

**FLORIDA INSTITUTE FOR HUMAN AND MACHINE COGNITION, INC.**  
**403(B) TAX DEFERRED ANNUITY PLAN**

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**ADOPTION AGREEMENT #001**  
**NON-ERISA 403(b) PLAN**  
**Without Retirement Income Account**  
**Alternative One - Governmental Employers**

**NOTE:** This plan document is intended for use by a 403(b) plan that is not subject to ERISA. 501(c)(3) organizations that do not intend to meet the Department of Labor ERISA Safe Harbor Exemption under 29 C.F.R. section 2510.3-2(f) may not use this document.

The undersigned Adopting Employer hereby adopts this Plan. The Plan is intended to be tax-favored under Code sections 403(b) and 501(a), respectively. The Plan will consist of this Adoption Agreement, its related Basic Plan Document and any related appendix or addendum to the Adoption Agreement. Unless otherwise indicated, all section references are to sections in the Basic Plan Document.

**ADOPTING EMPLOYER INFORMATION**

**NOTE:** An amendment is not required to change the responses in items 1-13 below.

1. Name of adopting employer (Plan Sponsor): Florida Institute for Human and Machine Cognition, Inc.
2. Address: 40 South Alcaniz Street
3. City: Pensacola
4. State: Florida
5. Zip: 32502-6008
6. Phone number: 850-202-4400
7. Fax number: 850-202-4440
8. Plan Sponsor EIN: 20-0760849
9. Plan Sponsor fiscal year end: June 30
10. Entity Type
  - a. Plan Sponsor entity type:
    1. ☐ Public education organization (Code section 170(b)(1)(A)(ii))
    2. ☐ Tax-Exempt Organization under Code section 501(c)(3)
    3. ☐ Indian tribal government public school (Code section 7871(a)(6)(B))
    4. ☐ Church or Qualified Church-Controlled Organization
    5. ☒ Other: Government Agency or Instrumentality
  - b. If entity type is "Other", how does the Plan Sponsor qualify to establish and maintain a 403(b) plan:
    1. ☐ Public education organization (Code section 170(b)(1)(A)(ii))
    2. ☐ Tax-Exempt Organization under Code section 501(c)(3)
    3. ☐ Indian tribal government public school (Code section 7871(a)(6)(B))
    4. ☐ Church or Qualified Church-Controlled Organization
    5. ☒ State or local Governmental Organization that is also a 501(c)(3) organization

**NOTE:** If the Plan Sponsor entity type is "Tax-Exempt Organization under Code section 501(c)(3)" the Plan Sponsor is indicating that they intend to meet the Department of Labor ERISA Safe Harbor Exemption under 29 C.F.R. section 2510.3-2(f). This includes limiting contributions to Employee contributions and limited involvement on the part of the Plan Sponsor including the prohibition on making discretionary determinations.

11. State of organization of Plan Sponsor: Florida
12. **Affiliated Service Groups**

☐ The Plan Sponsor is a member of an affiliated service group. List all members of the group (other than the Plan Sponsor): \_\_\_\_\_

**NOTE:** Affiliated service group members must have the approval of the Plan Sponsor to adopt and participate in the Plan.

**NOTE:** Listing affiliated service group members is for information purposes only and is optional.
13. **Controlled Groups**

☐ The Plan Sponsor is a member of a controlled group. List all members of the group (other than the Plan Sponsor): \_\_\_\_\_

**NOTE:** Controlled group members must have the approval of the Plan Sponsor to adopt and participate in the Plan.

**NOTE:** Listing controlled group members is for information purposes only and is optional.

## PLAN INFORMATION

A. GENERAL INFORMATION

## Plan Name/Effective Date

1. Plan Number: 002
2. Plan name:
  - a. Florida Institute for Human and Machine Cognition, Inc.
  - b. 403(b) Tax Deferred Annuity Plan
3. **Effective Date**
  - a. Original effective date of Plan: March 01, 2005
  - b. ☒ This is a restatement of a previously-adopted plan. Effective date of Plan restatement: January 01, 2010

*NOTE: The date specified in A.3a for a new plan may not be earlier than the first day of the Plan Year during which the Plan is adopted by the Plan Sponsor.*

*NOTE: If A.3b is not selected, the Effective Date of the Plan will be the date specified in A.3a. If A.3b is selected, the Effective Date of the restatement will be the date specified in A.3b. However if the Adoption Agreement states another specific effective date for any Plan provision, such stated specific effective date will apply to that provision. The date specified in A.3b for an amended and restated plan (including the initial PPA restatement) may not be earlier than the first day of the Plan Year during which the amended and restated Plan is adopted by the Plan Sponsor.*

*NOTE: The effective date of this restatement cannot be earlier than January 1, 2009.*
4. **Plan Year**
  - a. Plan Year means each 12-consecutive month period ending on December 31 (e.g. December 31)
  - b. ☐ The Plan has a short Plan Year. The short Plan Year begins \_\_\_\_\_ and ends \_\_\_\_\_
5. **Limitation Year means:**
  - a. ☒ Plan Year
  - b. ☐ calendar year
  - c. ☐ other (e.g., Employer's Fiscal Year): \_\_\_\_\_

*NOTE: If A.5c is selected, the Limitation Year must be a consecutive 12-month period. This includes a year with an annual period varying from 52 to 53 weeks, as long as the year satisfies the requirements of Code section 441(f).*
6. **Frozen Plan**

☐ The Plan is frozen as to eligibility and benefits effective \_\_\_\_\_

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

## Plan Features

7. **Elective Deferrals**
  - a. Elective Deferrals are permitted.
    - i. ☒ Yes
    - ii. ☐ Formerly Allowed
    - iii. ☐ No
  - b. Roth Elective Deferrals are permitted.
    - i. ☒ Yes
    - ii. ☐ Formerly Allowed
    - iii. ☐ No

*NOTE: If "No" is selected in A.7a, questions regarding Elective Deferrals are disregarded.*
8. **Voluntary After-Tax Contributions**

Voluntary After-Tax Contributions are permitted.

  - a. ☐ Yes
  - b. ☐ Formerly Allowed
  - c. ☒ No

**NOTE:** If "No", questions regarding Voluntary After-Tax Contributions are disregarded.

**9. Mandatory Contributions**

- a. Mandatory After-Tax Contributions are permitted.
  - i. ☐ Yes
  - ii. ☐ Formerly Allowed
  - iii. ☒ No
- b. Mandatory Pre-Tax Contributions are permitted.
  - i. ☐ Yes
  - ii. ☐ Formerly Allowed
  - iii. ☒ No

**NOTE:** If "No", questions regarding Mandatory Contributions are disregarded.

**10. Matching Contributions**

Matching Contributions are permitted.

- a. ☐ Yes
- b. ☐ Formerly Allowed
- c. ☒ No

**NOTE:** If "No", questions regarding Matching Contributions are disregarded.

**11. Non-Elective Contributions**

Non-Elective Contributions are permitted.

- a. ☒ Yes
- b. ☐ Formerly Allowed
- c. ☐ No

**NOTE:** If "No", questions regarding Non-Elective Contributions are disregarded.

**12. Plan Features Effective Dates**

- a. ☐ There is a special effective date for one or more features specified in A.7 through A.11. The special effective date(s) that occur after the Effective Date specified in A.3 is/are: \_\_\_\_\_
- b. ☐ A previous Plan amendment eliminated one or more of the features specified in A.7 through A.11. Specify any provisions that apply to the eliminated Plan features: \_\_\_\_\_

**NOTE:** If A.12a is selected, indicate the feature (Elective Deferrals, Matching Contributions, etc.) and the effective date of the feature. The effective date must be after the Effective Date specified in A.3.

**NOTE:** Elective Deferrals will be effective as of the later of the date specified in A.12a or the execution of an amendment/restatement that first provides for Elective Deferrals.

**Compensation**

**13. Compensation**

- a. Compensation for purposes of allocations is defined as:
  - i. ☐ W-2
  - ii. ☐ Withholding Compensation
  - iii. ☒ Section 415 Safe Harbor
- b. Compensation is determined over the period specified below ending with or within the Plan Year:
  - i. ☒ Plan Year
  - ii. ☐ calendar year
  - iii. ☐ Limitation Year
  - iv. ☐ Other twelve-month period beginning on: \_\_\_\_\_ (enter month and day)

**NOTE:** If "Plan Year" is not selected in A.14b, for new/rehired Employees whose date of hire is less than 12 months before the end of the 12-month period designated, Compensation will be determined over the Plan Year.

**14. Compensation Inclusions**

- a. **Elective Deferrals**
  - ☒ Elective Deferrals are included in Compensation for the following purposes:
    - i. ☒ Elective Deferrals, Voluntary Contributions, and Mandatory Contributions
    - ii. ☐ Matching Contributions
    - iii. ☒ Non-Elective Contributions
- b. **Deemed Code section 125 Compensation**

☒ Deemed Code section 125 Compensation is included in Compensation for the following purposes:

- i. ☒ Elective Deferrals, Voluntary Contributions, and Mandatory Contributions
- ii. ☐ Matching Contributions
- iii. ☒ Non-Elective Contributions

**c. Post Severance Compensation**

☒ Post Severance Compensation is included in Compensation for the following purposes:

- i. ☒ Elective Deferrals, Voluntary Contributions, and Mandatory Contributions
- ii. ☐ Matching Contributions
- iii. ☒ Non-Elective Contributions

**d. Post Year-End Compensation**

☐ Post Year-End Compensation is included in Compensation for the following purposes:

- i. ☐ Elective Deferrals, Voluntary Contributions, and Mandatory Contributions
- ii. ☐ Matching Contributions
- iii. ☐ Non-Elective Contributions

**NOTE:** If "Yes" is selected, amounts earned during a Plan Year and paid during the first few weeks of the following Plan Year will be included in Compensation for the prior Plan Year.

**e. Other Pay**

☐ Other pay is included in Compensation for the following purposes (not otherwise included in A.14)(e.g., fringe benefits for all Participants):

- i. ☐ Describe other pay included in the definition of Compensation for Elective Deferrals, Voluntary Contributions, and Mandatory Contributions.
- ii. ☐ Describe other pay included in the definition of Compensation for Matching Contributions.
- iii. ☐ Describe other pay included in the definition of Compensation for Non-Elective Contributions.

**NOTE:** If other pay (A.14e) is selected, A.14e should indicate for which class of Participants the Compensation is included, must be objectively determinable, and may not be specified in a manner that is subject to Adopting Employer discretion.

**Compensation Exclusions**

**15. Pay Before Participation**

☒ Compensation earned before participation in the Plan is excluded from Compensation for the following purposes:

- a. ☐ Elective Deferrals, Voluntary Contributions, and Mandatory Contributions
- b. ☐ Matching Contributions
- c. ☒ Non-Elective Contributions

**NOTE:** If selected, Compensation will include only those amounts that are actually paid to the Participant during that part of the Plan Year the Participant is eligible to participate in the Plan. If not selected, Compensation will include those amounts that are actually paid to the Participant during the period specified in A.13b.

**16. 414(s) Safe Harbor Alternative Definition**

☐ Certain fringe benefits are excluded from Compensation for the following purposes:

- a. ☐ Elective Deferrals, Voluntary Contributions, and Mandatory Contributions
- b. ☐ Matching Contributions
- c. ☐ Non-Elective Contributions

**NOTE:** If selected, Compensation will 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 (Treas. Reg. section 1.414(s)-1(c)(3)).

