

## ADOPTION AGREEMENT FOR THE NON-STANDARDIZED DATAIR CASH BALANCE PENSION PLAN

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

The DATAIR Cash Balance Pension Plan ("the Plan") is hereby adopted by:

\_\_\_\_\_  
\_\_\_\_\_  
(the "Employer").

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

\_\_\_\_\_

*NOTE: The Effective Date chosen for a., b., or c. below may not be earlier than the first day of the Plan Year in which it is adopted, or for a restatement of an existing plan, the first day of the current Plan Year.*

- a. The Effective Date of the Plan is: \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY) (New plan only)
- b. The Effective Date of the Plan is \_\_\_/\_\_\_/\_\_\_\_, (MM/DD/YYYY) and is an amendment of a preexisting Plan which was originally effective: \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY)
- c. The Plan Effective Date is \_\_\_/\_\_\_/\_\_\_\_, (MM/DD/YYYY) and is an amendment and restatement of a preexisting Plan which was originally effective: \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY)
- d. The Plan has been amended to convert the benefit formula from a non-cash balance formula to a cash balance formula as described in Section 2.3.1 of the Base Plan Document:  
Enter the Conversion Amendment Effective Date: \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY)
- e. Frozen Plan:  
All benefit accruals under this Plan were frozen:
  - e.1. Effective: \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY)
  - e.2. For the Plan Year commencing: \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY)
- Employees were no longer permitted to enter this Plan:
  - e.3. Effective: \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY)
  - e.4. For the Plan Year commencing: \_\_\_/\_\_\_/\_\_\_\_. (MM/DD/YYYY)
  - e.5. Including prior Participants who have incurred a Break in Service.

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

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

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

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

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

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

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

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

18. Trust Information:

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

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

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

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

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

## A. Eligibility and Service Provisions

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

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

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

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

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

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

- a. Plan provision.
- b. Top-paid group election - Highly Compensated Employee determination limited to top twenty percent (20%) of Employees by pay.

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

**A3. Computation Periods for Years of Service for Eligibility, Years of Vesting Service and Years of Credited Service**

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

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

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

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

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

- | Service for Eligibility  | Vesting Service          | Credited Service         |   |
|--------------------------|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | a. Service is based on actual hours and following equivalency will be used when records of hours are not maintained: (Also select one of a.1. through a.4.)   |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | a.1. Days Worked - An Employee will be credited with ten (10) Hours of Service if he is credited with at least one (1) Hour of Service during the day.  |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | a.2. Weeks Worked - An Employee will be credited with forty-five (45) Hours of Service if he is credited with at least one (1) Hour of Service during the week.   |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | a.3. Semi-monthly or Two-week (bi-weekly) Payroll Period - An Employee will be credited with ninety-five (95) Hours of Service if he is credited with at least one (1) Hour of Service during the payroll period. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | a.4. Months Worked - An Employee will be credited with one hundred ninety (190) Hours of Service if he is credited with at least one (1) Hour of Service during the month.  |

- |                          |                          |                          |  |
|--------------------------|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | b. Service is determined under the Elapsed Time Method, and fractional years are measured using: (Also select one of b.1. through b.5. and if applicable b.6.) |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | b.1. Exact dates in years.   |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | b.2. Exact dates in months.  |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | b.3. Calendar month granted if Employee credited with an Hour of Service.  |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | b.4. Nearest calendar months.  |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | b.5. Completed calendar months and rounded to the nearest:   |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | b.6. One-twelfth (1/12) of a year.   |

**A5. Years of Service**

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

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

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

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

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

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

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

- g. Include all Years of Vesting Service.
- h. Exclude Years of Vesting Service prior to age eighteen (18).
- i. Exclude Years of Vesting Service prior to the original Effective Date of this Plan.
- j. Exclude Years of Vesting Service prior to the original Effective Date of predecessor plan. Original Effective Date of predecessor plan: \_\_\_\_/\_\_\_\_/\_\_\_\_, if so excluded in predecessor plan.

**Years of Credited Service**

(Complete k.-m. if Credited Service is based on Hours of Service. If Minimum Pay Credit is selected in D6., must select k. If Credited Service is based on the Elapsed Time Method, leave blank and refer to the Definition "Elapsed Time Method.")

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

*Note: See D10. for limits on Credited Service when calculating benefits.*

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

- a. No predecessor service is being granted.
- b. The Plan credits predecessor service as specified in this option b.  
Service with the following entities shall be credited as service under this Plan:

\_\_\_\_\_

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

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

The granting of predecessor service is due to:

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

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

- b.5. Eligibility.
- b.6. Vesting.
- b.7. Benefits computations.
- b.8. Attainment of Early or Normal Retirement Age.

- c. The Plan credits service with Prior Employers as specified in this option c.  
Service with the following Prior Employers shall be credited as service under this Plan:

\_\_\_\_\_

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

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

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

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

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

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

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

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

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

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

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



Eligibility	Vesting	Credited Service
<input type="checkbox"/>		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

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

## B. Date Provisions

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

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

**B2. Determination of Top-Heavy Status** - For purposes of computing the Top-Heavy Ratio: The Valuation Date under Section 2.6.2(j) of the Plan shall be \_\_\_\_/\_\_\_\_. (MM/DD)

**B3. Normal Retirement Age** - For each Participant, the Normal Retirement Age is: (Select one of a., b., or c. You may also select one or more of d. through l. If more than one option is selected, Normal Retirement Age is attained on the first date the requirements of any option are met and must not violate 411(a)(8). Also, complete m. if the definition of Normal Retirement Age changed on or after May 22, 2007.)

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

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

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

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

**B4. Normal Retirement Date** - The Normal Retirement Date is:

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

**B5. Early Retirement Age** - For each Participant, the Early Retirement Age is: (Select all applicable. If more than one option is selected, Early Retirement Age is attained on the first date the requirements of any option are met.) (Must be less than Normal Retirement Age).

- a. The Plan does not provide an Early Retirement Age. (Skip Question B6.)
- b. Age \_\_\_\_ (not to exceed sixty-five (65)).
- c. Age \_\_\_\_ and \_\_\_\_ Years of Eligibility Service.
- d. Age \_\_\_\_ and \_\_\_\_ Years of Participation.
- e. \_\_\_\_ years prior to the Normal Retirement Age.
- f. Sum of age and Years of Eligibility Service equals \_\_\_\_.
- g. Sum of age and Years of Participation equals \_\_\_\_.
- h. Age \_\_\_\_ and the sum of the age and Years of Eligibility Service equals \_\_\_\_.
- i. Age \_\_\_\_ and the sum of age and Years of Participation equals \_\_\_\_.
- j. \_\_\_\_ Years of Service.
- k. \_\_\_\_ Years of Participation.
- l. Age \_\_\_\_ and the \_\_\_\_ anniversary of employment.
- m. Age \_\_\_\_ and the \_\_\_\_ anniversary of actual participation in the Plan.

**B6. Early Retirement Date** - The Early Retirement Date is:

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

**B7. Disability Retirement Date** - The date the Participant shall begin to receive Disability Benefits under the Plan:

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

**B8. Limitation Year** - The Limitation Year for purposes of the limitation imposed by Code section 415 is the Plan Year unless another period is specified below:

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

## C. Compensation

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

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

Plan Compensation for Accruals	Compensation for Code sections 415 and 416 purposes
--------------------------------------	--

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

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

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

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

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

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

Plan Compensation for Accruals	Compensation for Code sections 415 and 416 purposes
--------------------------------------	--

- |                                  |                                  |  |
|----------------------------------|----------------------------------|--|
| <input type="checkbox"/> Include | <input type="checkbox"/> Include | m. Include Deemed Code Section 125 Compensation. |
| <input type="checkbox"/> Exclude | <input type="checkbox"/> Exclude | n. Exclude Deemed Code Section 125 Compensation. |

**C2. Modifications to Compensation -**

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

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

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

- | <b>Compensation for Accruals</b> | <b>Compensation for Code sections 415 and 416 purposes</b> |   |
|----------------------------------|--|---|
| <input type="checkbox"/> Include | <input type="checkbox"/> Include                           | h. Include amounts paid during the first few weeks of the next Limitation Year. |
| <input type="checkbox"/> Exclude | <input type="checkbox"/> Exclude                           | i. Exclude amounts paid during the first few weeks of the next Limitation Year. |

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

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

**Salary Continuation while on Military Leave**

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

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

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

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

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

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

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

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

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

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

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

**C4. Compensation Computation Period**

**Plan  
Compensation  
for Accruals**

**415**

**416**

- |                          |                          |                          |   |
|--------------------------|--------------------------|--------------------------|---|
| <input type="checkbox"/> | N/A                      | <input type="checkbox"/> | a. Plan Year.   |
| <input type="checkbox"/> | <input type="checkbox"/> | N/A                      | b. Limitation Year.   |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | c. Calendar year ending with or within the Plan Year.   |
| <input type="checkbox"/> | <input type="checkbox"/> | N/A                      | d. Prior Plan Year.   |
| <input type="checkbox"/> | <input type="checkbox"/> | N/A                      | e. The 12-consecutive month period ending ___ / ___ with or within the Plan Year. (For Employees whose date of hire is less than twelve (12) months before the end of the twelve (12) month period designated, Compensation will be determined over the Plan Year.) |

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

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

**C6. Average Compensation - (Select one of a. or b. and one of c. through h.)**

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

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

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

**C7. Counting for Average Annual (or Monthly) Compensation - Include Compensation received during (Select one of a. or b., and c. through i. if applicable):**

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

Exclude Compensation received: (Select all applicable.)

