Participants) is selected, require service for Highly Compensated Employees to receive safe harbor nonelective contribution:  
 Yes  No
- 4c.** If **C.1a.iii** (3% nonelective) is selected, **C.4a.i** (all Participants) is selected and **C.4b** is "Yes", Hours of Service required in the applicable Plan Year for Highly Compensated Employees to receive safe harbor nonelective contribution: \_\_\_\_\_ (Not more than 1,000. If left blank, the Plan will use 1,000 Hours of Service.)
- 4d.** If **C.1a.iii** (3% nonelective) is selected and **C.4a.i** (all Participants) is selected, require employment on last day of Plan Year for Highly Compensated Employees to receive safe harbor nonelective contribution:  
 Yes  No

#### Elective Deferrals

**NOTE:** If **A.10** is "Yes" (Elective Deferrals are permitted), an Eligible Employee who has met the requirements of **B.10** through **B.13** shall be eligible to make Elective Deferrals to the Plan as follows (Section 4.01):

- 5a.** Minimum Elective Deferral contribution: \_\_\_\_\_ of Compensation (leave blank or enter "0" if none)
- 5b.** Maximum Elective Deferral contribution: \_\_\_\_\_ of Compensation (Not more than 100%. If left blank, the maximum will be 100%)
- 6a.** When may Participants modify/start/stop elections regarding Elective Deferrals/Voluntary Contributions?
- i.**  Each pay period
  - ii.**  Monthly
  - iii.**  Quarterly
  - iv.**  Semi Annual
  - v.**  Annual
  - vi.**  Pursuant to Plan Administrator procedures (At least once each calendar year)
- 6b.** May Participants stop election to contribute at any time?  
 Yes  No
- 7a.** Should Plan provide for negative elections? (Section 4.01(g))  
 Yes  No
- 7b.** If **C.7a** is "Yes", amount of negative election: \_\_\_\_\_ % of Compensation.
- 8a.** **EGTRRA Catch-up Contributions.** Allow Participants to make Catch-up Contributions (Section 5.01(d)):  
 Yes  No
- 8b.** If **C.8a** is "Yes", the election shall apply with respect to contributions on or after \_\_\_\_\_. (Enter January 1, 2002 or a later date).

**NOTE:** Catch-up Contributions specified in **C.8a** shall be included in the definition of Matched Employee Contributions.

#### Testing Elections

- 9a.** Average Deferral Percentage of Nonhighly Compensated Employees are determined using:
- i.**  Current year - no exceptions
  - ii.**  Current year - with exceptions for certain years (See **C.9b**)
  - iii.**  Prior year - no exceptions
  - iv.**  Prior year - with exceptions for certain years (See **C.9b**)
- NOTE:** If **C.1a.i** is not selected (the Plan is a 401(k) safe harbor plan), then the current year must be used for those Plan Years during which the Plan is subject to the 401(k) safe harbor requirements.
- 9b.** If **C.9a.ii** or **C.9a.iv** (with exceptions) is selected, enter years for which exceptions apply: \_\_\_\_\_.  
**NOTE:** The years entered may not be earlier than the Effective Date.
- 9c.** If prior year testing is selected in **C.9a** for the first year the Plan is a 401(k) plan, designate Nonhighly Compensated Employee percentage for first Plan Year:
- i.**  3%
  - ii.**  Current year percentages
- 10a.** Average Contribution Percentage of Nonhighly Compensated Employees are determined using:
- i.**  Current year - no exceptions
  - ii.**  Current year - with exceptions for certain years (See **C.10b**)
  - iii.**  Prior year - no exceptions
  - iv.**  Prior year - with exceptions for certain years (See **C.10b**)
- NOTE:** If **C.1a.i** is not selected (the Plan is a 401(k) safe harbor plan) and if **C.1b.i** is selected (Plan is intended to satisfy the ACP safe harbor), then the current year must be used for those Plan Years during which the Plan is subject to the 401(k) safe harbor requirements.
- 10b.** If **C.10a.ii** or **C.10a.iv** (with exceptions) is selected, enter years for which exceptions apply: \_\_\_\_\_.  
**NOTE:** The years entered may not be earlier than the Effective Date.
- 10c.** If prior year testing is selected in **C.10a** for the first year the Plan is a 401(k) plan, designate Nonhighly Compensated Employee percentage for first Plan Year:
- i.**  3%
  - ii.**  Current year percentages

**NOTE:** The Plan may use different testing methods under **C.9** and **C.10** provided the Plan doesn't permit (1) recharacterization of excess contributions, (2) Elective Deferrals to be used in the ACP test under Section 5.02(b) or (3) Qualified Matching Contributions to be used in the ADP test under Section 5.02(a).

### Voluntary Contributions

**NOTE:** If **A.11** is "Yes" (Voluntary Contributions are permitted), an Eligible Employee who has met the requirements of **B.10** through **B.13** shall be eligible to make Voluntary Contributions to the Plan as follows (Section 4.01):

11. Minimum Voluntary Contribution: \_\_\_\_\_ of Compensation (leave blank or enter "0" if none)
12. Maximum Voluntary Contribution: \_\_\_\_\_ of Compensation (Not more than 100%. If left blank, the maximum will be 100%)
13. Maximum of total combined Elective Deferral/Voluntary Contribution: \_\_\_\_\_ of Compensation (Not more than 100%. If left blank, the maximum will be 100%)
14. Include a Participant's Voluntary Contributions in the definition of Matched Employee Contributions:
  - i.  Yes - Voluntary Contributions shall be included in the definition of Matched Employee Contributions.
  - ii.  No - Voluntary Contributions shall be excluded from the definition of Matched Employee Contributions.