**17. Other Pay**

a. Other pay excluded from Compensation for the following purposes (e.g., bonuses, commissions):

- i. ☒ Describe other pay excluded from the definition of Compensation for Elective Deferrals, Voluntary Contributions, and Mandatory Contributions.  
bonuses, stipends, housing allowances, and split pay
- ii. ☐ Describe other pay excluded from the definition of Compensation for Matching Contributions.
- iii. ☒ Describe other pay excluded from the definition of Compensation for Non-Elective Contributions.

bonuses, stipends, housing allowances, and split pay

**b. Other pay is excluded from Compensation for the following Participants:**

- i. ☐ Highly Compensated Employees only
- ii. ☒ All Participants
- iii. ☐ Other (e.g., owners) \_\_\_\_\_

**NOTE:** If All Participants (A.17b.ii) is selected, the definition of Compensation will not be a safe harbor definition within the meaning of Treas. Reg. 1.414(s)-1(c).

**NOTE:** The pay specified above (A.17a) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

**NOTE:** See Section 4.01(c) for rules regarding elections for bonuses or other special pay.

**18. Disability**

Definition of Disability

- a. ☒ Under Code section 22(e). 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 that 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 will be supported by medical evidence.
- b. ☐ Under the Social Security Act. The determination by the Social Security Administration that the Participant is eligible to receive disability benefits under the Social Security Act.
- c. ☐ Inability to engage in comparable occupation. 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 will be supported by medical evidence.
- d. ☐ Pursuant to other Adopting Employer Disability Plan. The Participant is eligible to receive benefits under a disability plan sponsored by the Adopting Employer.
- e. ☐ Under uniform rules established by the Plan Administrator. The Participant is mentally or physically disabled under a written nondiscriminatory policy.
- f. ☐ Other: \_\_\_\_\_

**NOTE:** If A.18f is selected, provide the definition of Disability. The definition provided must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

**19. Choice of Law**

Name of state or commonwealth for choice of law (Section 13.06): Florida

**B. ELIGIBILITY**

**Exclusions - Elective Deferrals**

**1. For purposes of Elective Deferrals, the term "Eligible Employee" will not include (select all that apply):**

- a. ☐ Employees whose maximum Elective Deferrals would not exceed \$200.
- b. ☐ Employees who are eligible to participate in an eligible governmental plan under section 457(b) that permits contributions or deferrals at the election of the employee.
- c. ☐ Employees who are eligible to participate in a plan of the Employer offering a qualified cash or deferred election under Code section 401(k) or a contract described in Code section 403(b).
- d. ☐ Employees who are non-resident aliens described in Code section 410(b)(3)(C).
- e. ☐ Employees who are students performing services described in Code section 3121(b)(10).
- f. ☒ Employees who normally work fewer than 20 hours per week.

**NOTE:** An Employee normally works fewer than 20 hours per week if, for the 12-month period beginning on the date the Employee's employment commenced, the Employer reasonably expects the Employee to work fewer than 1,000 hours of service (as defined under section 410(a)(3)(C) of the Code) in such period, and, for each Plan Year ending after the close of that 12-month period, the Employee has worked fewer than 1,000 hours of service in the preceding 12-month period. Under this provision, an Employee who works 1,000 or more hours of service in the 12-month period beginning on the date the Employee's employment commenced or in a Plan Year ending after the close of that 12-month period shall then be eligible to participate in the Plan. Once an Employee becomes eligible to have Elective Deferrals made on his or her behalf under the Plan under this standard, the Employee cannot be excluded from eligibility to have Elective Deferrals made on his or her behalf in any later year under this standard.

**NOTE:** If the Plan elects to exclude either Employees who are students performing services or Employees who normally work fewer than 20 hours per week and fail to exclude an Employee who falls into one of those excluded classes as of the date the Employee was incorrectly allowed to participate in the plan all other Employees who fall into the same excluded class must be permitted to participate in the Plan.

## Exclusions - Other Contributions

For purposes of the contributions specified below, the term "Eligible Employee" will not include:

### 2. Union Employees

- ☐ An 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 will be excluded from the Plan for the following purposes:
- a. ☐ Voluntary Contributions
  - b. ☐ Mandatory After-Tax Contributions
  - c. ☐ Mandatory Pre-Tax Contributions
  - d. ☐ Matching Contributions
  - e. ☐ Non-Elective Contributions

### 3. Leased Employees

- ☐ A Leased Employee will be excluded from the Plan for the following purposes:
- a. ☐ Voluntary Contributions
  - b. ☐ Mandatory After-Tax Contributions
  - c. ☐ Mandatory Pre-Tax Contributions
  - d. ☐ Matching Contributions
  - e. ☐ Non-Elective Contributions

### 4. Non-Resident Aliens

- ☐ An Employee who is a non-resident alien who received no earned income (within the meaning of Code section 911(d)(2)) that constitutes income from services performed within the United States (within the meaning of Code section 861(a)(3)) will be excluded from the Plan for the following purposes:
- a. ☐ Voluntary Contributions
  - b. ☐ Mandatory After-Tax Contributions
  - c. ☐ Mandatory Pre-Tax Contributions
  - d. ☐ Matching Contributions
  - e. ☐ Non-Elective Contributions

### 5. Other Employees

- ☒ Other Employees, as defined below, will be excluded from the Plan for the following purposes (e.g., Employees paid on a salary basis):

- a. ☐ Voluntary Contributions
- b. ☐ Mandatory After-Tax Contributions
- c. ☐ Mandatory Pre-Tax Contributions
- d. ☐ Matching Contributions
- e. ☒ Non-Elective Contributions

Effective July 1, 2018, Employees who normally work fewer than 30 hours per week other than any such Employee if (1) on July 1, 2018, such Employee was jointly employed by the Employer and another employer that is not a member of a controlled group or an affiliated service group of which the Employer is a member (the "Unrelated Employer"), (2) such Employee's joint employment is pursuant to written agreements with the Employer and the Unrelated Employer and (3) such Employee's joint employment with the Employer and the Unrelated Employer regularly exceeds 30 hours per week.

**NOTE:** If selected, the definition of "other Employee" provided must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

## Eligibility Service Rules - Elective Deferrals

### 6. The frequency of entry dates for Elective Deferrals will be:

- a. ☒ immediate
- b. ☐ first day of each calendar month
- c. ☐ other: \_\_\_\_\_

**NOTE:** Under the universal availability rules an Eligible Employee must enter the Plan as soon as administratively feasible following their hire date (no more than 60 days following date of hire).

## **Eligibility - Other Contributions**

Except as otherwise provided in B.10, an Eligible Employee will be eligible to make contributions other than Elective Deferrals (if permitted pursuant to A.8-A.11) at the time specified in B.9 upon meeting the requirements of B.7 and B.8.

### **7. Age Requirement**

Minimum age requirement for Contributions other than Elective Deferrals: (leave blank or enter "0" if none)

- ☐ Voluntary Contributions
- ☐ Mandatory After-Tax Contributions
- ☐ Mandatory Pre-Tax Contributions
- ☐ Matching Contributions
- 21 Non-Elective Contributions

### **8. Minimum service requirement**

#### **a. Minimum service requirement:**

- i. None
  - a. ☐ Voluntary Contributions
  - b. ☐ Mandatory After-Tax Contributions
  - c. ☐ Mandatory Pre-Tax Contributions
  - d. ☐ Matching Contributions
  - e. ☒ Non-Elective Contributions
- ii. Completion of one Year of Eligibility Service
  - a. ☐ Voluntary Contributions
  - b. ☐ Mandatory After-Tax Contributions
  - c. ☐ Mandatory Pre-Tax Contributions
  - d. ☐ Matching Contributions
  - e. ☐ Non-Elective Contributions
- iii. Completion of two Years of Eligibility Service
  - a. ☐ Matching Contributions
  - b. ☐ Non-Elective Contributions
- iv. Completion of \_\_\_\_\_ Hours of Service within a twelve-month period
  - a. ☐ Voluntary Contributions
  - b. ☐ Mandatory After-Tax Contributions
  - c. ☐ Mandatory Pre-Tax Contributions
  - d. ☐ Matching Contributions
  - e. ☐ Non-Elective Contributions
- v. Completion of \_\_\_\_\_ months of service
  - a. ☐ Voluntary Contributions
  - b. ☐ Mandatory After-Tax Contributions
  - c. ☐ Mandatory Pre-Tax Contributions
  - d. ☐ Matching Contributions
  - e. ☐ Non-Elective Contributions
- vii. Completion of \_\_\_\_\_ Hours of Service in a \_\_\_\_\_ month period
  - a. ☐ Voluntary Contributions
  - b. ☐ Mandatory After-Tax Contributions
  - c. ☐ Mandatory Pre-Tax Contributions
  - d. ☐ Matching Contributions
  - e. ☐ Non-Elective Contributions
- ix. Completion of \_\_\_\_\_ consecutive months of continuous service
  - a. ☐ Voluntary Contributions
  - b. ☐ Mandatory After-Tax Contributions
  - c. ☐ Mandatory Pre-Tax Contributions
  - d. ☐ Matching Contributions
  - e. ☐ Non-Elective Contributions



**xi.** Other (e.g., 160 hours in each of three consecutive months):

- a. ☐ Voluntary Contributions
- b. ☐ Mandatory After-Tax Contributions
- c. ☐ Mandatory Pre-Tax Contributions
- d. ☐ Matching Contributions
- e. ☐ Non-Elective Contributions

**NOTE:** Service taken into account for purposes of B.8 will be determined under the terms and conditions specified for determining a Year of Eligibility Service.

**NOTE:** If one or two Year of Eligibility Service (B.8a.ii or B.8a.iii) is selected, and no hours are specified, the Plan will use 1,000 Hours of Service.