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

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

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



## D. Normal Retirement Benefits

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

- a. Life annuity.
- b. Life annuity with a certain period of \_\_\_\_ years
- c. Qualified Joint and \_\_\_\_\_% (fifty (50) to one hundred (100) percent) survivor annuity, if married. If single a Life Annuity.
- d. Joint and \_\_\_\_\_% (fifty (50) to one hundred (100) percent) survivor annuity with any beneficiary.

*Note: A Normal Form of Benefit other than a life annuity could result in a section 415 violation.*

**D2. Total Monthly Benefit**

- a. The monthly benefit determined under the formula selected below.
- b. The sum of the Participant's Adjusted Frozen Accrued Benefit and the monthly benefit determined under the Cash Balance Formula selected below, based on Years of Credited Service earned after the Fresh Start Date (formula "without wear away").
- c. The monthly benefit, as selected above, offset by the monthly benefit provided by a defined contribution plan (specify name of plan):  
\_\_\_\_\_.

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

*Note: If a Participant transfers from another plan sponsored by the Employer, or otherwise becomes covered by the cash balance formula in this Plan, and experiences a reduction in future benefits that would have accrued under a non-cash-balance formula, the Conversion Amendment Effective Date for that individual is the effective date of the change described in this Note, if that is later than the date specified in the General Plan Information Section of this Adoption Agreement in paragraph d.*

**D3. Opening Balance for Accumulation Account**

In the case that this is a new Cash Balance Plan, the opening balance of each Participant's Accumulation Account as of Original Plan Effective Date (OPED) shall be:

- a. None.
- b. The Opening Balance Pay Credit Formula as of the specified date
  - b.1. \_\_\_\_\_% of Compensation in calendar year prior to Original Plan Effective Date (OPED).
  - b.2. \_\_\_\_\_% of Average Annual Compensation.
  - b.3. \$ \_\_\_\_\_ per each Year of Credited Service earned prior to OPED.
  - b.4. \_\_\_\_\_% of Compensation in calendar year prior to OPED times Years of Credited Service earned prior to the OPED.
  - b.5. \_\_\_\_\_% of Average Annual Compensation times Years of Credited Service earned prior to OPED.
  - b.6. Other: \_\_\_\_\_  
(May not discriminate in favor of Highly Compensated Employees and must satisfy the definitely determinable benefit requirements of Treasury Regulation section 1.401-1(b)(1).)

**D4. Pay Credit Allocation:** Pay Credits (2.3.1(b)) shall be credited as of the last day of each Pay Allocation Period selected below (Coordinate with C4.):

- a. Plan Year
- b. Six month period beginning on the first day of the Plan Year and the first day of the seventh month of the Plan Year
- c. Plan Year quarter
- d. Calendar month
- e. Other: \_\_ (Must be at least annually)

*Note: D4.e. is only available if previously selected on the DATAIR PPA (cycle 2) Cash Balance document and will no longer be in effect after the Plan Year end in which this Post PPA (cycle 3) document is first adopted.*

**D5. Pay Credit Allocation Requirement:** - To receive a Pay Credit allocated to the Participant's Accumulation Account the Participant (Pay Allocation Period in D4. must be annual or plan year.) (select one if applicable, must select a. if D6.c.-f., or D6.g. is selected):

- a. Must earn \_\_\_\_\_ (not to exceed 1,000) Hours of Service
- b. Must earn \_\_\_\_\_ Hours of Service, pro-rata given if less than specified hours (not to exceed 2,000)
- c. Must earn \_\_\_\_\_ Hours of Service, pro-rata given if less than specified hours provided at least \_\_\_\_\_ hours are earned (first blank not to exceed 2,000, second blank not to exceed 1,000)
- d. Other: \_\_\_\_\_ (Must be definitely determinable and preclude Employer discretion pursuant to Treas. Reg. section 1.401-1(b))

**D6. Crediting Method for Pay Credits (Section 2.3.1(b)):** - Each eligible Participant will receive a Pay Credit for each Pay Allocation Period (as determined in D4.) based on the following formula:

*Note: If the Pay Credit does not meet the requirements for a safe harbor formula, the Plan will be required to test under Code section 401(a)(4).*

- a. \$ \_\_\_\_\_ per Participant subject to D5. above.
  - b. \$ \_\_\_\_\_ per Hour of Service. Up to a maximum of \_\_\_\_\_. (Not less than 1,000 hours; if blank, then no limitation will appear)
  - c. \_\_\_\_\_ % of Average Annual Compensation.
  - d. Each Participant's Accumulation Account balance will be credited with the greater of:  
\_\_\_\_\_ % (percentage) of Compensation or  
\$ \_\_\_\_\_ (dollars) for each Pay Allocation Period.
  - e. Each Participant's Accumulation Account balance will be credited with the lesser of:  
\_\_\_\_\_ % (percentage) of Compensation or  
\$ \_\_\_\_\_ (dollars) for each Pay Allocation Period.
  - f. \_\_\_\_\_ % of each Participant's Compensation earned during the Pay Allocation Period.
  - g. Schedule of graded Pay Credits. Each Participant's Accumulation Account will be credited with an amount for each Pay Allocation Period, determined in accordance with the following table:
    - COLA. Provide an increase to any dollar based Pay Credit (Pay Allocation Period must be annual or Plan Year) The cost-of-living adjustment will be equal to the lesser of:
      - (i) \_\_\_\_\_ % per year, or
      - (ii) the percentage adjustment to social security benefits for the year under section 215(i)(2)(A) of the Social Security Act.
- Class    Age    Service    Age & Service    Points    Compensation

Class	Age/Service/Points/Compensation		Dollar Amount (A)	Percent (B)	Greater of (A) or (B)	Lesser of (A) or (B)
_____	From _____	To _____	\$ _____	_____ %	<input type="checkbox"/>	<input type="checkbox"/>
_____	From _____	To _____	\$ _____	_____ %	<input type="checkbox"/>	<input type="checkbox"/>
_____	From _____	To _____	\$ _____	_____ %	<input type="checkbox"/>	<input type="checkbox"/>
_____	From _____	To _____	\$ _____	_____ %	<input type="checkbox"/>	<input type="checkbox"/>
_____	From _____	And Over _____	\$ _____	_____ %	<input type="checkbox"/>	<input type="checkbox"/>

**Note: The IRS does not provide reliance on the opinion letter with respect to whether this formula meets the accrual rule requirements under IRC section 411(b).**

Define Classes

- A: \_\_\_\_\_
- B: \_\_\_\_\_
- C: \_\_\_\_\_
- D: \_\_\_\_\_
- E: \_\_\_\_\_
- F: \_\_\_\_\_
- G: \_\_\_\_\_

*Note: Classes must be definitely determinable and may not be subject to Employer discretion. Classes may not be structured to limit participation to only the shortest service and lowest paid Non-Highly Compensated Employees while excluding other Non-Highly Compensated Employees.*

Points - Each Participant will be awarded: (May not discriminate in favor of Highly Compensated Employees.) (Select as many as apply)

- \_\_\_\_\_ point(s) for each year of age
- \_\_\_\_\_ point(s) for each Year of Credited Service
- \_\_\_\_\_ point(s) for each \$ \_\_\_\_\_ of Compensation earned during the Pay Allocation Period
- Maximum number of points per Participant: \_\_\_\_\_
- Maximum Years of Credited Service: \_\_\_\_\_
- h. Provide annual Pay Credit for an individual in the case of death or disability resulting from active military service.  
Effective for death or disability on or after: \_\_\_\_/\_\_\_\_/\_\_\_\_ (01/01/07 or later)