### Matching - Service

**NOTE:** If **A.12** is "Yes" (Matching Contributions are permitted), an Eligible Employee who has met the requirements of **B.20** through **B.23** and who has satisfied the following requirements shall be eligible to receive an allocation of Matching Contributions during the applicable Plan Year.

- 21a. Require service for a Participant to receive an allocation of Matching Contributions?  
 Yes  No
- 21b. If **C.21a** is "Yes", Hours of Service required in the applicable Plan Year for a Participant to receive an allocation of Matching Contributions: \_\_\_\_\_ (Not more than 1,000. If left blank, the Plan will use 1,000 Hours of Service.)
22. Require employment by the Company on the last day of Plan Year for a Participant to receive an allocation of Matching Contributions?  
 Yes  No
- 23a. Waive service requirement under **C.21** and last day requirement under **C.22** for a Participant who Terminates employment with the Employer during the Plan Year due to:
  - i.  death.
  - ii.  Disability.
  - iii.  attainment of Normal Retirement Age.
- 23b. Any Hour of Service requirement and last day requirement shall be modified upon the occurrence of the events described in **C.23a** as follows:
  - i.  Waive both the Hour of Service requirement and last day requirement in **C.21/C.22**.
  - ii.  Waive the Hour of Service requirement in **C.21/C.22** only
  - iii.  Waive last day requirement in **C.21/C.22** only
24. Method to fix Matching Contribution Code section 410(b) coverage failures (Section 4.02(d)):
  - i.  Do not automatically fix
  - ii.  Add just enough Participants to meet the coverage requirements
  - iii.  Add all non-excludable Participants

**NOTE:** If the Plan is intended to be a safe harbor 401(k) plan by use of a safe harbor matching formula (**C.1a.ii** is selected) or the Plan is intended to satisfy the ACP safe harbor of Code section 401(m)(11), no requirements may be specified in **C.20** - **C.22** to receive an allocation of Matching Contributions.

### Matching - Formula

25. Matching Contribution formula. The Company's Matching Contribution shall be allocated to eligible Participants who have met the requirements of **B.20** through **B.23** and **C.20** through **C.24** as follows (Section 4.02):
  - i.  An amount and allocation formula as determined by the Board
  - ii.  Single rate
  - iii.  Two rates

**NOTE:** If **C.1a.ii** (safe harbor match) is selected, **C.25.ii** or **C.25.iii** must be selected.

**NOTE:** The discretionary formula in **C.25.i** must meet the non-discrimination requirements regarding benefits, right or features described in Treas. Reg. 1.401(a)(4)-4.

**NOTE:** Effective as of the effective date of the Final 401(k) Regulations, a Matching Contribution of a Nonhighly Compensated Employee will not be taken into account in satisfying the requirements of Section 5.02 to the extent it is a disproportionate contribution within the meaning of Treas. Reg. section 1.401(m)-2(a)(5).

26. If **C.25** is "Single rate" or "Two rates", the Company will contribute as a Matching Contribution an amount equal to **a.** \_\_\_\_\_% of the Participant's Matched Employee Contributions that are not in excess of **b.** \_\_\_\_\_% of the Participant's Compensation;  
**PLUS** (Only if **C.25** is "Two rates")

c. \_\_\_\_\_% of the amount of the Participant's Matched Employee Contributions that exceed the amount described in **C.26b** of the Participant's Compensation but that do not exceed **d.** \_\_\_\_\_% of the Participant's Compensation.

**NOTE:** If **C.1a.ii** (safe harbor match) is selected then **C.25** and **C.26** must be completed so that **C.26a** is 100%, **C.26b** is 3%, **C.26c** is 50% and **C.26d** is 5%. In addition, the Plan Sponsor may also elect a Matching Contribution formula where: (i) the aggregate amount of Matching Contributions at each rate of Matched Employee Contributions is at least equal to the aggregate amount of Matching Contributions which would have been made if the Matching Contributions were made under the formula described in the preceding sentence, and (ii) the rate of Matching Contributions cannot increase as a Participant's Matched Employee Contributions increase.

**NOTE:** If **C.1a.ii** (safe harbor match) is selected or if the Plan is intended to satisfy the ACP safe harbor of Code section 401(m)(11), no Highly Compensated Employee can receive a greater rate of Matching Contributions than a Nonhighly Compensated Employee at the same rate of Matched Employee Contributions.

**NOTE:** If the Plan is intended to satisfy the ACP safe harbor of Code section 401(m)(11) (**C.1b.i** is selected): (i) the rate of Matching Contributions cannot increase as a Participant's Matched Employee Contributions increase, (ii) Matching Contributions cannot be made on Matched Employee Contributions in excess of six percent (6%) of Compensation, and (iii) the amount of Matching Contributions subject to the Company's discretion shall not exceed four percent (4%) of Compensation.