**NOTE:** If selected, the definition of "other" provided must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

- b. Enter the number of Hours of Service necessary for Year of Eligibility Service for purposes of Contributions other than Elective Deferrals: \_\_\_\_\_

**9. Entry Dates****a.** Frequency of entry dates for Contributions other than Elective Deferrals:

- i. immediate
  - a. ☐ Voluntary Contributions
  - b. ☐ Mandatory After-Tax Contributions
  - c. ☐ Mandatory Pre-Tax Contributions
  - d. ☐ Matching Contributions
  - e. ☒ Non-Elective Contributions
- ii. first day of each calendar month
  - a. ☐ Voluntary Contributions
  - b. ☐ Mandatory After-Tax Contributions
  - c. ☐ Mandatory Pre-Tax Contributions
  - d. ☐ Matching Contributions
  - e. ☐ Non-Elective Contributions
- iii. first day of each Plan quarter
  - a. ☐ Voluntary Contributions
  - b. ☐ Mandatory After-Tax Contributions
  - c. ☐ Mandatory Pre-Tax Contributions
  - d. ☐ Matching Contributions
  - e. ☐ Non-Elective Contributions
- iv. first day of the first month and seventh month of the Plan Year
  - a. ☐ Voluntary Contributions
  - b. ☐ Mandatory After-Tax Contributions
  - c. ☐ Mandatory Pre-Tax Contributions
  - d. ☐ Matching Contributions
  - e. ☐ Non-Elective Contributions
- v. first day of the Plan Year
  - a. ☐ Voluntary Contributions
  - b. ☐ Mandatory After-Tax Contributions
  - c. ☐ Mandatory Pre-Tax Contributions
  - d. ☐ Matching Contributions
  - e. ☐ Non-Elective Contributions
- vi. other: (e.g., first day of each pay period)
  - a. ☐ Voluntary Contributions
  - b. ☐ Mandatory After-Tax Contributions

c. ☐ ☐ Mandatory Pre-Tax Contributions

d. ☐ ☐ Matching Contributions

e. ☐ ☐ Non-Elective Contributions

**NOTE:** The entry date specified above (B.9a.vi) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

**b. Timing of Entry Dates**

If B.9a.i and B.9a.vi (immediate entry/dates specified) are not selected, an Eligible Employee will become a Participant eligible to receive an allocation of Contributions other than Elective Deferrals on the entry date selected in B.9a that is \_\_\_\_\_ the date the requirements of B.7 through B.9 are met.

i. coincident with or next following

a. ☐ ☐ Voluntary Contributions

b. ☐ ☐ Mandatory After-Tax Contributions

c. ☐ ☐ Mandatory Pre-Tax Contributions

d. ☐ ☐ Matching Contributions

e. ☐ ☐ Non-Elective Contributions

ii. next following

a. ☐ ☐ Voluntary Contributions

b. ☐ ☐ Mandatory After-Tax Contributions

c. ☐ ☐ Mandatory Pre-Tax Contributions

d. ☐ ☐ Matching Contributions

e. ☐ ☐ Non-Elective Contributions

iii. coincident with or immediately preceding

a. ☐ ☐ Matching Contributions

b. ☐ ☐ Non-Elective Contributions

iv. immediately preceding

a. ☐ ☐ Matching Contributions

b. ☐ ☐ Non-Elective Contributions

v. nearest to

a. ☐ ☐ Matching Contributions

b. ☐ ☐ Non-Elective Contributions

**10.** Additional requirements, limitations, conditions, or other modifications to B.7 - B.9 (e.g., Participants part of a collectively bargained for agreement will be immediately eligible for Elective Deferrals and will enter the Plan for that purpose on their date of hire.):

☐ ☐ Voluntary Contributions

Other: \_\_\_\_\_

☐ ☐ Mandatory After-Tax Contributions

Other: \_\_\_\_\_

☐ ☐ Mandatory Pre-Tax Contributions

Other: \_\_\_\_\_

☐ ☐ Matching Contributions

Other: \_\_\_\_\_

☐ ☐ Non-Elective Contributions

Other: \_\_\_\_\_

**NOTE:** The additional requirements, limitations, conditions, or other modifications specified above (B.10) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

**Eligibility Service Computation Rules**

**11. Other Employer Service**

☐ ☐ Count years of service with employers other than the Adopting Employer for eligibility purposes. List other employers and indicate for what purposes (e.g., Non-Elective, Matching, etc.) the service applies along with any limitations (e.g., service with ABC Inc. will be included for determining eligibility for Matching Contributions): \_\_\_\_\_

## B. ELIGIBILITY

**NOTE:** The other employer service specified above (B.11) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

### 12. Break in Service

- a. ☐ Rule of parity. Exclude eligibility service before a period of five (5) consecutive One-Year Breaks in Service/Periods of Severance if an Employee does not have any nonforfeitable right to the Account balance derived from Employer contributions.
- b. ☐ One-year holdout. 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.
- c. ☐ The following modifications will be made to the requirements specified in B.12a-b: \_\_\_\_\_

**NOTE:** B.12 applies for purposes of eligibility to receive Matching Contributions and Non-Elective Contributions only.

**NOTE:** B.12c could be used, for example, to require less than 500 hours of service (but not more than 500 hours) for a One-Year Break in Service under B.12a and/or B.12b, or to specify that the break in service rule(s) only apply to certain contributions.

### 13. Special Participation Date

- a. ☐ Allow immediate participation for all Eligible Employees employed on a specific date. All Eligible Employees employed on \_\_\_\_\_ will become eligible to participate in the Plan as of \_\_\_\_\_
- b. ☐ The Plan provides conditions or limitations on immediate participation (e.g., Employees employed under a union contract are not subject to special participation date): \_\_\_\_\_

**NOTE:** If B.13b applies (B.13a is selected) and is selected, describe the conditions or limitations and indicate for what purposes (e.g., Elective Deferrals, Matching, etc.) the conditions/limitations apply. The conditions/limitations must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

## Eligibility Service Method

### 14. Eligibility Service Method

- a. Eligibility service computation method.
  - i. ☐ Hours of Service
    - ☐ Eligibility Computation Period will switch to Plan Year
    - ☐ Eligibility Computation Period will remain based on anniversary of date of hire
  - ii. ☐ Elapsed Time

**NOTE:** B.14.a.ii can only be chosen if B.8.a.ii, B.8.a.iv, B.8.a.vi, or B.8.a.vii (without an hours requirement specified) is chosen.
- b. Select hours equivalency for eligibility purposes:
  - i. ☐ None

An Employee will 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
- c. The hours equivalency will apply to:
  - i. ☐ All Employees
  - ii. ☐ Only Employees not paid on a per-hour basis
- d. ☐ The following modifications will be made to the requirements specified in B.14a-c: \_\_\_\_\_

**NOTE:** B.14c will not apply if B.14b.i is selected ("None").

**NOTE:** The responses to B.14 are used only to the extent that the Plan determines eligibility service by the Hour of Service method and will apply uniformly to B.8 wherever Hours of Service is elected unless otherwise provided in B.14d.

**NOTE:** If B.14d is selected, the modifications must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

## C. CONTRIBUTIONS - ELECTIVE DEFERRALS, VOLUNTARY CONTRIBUTIONS, MANDATORY CONTRIBUTIONS

### Elective Deferrals

**NOTE:** If A.7 is "Yes" (Elective Deferrals are permitted), an Eligible Employee will be eligible to make Elective Deferrals to the Plan in the following manner:

#### 1. Maximum Deferral Amounts

## C. CONTRIBUTIONS - ELECTIVE DEFERRALS, VOLUNTARY CONTRIBUTIONS, MANDATORY CONTRIBUTIONS

Maximum Elective Deferral contribution: 100% of Compensation

### 2. Modifications of Elective Deferrals

- a. Participants may modify/start/stop Elective Deferrals/Voluntary Contribution elections:
  - i. ☐ Each pay period
  - ii. ☐ Monthly
  - iii. ☐ Quarterly
  - iv. ☐ Semi Annually
  - v. ☐ Annually
  - vi. ☒ Pursuant to Plan Administrator procedures (at least once each calendar year)
- b. ☒ Participants may stop an election to contribute at any time.

### 3. Catch-up Contributions

- a. ☒ Participants may make Age 50 Catch-up Contributions (Section 5.01(c)).
- b. ☒ Participants with fifteen years of service may make Special Long Service Catch-up Contributions (Section 5.01(b)).

## Automatic Enrollment

### 4. The Plan provides for traditional automatic enrollment

- a. ☐ Yes, traditional automatic contribution arrangement ("ACA")
- b. ☒ No

### 5. Automatic Enrollment - ACA

- a. The initial amount of the automatic enrollment (as a percentage of Compensation): \_\_\_\_\_%
- b. ☐ The amount specified in C.5a will increase in the following manner (include amount and timing of increase): \_\_\_\_\_
- c. ☐ Delayed automatic enrollment. The traditional automatic enrollment will be deemed elected \_\_\_\_\_ after the initial satisfaction of the eligibility requirements of Article 3 with respect to Elective Deferrals (and after effective date of the addition of an automatic enrollment feature for current Participants).

**NOTE:** For example, if the automatic enrollment amount is 3% for the first year and increases by 1% per year for five years, insert "3%" in the first blank (C.5a) and "increase by 1% on the first day of the Plan Year in the second through sixth year to a maximum of 8%" in the second blank (C.5b).

### 6. Automatic Enrollment - Covered Employees

- a. Indicate who will be a covered employee eligible to make automatic contributions:
  - i. ☐ Eligible Employees who have not made an Elective Deferral election
  - ii. ☐ All Eligible Employees to the extent that no election was made or their Elective Deferral elections are less than the automatic enrollment amount
  - iii. ☐ Other (e.g., Employees employed after 1/1/2016 who have not made an Elective Deferral election): \_\_\_\_\_
- b. If the Plan provides for automatic enrollment and Roth Elective Deferrals are allowed to the Plan, select whether automatic contributions will be pre- or after-tax:
  - i. ☐ Pre-Tax. All Elective Deferrals made under Section 4.01(g) will be designated as Pre-Tax Elective Deferrals.
  - ii. ☐ After-Tax. All Elective Deferrals made under Section 4.01(g) will be designated as Roth Elective Deferrals.

**NOTE:** C.6b only applies if A.7b is "Yes" (Roth contributions are allowed to the Plan).

## Voluntary Contributions

**NOTE:** If A.8 is "Yes", an Eligible Employee who has met the requirements specified for Voluntary Contributions will be eligible to make Voluntary Contributions to the Plan as follows (Section 4.01):

### 7. Minimum and Maximum Voluntary Contributions

- a. Minimum Voluntary Contribution: \_\_\_\_\_
- b. Maximum Voluntary Contribution: \_\_\_\_\_%
- c. Maximum of total combined Elective Deferral/Voluntary Contribution: \_\_\_\_\_%
- d. Other limitations: \_\_\_\_\_

**NOTE:** C.7b and C.7c may not be more than 100% of Compensation.

**NOTE:** If C.7d is selected the requirements provided must be nondiscriminatory, objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

**C. CONTRIBUTIONS - ELECTIVE DEFERRALS, VOLUNTARY CONTRIBUTIONS, MANDATORY CONTRIBUTIONS**

**Mandatory Contributions**

**NOTE:** If A.9 is "Yes" (Mandatory Contributions are permitted), an Eligible Employee who has met the requirements specified for Mandatory Contributions will be eligible to make Mandatory Contributions to the Plan as follows (Section 4.01):

**8. Mandatory Contribution Amount**

- a. Mandatory After-Tax Contributions will be required in the following amount with the following limitations: \_\_\_\_\_
- b. Mandatory Pre-Tax Contributions will be required in the following amount with the following limitations: \_\_\_\_\_

**D. CONTRIBUTIONS - MATCHING, NON-ELECTIVE, AND OTHER CONTRIBUTIONS**

**Matching - Allocation Service**

**NOTE:** If A.10 is "Yes", an Eligible Employee who has met the requirements of Section B and who has satisfied the following requirements will be eligible to receive an allocation of Matching Contributions during the applicable Plan Year.