*Note: This arrangement must satisfy IRS section 401(a)(26) including the meaningful benefit requirement of Treasury Regulation 1.401(a)(26)-3(c)(2).*

**Minimum Pay Credit (must select i. and one of i1-i.7 if D2.c. is selected, cannot select i.8.)**

- i. A minimum Pay Credit to each Participant (expressed as a lifetime annuity commencing at Normal Retirement Age) of 0.5% of Compensation for each Year of Credited Service A5.k-m, which is not reduced by the Offset, if any, applied to other formulas under the Plan as required in Treasury Regulation section 1.401(a)(26)-3(c)(2). For this purpose Compensation shall be:
  - i.1. Average Annual Compensation.
  - i.2. Annual (current) Compensation.
  - i.3. Plan provision - the three (3) highest consecutive Years of Eligibility Service while a Participant.
  - i.4. Any \_\_\_\_\_ highest consecutive years (minimum of three (3)).
  - i.5. \_\_\_\_\_ highest consecutive years (minimum of three (3)) of the last \_\_\_\_\_ years.
  - i.6. The final \_\_\_\_\_ years (minimum of three (3)).
  - i.7. All years (career average).
  - i.8. If class based allocation, apply Minimum Pay Credit to the following classes only: (Classes must be definitely determinable)

**Maximum Pay Credit**

- j. Limit Pay Credit to amount that provides the lump sum as limited by section 415 of the Code (Plan Year limitation).

**Rounding Pay Credit** – the Pay Credits, including Minimum Pay Credits may be rounded up. (Select k., or l.-m., and if applicable, n.)

- k. Plan provision - no round
- l. To the next highest dollar.
- m. To the next highest \$\_\_\_\_ (not to exceed \$100)
- n. Round only the Minimum Pay Credit

**D7. Crediting Method for Interest Credits (Section 2.3.1(c)):** - Each eligible Participant will receive an Interest Credit based on the criteria selected below.

**The Interest Credit shall be credited at the end of each Interest Allocation Period. Interest must be credited at least annually. (choose one):**

- a. Plan Year
- b. Six month period beginning on the first day of the Plan Year and the first day of the seventh month of the Plan Year (semi-annual)
- c. Plan Year quarter
- d. Calendar month
- e. Other: \_\_\_\_\_ (no greater than annual)

*Note: D7.e. is only available if previously selected on the DATAIR PPA (cycle 2) Cash Balance document and will no longer be in effect after the Plan Year end in which this Post PPA (cycle 3) document is first adopted.*

If a Participant's Annuity Starting Date occurs before the end of an Interest Allocation Period, the Interest Credit for the partial Interest Allocation Period shall be:

- f. Zero
- g. Determined on a pro rata basis, reflecting the portion of the Interest Allocation Period before the Participant's Annuity Starting Date.

If interest is credited more frequently than annually, Interest Credits for the Interest Allocation Period are determined:

If credited semi-annually, the annual rate divided by:

- h. 2, or
- i. The rate determined as if interest were compounded twice each year.

If credited quarterly, the annual rate divided by:

- j. 4, or
- k. The rate determined as if interest were compounded four times each year.

If credited monthly, the annual rate divided by:

- l. 12, or
- m. the rate determined as if interest were compounded twelve times each year.

If credited daily, the annual rate divided by:

- n. 365,
- o. 360, or
- p. The rate determined as if interest were compounded daily.

**D8. The Interest Rate (Section 2.3.1(c))**

Answer Items a., b., or d. If b is selected then also select c. Items e., f., and g. are optional. Always make a selection at Item h. Note: Plans with a current interest crediting rate that does not meet one of the rates permitted in a pre-approved cash balance plan as described in Revenue Procedure 2017-41 as modified by Revenue Procedure 2018-21 may not adopt or restate to this plan document.

- a. A single, fixed interest rate equal to \_\_\_\_\_% (6% or less)
- b. A variable interest rate equal to:
  - b.1. the third segment rate described below, with an annual floor of \_\_\_\_\_ percent (floor may not exceed 4%)
  - b.2. the second segment rate described below, with an annual floor of \_\_\_\_\_ percent (floor may not exceed 4%)
  - b.3. the first segment rate described below, with an annual floor of \_\_\_\_\_ percent (floor may not exceed 4%)

If b1., b2., or b3. is chosen, complete the following sections b.4. and b.5.:

- b.4. The segment chosen shall be:
  - The segment rate defined under section 430(h)(2)(C) of the Code,
    - Reflecting  Not reflecting
 The adjustment for 25-year average interest rate under section 430(h)(2)(C)(iv) of the Code.
  - The segment rate defined under section 417(e)(3)(D) of the Code.
- b.5. segment rate is determined as of the:
  - first
  - second
  - third
  - fourth
  - fifth

Calendar month preceding the first day of the:

- Plan Year
- Interest Allocation Period
- b.6. The discount rate on 3-month Treasury Bills plus \_\_\_\_\_ (0-175) basis points with an annual floor of \_\_\_\_\_ percent (floor may not exceed 5%)
- b.7. The discount rate on \_\_\_\_\_-month Treasury Bills (specify duration, not to exceed 12 months) plus \_\_\_\_\_ (0-150) basis points (floor may not exceed 5%)
- b.8. The yield on 1-year Treasury Constant Maturities plus \_\_\_\_\_ (0-100) basis points with an annual floor of \_\_\_\_\_ percent (floor may not exceed 5%)
- b.9. The yield on \_\_\_\_\_-year Treasury Bonds (not to exceed 3 years) plus \_\_\_\_\_ (0-50) basis points with an annual floor of \_\_\_\_\_ percent (floor may not exceed 5%)
- b.10. The yield on \_\_\_\_\_-year Treasury Bonds (specify duration, not to exceed 7 years) plus \_\_\_\_\_ (0-25) basis points with an annual floor of \_\_\_\_\_ percent (floor may not exceed 5%)
- b.11. The yield on \_\_\_\_\_-year Treasury Bonds (specify duration, not to exceed 30 years) with an annual floor of \_\_\_\_\_ percent (floor may not exceed 5%)
- b.12. The lesser of the following rates:

Or

\_\_\_\_\_  
 Describe rates in enough detail so that the Plan will provide a definitely determinable benefit that meets the requirements of 1.411(b)(5)-1(d) of the Treasury Regulations. At least one of the rates must be a rate described in sections D8.a. or b. above. However, to qualify for the pre-approved program, the rate cannot be based on a subset of assets (as described in section 1.411(b)(5)-1(d)(5)(ii) of the Treasury Regulations) or the rate of return on a RIC (as described in section 1.411(b)(5)-1(d)(5)(iv) of the Treasury Regulations) and may not be subject to participant discretion.

- c. If a variable interest rate is selected, it shall be determined based on the Stability Period:
  - c.1. One month
  - c.2. One Plan quarter
  - c.3. One calendar quarter
  - c.4. One Plan Year
  - c.5. One calendar year

And the Look Back Month:

- c.6. First calendar month preceding the Stability Period
- c.7. Second calendar month preceding the Stability Period
- c.8. Third calendar month preceding the Stability Period
- c.9. Fourth calendar month preceding the Stability Period
- c.10. Fifth calendar month preceding the Stability Period

*Note: If a selection was made under D8.c. as it existed in the DATAIR PPA (cycle 2) Cash Balance document, that selection will no longer be in effect after the Plan Year end in which this Post PPA (cycle 3) document is first adopted. Furthermore, after the Plan Year end in which this Post PPA (cycle 3) document is first adopted, the new selections made under this D8.c will begin to apply. However, for the period described in Treasury regulations section 1.411(b)(5)-1(e)(3)(iv), the plan must use the interest rate determination date as chosen under the PPA (cycle 2) document or as selected in this Post PPA (cycle 3) document dependent upon whichever date results in the larger distribution.*