**26e.** If **C.25** is "Single rate" or "Two rates", permit the Board to provide for discretionary Matching Contributions to be made in addition to the foregoing:

Yes  No

#### Matching - Maximum Allocation

**27a.** Plan limits Matching Contributions to a maximum amount/percentage in each Plan Year:

i.  Yes - maximum percentage of Compensation that applies to all Participants

ii.  Yes - maximum percentage of Compensation that applies to Highly Compensated Employees only

iii.  Yes - maximum dollar amount that applies to all Participants

iv.  Yes - maximum dollar amount that applies to Highly Compensated Employees only

v.  No

**NOTE:** If **C.1a.ii** (Yes - safe harbor match) is selected, then **C.27a** will be deemed to be "No"

**27b.** If **C.27a.v** (No) is not selected, enter the maximum percentage \_\_\_\_\_% or dollar amount \$\_\_\_\_\_.

#### Matching - Allocations

**28a.** Matching Contributions are allocated to Participant Accounts at the following time(s):

i.  End of Plan Year

ii.  Semi-annually

iii.  Quarterly

iv.  Each calendar month

v.  Each pay period

**NOTE:** Any service requirements specified in **C.20** through **C.23** shall be applied pro rata to the period selected in this **C.28**.

Any last day rule specified in **C.20** through **C.23** shall be applied as of the end of each period selected in this **C.28**.

**28b.** If **C.27a.iii** or **C.27a.iv** (Yes - maximum dollar amount) is selected and **C.28a.i** (End of Plan Year) is not selected, apply the dollar limit in **C.27b**:

i.  On a Plan Year basis only

ii.  Pro rata as of each period specified in **C.28a**.

#### Non-Elective - Service

**NOTE:** If **A.13** is "Yes" (Non-Elective Contributions are permitted), an Eligible Employee who has met the requirements of **B.30** through **B.33** and who has satisfied the following requirements shall be eligible to receive an allocation of Non-Elective Contributions during the applicable Plan Year.

**31a.** Require service for a Participant to receive an allocation of Non-Elective Contributions?

Yes  No

**31b.** If **C.31a** is "Yes", Hours of Service required in the applicable Plan Year for a Participant to receive an allocation of Non-Elective Contributions: \_\_\_\_\_ (Not more than 1,000. If left blank, the Plan will use 1,000 Hours of Service.)

**32.** Require employment by the Company on last day of Plan Year for a Participant to receive an allocation of Non-Elective Contributions?

Yes  No

**33a.** Waive service requirement under **C.31** and last day requirement under **C.32** for a Participant who Terminates employment with the Employer during the Plan Year due to:

i.  death.

ii.  Disability.

iii.  attainment of Normal Retirement Age.

**33b.** Any Hour of Service requirement and last day requirement shall be modified upon the occurrence of the events described in **C.33a** as follows:

i.  Waive both the Hour of Service requirement and last day requirement in **C.31/C.32**.

- ii.  Waive the Hour of Service requirement in **C.31/C.32** only
  - iii.  Waive last day requirement in **C.31/C.32** only
- 34.** Method to fix Non-Elective Contribution Code section 410(b) coverage failures (Section 4.03(d)):
- i.  Do not automatically fix
  - ii.  Add just enough Participants to meet the coverage requirements
  - iii.  Add all non-excludable Participants

**Non-Elective - Formula**

- 35.** Non-Elective allocation formula. The Company's Non-Elective Contribution shall be allocated to eligible Participants who have met the requirements of **B.30** through **B.33** and **C.31** through **C.34** in the ratio that each Participant's Compensation bears to the Compensation of all eligible Participants.

**Non-Elective - Disability**

- 39a.** Allocate Non-Elective Contributions to Disabled Participants (Section 4.03(e)):  
 Yes  No
- 39b.** If **C.39a** is "Yes", select the anniversary of Disability when allocations end (Allocations to a Disabled Participant end as of the earliest of: (i) the last day of the Plan Year in which occurs the anniversary of the start of the Participant's Disability specified in this **C.39b**, or (ii) such other time specified in Section 4.03(e).):  
 first  second  third  fourth  fifth  sixth  seventh  eighth  ninth  tenth

**Non-Elective - HEART Act**

- 39c.** For benefit accrual purposes, a Participant that dies or becomes disabled while performing qualified military service will be treated as if he had been employed by the Company on the day preceding death or disability and terminated employment on the day of death or disability pursuant to Code section 414(u)(9) (Section 4.07(d)):  
 Yes  No
- 39d.** If **C.39c** is "Yes", enter the effective date: \_\_\_\_\_ (must be on or after January 1, 2007).

**Qualified Nonelective Contributions**

- 40.** Qualified Nonelective Contributions will be made on behalf of (Section 4.04(b)):
- i.  All Participants
  - ii.  Participants who are Nonhighly Compensated Employees
  - iii.  Such Participants determined at the discretion of the Company and using any of the allocation methods specified in **C.41**.
- 41a.** If **C.40.iii** (at discretion of Employer) is not selected, require service to receive Qualified Nonelective Contribution?  
 Yes  No
- 41b.** If **C.40.iii** (at discretion of Employer) is not selected and **C.41a** is "Yes", Hours of Service required in the applicable Plan Year to receive Qualified Nonelective Contribution: \_\_\_\_\_ (Not more than 1,000. If left blank, the Plan will use 1,000 Hours of Service.)
- 42.** If **C.40.iii** (at discretion of Employer) is not selected, require employment by the Company on last day of Plan Year to receive Qualified Nonelective Contribution?  
 Yes  No
- 43a.** If **C.40.iii** (at discretion of Employer) is not selected, indicate whether any modifications shall be made to the requirements specified in **C.40 - C.42**:  
 Yes  No
- 43b.** **C.43a** is "Yes", indicate the modifications to be made to the requirements specified in **C.40 - C.42**: \_\_\_\_\_. (May not impose an Hour of Service requirement greater than 1,000.)
- 44.** If **C.40.iii** (at discretion of Employer) is not selected, the Company's Qualified Nonelective Contribution (in addition to any nonelective contribution made pursuant to **C.1a**) shall be allocated:
- i.  **Pro rata**. In the ratio that such Participant's Compensation bears to the Compensation of all eligible Participants.
  - ii.  **Fixed Amount**. In an amount equal to the total additional Qualified Nonelective Contribution divided by the number of Participants eligible to share in such contribution.
  - iii.  **Bottom Up**. In an amount described in Section 4.04(b) for Bottom Up QNECs.