**1. Allocation Service Requirements for Matching Contributions**

- a. ☐ In order to share in the allocation of Matching Contributions, a Participant is required to complete the following Hours of Service in the applicable Plan Year \_\_\_\_\_
- b. ☐ In order to share in the allocation of Matching Contributions, a Participant is required to be employed by the Adopting Employer on the last day of the Plan Year
- c. ☐ In order to share in the allocation of Matching Contributions, a Participant is required to be employed by the Adopting Employer on the last day of the Plan Year or complete at least \_\_\_\_\_ Hours of Service in the applicable Plan Year
- d. ☐ None

**NOTE:** D.1a and D.1b are inapplicable if D.1c is selected.

**NOTE:** D.1a and D.1c may not be more than 1,000.

**2. Matching Allocation Service Computation Rules**

- a. Computation method for Matching Allocation Service.
  - i. ☐ Hours of Service
  - ii. ☐ Elapsed Time
- b. Select hours equivalency:
  - i. ☐ NoneAn Employee will 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

**NOTE:** D.2b is only applicable if D.2a.i is selected.

- c. The hours equivalency will apply to:
  - i. ☐ All Employees
  - ii. ☐ Only Employees not paid on a per-hour basis

**NOTE:** D.2c is only applicable if D.2a.i is selected.

**NOTE:** D.2 is only applicable if D.1a or D.1c is selected.

**3. Exceptions to Allocation Service Requirements for Matching Contributions**

- a. Modify Hour of Service requirement and/or last day requirement 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
  - iv. ☐ Other: (e.g., attainment of Early Retirement Age) \_\_\_\_\_
- b. Any Hour of Service requirement and last day requirement will be modified as follows:
  - i. ☐ Waive both the Hour of Service requirement and last day requirement
  - ii. ☐ Waive the Hour of Service requirement only
  - iii. ☐ Waive last day requirement only
- c. ☐ The following other modifications will be made to the requirements specified in D.1-3b: \_\_\_\_\_

## **D. CONTRIBUTIONS - MATCHING, NON-ELECTIVE, AND OTHER CONTRIBUTIONS**

**NOTE:** D.3 is only applicable if D.1a, D.1b, or D.1c is selected.

**NOTE:** D.3c may only be used to make minor changes to the requirements specified in D.1-3b and must be specified in a manner that is objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion. For example, D.3c could be used to clarify that last day but not Hours of Service is waived for death while Hours of Service and last day are waived for Disability and attainment of Normal Retirement Age.

### **Matching - Formula**

#### **4. Matched Employee Contribution Inclusions**

The Adopting Employer will match:

- a. ☐ Elective Deferrals
- b. ☐ Age 50 Catch-up Contributions
- c. ☐ Special Long Service Catch-up Contributions
- d. ☐ Roth Elective Deferrals
- e. ☐ Voluntary Contributions
- f. ☐ Mandatory After-Tax Contributions
- g. ☐ Mandatory Pre-Tax Contributions
- h. ☐ Other (e.g., Elective Deferrals made to Company 403(b) Plan #1): \_\_\_\_\_

**NOTE:** The other Matched Employee Contribution specified above (D.4h) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

#### **5. Matching Contribution Formula**

The Adopting Employer's Matching Contribution will be allocated to eligible Participants who have met the requirements of Section B and D.1 through D.3 as follows:

- a. ☐ A discretionary amount and percentage of Matched Employee Contributions
- b. ☐ Tiered Matching Formula. The Adopting Employer will contribute as a Matching Contribution an amount equal to:

##### **Rate One**

\_\_\_\_\_ % of the Participant's Matched Employee Contributions that are not in excess of

\_\_\_\_\_ % of the Participant's Compensation

- c. ☐ Years of service
  - i. The Matching contribution will be made according to the schedule below:
    - A. \_\_\_\_\_ Years of service \_\_\_\_\_ % of Matched Employee Contributions
  - ii. ☐ Only Matched Employee Contributions that are not in excess of \_\_\_\_\_ % of the Participant's Compensation will be matched.
  - iii. In determining years of service in this D.5c, the following service will be used:
    - A. ☐ Years of Eligibility Service
    - B. ☐ Years of Vesting Service
- iv. Enter the number of Hours of Service necessary to earn a year of service described in D.5c.i: \_\_\_\_\_

- d. ☐ Special schedule. Matching Contributions shall be made according to the following fixed schedule: \_\_\_\_\_

**NOTE:** The discretionary formula in D.5a must meet the nondiscrimination requirements regarding benefits, rights, or features described in Treas. Reg. section 1.401(a)(4)-4.

#### **6. Additional Discretionary Matching Contributions**

- ☐ Permit discretionary Matching Contributions to be made in addition to the contributions described in D.5b-d as a discretionary amount and percentage of Matched Employee Contributions

#### **7. Additional Fixed Matching Contributions**

- ☐ Permit additional fixed Matching Contributions to be made in addition to the contributions described in D.5b-d: \_\_\_\_\_

#### **8. Maximum Allocations for Matching Contributions**

Plan limits Matching Contributions to the following in each Plan Year:

- a. ☐ Maximum percentage of Compensation \_\_\_\_\_%
- b. ☐ Maximum dollar amount \$ \_\_\_\_\_
- c. ☐ Other: \_\_\_\_\_
- d. ☐ No Maximum

**NOTE:** If D.8c is selected the requirements provided must be nondiscriminatory, objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

#### **9. Allocation Times for Matching Contributions**

#### **D. CONTRIBUTIONS - MATCHING, NON-ELECTIVE, AND OTHER CONTRIBUTIONS**

- a. Fixed 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
  - vi. ☐ At such times as may be determined by the Adopting Employer
- b. Apply the dollar limit in D.8:
  - i. ☐ On a Plan Year basis only
  - ii. ☐ Pro rata as of each period specified in D.9a

**NOTE:** D.9 will not apply if the Matching Contribution formula is discretionary (D.5a is selected).

**NOTE:** Any service requirements specified in D.1 through D.3 will be applied pro rata to the period selected in this D.9. Any last day rule specified in D.1 through D.3 will be applied as of the end of each period selected in this D.9.

**NOTE:** Discretionary Matching Contributions (if selected in D.5) may be allocated at a time other than that selected in D.9.

**NOTE:** D.9b will only apply if a maximum dollar amount (D.8b or D.8c) is selected and end of Plan Year (D.9a.i) is not selected.

#### **Non-Elective Contributions - Allocation Service**

**NOTE:** If A.11 is "Yes" an Eligible Employee who has met the requirements of Section B and who has satisfied the following requirements will be eligible to receive an allocation of Non-Elective Contributions during the applicable Plan Year.

##### **10. Allocation Service Requirements for Non-Elective Contributions**

- a. ☐ In order to share in the allocation of Non-Elective Contributions, a Participant is required to complete the following Hours of Service in the applicable Plan Year \_\_\_\_\_
- b. ☐ In order to share in the allocation of Non-Elective Contributions, a Participant is required to be employed by the Adopting Employer on the last day of Plan Year
- c. ☒ In order to share in the allocation of Non-Elective Contributions, a Participant is required to be employed by the Adopting Employer on the last day of Plan Year or complete at least 1 Hours of Service in the applicable Plan Year
- d. ☐ None

**NOTE:** D.10a and D.10b are inapplicable if D.10c is selected.

**NOTE:** D.10a and D.10c may not be more than 1,000.

##### **11. Non-Elective Allocation Service Computation Rules**

- a. Computation method for Non-Elective Allocation Service:
  - i. ☒ Hours of Service
  - ii. ☐ Elapsed Time
- b. Select hours equivalency:
  - i. ☒ NoneAn Employee will 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
- c. The hours equivalency will apply to:
  - i. ☐ All Employees
  - ii. ☐ Only Employees not paid on a per-hour basis

**NOTE:** D.11c is only applicable if D.11a.i is selected.

**NOTE:** D.11 is only applicable if D.10a or D.10c is selected.

##### **12. Exceptions to Allocation Service Requirements for Non-Elective Contributions**

- a. Modify Hour of Service requirement and/or last day requirement 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
  - iv. ☐ Other: (e.g., attainment of Early Retirement Age) \_\_\_\_\_

## D. CONTRIBUTIONS - MATCHING, NON-ELECTIVE, AND OTHER CONTRIBUTIONS

- b. Any Hour of Service requirement and last day requirement will be modified as follows:
- i. ☐ Waive both the Hour of Service requirement and last day requirement
  - ii. ☐ Waive the Hour of Service requirement only
  - iii. ☐ Waive last day requirement only
- c. ☐ The following other modifications will be made to the requirements specified in D.10-12b: \_\_\_\_\_

**NOTE:** D.12 is only applicable if D.10a, D.10b, or D.10c is selected.

**NOTE:** D.12c may only be used to make minor changes to the requirements specified in D.10-12b and must be specified in a manner that is objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion. For example, D.12c could be used to clarify that last day but not Hours of Service is waived for death while Hours of Service and last day are waived for Disability and attainment of Normal Retirement Age.

### Non-Elective - Formula

#### 13. Amount of Non-Elective Contributions

- a. ☒ Discretionary in an amount as determined by the Adopting Employer
- b. ☐ \_\_\_\_\_ % of total Participant Compensation for the Plan Year
- c. ☐ \$\_\_\_\_\_ for the Plan Year
- d. ☐ Other (e.g., 5% of Employer's profits): \_\_\_\_\_

**NOTE:** The Non-Elective Formula specified above (D.13d) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

#### 14. Non-Elective Contribution allocation formula

The Adopting Employer's Non-Elective Contributions will be allocated to eligible Participants who have met the requirements of Section B and D.10 as follows (Section 4.03):

- a. ☒ Pro rata. In the ratio that each Participant's Compensation bears to the Compensation of all eligible Participants.
- b. ☐ Integrated. See D.15.
- c. ☐ Other: \_\_\_\_\_

**NOTE:** The Non-Elective Contribution allocation formula specified above (D.14c) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

#### 15. Non-Elective - Integration

Integration level for determining Excess Compensation:

- a. ☐ Taxable wage base (as defined under Section 230 of the Social Security Act) in effect on the first day of such Plan Year
- b. ☐ 20% of the taxable wage base (as defined under Section 230 of the Social Security Act) in effect on the first day of such Plan Year; minus \$1.00
- c. ☐ 80% of the taxable wage base (as defined under Section 230 of the Social Security Act) in effect on the first day of such Plan Year; minus \$1.00
- d. ☐ 80% of the taxable wage base (as defined under Section 230 of the Social Security Act) in effect on the first day of such Plan Year; plus \$1.00
- e. ☐ \_\_\_\_\_% (no more than 100%) of taxable wage base (as defined under Section 230 of the Social Security Act) in effect on the first day of such Plan Year
- f. ☐ Fixed dollar amount: \$ \_\_\_\_\_ (not more than the taxable wage base (as defined under Section 230 of the Social Security Act) in effect on the first day of such Plan Year)

**NOTE:** The amount of permitted disparity will be determined in accordance with the following table:

Integration Level	Permitted Disparity
More than \$0 but not more than 20% of the TWB	5.7%
More than 20% of the TWB but not greater than 80% of the TWB	4.3%
More than 80% of the TWB but less than 100% of the TWB	5.4%
100% of the TWB	5.7%
TWB = taxable wage base (as defined under Section 230 of the Social Security Act)	

#### 16. Allocation of Non-Elective Contributions

- a. Non-Elective Contributions are allocated to Participant Accounts at the following time(s):
  - i. ☐ End of Plan Year
  - ii. ☐ Semi-annually
  - iii. ☐ Quarterly



#### ***D. CONTRIBUTIONS - MATCHING, NON-ELECTIVE, AND OTHER CONTRIBUTIONS***

- iv. ☐ Each calendar month
- v. ☒ Each pay period
- b. Minimum and Maximum Non-Elective Contributions
  - i. ☐ Allocations of Non-Elective Contributions for a Participant will be subject to a minimum amount: \_\_\_\_\_
  - ii. ☒ Allocations of Non-Elective Contributions for a Participant will be subject to a maximum amount: 11% of Compensation
- c. Apply the dollar limit in D.16b:
  - i. ☒ On a Plan Year basis only
  - ii. ☐ Pro rata as of each period specified in D.16a

**NOTE:** Any service requirements specified in D.10 through D.12 will be applied pro rata to the period selected in this D.16a. Any last day rule specified in D.10 through D.12 will be applied as of the end of each period selected in this D.16a.