- d. Actual Rate of Return. Interest will be credited using the Plan's actual rate of return using the rules of application selected below:
  - d.1. The Plan's actual rate of return will be determined to the following number of decimals:(Select one.)
    - d.1.A. None. (e.g., 1% or 3%)
    - d.1.B. One decimal. (e.g., 1.2% or 2.7%)
    - d.1.C. Two decimals. (e.g., 1.24% or 2.75%)
  - d.2. Contributions (excluding a contribution receivable) will be included based on the actual date of such contribution(s), with weighting for the period of time between the contribution date and the end of the Interest Allocation Period based on number of: (Select one.)
    - d.2.A. Days.
    - d.2.B. Whole plan months.
    - d.2.C. Whole calendar months.
    - d.2.D. Nearest plan months.
    - d.2.E. Nearest plan quarters.
    - d.2.F. Nearest calendar months.
    - d.2.G. Nearest calendar quarters.
  - d.3. Only distributions of benefits made during the Interest Allocation Period will be reflected, and contributions receivable as of the last day of the Plan Year shall be treated: (Select one.)
    - d.3.A. As if they were made as of the last day of the Plan Year.
    - d.3.B. As if they were made on the day each amount was actually contributed.
  - d.4. Distributions of benefits will be included in the calculation of the actual rate of return with weighting for the period of time between the actual date of distribution and the end of the Interest Credit Period based on the number of: (Select one.)
    - d.4.A. Days.
    - d.4.B. Whole plan months.
    - d.4.C. Whole calendar months.
    - d.4.D. Nearest plan months.
    - d.4.E. Nearest plan quarters.
    - d.4.F. Nearest calendar months.
    - d.4.G. Nearest calendar quarters.

- d.5. The following Plan expenses incurred for the Interest Allocation Period will be included in the calculation of the actual rate of return: (Select all that apply.)
  - d.5.A. No administrative or investment expenses.
  - d.5.B. Investment expenses paid from the Plan's Trust.
  - d.5.C. Administrative and investment expenses paid by the Plan's Trust.
  - d.5.D. Administrative and investment expenses paid by the Plan's Trust except: \_\_\_\_\_ . (Insert description of excluded expenses.)
- d.6. For purposes of the first Plan Year only of the Plan, the Interest Crediting Rate shall be: (Select one.)
  - d.6.A. Not Applicable.
  - d.6.B. 4%
  - d.6.C. 5%
  - d.6.D. 6%
- e. Cumulative Floor. As of the Annuity Starting Date as of which a distribution of a Participant's entire remaining vested benefit under the cash balance formula commences, the Participant's Accumulation Account Balance is the greater of (a) the Accumulation Account balance determined using the actual Interest Allocation Rate(s) that applied during the guarantee period, and (b) the Accumulation Account Balance determined as if the plan had used a fixed annual Interest Crediting Rate equal to \_\_\_\_% (specify rate no greater than 3 percent) for the Guarantee Period. For this purpose, the Guarantee Period is the period beginning on \_\_\_/\_\_\_/\_\_\_\_ (fresh start date) and ending on the Annuity Starting Date as of which a distribution of the Participant's entire remaining vested benefit under the cash balance formula commences, and the cumulative floor is applied taking the value of any previous distributions into account.
- f. Minimum and maximum interest rates (*omit if no limitations*)

Notwithstanding the selections above, the interest rate cannot:

- f.1. Be less than \_\_\_\_%
- f.2. Be greater than \_\_\_\_%
- f.3. Be less than \_\_\_\_% or greater than \_\_\_\_%  
(The minimum rate cannot be lower than 0% and the maximum may never be higher than 6%)

**Other factors**

- g. A distribution to a Participant during an Interest Allocation Period shall be subtracted from the Participant's Accumulation Account before calculation of the Interest Credit for that Period

**D9. Fresh Start Dates** - A Fresh Start Date is the date upon which benefits are frozen under the prior Plan provisions and begin accruing under the new Plan provisions. A Fresh Start Date may occur for the following reasons:

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

The latest Fresh Start Date of the Plan is used in the benefit formula above and is:

\_\_\_/\_\_\_/\_\_\_\_.

- c. Employees with a Frozen Accrued Benefit from another plan of the Employer. A Fresh Start Date exists with regard to any Frozen Accrued Benefits from another plan of the Employer if those benefits were determined under a benefit formula different than the formula under this Plan and if both the assets and liabilities were transferred from the other plan. Such Fresh Start Date is the date that the Employees begin accruing benefits under this Plan.  
Fresh Start Date: \_\_\_\_/ \_\_\_\_/ \_\_\_\_\_. Employee group: \_\_\_\_\_  
Fresh Start Date: \_\_\_\_/ \_\_\_\_/ \_\_\_\_\_. Employee group: \_\_\_\_\_  
(Employee groups must be definitely determinable)

**D10. Limits on Credited Service -**

- a. For calculating the total Benefit,
  - a.1. Include all years with the Employer.
  - a.2. Include years while a Participant.
  - a.3. Disregard years prior to \_\_\_\_/ \_\_\_\_/ \_\_\_\_\_.
  - a.4. Disregard years in excess of \_\_\_\_ years. (Non-integrated formulas only.)

**D11. Limitations on Benefits**

- a. Automatically adjust, pursuant to Code section 415(d), the Defined Benefit Compensation Limitation applicable to the Participant in any Limitation Year beginning after the date of severance.
- b. Automatically adjust, pursuant to Code section 415(d), the Defined Benefit Dollar Limitation applicable to the Participant in any Limitation Year beginning after the date of severance.

**D12. Fail Safe Accruals - Pursuant to Sections 2.2.4 the Employer: (Must select a. or b.)**

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

**D13. Plan Actuarial Equivalence - For use with cash balance formula. Except as provided in Subsections 2.3.12(d) and (e) of the Plan, the actuarial assumptions used in computing any optional form of payment under the Plan shall be:**

a. Plan/Code section 415 Assumptions.

<u>Pre-Retirement</u>	<u>Postretirement</u>
%	%
<input type="checkbox"/>	N/A
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

- a.1. Interest rate. (Specify in each column.)
- a.2. Mortality table. (Select one in each column.)
  - a.2.A. No preretirement mortality.
  - a.2.B. UP84 (Unisex)
  - a.2.C. 83IAM - Male
  - a.2.D. 83IAM - Female
  - a.2.E. UP-94 - Male
  - a.2.F. UP-94 - Female
  - a.2.G. UP-94 - Blended
  - a.2.H. RP-2000 - Male
  - a.2.I. RP-2000 - Female
  - a.2.J. RP-2000 - Blended
  - a.2.K. Applicable Mortality defined at 3.1.2(d)(2).
  - a.2.L. The mortality table set forth in Rev. Rul. 2001-62, based upon a fixed blend of 50 percent of the unloaded male mortality rates and 50 percent of the unloaded female mortality rates underlying the mortality rates in the 94 GAR, projected to 2002



- |  |                          |  |
|--|--------------------------|--|
| <input type="checkbox"/>   | <input type="checkbox"/> | a.2.M. RP-2014 Total Dataset, Healthy Annuitant male rates   |
| <input type="checkbox"/>   | <input type="checkbox"/> | a.2.N. RP-2014 Total Dataset, Healthy Annuitant female rates<br><i>Note: In the case of a.2.M. and A.2.N., if Healthy Annuitant rates are not available for all ages, then corresponding rates from the Employee rate table will be used.</i>                                      |
| N/A  | <input type="checkbox"/> | a.2.O. Other postretirement mortality table. (Specify.)  |
| <hr style="border: 1px solid black;"/> <hr style="border: 1px solid black;"/> <hr style="border: 1px solid black;"/> |                          |  |
| <input type="checkbox"/>   | <input type="checkbox"/> | a.3. Mortality improvement projection. The Mortality Table selected above shall be projected to _____. (If applicable, select under the appropriate column, enter a year after 1970 and before 2015, and select the scale.)<br>With projection scale: (Complete if a.3. selected.) |
| <input type="checkbox"/>   | <input type="checkbox"/> | a.3.A. AA  |
| <input type="checkbox"/>   | <input type="checkbox"/> | a.3.B. BB  |
| <input type="checkbox"/>   |                          | a.3.C. Other: _____  |
|  | <input type="checkbox"/> | a.3.D. Other: _____  |
| <input type="checkbox"/>   | <input type="checkbox"/> | a.4. Setback (-)/Setforward (+): _____ years. (If applicable, select under the appropriate column and specify.)  |
|  |                          | a.5. With respect to benefits determined under a Cash Balance Formula, Actuarial Equivalence will be applied to:   |
| <input type="checkbox"/>   |                          | a.5.A. The Participant's Accumulation Account Balance  |
| <input type="checkbox"/>   |                          | a.5.B. The Participant's Accrued Benefit in the Normal Form commencing at Normal Retirement Age  |

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

b. For purposes of a. above,

The Stability Period under the Plan is:

- b.1. One month.
- b.2. One Plan quarter.
- b.3. One calendar quarter.
- b.4. One Plan Year.
- b.5. One calendar year.