**Rollovers**

- 50.** Rollover Contributions are permitted (Section 4.05):
- i.  No
  - ii.  Yes - All Eligible Employees may make a Rollover Contribution even if not yet a Participant in the Plan
  - iii.  Yes - Only active Participants may make a Rollover Contribution
- 51a.** If **C.50** is not "No", Rollover Contributions are permitted from:
- i.  All qualified plans and tax favored vehicles allowed under Code section 402 (Section 4.05(b))

ii.  Only qualified plans under Code section 401(a) and conduit IRAs

51b. If C.50 is not "No" and C.51a.i is selected, enter the effective date: \_\_\_\_\_ (must be after December 31, 2001)

#### 415 Corrections

70. Corrections to Code section 415 violations made to another plan (Section 5.05):

Yes  No

71. If C.70 is "Yes", name of plan in which 415 corrections will be made: \_\_\_\_\_

#### D. VESTING

##### Vesting Service Computation Rules:

1. Vesting service computation method (Unless D.1.i (Elapsed Time) is selected, the Plan will use the Hours of Service method for determining vesting service. If D.1.ii (Elapsed Time) is selected, questions D.2 through D.4 are disregarded.):
  - i.  Hours of Service
  - ii.  Elapsed Time
2. Number of Hours of Service necessary for a Year of Vesting Service: \_\_\_\_\_ (Not more than 1,000. If left blank, the Plan will use 1,000 Hours of Service.)
3. Select equivalency for vesting purposes:
  - i.  None.  
An Employee shall be credited with the following service with the Employer:
  - ii.  10 Hours of Service for each day or partial day
  - iii.  45 Hours of Service for each week or partial week
  - iv.  95 Hours of Service for each semi-monthly payroll period or partial semi-monthly payroll period
  - v.  190 Hours of Service for each month or partial month
4. Vesting Computation Period:
  - i.  Calendar year
  - ii.  Plan Year
  - iii.  The twelve-consecutive month period commencing on the date the Employee first performs an Hour of Service; each subsequent twelve-consecutive month period shall commence on the anniversary of such date.

##### Other Employer Service

5a. Count a maximum of five years service with other non-affiliated employers for vesting purposes

Yes  No

5b. If D.5a is "Yes", list other non-affiliated employers: \_\_\_\_\_

##### Vesting Exceptions

6. Provide for full vesting for a Participant who Terminates employment with the Employer due to death while an Employee (Section 6.02):  
 Yes  No
7. Provide for full vesting for a Participant who Terminates employment with the Employer due to Disability while an Employee (Section 6.02):  
 Yes  No

##### Vesting Exclusions

- 8a. Exclude Years of Vesting Service earned before age 18:  
 Yes  No
- 8b. Exclude Years of Vesting Service earned before the Employer maintained this Plan or a predecessor plan:  
 Yes  No
- 8c. **One-year holdout.** If an Employee has a One-Year Break in Service/Period of Severance, exclude Years of Vesting Service earned before such period until the Employee has completed a Year of Vesting Service after returning to employment with the Employer.  
 Yes  No
- 8d. **Rule of parity.** If an Employee does not have any nonforfeitable right to the Account balance derived from Employer contributions, exclude Years of Vesting Service earned before a period of five (5) consecutive One-Year Breaks in Service/Periods of Severance.  
 Yes  No

##### Matching

10. Matching Contribution Account Vesting Schedule:  
 100%  2-6 Year Graded  1-5 Year Graded  1-4 Year Graded  3 Year Cliff  2 Year Cliff  Other
- 10a. Other Match Schedule - less than 1 year:  
10b. Other Match Schedule - 1 year but less than 2 years:  
10c. Other Match Schedule - 2 years but less than 3 years:  
10d. Other Match Schedule - 3 years but less than 4 years:  
10e. Other Match Schedule - 4 years but less than 5 years:  
10f. Other Match Schedule - 5 years but less than 6 years:  
10g. Other Match Schedule - 6 or more years: 100%.

**NOTE:** If **C.1a.ii** (Yes - safe harbor match) is selected, then the Plan will provide for 100% vesting for safe harbor Matching Contributions.

#### Non-Elective

- 30a. Non-Elective Contribution Account Vesting Schedule:  
 100%  2-6 Year Graded  1-5 Year Graded  1-4 Year Graded  3 Year Cliff  2 Year Cliff  Other
- 30b. Retain prior Non-Elective Vesting schedule for pre 2007 contributions:  
 Yes  No  
**NOTE:** If **D.30b** is "Yes", the PPA Vesting Schedule shall apply to employer nonelective contributions for Plan Years beginning after December 31, 2006. If **D.30b** is "No", the PPA Vesting Schedule shall apply to Participants who complete at least one Hour of Service in a Plan Year beginning after December 31, 2006.
- 31a. Other Non-Elective Schedule - less than 1 year:  
31b. Other Non-Elective Schedule - 1 year but less than 2 years:  
31c. Other Non-Elective Schedule - 2 years but less than 3 years:  
31d. Other Non-Elective Schedule - 3 years but less than 4 years:  
31e. Other Non-Elective Schedule - 4 years but less than 5 years:  
31f. Other Non-Elective Schedule - 5 years but less than 6 years:  
31g. Other Non-Elective Schedule - 6 or more years: 100%.