#### **17. Non-Elective - Disability**

- ☐ Allocate Non-Elective Contributions to Disabled Participants who do not meet the allocation service requirements (Section 4.03(e)). Allocations to Disabled Participants 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 or (ii) such other time specified in Section 4.03(e).

**NOTE:** D.17 will not be more than "tenth."

**NOTE:** Allocations under D.17 may occur after Termination.

#### **18. Non-Elective - Former Participants**

- a. ☐ Non-Elective Contributions will be allocated to former Participants until the last day of the \_\_\_\_\_ (no more than fifth) tax year following the tax year in which the date of Termination occurs.
- b. Age and Service Requirements. Former Participants must meet the following requirements to be eligible to receive Non-Elective Contributions.
  - i. ☐ Former Participants must be at least \_\_\_\_\_ years old.
  - ii. ☐ Former Participants must meet the following service requirement: \_\_\_\_\_.
  - iii. ☐ Former Participants must meet the following requirement: \_\_\_\_\_.
- c. ☐ The following modifications will apply to D.18b: \_\_\_\_\_.

#### **19. Qualified Non-Elective Contributions ("QNEC")**

The Adopting Employer's discretionary Qualified Non-Elective Contribution will be allocated in the following manner:

- a. ☒ Pro rata. In the ratio that such Participant's Compensation bears to the Compensation of all eligible Participants.
- b. ☐ Fixed Amount. In an amount equal to the total additional Qualified Non-Elective Contribution divided by the number of Participants eligible to share in such contribution.

#### **20. Rollovers**

Rollover Contributions are permitted:

- a. ☐ No
- b. ☒ Yes - All Eligible Employees may make a Rollover Contribution even if not yet a Participant in the Plan
- c. ☐ Yes - Only active Participants may make a Rollover Contribution
- d. ☐ Yes - \_\_\_\_\_ may make a Rollover Contribution

**NOTE:** The Plan Administrator has discretion under Section 4.05 to limit the types of rollover contributions accepted by the Plan and must use that discretion in a consistent and nondiscriminatory manner.

#### **21. Death or Disability During Qualified Military Service**

- ☐ 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 Adopting Employer on the day preceding death or Disability and terminated employment on the day of death or Disability.

#### **22. 415 Additional Language**

- ☐ Additional language necessary to satisfy Code section 415 because of the required aggregation of multiple plans: \_\_\_\_\_.

### **E. VESTING**

#### **Vesting Service Rules**

##### **1. Vesting service computation method**

- a. ☒ Hours of Service. Number of Hours of Service necessary for a Year of Vesting Service: 1,000
- b. ☐ Elapsed Time

**NOTE:** Unless E.1.b (Elapsed Time) is selected, the Plan will use the Hours of Service method for determining vesting service. If E.1.b is

*selected, questions E.2 through E.3 are disregarded.*

**NOTE:** *E.1a may not be more than 1,000. If left blank, the Plan will use 1,000 Hours of Service.*

**2. Vesting Service Equivalencies**

a. Select equivalency for vesting purposes:

i. ☒ None.

An Employee will 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

b. The hours equivalency selected in E.2a will apply to:

i. ☐ All Employees

ii. ☐ Only Employees not paid on a per-hour basis

**NOTE:** *E.2b does not apply if E.2a.i is selected.*

**3. Vesting Computation Period**

a. ☐ Calendar year

b. ☒ Plan Year

c. ☐ The twelve-consecutive month period commencing on the date the Employee first performs an Hour of Service; each subsequent twelve-consecutive month period will commence on the anniversary of such date

d. ☐ Other (must be a 12 month period): \_\_\_\_\_.

**NOTE:** *E.3d must be a twelve-consecutive month period.*

**4. Other Employer Service**

☐ Count years of service with employers other than the Adopting Employer for vesting purposes. List other employers and indicate for what purposes (e.g., Matching, Non-Elective, etc.) the service applies along with any limitations: (e.g., service with ABC Inc. will be included for determining vesting for Matching Contributions limited to three Years of Vesting Service) \_\_\_\_\_

**NOTE:** *The other service specified must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.*

**5. Vesting Exceptions**

a. ☐ Death. Provide for full vesting for a Participant who terminates employment with the Adopting Employer due to death while an Employee.

b. ☐ Disability. Provide for full vesting for a Participant who terminates employment with the Adopting Employer due to Disability while an Employee.

c. ☐ Early Retirement. Provide for 100% vesting upon the attainment of Early Retirement Age while an Employee.

**6. Vesting Exclusions**

a. ☐ Exclude Years of Vesting Service earned before age 18

b. ☐ Exclude Years of Vesting Service earned before the Adopting Employer maintained this Plan or a predecessor plan

c. ☐ 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 Adopting Employer.

d. ☐ Rule of parity. If an Employee does not have a nonforfeitable right to the Account balance derived from Adopting Employer contributions, exclude Years of Vesting Service earned before a period of five (5) consecutive One-Year Breaks in Service/Periods of Severance.

**7. Special Vesting Provisions**

☐ Provide for special vesting provisions (e.g., Participants who are employed under a union contract are always 100% vested in all contributions): \_\_\_\_\_

**NOTE:** *Any special provisions must satisfy Code section 411.*

**Vesting Schedules**

**8. Matching Contribution Account**

Vesting Schedule for Matching Contributions:

a. ☐ 100%

b. ☐ 2-6 Year Graded

c. ☐ 1-5 Year Graded

- d. ☐ 1-4 Year Graded
- e. ☐ 3 Year Cliff
- f. ☐ 2 Year Cliff
- g. ☐ Other:
  - i. Other Match Schedule - less than 1 year: \_\_\_\_\_%
  - ii. Other Match Schedule - 1 year but less than 2 years: \_\_\_\_\_%
  - iii. Other Match Schedule - 2 years but less than 3 years: \_\_\_\_\_%
  - iv. Other Match Schedule - 3 years but less than 4 years: \_\_\_\_\_%
  - v. Other Match Schedule - 4 years but less than 5 years: \_\_\_\_\_%
  - vi. Other Match Schedule - 5 years but less than 6 years: \_\_\_\_\_%
  - vii. Other Match Schedule - 6 or more years: 100%.

**NOTE:** See Section 6.02 for definitions of the applicable vesting schedules.

#### 9. Non-Elective

Non-Elective Contribution Account Vesting Schedule:

- a. ☒ 100%
- b. ☐ 2-6 Year Graded
- c. ☐ 1-5 Year Graded
- d. ☐ 1-4 Year Graded
- e. ☐ 3 Year Cliff
- f. ☐ 2 Year Cliff
- g. ☐ Other:
  - i. Other Non-Elective Schedule - less than 1 year: \_\_\_\_\_%
  - ii. Other Non-Elective Schedule - 1 year but less than 2 years: \_\_\_\_\_%
  - iii. Other Non-Elective Schedule - 2 years but less than 3 years: \_\_\_\_\_%
  - iv. Other Non-Elective Schedule - 3 years but less than 4 years: \_\_\_\_\_%
  - v. Other Non-Elective Schedule - 4 years but less than 5 years: \_\_\_\_\_%
  - vi. Other Non-Elective Schedule - 5 years but less than 6 years: \_\_\_\_\_%
  - vii. Other Non-Elective Schedule - 6 or more years: 100%.

**NOTE:** See Section 6.02 for definitions of the applicable vesting schedules.

#### 10. Other Vesting Schedule

- a. ☐ The Plan has another vesting schedule (e.g., transferred Matching Contribution assets from merger are subject to a 3 year cliff vesting schedule): \_\_\_\_\_
- b. Describe the Participants to which the other vesting schedule applies: \_\_\_\_\_

**NOTE:** The vesting schedule in E.10 is in addition to the vesting schedules in E.8 through E.9.

**NOTE:** E.10 must be applied in a consistent and nondiscriminatory manner. For example, E.10b could be used to describe a prior vesting schedule, vesting for a transfer account, or a vesting schedule that applies to Participants covered by a collective bargaining agreement provided retirement benefits were the subject of good faith bargaining.

#### 11. Forfeitures

Forfeitures will be used in the following manner:

- a. ☒ Any permissible method (restore forfeitures, reduce Adopting Employer contributions (or reallocate as Adopting Employer contributions) made pursuant to Article 4 or to pay Plan expenses)
- b. ☐ Other: \_\_\_\_\_

**NOTE:** E.11b is limited to one or a combination of the options described in E.11a. E.11b may be used to further restrict the uses of forfeiture and must be applied in a consistent and nondiscriminatory manner.

### F. DISTRIBUTIONS - SEVERANCE FROM EMPLOYMENT/DEATH

#### Definitions

##### 1. Normal Retirement

- a. Normal Retirement Age means:
  - i. ☒ Attainment of age 65
  - ii. ☐ Later of attainment of age \_\_\_\_\_ and the service specified in F.1b

## F. DISTRIBUTIONS - SEVERANCE FROM EMPLOYMENT/DEATH

iii. ☐ Other: \_\_\_\_\_

b. Select the type and length of service used to measure Normal Retirement Age:

i. ☐ Eligibility. \_\_\_\_\_ Years of Eligibility Service

ii. ☐ Vesting. \_\_\_\_\_ Years of Vesting Service

iii. ☐ Participation. \_\_\_\_\_ anniversary of participation (e.g. third, fourth, etc.)

**NOTE:** The age entered in F.1a may not be more than 65.

**NOTE:** F.1b may not require more than the fifth anniversary of participation as defined in Treas. Reg. section 1.411(a)-7(b)(1) and any superseding guidance.

**NOTE:** The Normal Retirement Age will be deemed met no later than the later of age 65 or the fifth anniversary of participation as defined in Treas. Reg. section 1.411(a)-7(b)(1) and any superseding guidance.

### 2. Early Retirement

a. Early Retirement Age means:

i. ☒ None. The Plan does not have an early retirement feature.

ii. ☐ Attainment of age \_\_\_\_\_

iii. ☐ Later of attainment of age \_\_\_\_\_ and the service specified in F.2b

iv. ☐ Other: \_\_\_\_\_

b. Select the type and length of service used to measure Early Retirement Age:

i. ☐ Eligibility. \_\_\_\_\_ Years of Eligibility Service

ii. ☐ Vesting. \_\_\_\_\_ Years of Vesting Service

iii. ☐ Participation. \_\_\_\_\_ anniversary of participation (e.g. third, fourth, etc.)

**NOTE:** The age entered in F.2a may not be more than 65.

**NOTE:** F.2b is only applicable if F.2a.iii is selected.

**NOTE:** See related selections E.5c (vesting upon Early Retirement Age) and G.3c (in-service distributions upon Early Retirement Age).