The Look Back Month under the Plan is the:

- b.6. First calendar month preceding the Stability Period.
- b.7. Second calendar month preceding the Stability Period.
- b.8. Third calendar month preceding the Stability Period.
- b.9. Fourth calendar month preceding the Stability Period.
- b.10. Fifth calendar month preceding the Stability Period.

**D14. Minimum Top-Heavy Benefits** - In the event that the Plan is Top-Heavy, the Top-Heavy vesting schedule selected in E1. will apply. In addition: (Must answer all of a. through d.)

- a. The Minimum Top-Heavy Retirement Benefit shall be \_\_\_\_\_% (not less than two percent (2%)) per Year of Service, limited to a maximum of ten (10) Years of Service.
- b. Years of Vesting Service shall exclude:
  - b.1. Not applicable - no exclusions.
  - b.2. Years prior to 1984.
  - b.3. Years prior to the adoption of the Plan.
  - b.4. Years prior to Years of Credited Service while a Participant.  
*Note: If this option is selected, may not select C8.c.*
  - b.5. Years that the Plan was not Top-Heavy.
- c. The Minimum Top-Heavy Retirement Benefit shall be payable:
  - c.1. In the Normal Form of Benefit.
  - c.2. In the form of a life annuity only.
- d. Minimum Top-Heavy Retirement Benefits are provided for:
  - d.1. All Participants.
  - d.2. Only those Participants who are not Key Employees.

SAMPLE

**E. Vesting Provisions**

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

<b>Vesting Schedule for Years when the Plan is not Top-Heavy</b>	<b>Top-Heavy Vesting Schedule</b>	
<input type="checkbox"/>	N/A	a. 33 1/3% after first Year, 66 2/3% after second year and 100% after the third Year of Vesting Service.
<input type="checkbox"/> ___ years	<input type="checkbox"/> ___ years	b. One hundred percent (100%) vesting after ___ (not to exceed three (3)) Year(s) of Vesting Service.
<input type="checkbox"/>	<input type="checkbox"/>	c. One hundred percent (100%) vesting upon participation.
<input type="checkbox"/>	<input type="checkbox"/>	d. Other. Enter the percentage for each service range. (Optional vesting schedule must be at least as favorable as a.)
_____ %	_____ %	Less than 1 Year of Vesting Service
_____ %	_____ %	1 but less than 2 Years of Vesting Service
_____ %	_____ %	2 but less than 3 Years of Vesting Service
100%	100%	3 or more Years of Vesting Service
e. One hundred percent (100%) vesting if any of the selected events occur while a Participant is employed by the Employer.		
<input type="checkbox"/>	<input type="checkbox"/>	e.1. Early Retirement Age.
<input type="checkbox"/>	<input type="checkbox"/>	e.2. Death.
<input type="checkbox"/>	<input type="checkbox"/>	e.3. Disability.

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

a. A prior vesting schedule applies to certain Participants. The vesting schedule was amended effective \_\_\_/\_\_\_/\_\_\_.

b. Enter the vested percentage for each service range under the prior schedule.

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

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

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

## F. Other Benefits

### F1. Early Retirement Benefits

- a. The Plan does not provide early retirement benefits.
- b. The Present Value of the Accrued Benefit (the Accumulation Account).
- c. An immediate lifetime annuity that is the actuarial equivalent of the Present Value of Accrued Benefits.
- d. The Accrued Benefit actuarially reduced for early commencement using the Plan's Actuarial Equivalence.
- e. The Accrued Benefit without reduction.
- f. The Accrued Benefit reduced by \_\_\_\_/\_\_\_\_th per month for each of the first \_\_\_\_ years and then \_\_\_\_/\_\_\_\_th per month for each of the next \_\_\_\_ years that the Early Retirement Date precedes the Normal Retirement Date.
- g. The Accrued Benefit reduced by \_\_\_\_\_% per month for each of the first \_\_\_\_ months and then \_\_\_\_\_% for each of the next \_\_\_\_ months that the Early Retirement Date precedes the Normal Retirement Date. (Enter a percent which will result in an Early Retirement Benefit not less than the Early Retirement Benefit if option (c) (actuarial equivalency) had been selected.)

### F2. Postponed Retirement Benefits - Those Participants working past Normal Retirement Date will be entitled to a retirement benefit of: (Select all applicable. If more than one option is selected, the Participant will choose the Postponed Retirement benefit.) (See Section 3.1.1(b) if no selection made here.) In no event will it be less than Actuarial Equivalent of the Accrued Benefit as of the Normal Retirement Date commencing at the Participant's actual retirement.

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

### F3. Disability Benefits – Subject to the vesting provisions of the Plan.

- a. The Plan does not provide disability benefits.
- b. The Present Value of the Accrued Benefit (the Accumulation Account).
- c. An immediate lifetime annuity that is the actuarial equivalent of the Present Value of Accrued Benefits.
- d. The Accrued Benefit actuarially reduced for early commencement using the Plan's Actuarial Equivalence.
- e. The Accrued Benefit without reduction.

- F4. **Death Benefits** - Provided that the preretirement death benefit cannot be less than the present value of the Preretirement Survivor Annuity, the preretirement death benefits will be determined as selected below: (Must select a. or b., and one of c.- g.)

SAMPLE

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

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

The preretirement death benefits are equal to:

- c. \_\_\_\_\_% of the Joint and \_\_\_\_\_% Survivor Annuity that is Actuarial Equivalent to the Accrued Benefit payable in the Normal Form at the Normal Retirement Date. (Cannot be less than fifty percent (50%) or greater than one hundred percent (100%))
- d. \_\_\_\_\_% of the vested Present Value of Accrued Benefits. (Not less than 50% or more than 100%)
- e. \_\_\_\_\_% of the vested Accrued Benefit, payable as a life annuity, without any reductions (full subsidy).
- f. \_\_\_\_\_ times the monthly Normal Retirement Benefit, modified as below: (Not more than 100)
  - f.1. No modifications, provided QPSA requirements are met.
  - f.2. Plus the vested Present Value of Accrued Benefits.
  - f.3. But not more than the vested Present Value of Accrued Benefits.
  - f.4. The greater of monthly Normal Retirement Benefit, or vested Present Value of Accrued Benefits.
- g. Any Life Insurance proceeds as modified below:
  - g.1. No modifications, provided QPSA requirements are met.
  - g.2. But not less than the vested Present Value of Accrued Benefits.
  - g.3. Plus the vested Present Value of Accrued Benefits minus the cash surrender value.
  - g.4. The greater of life insurance proceeds, or the vested Present Value of Accrued Benefits plus any cash surrender value.
  - g.5. Plus the vested Present Value of Accrued Benefits minus any cash surrender value, but not more than the greater of the vested Present Value of Accrued Benefits or \_\_\_\_\_ times the monthly Normal Retirement Benefit (Not more than 100).

Other

- h. Other: \_\_\_\_\_ (Death benefit must be thoroughly described and definitely determinable.)

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

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

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

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

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

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

## G. Distribution Provisions

**G1. Normal Form of Distribution (Definitions)** - Unless the Participant elects otherwise, the vested interest of a Participant will be paid as a Qualified Joint and Survivor Annuity, the survivor percentage to equal:

- a. 50% (Must offer a Qualified Optional Survivor Annuity of 75%)
- b. 66.67% (Must offer a Qualified Optional Survivor Annuity of 75%)
- c. 75% (Must offer a Qualified Optional Survivor Annuity of 50%)
- d. 100% (Must offer a Qualified Optional Survivor Annuity of 50%)
- e. \_\_\_\_\_% (May not be less than 50% or greater than 100%) (Must follow Qualified Optional Survivor Annuity rules)
- f. One Year Marriage Rule (2.5.5(d))
  - f.1. Apply the "One Year Marriage Rule"
  - f.2. The "One Year Marriage Rule" does not apply

**G2. Optional Forms of Distribution (Section 2.3.12)** - The Employer may elect to permit Plan distributions to be made in the form of: (Select all applicable.)