#### E. DISTRIBUTIONS

##### Normal Retirement

- 1a. Normal Retirement Age means:  
i.  Attainment of the age specified in **E.1b**.  
ii.  Later of attainment of the age specified in **E.1b** and the anniversary of Plan participation specified in **E.1c**.
- 1b. Age component of Normal Retirement Age (not to exceed 65): \_\_\_\_\_
- 1c. If **E.1a.ii** is selected, anniversary of participation for Normal Retirement Age:  
 fifth  fourth  third  second  first

##### Time and Form of Payment after Termination for Reasons other than Death

**NOTE:** Unless **E.10b** is "Yes", **E.3** through **E.6** shall only apply to Accounts other than those that comprise a Participant's ESOP Accounts.

- 3a. Distributions after Termination of Employment for reasons other than death shall commence (Section 7.02(b)):  
i.  **Immediate.** As soon as administratively feasible with a final payment made consisting of any allocations occurring after such Termination of Employment.  
ii.  **End of Plan Year.** As soon as administratively feasible after all contributions have been allocated relating to the Plan Year in which the Participant's Account balance becomes distributable.  
iii.  **Normal Retirement Age.** When the Participant attains Normal Retirement Age.  
iv.  **Other.**
- 3b. If **E.3a.iv** (Other) is selected, enter time when distributions after Termination of Employment commence: \_\_\_\_\_
- 4a. Medium of distribution from the Plan:  
i.  Cash only  
ii.  Cash or in-kind  
iii.  Cash or in-kind rollover to an Individual Retirement Account sponsored by the vendor described in **E.4b**.
- 4b. If **E.4a.iii** (specified vendor) is selected, enter name of specified vendor: \_\_\_\_\_
- 5a. Distributions from the Plan after Termination for reasons other than death may be made in the following forms:  
i.  Lump sum only  
ii.  Lump sum payment or substantially equal annual, or more frequent installments over a period not to exceed the joint life expectancy of the Participant and his Beneficiary  
iii.  Under a continuous right of withdrawal pursuant to which a Participant may withdraw such amounts at such times as he shall elect.  
iv.  Other
- 5b. If **E.5a.iv** is selected, describe payment forms that apply uniformly to Participants: \_\_\_\_\_

**NOTE:** Any entry must comply with Code section 401(a)(9), Section 7.02(e) and other requirements of Article 7.

6. Permit distributions in the form of an annuity:  
 Yes  No

If **E.6** is "Yes", a Participant may elect to have the Plan Administrator apply his Accounts other than those that comprise his or her ESOP Accounts toward the purchase of an annuity contract, which shall be distributed to the Participant. The terms of such annuity contract shall comply with the provisions of this Plan and any annuity contract shall be nontransferable.

#### Payment on Participant Death

**NOTE:** Unless **E.10b** is "Yes", **E.7** shall only apply to Accounts other than those that comprise a Participant's ESOP Accounts.

7. Distributions on account of the death of the Participant shall be made in accordance with one of the following:
- Pay entire Account balance by end of fifth year for all Beneficiaries in accordance with Sections 7.02(c)(1)(A) and 7.02(c)(2)(A) only.
  - Pay entire Account balance no later than the 60th day following the end of Plan Year in which the Participant dies.
  - Allow extended payments for all beneficiaries in accordance with Sections 7.02(c)(1)(A), (B) and (C) and 7.02(c)(2)(A) and (B).
  - Pay entire Account balance by end of fifth year for Beneficiaries in accordance with Sections 7.02(c)(1)(A) and 7.02(c)(2)(A) and allow extended payments in accordance with Sections 7.02(c)(1)(B) and (C) and 7.02(c)(2)(B) only if the Participant's spouse is the Participant's sole primary Beneficiary.

#### ESOP Distributions

**NOTE:** **E.10** through **E.13** shall only apply to a Participant's ESOP Accounts.

- 10a. Distributions from a Participant's ESOP Accounts may be made over a period longer than the period described in Section 7.02(a)(3):  
 Yes  No
- 10b. Distributions from a Participant's ESOP Accounts may be made pursuant to the elections in **E.3**, **E.5** and **E.7**:  
 Yes  No
11. Distributions from a Participant's ESOP Accounts may be made in Company Stock:  
 Yes  No
12. Apply the distribution rules of Section 7.02(a) and the diversification rules of Section 9.02(b) to Company Stock acquired by the Plan on or before December 31, 1986:  
 Yes  No
13. Provide for a right of first refusal for distributions payable in Company Stock (Section 7.02(d)(4)):  
 Yes  No