### 3. Required Beginning Date

Required Beginning Date for a Participant other than a More Than 5% Owner:

a. ☒ 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

b. ☐ Age 70-1/2. April 1 of the calendar year following the calendar year in which the Participant attains age 70-1/2

c. ☐ Election. The option provided in F.3a; provided that a Participant may elect to begin distributions pursuant to either F.3a or F.3b

**NOTE:** A Participant's Required Beginning Date is a protected benefit under Code section 411(d)(6).

## Time & Form of Payment

### 4. REA Requirements

a. ☐ Certain assets in the Transfer Account are subject to the REA requirements. The default form of payment for those Transfer Account assets that are subject to the REA requirements will be a Qualified Joint and \_\_\_\_\_% Survivor Annuity (not less than 50% and not more than 100%).

### 5. Time of Payment

Distributions after Severance from Employment for reasons other than death will commence (Section 7.02):

a. ☒ Immediate. As soon as administratively feasible with a final payment made consisting of any allocations occurring after such Severance from Employment

b. ☐ 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

c. ☐ Normal Retirement Age.

d. ☐ Other (e.g., as soon as administratively feasible following the next Valuation Date): \_\_\_\_\_

**NOTE:** Any entry in F.5d must comply with Code section 401(a)(9), Section 7.02 and other requirements of Article 7.

### 6. Form of Payment - Severance from Employment

a. 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 following vendor: \_\_\_\_\_

b. Distributions from the Plan after Severance from Employment for reasons other than death may be made in the following forms (select all that apply):

i. ☒ Lump sum

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- ii. ☒ Substantially equal installments
- iii. ☐ Under a continuous right of withdrawal pursuant to which a Participant may withdraw such amounts at such times as he will elect
- iv. ☐ Other (e.g., Periodic Payment that are set at least quarterly): \_\_\_\_\_

**NOTE:** F.6b.iii and any entry in F.6b.iv must comply with Code section 401(a)(9), Section 7.02 and other requirements of Article 7.

c. Participants may take distributions in the form of an annuity:

- i. ☒ Yes - entire account
- ii. ☐ Yes - entire account except single life annuities will not be allowed
- iii. ☐ Yes - the following conditions and/or limitations will apply: \_\_\_\_\_
- iv. ☐ No

**NOTE:** If F.6c.i, F.6c.ii, F.6c.iii is selected, a Participant may elect to have the Plan Administrator apply his vested Account to the extent provided above toward the purchase of an annuity contract, which will be distributed to the Participant. The terms of such annuity contract will comply with the provisions of this Plan and any annuity contract will be nontransferable.

**NOTE:** F.6c.iii must be applied in a consistent and nondiscriminatory manner (for example, limiting annuity distributions to accounts in excess of a certain dollar amount.)

## Payments on Death

### 7. Payment upon Participant's Death

Distributions on account of the death of the Participant will be made in accordance with the following:

- a. ☐ Pay entire Account balance by end of fifth year for all Beneficiaries in accordance with Sections 7.05(b) and 7.05(d) only
- b. ☒ Pay entire Account balance no later than the 60th day following the end of Plan Year in which the Participant dies
- c. ☐ Allow extended payments for all Beneficiaries in accordance with Sections 7.05(b) and 7.05(d)
- d. ☐ Pay entire Account balance by end of fifth year for Beneficiaries in accordance with Sections 7.05(b) and 7.05(d) and allow extended payments in accordance with Sections 7.05(b) and 7.05(d) only if the Participant's spouse is the Participant's sole primary Beneficiary
- e. ☐ Other: \_\_\_\_\_

**NOTE:** Any entry in F.7e must comply with Code section 401(a)(9), Section 7.05 and other requirements of Article 7.

### 8. Form of Payment

a. 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 following vendor: \_\_\_\_\_

b. Distributions from the Plan may be made in the following forms (select all that apply):

- i. ☒ Lump sum
- ii. ☐ Substantially equal installments
- iii. ☐ Under a continuous right of withdrawal pursuant to which a Participant may withdraw such amounts at such times as he will elect
- iv. ☐ Other (e.g., Periodic Payment that are set at least quarterly): \_\_\_\_\_

**NOTE:** F.8b.iii and any entry in F.8b.iv must comply with Code section 401(a)(9), Section 7.02 and other requirements of Article 7.

c. Beneficiaries may take distributions in the form of an annuity.

- i. ☐ Yes - the entire Account
- ii. ☐ Yes - the following conditions and/or limitations will apply: \_\_\_\_\_
- iii. ☒ No

**NOTE:** If F.8c.i or F.8c.ii is selected, a Beneficiary may elect to have the Plan Administrator apply his Account to the extent provided above toward the purchase of an annuity contract, which will be distributed to the Beneficiary. The terms of such annuity contract will comply with the provisions of this Plan (including Section 7.05) and any annuity contract will be nontransferable.

**NOTE:** F.8c.ii must be applied in a consistent and nondiscriminatory manner (for example, limiting annuity distributions to accounts in excess of a certain dollar amount.)

### 9. Beneficiaries

a. Death benefits when there is no designated Beneficiary:

- i. ☒ Standard according to Section 7.04(c)
- ii. ☐ Other (e.g., Spouse first, if no surviving Spouse then Participant's estate): \_\_\_\_\_

b. ☐ Revocation. A Beneficiary designation to a spouse will be automatically revoked upon the following circumstances (e.g., divorce): \_\_\_\_\_

c. ☐ For purposes of determining a Participant's spouse, the one-year rule in Code section 417(d), Treas. Reg. section 1.401(a)-20 applies.

## **F. DISTRIBUTIONS - SEVERANCE FROM EMPLOYMENT/DEATH**

**NOTE:** If F.9a.ii (Other) is selected, death benefits when there is no designated beneficiary will be provided pursuant to F.9a.ii. The death benefits described must be definitely determinable and may not be specified in a manner that is subject to discretion.

**NOTE:** If revocation is selected (F.9b) you may use this item to indicate automatic revocation upon divorce.

### **Cash Out**

#### **10. Cash Out**

- a. ☒ Involuntary cash-out amount for purposes of Section 7.03: \$1,000
- b. Involuntary cash-out of a terminated Participant's Account balance when it exceeds the cash-out amount specified in F.10a is deferred under Section 7.03(b) until:
  - i. ☐ Later of age 62 or Normal Retirement Age - payment made in a lump sum only
  - ii. ☒ Required Beginning Date - Participant may elect payment in a lump sum or installments
  - iii. ☐ Required Beginning Date - payment made in a lump sum only
  - iv. ☐ Other (e.g., Required Beginning Date made in a direct rollover to an IRA): \_\_\_\_\_
- c. ☒ Exclude amounts attributable to Rollover Contributions in determining the value of the Participant's vested Account balance for purposes of F.10a

**NOTE:** F.10a has a \$5,000 maximum; \$5,000 will be entered unless otherwise specified.

**NOTE:** If F.10a is not selected, F.10c does not apply.

**NOTE:** Any entry in F.10b.iv must comply with Code section 411(a)(11), Section 7.03 and other requirements of Article 7.

## **G. DISTRIBUTIONS IN-SERVICE WITHDRAWALS/LOANS/OTHER DISTRIBUTIONS**

**NOTE:** See Section 8.06 for limits on in-service distributions.

**NOTE:** In-service withdrawal options are meant as enabling rules. If an in-service distribution is permitted under any option specified below, the in-service withdrawal is permissible.

### **Vesting Status**

#### **1. Vesting Status for In-service Withdrawals**

Select one:

- ☐ In-service withdrawals otherwise permitted under Section G are allowed from Accounts that are partially vested
- ☒ An Account must be fully vested for a Participant to receive an in-service withdrawal

**NOTE:** The response to G.1 will be ignored if the Plan does not allow in-service withdrawals.

**NOTE:** Withdrawals under G.2-11 are only permitted from the portion of a Participant's Accounts described in G.1 unless otherwise specified in G.12.

### **Hardship**

#### **2. Hardship**

**NOTE:** Matching Contributions held in a custodial account, and Non-Elective Contributions held in a custodial account are not eligible for hardship withdrawals.

Hardship withdrawals are allowed as follows:

- a. ☒ Hardship withdrawals are permitted.

**NOTE:** G.2b through G.2g is only applicable if G.2a is checked.

- b. Hardship withdrawals are permitted from the following accounts:

- i. ☐ All Accounts. A Participant may receive a distribution on account of hardship from all accounts eligible for hardship withdrawal under the Code and associated Federal Regulations.
- ii. ☒ Selected Accounts
  - 1. ☒ Elective Deferral Account
  - 2. ☐ Voluntary Contribution Account
  - 3. ☐ Mandatory After-Tax Contribution Account
  - 4. ☐ Mandatory Pre-Tax Contribution Account
  - 5. ☐ Matching Contribution Account
  - 6. ☐ Non-Elective Contribution Account

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- 7. ☐ Rollover Contribution Account
- 8. ☐ Transfer Account
- 9. ☐ Other: (e.g., Merged Assets) \_\_\_\_\_

**NOTE:** The "Other" accounts specified above (G.2b.ii.9) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

- c. ☒ The Plan will use the safe harbor criteria set forth in Section 8.01(b) in determining whether a Participant is entitled to receive a hardship withdrawal:

- i. ☐ All Accounts.
- ii. ☒ Selected Accounts
  - 1. ☒ Elective Deferral Account
  - 2. ☐ Voluntary Contribution Account
  - 3. ☐ Mandatory After-Tax Contribution Account
  - 4. ☐ Mandatory Pre-Tax Contribution Account
  - 5. ☐ Matching Contribution Account
  - 6. ☐ Non-Elective Contribution Account
  - 7. ☐ Rollover Contribution Account
  - 8. ☐ Transfer Account
  - 9. ☐ Other: (e.g., Merged Assets) \_\_\_\_\_

**NOTE:** The "Other" accounts specified above (G.2c.ii.9) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

- d. ☐ The Plan will use the more flexible criteria set forth in Section 8.01(c) in determining whether a Participant is entitled to receive a hardship withdrawal:

- i. ☐ All Accounts.
- ii. ☐ Selected Accounts
  - 1. ☐ Elective Deferral Account
  - 2. ☐ Voluntary Contribution Account
  - 3. ☐ Mandatory After-Tax Contribution Account
  - 4. ☐ Mandatory Pre-Tax Contribution Account
  - 5. ☐ Matching Contribution Account
  - 6. ☐ Non-Elective Contribution Account
  - 7. ☐ Rollover Contribution Account
  - 8. ☐ Transfer Account
  - 9. ☐ Other: (e.g., Merged Assets) \_\_\_\_\_

**NOTE:** The "Other" accounts specified above (G.2d.ii.9) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

- e. ☐ Expand the hardship criteria to include the Beneficiary of the Participant

- f. 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:

- i. ☒ Yes
- ii. ☐ Yes - 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

- g. ☒ Other limitations on Hardship withdrawals (e.g., one Hardship withdrawal per Plan Year): one (1) Hardship withdrawal per Participant per Plan Year

**NOTE:** If G.2d is selected, the requirements of Section 8.01(b)(2) will not apply, the amount of the hardship withdrawal may not exceed the Participant's vested interest under the applicable Account and the requirements of Revenue Ruling 71-224 and any superseding guidance will apply.

**NOTE:** G.2f only applies if A.7b is "Yes," (Roth Elective Deferrals are permitted) and hardship withdrawals are permitted from the Elective Deferral Account.