- a. A lump sum distribution option is automatically included in the Plan document
- b. Installment payments paid over a period equal to:
  - b.1. 1 year
  - b.2. 2 years
  - b.3. 5 years
  - b.4. 10 years
  - b.5. that was selected by the Participant or Beneficiary
  - b.6. Other: \_\_\_\_\_ (May not exceed Participant's life expectancy or the joint life expectancy and last survivor expectancy of the Participant and his Beneficiary)
- c. Life Annuity
- d. Joint and Survivor Annuity with survivor percentages equal to:
  - d.1. 50% (Must offer a Qualified Optional Survivor Annuity of 75%)
  - d.2. 66.67% (Must offer a Qualified Optional Survivor Annuity of 75%)
  - d.3. 75% (Must offer a Qualified Optional Survivor Annuity of 50%)
  - d.4. 100% (Must offer a Qualified Optional Survivor Annuity of 50%)
  - d.5. \_\_\_\_\_% (May not be less than 50% or greater than 100%) (Must follow Qualified Optional Survivor Annuity rules)
- e. Life Annuity with Term Certain with the guarantee period equal to:
  - e.1. 5 years
  - e.2. 10 years
  - e.3. 15 years
  - e.4. 20 years
  - e.5. Other: \_\_\_\_\_ (Term Certain must be 20 years or less.)
- f. Life Annuity with Level Income to:
  - f.1. age 62
  - f.2. age 65
  - f.3. Normal Retirement Age
  - f.4. Social Security Retirement Age
  - f.5. Any age selected by the Participant
  - f.6. Other: \_\_\_\_\_ (No later than the Normal Retirement age or the Social Security Retirement Age.)
- g. Annuity for a year Period certain and no life contingency equal to:
  - g.1. 5 years
  - g.2. 10 years
  - g.3. 15 years
  - g.4. 20 years
  - g.5. Other: \_\_\_\_\_ (May not exceed Participant's life expectancy or the joint life expectancy and last survivor expectancy of the Participant and his Beneficiary)

Annuity increases as follows:

- g.6. Non-increasing
- g.7. Increasing \_\_\_\_\_% annually
- g.8. Increasing annually the lesser of \_\_\_\_\_% or the annual increase in the consumer price index
- h. Minimum Distribution to Non-Vested Participant shall be the lesser of \$\_\_\_\_\_ or the present value of accrued benefits, (Must be \$100 or less.)
- i. Other: \_\_\_\_\_ (Must be definitely determinable and not violate Treas. Reg. 1.401(a)(9)-6.)
- j. Retroactive Annuity Starting date.
  - j.1. Participant **may not** elect Retroactive Annuity Starting Date under Section 2.5.5(g)(1).
  - j.2. Participant **may** elect Retroactive Annuity Starting Date under Section 2.5.5(g)(1).

**Direct and Participant Rollovers from the Plan**

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

**G3. Plan Elective Restrictions on Lump Sums and Installments (Sections 2.3.12)** - These payments are subject to the restrictions selected below as well as the early termination restrictions applicable to the top 25 highest paid employee:

Lump sums are payable: *(If you select b. or c., you may select another option.)*

- a. Available to all Participants after termination, regardless of reason
- b. To a Highly Compensated Employee only if the Plan is fully funded on a termination basis
- c. If the amount is less than \$\_\_\_\_\_ (Must not discriminate in favor of Highly Compensated Employees.)
- d. Only at Normal Retirement Date
- e. On or after attaining Early Retirement Date
- f. Only if eligible for Normal Retirement Date at date of termination of employment
- g. Only if at Early Retirement Date at date of termination of employment
- h. Other: \_\_\_\_\_ (Must not discriminate in favor of Highly Compensated Employees.)
- i. If the distribution to the Participant is an Eligible Rollover Distribution, he can treat a portion of it as a Direct Rollover:
  - i.1. Without any restriction regarding the amount of the Direct Rollover
  - i.2. If the amount of the Direct Rollover is at least \$\_\_\_\_\_ (amount cannot exceed \$500)

If the entire Eligible Rollover Distribution is less than the amount you listed in Item 3.i.2, then:

- i.2.A. The Participant can elect a Direct Rollover regardless of the amount
- i.2.B. The Participant can elect a Direct Rollover if the amount exceeds \$\_\_\_\_\_ (amount cannot exceed \$200)

**G4. Election to Waive Annuity Form of Payment (Section 2.5.5)** - The Participant and spouse are given 30 days notice to elect a form other than a joint and survivor annuity.

- a. The Plan's original Effective Date is after 9/22/95, and the Plan has always permitted the Participant to waive the annuity form of payment requirement.
- b. The Plan permits the Participant to waive the annuity form of payment effective \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY) (On or after 9/22/95) (NO MANDATORY CASHOUT)
- c. The Plan does not permit the Participant to waive the annuity form of payment requirement



**G5. Mandatory Cash-out Provisions (Sections 2.3.13 and 3.9.7)** - Participants with a present value of Vested Accrued Benefits less than \$5,000 (or a lower threshold) may be paid out without their or their spouses' consent. (If b.is selected, must select d.)

- a. No mandatory cash-outs.
- b. Threshold shall be \$\_\_\_\_\_ (not to exceed \$5,000).  
*Warning: Exclusion of rollovers could trigger automatic rollover provisions if the Participant's total balance exceeds \$1,000.*
- c. Exclude Rollover Contributions when determining the value of the Participant's nonforfeitable Vested Accrued Benefit for purposes of the Plan's involuntary cash-out rules.
  - c.1. This election shall apply with respect to distributions made after \_\_\_/\_\_\_/\_\_\_ (MM/DD/YYYY) (enter a date no earlier than December 31, 2001) with respect to Participants who separated from service after: \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY) (Enter date. The date may be earlier than December 31, 2001.)  
*Note: Rollover Contributions from Plans of the Employer may not be excluded when determining the value of the Participant's Vested Accrued Benefit (Section 3.9.7).*
- d. Automatic Rollover. Subject to Section 2.3.13, the default form of distribution for Vested Accrued Benefits that are greater than \$\_\_\_\_\_ (not to exceed \$1,000) shall be a Direct Rollover.

**G6. Restriction on Immediate Distributions (Section 2.5.2)** - Immediate distributions are only permitted if the Participant's Present Value of vested Accrued Benefits is less than:

- a. No restriction
- b. \$\_\_\_\_\_ (Must not discriminate in favor of Highly Compensated Employees. Must be greater than G5.b. if elected.)

**G7. Suspension of Benefits** - Section 2.5.10 provides for the suspension of Normal or Early Retirement Benefits.

An adopting Employer may select one of the options. Select b. or. c. only if the Plan is a new Plan or is an existing Plan restating an identical suspension of benefits option. This Section:

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

Existing Plans that are adding or expanding a suspension of benefits option:

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

**G8. Pre-termination Restrictions - Restricted Benefits (Sections 2.5.9 and 3.1.8)**

- a. Enter effective date that benefits are restricted if a distribution causes assets to fall below 110% of current liabilities: \_\_\_/\_\_\_/\_\_\_\_ (MM/DD/YYYY) (No later than the first day of the Plan Year beginning in 1994 or, if later, the original Effective Date of the Plan.)
- b. Pre-termination Restrictions shall not apply if Plan has never benefited any Non-Highly Compensated Employee.  
*Note: G8.b. is only available if previously selected on the DATAIR PPA (cycle 2) Cash Balance document and will no longer be in effect after the Plan Year end in which this Post PPA (cycle 3) document is first adopted.*

**G9. Distribution of Residual Assets (Section 2.5.9)**- Following satisfaction of all liabilities to Participants, any residual assets may be distributed to the Employer.

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

**G10. Time of Distribution (Section 2.5.1)** - Distributions to Participants who resign or are discharged prior to retirement are deferred until retirement date unless the Employer elects to permit distributions in advance of such date.

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

**G11. Qualified Domestic Relations Orders (Section 3.10.8)** - The Employer may elect to permit distributions to an Alternate Payee pursuant to the terms of a Qualified Domestic Relations Order even if the Participant continues to be employed.