#### Cash Out

- 15a. Involuntary cash-out amount for purposes of Section 7.03: \$\_\_\_\_\_ (\$5,000 maximum)(\$5,000 unless otherwise specified. If zero, the Plan will not automatically cash out participants).
- 15b. Involuntary cash-out amount for purposes of Section 7.10 (J&S consent requirements): \$\_\_\_\_\_ (\$5,000 maximum).
16. Involuntary cash-out of a terminated Participant's Account balance when it exceeds the cash-out amount specified in **E.15a** is deferred under Section 7.03(b) until:
- Later of age 62 or Normal Retirement Age - payment made in a lump sum only.
  - Required Beginning Date - Participant may elect payment in a lump sum or installments.
  - Required Beginning Date - payment made in a lump sum only.
- 17a. Exclude amounts attributable to Rollover Contributions in determining the value of the Participant's nonforfeitable account balance for purposes of the Plan's involuntary cash-out rules (Sections 7.03 and 7.10):  
 Yes  No
- 17b. If **E.17a** is "Yes", the election shall apply with respect to distributions made on or after \_\_\_\_\_ (Enter a date no earlier than January 1, 2002.).
- 18a. It is necessary to provide an effective date for the cash out amount specified in **E.15**:  
 Yes  No
- 18b. If **E.18a** is "Yes", enter the effective date of the change in the amount specified in **E.15a**: \_\_\_\_\_
- 18c. If **E.18a** is "Yes", enter the effective date of the change in the amount specified in **E.15b**: \_\_\_\_\_
- NOTE:** May not be earlier than the Effective Date.

#### Spousal Death Benefits

20. The Plan has received a transfer of assets from a plan subject to the survivor annuity rules of Code sections 411(a)(11) and 417:  
 Yes  No

## Required Beginning Date

30. Required Beginning Date for a Participant other than a More Than 5% Owner:
- Retirement.** April 1 of the calendar year following the later of the calendar year in which the Participant: (x) attains age 70-1/2, or (y) retires
  - Age 70-1/2.** April 1 of the calendar year following the calendar year in which the Participant attains age 70-1/2
  - Election.** Participant may elect to commence distributions pursuant to either **E.30.i** or **E.30.ii**.

## Final 401(a)(9) Regulations

31. Effective date of adoption of **final** 401(a)(9) regulations (Section 7.05): \_\_\_\_\_  
**NOTE:** The response to **E.31** will be deemed to be the Effective Date unless the Plan was amended to comply with the final 401(a)(9) regulations on or before the later of: (i) the last day of the first Plan Year beginning on or after January 1, 2003, or (ii) the end of the GUST remedial amendment period. If the Plan was timely amended to comply with the final 401(a)(9) regulations, the date entered should be the 2003 calendar year or a date during the 2002 calendar year.

## F. IN SERVICE WITHDRAWALS & LOANS

### General

1. In-service withdrawals under **F** are allowed from Accounts that are only partially vested:
- No - an Account must be fully vested for a Participant to receive an in-service withdrawal
  - Yes

### Hardship

10. Hardship withdrawals are allowed from the portion of a Participant's Accounts described in **F.1** as follows (Section 8.01) (If "None", questions regarding Hardship withdrawals are disregarded. Skip to **F.20**):
- All Accounts.** A Participant may receive a distribution on account of hardship, except from: (x) his Qualified Nonelective Contribution Account, (y) his Matching Contribution Account to the extent such account has been used to satisfy the safe harbor requirements of Code sections 401(k)(12) and/or 401(m)(11), and (z) earnings on his Elective Deferral Account credited after the later of December 31, 1988, and the end of the last Plan Year ending before July 1, 1989.
  - Selected Accounts**
  - None**
- 11a. The criteria used in determining whether a Participant is entitled to receive a Hardship withdrawal:
- Safe Harbor criteria set forth in Section 8.01(b)
  - Non Safe Harbor criteria set forth in Section 8.01(c)
- 11b. Expand the Hardship criteria to include the beneficiary of the Participant:  
 Yes  No  
**NOTE:** If **F.11b** is "Yes", Hardship distributions may be made for a primary beneficiary for expenses described in Treas. Reg. sections 1.401(k)-1(d)(3)(iii)(B)(1), (3), or (5) (relating to medical, tuition, and funeral expenses, respectively). A "primary beneficiary" is an individual who is named as a beneficiary under the Plan and has an unconditional right to all or a portion of the Participant's Account Balance upon the death of the Participant.
- 11c. If **F.11b** is "Yes", enter the effective date: \_\_\_\_\_.  
**NOTE:** May not be earlier than August 17, 2006.
12. If **F.10.ii** (Selected Accounts) is selected, hardship withdrawals may be made from the following Accounts:
- Elective Deferral Account (excluding earnings on his Elective Deferral Account credited after the later of December 31, 1988, and the end of the last Plan Year ending before July 1, 1989).
  - Matching Contribution Account (except that portion that has been used to satisfy the safe harbor requirements of Code sections 401(k)(12) and/or 401(m)(11)).
  - Non-Elective Contribution Account.
  - Voluntary Contribution Account.
  - Rollover Contribution Account.
  - Transfer Account.
13. If **A.10b** is "Yes", (Roth Elective Deferrals are permitted) and if a Participant may receive a hardship withdrawal from his Elective Deferral Account, permit hardship withdrawals from the Participant's Roth Elective Deferral Account subject to the same terms and conditions as apply to the Participant's Elective Deferral Account:
- Yes
  - Yes - But only if the withdrawal from the Roth Elective Deferral Account qualifies as a "qualified distribution" within the meaning of Code section 402A(d)(2).
  - No