**NOTE:** Any limitations in G.2g (such as limits on the number of withdrawals per year or minimum amount of distributions) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion. Minimum amount of hardship withdrawals may not exceed \$1,000.

**3. Normal/Early Retirement**

- a. Allow in-service distributions after attainment of Normal Retirement Age (Section 7.01(b)) from the following Accounts:

**G. DISTRIBUTIONS IN-SERVICE WITHDRAWALS/LOANS/OTHER DISTRIBUTIONS**

- i. ☒ None
- ii. ☐ All Accounts
- iii. ☐ Selected Accounts
- b. If Selected Accounts is selected, Normal Retirement Age withdrawals may be made from the following Accounts:
  - i. ☐ Elective Deferral Account
  - ii. ☐ Voluntary Contribution Account
  - iii. ☐ Mandatory After-Tax Contribution Account
  - iv. ☐ Mandatory Pre-Tax Contribution Account
  - v. ☐ Matching Contribution Account
  - vi. ☐ Non-Elective Contribution Account
  - vii. ☐ Qualified Non-Elective Contribution Account
  - viii. ☐ Rollover Contribution Account
  - ix. ☐ Transfer Account
  - x. ☐ Other: (e.g., Merged Assets) \_\_\_\_\_

*NOTE: The "Other" accounts specified above (G.3b.x) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.*
- c. Allow in-service distributions after attainment of Early Retirement Age (Section 7.01(a)) from the following Accounts:
  - i. ☐ None
  - ii. ☐ All Accounts
  - iii. ☐ Selected Accounts
- d. If Selected Accounts is selected, Early Retirement Age withdrawals may be made from the following Accounts:
  - i. ☐ Elective Deferral Account
  - ii. ☐ Voluntary Contribution Account
  - iii. ☐ Mandatory After-Tax Contribution Account
  - iv. ☐ Mandatory Pre-Tax Contribution Account
  - v. ☐ Matching Contribution Account
  - vi. ☐ Non-Elective Contribution Account
  - vii. ☐ Qualified Non-Elective Contribution Account
  - viii. ☐ Rollover Contribution Account
  - ix. ☐ Transfer Account
  - x. ☐ Other: (e.g., Merged Assets) \_\_\_\_\_

*NOTE: The "Other" accounts specified above (G.3d.x) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.*

*NOTE: If the Normal Retirement Age and/or Early Retirement Age is less than age 59-1/2 and in-service is selected, Elective Deferrals, Matching Contributions held in a custodial account, and Non-Elective Contributions held in a custodial account will not be eligible for withdrawal until the Participant attains age 59-1/2.*

**4. Specified Age and Service**

- a. In-service withdrawals are allowed on attainment of age \_\_\_\_\_ and \_\_\_\_\_ service:
  - i. ☒ None
  - ii. ☐ All Accounts
  - iii. ☐ Selected Accounts
- b. If Selected Accounts is selected, specified age and service withdrawals may be made from the following Accounts:
  - i. ☐ Elective Deferral Account
  - ii. ☐ Voluntary Contribution Account
  - iii. ☐ Mandatory After-Tax Contribution Account
  - iv. ☐ Mandatory Pre-Tax Contribution Account
  - v. ☐ Matching Contribution Account
  - vi. ☐ Non-Elective Contribution Account
  - vii. ☐ Qualified Non-Elective Contribution Account
  - viii. ☐ Rollover Contribution Account
  - ix. ☐ Transfer Account
  - x. ☐ Other: (e.g., Merged Assets) \_\_\_\_\_

*NOTE: The "Other" accounts specified above (G.4b.x) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.*
- c. If a Participant may receive a withdrawal upon the attainment of a specified age and service from his Elective Deferral Account, permit



## G. DISTRIBUTIONS IN-SERVICE WITHDRAWALS/LOANS/OTHER DISTRIBUTIONS

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 - 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

**NOTE:** If G.4a is less than age 59-1/2, Elective Deferrals, Qualified Non-Elective Contributions, Qualified Matching Contributions, Matching Contributions held in a custodial account, and Non-Elective Contributions held in a custodial account will not be eligible for withdrawal until the Participant attains age 59-1/2 and completes required service; but only to the extent withdrawals are permitted from such Accounts pursuant to G.4a and G.4b.

**NOTE:** G.4b only applies if G.4a.iii is selected.

**NOTE:** G.4c only applies if A.7b is "Yes" (Roth Elective Deferrals are permitted,) and G.4a.ii or G.4a.iii and G.4b.i is selected.

### 5. Specified Age

- a. In-service withdrawals are allowed on attainment of age 59.5:
  - i. ☐ None
  - ii. ☒ All Accounts
  - iii. ☐ Selected Accounts
- b. If Selected Accounts is selected, specified age withdrawals may be made from the following Accounts:
  - i. ☐ Elective Deferral Account
  - ii. ☐ Voluntary Contribution Account
  - iii. ☐ Mandatory After-Tax Contribution Account
  - iv. ☐ Mandatory Pre-Tax Contribution Account
  - v. ☐ Matching Contribution Account
  - vi. ☐ Non-Elective Contribution Account
  - vii. ☐ Qualified Non-Elective Contribution Account
  - viii. ☐ Rollover Contribution Account
  - ix. ☐ Transfer Account
  - x. ☐ Other: (e.g., Merged Assets) \_\_\_\_\_

**NOTE:** The "Other" accounts specified above (G.5b.x) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

- c. 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 - 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

**NOTE:** If G.5a is less than age 59-1/2, Elective Deferrals, Qualified Non-Elective Contributions, Qualified Matching, Matching Contributions held in a custodial account, and Non-Elective Contributions held in a custodial account will not be eligible for withdrawal until the Participant attains age 59-1/2; but only to the extent withdrawals are permitted from such Accounts pursuant to G.5a and G.5b.

**NOTE:** G.5b only applies if G.5a.iii is selected.

**NOTE:** G.5c only applies if A.7b is "Yes," (Roth Elective Deferrals are permitted), and G.5a.ii or G.5a.iii and G.5b.i is selected.

### Other Withdrawals

#### 6. Withdrawals After Period of Participation

- a. ☐ Matching Contributions. In-service withdrawals are allowed from a Participant's Matching Contribution Account after \_\_\_\_\_ years of Participation
- b. ☐ Non-Elective Contributions. In-service withdrawals are allowed from a Participant's Non-Elective Contribution Account after \_\_\_\_\_ years of Participation

**NOTE:** Withdrawals under G.6a are only permitted from the Matching Contribution Account to the extent such Account is held in annuity contracts.

**NOTE:** Withdrawals under G.6b are only permitted from the Non-Elective Contribution Account to the extent such Account is held in annuity contracts.

**NOTE:** G.6a-b may not be less than five.

## **G. DISTRIBUTIONS IN-SERVICE WITHDRAWALS/LOANS/OTHER DISTRIBUTIONS**

### **7. Withdrawals After Period of Accumulation**

- a. ☐ Matching Contributions. In-service withdrawals are allowed from a Participant's Matching Contribution Account on funds held for years.
- b. ☐ Non-Elective Contributions. In-service withdrawals are allowed from a Participant's Non-Elective Contribution Account on funds held for \_\_\_\_ years.

**NOTE:** Withdrawals under G.7a are only permitted from the Matching Contribution Account to the extent such Account is held in annuity contracts.

**NOTE:** Withdrawals under G.7b are only permitted from the Non-Elective Contribution Account to the extent such Account is held in annuity contracts.

**NOTE:** G.7a-b may not be less than two.

### **8. At Any Time**

In-service withdrawals are allowed from the following Accounts at any time:

- a. ☐ Voluntary Contribution Account
- b. ☐ Mandatory After-Tax Contribution Account
- c. ☐ Mandatory Pre-Tax Contribution Account
- d. ☒ Rollover Contribution Account

### **9. Military Distributions**

- a. ☐ Qualified Reservist Distributions are permitted.
- b. ☐ Deemed Severance Distributions are permitted.

### **10. Transfer Account**

Distributions are permitted for a Participant who has attained age 62 and who has not separated from employment from the Transfer Account.

- a. ☐ Yes - under any distribution option offered to a Participant who has incurred a Termination of Employment
- b. ☐ Yes - limited to the following terms and conditions: \_\_\_\_

**NOTE:** G.10 only applies if F.4 is selected (Plan has received a transfer of assets from a plan subject to the survivor annuity rules of Code sections 401(a)(11) and 417).

### **11. Disability**

- ☐ Allow distributions upon Disability.

**NOTE:** If distribution upon Disability is selected, the following Accounts may not be distributed unless a severe disability equivalent to A.18a. has occurred: (i) Elective Deferral Account, (ii) Qualified Non-Elective Contribution Account. A severe disability equivalent to A.18a is as follows: 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 will be supported by medical evidence.

## **Conditions/Limitations**

### **12. Other Conditions/Limitations**

- ☐ The following limitations, conditions, and/or special rules apply to in-service withdrawals (e.g., Participant is limited to one in-service withdrawal per calendar quarter): \_\_\_\_

**NOTE:** Unless otherwise specified, the limitations will apply to all in-service withdrawals (G.1 through G.11). G.12 must be applied in a consistent and nondiscriminatory manner. For example, G.12 could be used to specify the number of withdrawals permitted in a specified time period. See Section 8.06.

### **13. Form of Payment - In-Service Distribution other than Hardship Distributions**

- a. 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 following vendor: \_\_\_\_
- b. Distributions from the Plan may be made in the following forms (select all that apply):
  - i. ☒ Lump sum
  - ii. ☒ Substantially equal installments
  - iii. ☐ Under a continuous right of withdrawal pursuant to which a Participant may withdraw such amounts at such times as he will elect
  - iv. ☐ Other (e.g., Periodic Payment that are set at least quarterly): \_\_\_\_

**NOTE:** G.13b.iii and any entry in G.13b.iv must comply with Code section 401(a)(9), Section 7.02 and other requirements of Article 7.

- c. Participants may take distributions in the form of an annuity.

## **G. DISTRIBUTIONS IN-SERVICE WITHDRAWALS/LOANS/OTHER DISTRIBUTIONS**

- i. ☒ Yes - the entire Account
- ii. ☐ Yes - entire account except single life annuities will not be allowed
- iii. ☐ Yes - the following conditions and/or limitations will apply: \_\_\_\_\_
- iv. ☐ No

**NOTE:** If G.13c.i or G.13c.iii is selected, a Participant may elect to have the Plan Administrator apply his vested Account to the extent provided above toward the purchase of an annuity contract, which will be distributed to the Participant. The terms of such annuity contract will comply with the provisions of this Plan (including Section 7.05) and any annuity contract will be nontransferable.

**NOTE:** G.13c.iii must be applied in a consistent and nondiscriminatory manner (for example, limiting annuity distributions to accounts in excess of a certain dollar amount.)

**NOTE:** If G.13c.i or G.13c.iii is selected, and the Plan has elected to be exempt from the REA requirements, the annuity cannot be in the form of a single life annuity. If the participant in the Plan that has elected to be exempt from the REA requirements the distribution used to purchase the single life annuity will be subject to the REA requirements.