- a. Immediately
- b. When the Participant attains "earliest retirement age" or terminates employment

**G12. In-Service Distributions (Section 2.5.11)**

- a. No in-service distributions are allowed.
- b. Allow distributions prior to termination of employment upon attainment of:
  - b.1. Normal Retirement Age.
  - b.2. Age \_\_\_\_\_. (Must be at least age 62 and less than Normal Retirement Age.)
  - b.3. Other \_\_\_\_\_. (Enter description of Participants eligible for in-service distributions-such description may not result in distributions being made prior to age 62 or in a manner that discriminates in favor of Highly Compensated Employees.)
- c. In-service distributions shall be subject to the following limitations: (Only applicable if G12.a. is not selected. Select all that apply.)
  - c.1. Not applicable – no limitations
  - c.2. An In-Service Distribution shall only be available if the Participant's Accrued Benefit is 100% vested.
  - c.3. Participant is limited to \_\_\_ In-Service Distribution(s) from the Plan. (applied to all years, not per Plan Year).
  - c.4. Any In-Service Distribution shall be limited to \$\_\_\_\_\_ or 100% of the Participant's vested Present Value of Accrued Benefit, whichever is lower.
  - c.5. Any In-Service Distribution shall be limited to \_\_\_\_\_% of the Participant's vested Present Value of Accrued Benefit.
  - c.6. Other \_\_\_\_\_. (Enter description of restrictions on in-service distributions-such description may not discriminate in favor of Highly Compensated Employees.)

**G13. Required Minimum Distributions**

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

*Warning: If the Plan was in existence before the creation of this Plan document, the choice between a.1. and a.2. must be the same as the selection previously made.*
- b. If the Participant dies before distributions are required to begin and there is a Designated Beneficiary, distributions to the Designated Beneficiary are not required to begin by the date specified in Section 2.5.4 of the Plan, but the Participant's entire interest will be distributed to the Designated Beneficiary by December 31 of the calendar year containing the fifth anniversary of the Participant's death. If the Participant's surviving spouse is the Participant's sole Designated Beneficiary and the surviving spouse dies after the Participant but before distributions to either the Participant or the surviving spouse begin, this election will apply as if the surviving spouse were the Participant. This election applies to:
  - b.1. All distributions.
  - b.2. The following distributions: \_\_\_\_\_.
- c. Participants or Beneficiaries may elect on an individual basis whether the 5-year rule or the life expectancy rule in Section 2.5.4 of the Plan applies to distributions after the death of a Participant who has a Designated Beneficiary. The election must be made no later than the earlier of September 30 of the calendar year in which distributions would be required to begin under Section 2.5.4 of the Plan, or by September 30 of the calendar year which contains the fifth anniversary of the Participant's (or, if applicable, surviving spouse's) death. If neither the Participant nor Beneficiary makes an election under this paragraph, distributions will be made in accordance with Section 2.5.4 of the Plan.
- d. A Designated Beneficiary who is receiving payments under the 5-year rule may make a new election to receive payments under the life expectancy rule until December 31, 2003, provided that all amounts that would have been required to be distributed under the life expectancy rule for all distribution calendar years before 2004 are distributed by the earlier of December 31, 2003, or the end of the 5-year period.

Required Minimum Distributions shall be in the form of:

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

**G14. Funding-Based Limits On Benefits and Benefit Accruals**

- a. Severe funding shortfall benefit accruals after cessation period. Benefit accruals that were not permitted to accrue because of the application of 3.1.12 shall be restored when that limitation ceases to apply if the continuous period of the limitation was 12 months or less and the plan's enrolled actuary certifies that the Adjusted Funding Target Attainment Percentage for the Plan Year would not be less than 60 percent taking into account any restored benefit accruals for the prior Plan Year.
  - a.1. No reinstatement. Benefit accruals not permitted by benefit restrictions shall not be reinstated.

- a.2. Benefit accruals not permitted to accrue shall recommence and benefit accruals for the cessation period shall be reinstated. This election is effective:
  - a.2.A. As of the effective date of the Plan.
  - a.2.B. For Plan Years beginning on or after \_\_\_\_/\_\_\_\_/\_\_\_\_\_. (MM/DD/YYYY)  
(Enter the first day of the Plan Year for which the election is effective.)
- b. Distribution Options under Benefit Restrictions. (May select all, a combination or none.)
  - b.1. Participants and Beneficiaries previously limited to half single sum payments may elect to take full lump sum payments after the restrictions of this Section 3.1.11 no longer apply.
  - b.2. Participants and Beneficiaries with distribution options limited by the restrictions of this Section may select half single sum payments.
  - b.3. The Plan Administrator shall provide ad hoc optional forms of benefit when only half single sum payments are allowed by the restrictions in this Section.
  - b.4. Participants and Beneficiaries are permitted to elect backup distribution optional forms in case the optional form they have selected could later be subject to the restrictions of this Section.
- c. Effective date. The selections in this G14. are effective \_\_\_\_/\_\_\_\_/\_\_\_\_\_. (MM/DD/YYYY)  
(For PPA restatement purposes, generally the first day of the Plan Year beginning on or after January 1, 2008.)

SAMPLE

**H. Other Administrative Provisions**

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

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

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

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

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

**Participant  
Rollover**

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

- d.2. From Employees in an eligible class before Plan entry.
- d.3. Participant loans may be accepted as a rollover.
- d.4. Participant loans will not be accepted as a rollover.

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

- a. No life insurance policies shall be purchased.
- b. Life insurance may be purchased at the option of the Plan Administrator.
- c. No life insurance policies shall be purchased after \_\_\_/\_\_\_/\_\_\_\_\_. (MM/DD/YYYY) (Specify date.)

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

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

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

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

*Note: Must coordinate this provision with F4.*

**H5. Multiple Plans Provision** - The Employer which maintains a qualified defined contribution plan, a welfare benefit fund (as defined in Code section 419(e)) under which amounts attributable to post-retirement medical benefits are held in separate accounts for Key Employees (as defined in Code section 419A(d)(3)), an individual medical account (as defined in Code section 415(l)(2)), or a simplified employee pension (as defined in Code section 408(k)), in which any Participant in the Plan is, was, or could become a Participant adds the following optional provisions which it deems necessary to satisfy Code section 416 because of the required aggregation of multiple plans: (May select e. and one other option.)

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

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

**H6. Multiple Defined Benefit Plans** - If a Participant is or has ever been covered under another qualified defined benefit plan maintained by the Employer, the method used to comply with Code section 415(b) is:

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

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

**H7. Top-Heavy Duplications** - The Employer who maintains two or more defined benefit plans makes the following election:

- a. Not applicable.
- b. A minimum non-integrated accrual of two percent (2%) of each non-key Participant's Average Annual/Monthly Compensation shall be provided by:
  - b.1. This Plan.
  - b.2. The following defined benefit plan:  
\_\_\_\_\_.

**H8. Prior Plan Protected Benefits (Section 3.8.3)** - The adoption of this Plan shall not reduce or eliminate any previously accrued protected benefits under Code section 411(d)(6). In the event that this Adoption Agreement does not reflect an optional form of payment or other protected benefit accrued under a prior plan, the Employer may elect to attach an appendix to this Adoption Agreement, describing all such prior plan protected benefits.

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

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

Conversion Addendum/Appendix A

Complete only if plan is a conversion from a defined benefit plan without a Cash Balance Formula

Enter the Conversion Amendment Effective Date: \_\_\_/\_\_\_/\_\_\_\_.

Enter the Prior Plan Name (if different than plan name specified in Adoption Agreement):

\_\_\_\_\_

The following provisions apply to the Frozen Accrued Benefit created when this Plan first adopted a Cash Balance Formula.

M1. **Total Monthly Benefit** - In no event will the Total Monthly Benefit be less than the sum of the Frozen Prior Plan Accrued Benefit (A Benefit) and the Post Cash Balance Plan Conversion Benefit (B Benefit) as defined below.

Frozen Prior Plan Accrued Benefit (A Benefit) – monthly accrued benefit based on the provisions of the Prior Plan identified above as of the Fresh Start Date specified in section M2 below. The provisions of that plan on the Fresh Start Date will continue to apply to the Frozen Prior Plan Accrued Benefit.

Post Cash Balance Plan Conversion Benefit (B Benefit) – monthly benefit based on the sum of Pay Credits and Interest Credits attributable to post conversion Pay Credits only determined under the provisions of this Cash Balance Plan after the Fresh Start Date.

M2. **Fresh Start Dates** – For the purposes of this Conversion Addendum/Appendix A, a Fresh Start Date is the date upon which benefits are frozen by this Conversion Amendment.

- Fresh Start Date for this Conversion Addendum is the Conversion Amendment Effective Date specified above.
- Fresh Start Date for this Conversion Addendum is \_\_\_/\_\_\_/\_\_\_\_.