### Specified Age

20. In-service withdrawals are allowed on attainment of the age specified in **F.21** from the portion of a Participant's Accounts described in **F.1.** (Section 8.02) (If "None", questions regarding specified age withdrawals are disregarded. Skip to **F.30**):
- i.  **All Accounts.**
  - ii.  **Selected Accounts.**
  - iii.  **None.**
21. In-service withdrawal permitted after age \_\_\_\_\_ (must be on or after 59-1/2 if Elective Deferrals or Qualified Nonelective Contributions are eligible Accounts).
22. If **F.20.ii** (Selected Accounts) is selected, specified age withdrawals may be made from the following Accounts:
- a.  Elective Deferral Account.
  - b.  Matching Account.
  - c.  Non-Elective Contribution Account.
  - d.  Qualified Nonelective Contribution Account.
  - e.  Voluntary Contribution Account.
  - f.  Rollover Contribution Account.
  - g.  Transfer Account.
23. If **A.10b** is "Yes", (Roth Elective Deferrals are permitted) and if a Participant may receive a withdrawal upon the attainment of a specified age from his Elective Deferral Account, permit such withdrawals from the Participant's Roth Elective Deferral Account subject to the same terms and conditions as apply to the Participant's Elective Deferral Account:
- i.  Yes
  - ii.  Yes - But only if the withdrawal from the Roth Elective Deferral Account qualifies as a "qualified distribution" within the meaning of Code section 402A(d)(2).
  - iii.  No

#### Other Withdrawals

- 30a. **After a Period Certain** (Section 8.03(a)). In-service withdrawals are allowed from a Participant's Matching and Non-Elective Contribution Accounts after 5 yrs. participation or on funds held 2 yrs. from the portion of a Participant's Accounts described in **F.1.** (Withdrawals are only permitted from the Matching Contribution Account to the extent such account has not been used to satisfy the requirements of Code sections 401(k)(12) and/or 401(m)(11)):
- Yes  No
- 30b. If **F.30a** is "Yes", allow in-service withdrawals after a period certain pursuant to **F.30a** from an Account that constitutes a Participant's ESOP Account:
- Yes  No
31. **At Any Time** (Section 8.03(b)). In-service withdrawals are allowed from a Participant's Voluntary Contribution Account and Rollover Contribution Account at any time:
- Yes  No
- 32a. Permit Qualified Reservist Distributions:
- Yes  No
- NOTE:** If **F.32a** is "Yes", a Participant may receive a distribution from amounts attributable to elective deferrals and catch-up contributions provided that: (i) such Participant was a member of a reserve component ordered or called to active duty for a period in excess of 179 days or for an indefinite period, (ii) such distribution is made during the period beginning on the date of such order or call and ending at the close of the active duty period, (iii) the Participant was ordered or called to active duty after September 11, 2001, and (iv) the distribution otherwise complies with Code section 72(t)(2)(G)(iii).
- 32b. If **F.32a** is "Yes", enter the effective date: \_\_\_\_\_.
- NOTE:** May not be earlier than September 11, 2001.

#### Loans

40. Loans are permitted (Section 8.06) (If "No", questions regarding loans are disregarded. Skip to **G**):
- Yes  No
41. Require showing of financial hardship or unusual or special situation to receive loan:
- Yes  No
42. Permit loans in excess of 1/2 of account balance up to \$10,000 with adequate security:
- Yes  No
43. Allow extended loan amortization for purchase of principal residence:
- Yes  No
44. Minimum loan amount: \$\_\_\_\_\_ (Not greater than \$1,000. Leave blank or enter "0" if none.)
45. Maximum number of loans outstanding: \_\_\_\_\_ (If blank, the maximum number of loans is one.)
46. If **G.3.iii** is selected (Plan does not permit participant self-direction), are loans treated as a segregated investment:
- Yes  No
47. A Participant must obtain the consent of his or her spouse, if any, to use the Account balance as security for a loan:
- Yes  No
- NOTE:** "Yes" is automatically selected for **F.47** if **E.20** is "Yes" (Plan has received a transfer of assets from a plan subject to the survivor annuity rules of Code sections 411(a)(11) and 417) or **E.6** (distributions allowed in the form of an annuity) is "Yes"

**G. PLAN OPERATIONS**

**Permitted Investments**

1. Plan may invest assets in Accounts other than ESOP Accounts in life insurance (Section 9.11):  
 Yes  No

**Participant Self Direction**

3. Specify the extent to which the Plan permits Participant self direction (Section 9.02. If "None", questions regarding Participant self direction are disregarded. Skip to **G.7a**):
- i.  All Accounts other than ESOP Accounts
  - ii.  Some Accounts
  - iii.  None
4. If **G.3.iii** (None) is not selected, Participants may also establish individual brokerage accounts:  
 Yes  No
5. Participants may exercise voting rights with respect to the assets held in Accounts other than ESOP Accounts (Section 9.06(a)):  
 Yes  No
6. If **G.3.ii** (Some Accounts) is selected, a Participant may self direct the following Accounts if they are not ESOP Accounts:
- a.  Elective Deferral Account.
  - b.  Matching Contribution Account.
  - c.  Voluntary Contribution Account.
  - d.  Non-Elective Contribution Account.
  - e.  Qualified Nonelective Contribution Account.
  - f.  Rollover Contribution Account.
  - g.  Transfer Account.