### **Roth In-Plan Rollovers**

#### **14. Roth In-Plan Rollovers**

- a. If the Plan allows for Roth contributions, In-Plan Roth Rollovers are permitted:
  - i. ☒ No
  - ii. ☐ Yes - only if the Plan otherwise allows for the distribution/in-service withdrawal
  - iii. ☐ Yes - all distributions/in-service withdrawals permitted under the Code even if not otherwise provided under the Plan
  - iv. ☐ Yes - at any time

**NOTE:** In-Plan Roth Rollovers may only be permitted for eligible distributions that are also rollover distributions (as defined in Code section 402(c)(4) except they do not have to be eligible for distribution under the Code.)

- b. ☐ In-Plan Roth Rollovers are permitted from partially vested Accounts
- c. Additional limitations will apply to In-Plan Roth Rollovers:
  - i. ☐ Yes, \_\_\_\_\_. (Describe the limitations and/or conditions.) (e.g., one In-Plan Roth Rollover per calendar quarter)
  - ii. ☐ No.

**NOTE:** To prevent terminated Employees from taking an In-Plan Roth Rollover or to limit In-Plan Roth Rollovers to a nondiscriminatory class, choose "limitations and/or conditions apply" and describe the circumstances under which Participants can make an In-Plan Roth Rollover.

- d. Enter the effective date of the In-Plan Roth Rollovers: \_\_\_\_\_ (must be after Sept. 27, 2010)
- e. In-Plan Roth Rollover Accounts will be distributable:

- i. ☐ at any time
- ii. ☐ when the originating Account of the In-Plan Roth Rollover assets are distributable
- iii. ☐ Other: (e.g., upon attainment of age 59.5) \_\_\_\_\_

**NOTE:** G.14e.ii must be chosen if G.14a.iv is chosen.

**NOTE:** The distribution event specified above (G.14e.iii) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.

### **Loans**

#### **15. Loans**

- ☐ Loans are permitted

### **Exchanges**

#### **16. Exchanges**

- ☐ Exchanges are permitted

### **Transfers to Purchase Service Credit**

#### **17. Transfers to Purchase Service Credit**

- ☐ Transfers to Purchase Service Credit are permitted

**H. PLAN OPERATIONS****Plan Operations****1. Permitted Investments**

- a. ☒ Annuity Contracts
- b. ☐ Custodial Accounts

**2. Participant Self-Direction**

- a. Specify the extent to which the Plan permits Participant self-direction:
  - i. ☒ All Accounts
  - ii. ☐ Some Accounts
  - iii. ☐ None
- b. If Some Accounts is selected, a Participant may self-direct the following Accounts:
  - i. ☐ Elective Deferral Account
  - ii. ☐ Voluntary Contribution Account
  - iii. ☐ Mandatory After-Tax Contribution Account
  - iv. ☐ Mandatory Pre-Tax Contribution Account
  - v. ☐ Matching Contribution Account
  - vi. ☐ Non-Elective Contribution Account
  - vii. ☐ Qualified Non-Elective Contribution Account
  - viii. ☐ Rollover Contribution Account
  - ix. ☐ Transfer Account
  - x. ☐ Other (e.g., QMAC Contribution Account): \_\_\_\_\_

*NOTE: The other account specified above (H.2b.x) must be objectively determinable and may not be specified in a manner that is subject to Adopting Employer discretion.*

- c. ☐ Participants may also establish individual brokerage accounts.
- d. Participants may exercise voting rights with respect to the following investments:
  - i. ☐ All investments
  - ii. ☐ Selected investments: \_\_\_\_\_

*NOTE: If H.2a.iii (None) is selected, H.2b through H.2d do not apply.*

*NOTE: H.2b only applies if H.2a.ii is selected.*

**3. Valuation Date**

Enter Valuation Date:

- a. ☒ Last day of Plan Year
- b. ☐ Last day of each Plan quarter
- c. ☐ Last day of each month
- d. ☐ Each business day
- e. ☐ Other (e.g., first and fifteenth day of each month): \_\_\_\_\_ (Must be at least annually).

**4. Plan Administration**

- a. Designation of Plan Administrator:
  - i. ☒ Plan Sponsor
  - ii. ☐ Committee appointed by Plan Sponsor
  - iii. ☐ Other (Complete name of designated Plan Administrator.) (e.g., TPA Service Provider Inc.): \_\_\_\_\_
- b. Establishment of procedures for the Plan Administrator and the Investment Fiduciary:
  - i. ☒ Plan Administrator and Investment Fiduciary adopt own procedures
  - ii. ☐ Governing body of the Plan Sponsor sets procedures for Plan Administrator and Investment Fiduciary
- c. Type of indemnification for the Plan Administrator and Investment Fiduciary:
  - i. ☐ None - the Adopting Employer will not indemnify the Plan Administrator or the Investment Fiduciary
  - ii. ☒ Standard according to Section 11.06
  - iii. ☐ Provided pursuant to an outside agreement
- d. ☐ The following modifications will be made to the duties of the applicable parties: \_\_\_\_\_

*NOTE: H.4d may be used to reallocate duties between the Plan Sponsor and the Plan Administrator. It may also be used to designate additional parties to perform specific Plan Administrator and/or Plan Sponsor duties.*

**I. MISCELLANEOUS**

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

The Plan will consist of this Adoption Agreement #001, its related Basic Plan Document #008 (Non-ERISA 403(b)) and any related appendix or addendum specifically created in response to a question within the Adoption Agreement.

The Adopting Employer may rely on an advisory letter issued by the Internal Revenue Service as evidence that the Plan is tax-favored under Code section 403 only to the extent provided in Revenue Procedure 2013-22 and any superseding guidance. The Adopting Employer may not rely on the advisory letter in certain other circumstances or with respect to certain qualification requirements, which are specified in the advisory letter issued with respect to the Plan and in Revenue Procedure 2011-49 and any superseding guidance. In order to have reliance in such circumstances or with respect to such tax-favored requirements, application for a determination letter must be made to Employee Plans Determinations of the Internal Revenue Service. The volume submitter Practitioner will inform the Adopting Employer of any amendments made to the Plan or of the discontinuance or abandonment of the Plan. The Volume Submitter Practitioner may be contacted at CCH Incorporated, DBA ftwilliam.com may be contacted at 1245 E. Washington Ave., Ste. 101 Madison, WI 53703; 414-226-2442.

**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. By signing this Adoption Agreement, the undersigned acknowledges having reviewed the Appendices and Amendments to the Basic Plan Document.

The parties have caused this Plan to be executed this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

FLORIDA INSTITUTE FOR HUMAN AND MACHINE COGNITION, INC.

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ADMINISTRATIVE AND VENDOR APPENDIX**

**Florida Institute for Human and Machine Cognition, Inc. 403(b) Tax Deferred Annuity Plan**

An amendment is not required to make changes to this appendix. Use of this Addendum will not be considered a modification to the volume submitter document.

**Approved vendors that accept ongoing contributions from the Adopting Employer and the investment types offered.**

1. Enter Name of Vendor  
[ X ] Mutual Funds  
[ X ] Annuities

**Plan Sponsor**

The following administrative functions will be performed by the Plan Sponsor:

**all services not delegated above**

**HARDSHIP DISTRIBUTION ADDENDUM**

This Addendum is intended as a good faith effort to comply with the requirements of the hardship distribution final regulations and is to be construed in accordance with same. Both the Addendum and the provisions of the hardship distribution final regulations will supersede any inconsistent Plan provisions.

For each item below, if the check boxes are empty, the *italicized* provision will apply.

1. Safe Harbor Contributions/QNECs/QMACs

*Effective on the first day of the first plan year after December 31, 2018, if available under the Plan, Qualified Non-Elective Contributions (QNECs), Qualified Matching Contributions (QMACs) or contributions used to satisfy the safe harbor requirements of Code sections 401(k)(12) or 401(k)(13), or 401(m)(11) or 401(m)(12), not held in a Custodial Account will be available for hardship distributions.*

- ☐ Effective \_\_\_\_\_, hardship distributions are permitted from Qualified Non-Elective Contributions, Qualified Matching Contributions or contributions used to satisfy the safe harbor requirements of Code sections 401(k)(12) or 401(k)(13), or 401(m)(11) or 401(m)(12), if available under the Plan and not held in a Custodial Account.
- ☐ Hardship distributions continue to be prohibited from Qualified Non-Elective Contributions, Qualified Matching Contributions or contributions used to satisfy the safe harbor requirements of Code sections 401(k)(12) or 401(k)(13), or 401(m)(11) or 401(m)(12).

2. Amount Necessary to Satisfy Need Requirement

*Effective on the first day of the first plan year after December 31, 2018, a hardship distribution will be considered necessary to satisfy an immediate and heavy financial need of the Participant only if:*

- *The distribution is not in excess of the amount required to satisfy the financial need (including any amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution);*
- *The Participant has obtained all other currently available distributions, other than hardship distributions, under any deferred compensation plan, whether qualified or nonqualified, maintained by the Employer; and*
- *Effective for distributions made on or after January 01, 2020, the Participant has represented (in writing or by an electronic medium) that he has insufficient cash or other liquid assets to satisfy the financial need.*

- ☐ Effective \_\_\_\_\_, a distribution will be determined to satisfy an immediate and heavy financial need only if the three criteria listed above are met.
- ☐ The following provisions will be used for complying with the amount necessary to satisfy need requirement: \_\_\_\_\_

3. Six-Month Suspension

*If the Safe Harbor criteria are used for hardship distributions, effective on the first day of the first plan year after December 31, 2018, the six-month suspension period for Elective Deferrals (and after-tax contributions) will no longer be a condition for obtaining a hardship distribution, even if the hardship distribution was made in the prior plan year.*

- ☐ Effective \_\_\_\_\_, the Plan will not initiate a six-month suspension period on Elective Deferrals (and after-tax contributions) following a hardship distribution (cannot be later than January 01, 2020).
- ☐ The Plan will discontinue any remaining portion of the suspension period for hardship distributions made prior to the entered effective date.
- ☐ The Plan will continue any remaining portion of the full six-month suspension period for hardship distributions made prior to the entered effective date.

4. Loan Requirement

*If the Safe Harbor criteria are used for hardship distributions, effective on the first day of the first plan year after December 31, 2018, Participants are not required to take all nontaxable loans under all plans maintained by the Employer prior to applying for a hardship*



distribution.

- ☐ Effective \_\_\_\_\_, Participants are not required to take all available nontaxable loans before applying for a hardship distribution.
- ☐ Participants must continue to take all nontaxable loans under all plans maintained by the Employer before applying for a hardship distribution.

5. Safe Harbor Financial Needs

*If the Safe Harbor criteria are used for hardship distributions, the following immediate and heavy financial needs are considered as safe harbor criteria for hardship distributions made on or after January 01, 2018:*

- *Expenses for the repair of damage to the Employee's principal residence that would qualify for the casualty deduction under Code section 165 (determined without regard to section 165(h)(5) and whether the loss exceeds 10% of adjusted gross income).*
- *Expenses and losses (including loss of income) incurred by the Employee on account of a disaster declared by the Federal Emergency Management Agency (FEMA) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, provided that the Employee's principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster.*

- ☐ Effective \_\_\_\_\_, the immediate and heavy financial needs listed above are considered as safe harbor criteria for hardship distributions.
- ☐ The immediate and heavy financial needs listed above are not considered as safe harbor criteria for hardship distributions.