**Valuation Date**

- 7a. Enter Valuation Date for Accounts other than ESOP Accounts (Article 2 Definitions):
- i.  Last day of Plan Year
  - ii.  Last day of each Plan quarter
  - iii.  Last day of each month
  - iv.  Each business day
  - v.  Other
- 7b. If **G.7a.v** is selected, enter Valuation Date: \_\_\_\_\_ (Must be at least annually).
- 8a. Enter Valuation Date for ESOP Accounts (Article 2 Definitions and Section 9.10):
- i.  Last day of Plan Year
  - ii.  Other
- 8b. If **G.8a.ii** is selected, enter Valuation Date: \_\_\_\_\_ (Must be at least annually).

**Plan Administration**

- 10a. Designation of Plan Administrator (Section 12.01):
- i.  Plan Sponsor
  - ii.  Committee appointed by Plan Sponsor
  - iii.  Other
- 10b. If **G.10a.iii** is selected, Name of Plan Administrator: \_\_\_\_\_
11. Establishment of procedures for the Plan Administrator and the Investment Fiduciary (Sections 12.01(c) and 12.02(c)):
- i.  Plan Administrator and Investment Fiduciary adopt own procedures.
  - ii.  Board sets procedures for Plan Administrator and Investment Fiduciary.
- 12a. Type of indemnification for the Plan Administrator and Investment Fiduciary:
- i.  None - the Company will not indemnify the Plan Administrator or the Investment Fiduciary.
  - ii.  Standard according to Section 12.06.
  - iii.  Custom.
- 12b. If **G.12a.iii** (Custom) is selected, indemnification for the Plan Administrator and Investment Fiduciary is provided pursuant to an Addendum to the Adoption Agreement.

**Qualified Domestic Relations Orders**

13. Allow distribution of ESOP Accounts to an Alternate Payee prior to the date the Participant has a Termination of Employment or reaches his earliest retirement age (Section 14.02(b)):  
 Yes  No

## Trust

20. Trust Agreement is contained in a document separate from the Basic Plan Document.
- No
  - Yes - Section 10.09 of the Basic Plan Document shall apply.
21. Trustee Type
- Corporate
  - Individual
22. If **G.21.i** (Corporate) is selected, enter Trustee address: \_\_\_\_\_
23. Name of Trustee: \_\_\_\_\_
- 24a. Type of Trustee Indemnification:
- Standard according to Section 10.07(b)
  - Custom
- 24b. If **G.24a.ii** (Custom) is selected, indemnification for the Trustee is provided pursuant to an addendum to the Adoption Agreement.
25. If **G.20.i** (use trust in Basic Plan Document) is selected, the Trustees may designate one Trustee to act on behalf of all Trustees (Section 10.05(b)(2)):  
 Yes  No
- 26a. The Trustee is also the Investment Fiduciary (Section 10.06):  
 Yes  No
- 26b. If **G.26a** is "No", enter the name of the Investment Fiduciary: \_\_\_\_\_.

## H. TOP HEAVY

### Top Heavy Plans

1. Plan to which Top-Heavy allocations are made:
- This Plan
  - Pursuant to the terms of another plan
2. If **H.1.ii** (another plan) is selected, name of other Plan to which Top-Heavy allocations are made: \_\_\_\_\_
3. If **H.1.i** (This Plan) is selected, type of other plan maintained by the Company that covers employees eligible to participate in this Plan:
- N/A - No other plan
  - Defined Contribution
  - Defined Benefit

### Top Heavy Allocations

4. If **H.1.i** (This Plan) is selected, Participants who share in Top-Heavy minimum allocations:
- Non-Key only.** Any Participant who is employed by the Employer on the last day of the Plan Year and is not a Key Employee.
  - All Participants.** Any Participant who is employed by the Employer on the last day of the Plan Year.

### Top Heavy Vesting

5. Top-Heavy vesting schedule:  
 100%  2-6 Year Graded  3 Year Cliff  Other
- 6a. Other Top-Heavy Schedule - less than 1 year:
- 6b. Other Top-Heavy Schedule - 1 year but less than 2 years:
- 6c. Other Top-Heavy Schedule - 2 years but less than 3 years:
- 6d. Other Top-Heavy Schedule - 3 years but less than 4 years:
- 6e. Other Top-Heavy Schedule - 4 years but less than 5 years:
- 6f. Other Top-Heavy Schedule - 5 years but less than 6 years:
- 6g. Other Top-Heavy Schedule - 6 or more years: 100%.

### Present Value Assumptions

- 7a. Enter the interest rate to be used for determining Present Value to compute the top-heavy ratio: \_\_\_\_\_%
- 7b. Enter the mortality table to be used for determining Present Value to compute the top-heavy ratio: \_\_\_\_\_
- NOTE: H.7** should only be completed if the Employer also sponsors a defined benefit plan.

**NOTE:** The Plan Sponsor should add an Addendum to the Adoption Agreement to add any language that is necessary to satisfy Code sections 415 and 416.

## I. MISCELLANEOUS

Failure to properly fill out the Adoption Agreement may result in disqualification of the Plan.

The Plan shall consist of this Adoption Agreement, its related Basic Plan Document #04-ESOP and any related Appendix and Addendum to the Adoption Agreement.

**J. EXECUTION PAGE**

The undersigned agree to be bound by the terms of this Adoption Agreement and Basic Plan Document and acknowledge receipt of same. The parties have caused this Plan to be executed this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_.

PLAN SPONSOR (COMPANY):

\_\_\_\_\_

TRUSTEE:

\_\_\_\_\_

## **EFFECTIVE DATE ADDENDUM**

**Use this Addendum to provide any effective dates for Plan provisions other than the Effective Date specified in A.3. Any date entered may not be before the Effective Date.**