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

- Members of an acquired group of employees. A Fresh Start Date exists as of the effective date of a transaction acquiring a group of employees from another employer by means of a stock or asset acquisition, merger, or other similar transaction. List any acquired groups and their Fresh Start Dates below:  
 Fresh Start Date: \_\_\_ / \_\_\_ / \_\_\_\_\_. Acquired group: \_\_\_\_\_.  
 Fresh Start Date: \_\_\_ / \_\_\_ / \_\_\_\_\_. Acquired group: \_\_\_\_\_.
- Employees with a Frozen Accrued Benefit from another plan of the Employer. A Fresh Start Date exists with regard to any Frozen Accrued Benefits from another plan of the Employer if those benefits were determined under a benefit formula different than the formula under this Plan and if both the assets and liabilities were transferred from the other plan. Such Fresh Start Date is the date that the Employees begin accruing benefits under this Plan.  
 Fresh Start Date: \_\_\_ / \_\_\_ / \_\_\_\_\_. Employee group: \_\_\_\_\_.  
 Fresh Start Date: \_\_\_ / \_\_\_ / \_\_\_\_\_. Employee group: \_\_\_\_\_.



**M3. Adjusted Frozen Accrued Benefit** - An Employee's Adjusted Frozen Accrued Benefit equals his Frozen Accrued Benefit as of the applicable Fresh Start Date, as adjusted below:

- a. Other than Code section 401(a)(17) Participants.
  - a.1. No adjustment.
  - a.2. Fraction based on old Compensation definition.
  - a.3. Fraction based on new Compensation definition.
  - a.4. Substitute new Compensation in old formula.
- b. The adjustments above are subject to the following limitations (only applicable if a.1. is not selected).
  - b.1. No limits.
  - b.2. Limited to \_\_\_\_\_% (not to exceed one hundred percent (100%)) of the otherwise permitted adjustment.
  - b.3. Limited to \_\_\_\_\_% (not to exceed one hundred percent (100%)) of the Participant's Frozen Accrued Benefit.
  - b.4. May not exceed the greater of the Participant's Frozen Accrued Benefit, or \$\_\_\_\_\_.
- c. Code section 417(e) Assumptions - The mortality table and interest rate are the Code section 417 applicable mortality table and interest rate as set forth in Rev. Rul. 2001-62, 2001-53, I.R.B. 632 or any other mortality table specified by the Secretary of the Treasury. The interest rate for each Stability Period is the interest rate determined during the associated Look Back Month.
  - c.1. Effective Date for "Applicable Mortality Table" is for Plan Years beginning on and after January 1,
    - c.1.A 2008       c.1.B. 2009

The Stability Period under the Plan is:

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

The Look Back Month under the Plan is the:

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

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

- d.1. Not elected - all benefits are subject to the new rules.
- d.2. Benefits accrued prior to \_\_\_/\_\_\_/\_\_\_ (the "RPA '94 Freeze Date") under the terms of the Plan on such date, but subject to Code section 415 in effect as of December 7, 1994, are considered RPA '94 Old Law Benefits.  
*Note: The date entered must precede the later of the date an amendment adopting the RPA '94 changes is effective or executed, but in no case later than the last day of the Limitation Year beginning in 1999. See Appendix A.*
- d.3. The method used to determine whether the Participant's benefit exceeds the Maximum Permissible Benefit is: (See Section 3.1.4 of the Base Document.)
  - d.3.A. Method one - RPA '94 Old Law Benefit plus benefit accrued after RPA '94 Freeze Date.
  - d.3.B. Method two - greater of RPA '94 Old Law Benefit or total benefit.
  - d.3.C. Method three - greater of method one and method two.

**M4. Plan Actuarial Equivalence** - Except as provided in Subsections 2.3.12(d) and (e) of the Plan, the actuarial assumptions used in computing any optional form of payment under the Plan shall be:

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

Pre-Retirement      Postretirement

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\_\_\_\_\_ %

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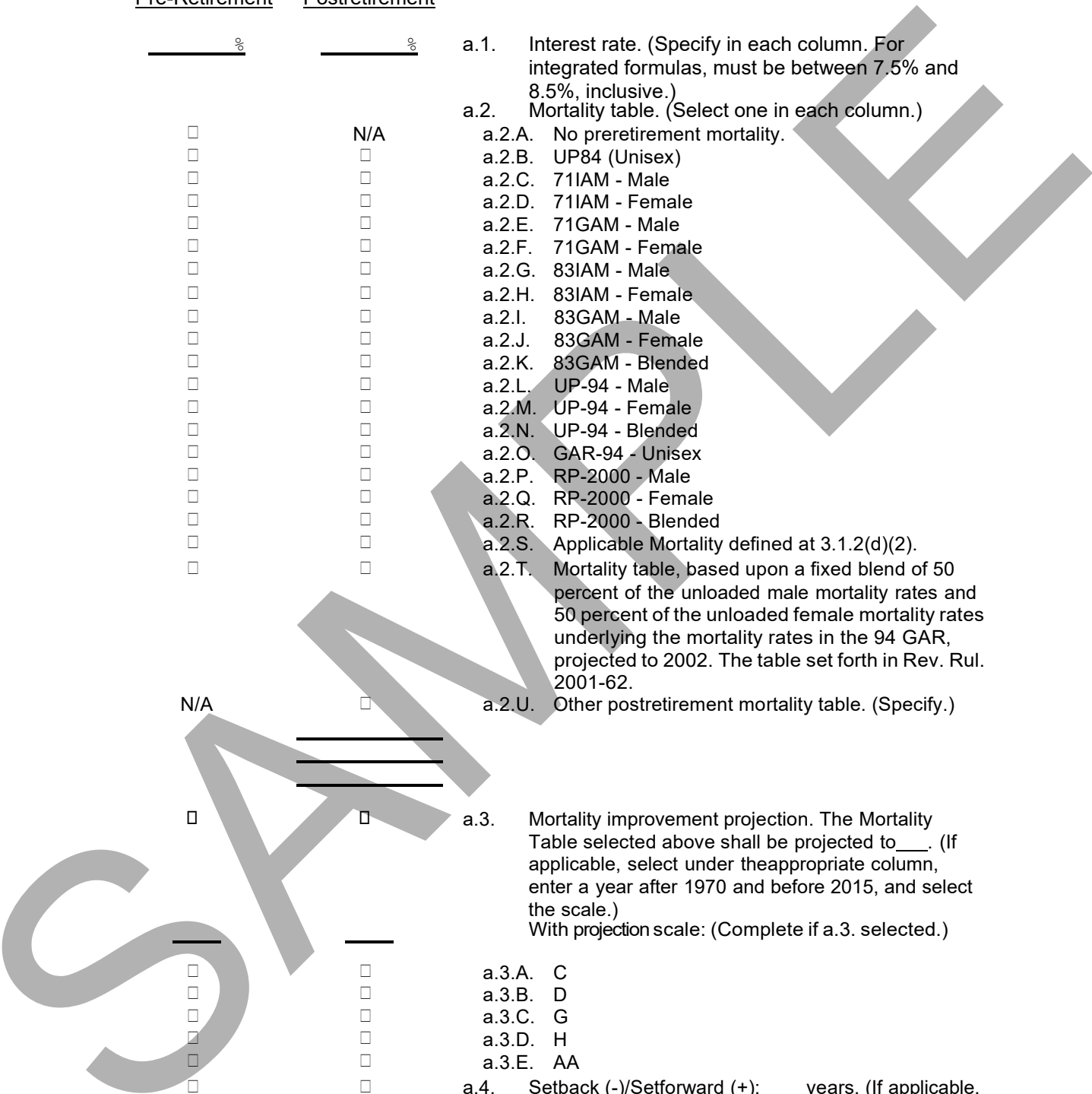
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- a.1. Interest rate. (Specify in each column. For integrated formulas, must be between 7.5% and 8.5%, inclusive.)
- a.2. Mortality table. (Select one in each column.)
  - a.2.A. No preretirement mortality.
  - a.2.B. UP84 (Unisex)
  - a.2.C. 71IAM - Male
  - a.2.D. 71IAM - Female
  - a.2.E. 71GAM - Male
  - a.2.F. 71GAM - Female
  - a.2.G. 83IAM - Male
  - a.2.H. 83IAM - Female
  - a.2.I. 83GAM - Male
  - a.2.J. 83GAM - Female
  - a.2.K. 83GAM - Blended
  - a.2.L. UP-94 - Male
  - a.2.M. UP-94 - Female
  - a.2.N. UP-94 - Blended
  - a.2.O. GAR-94 - Unisex
  - a.2.P. RP-2000 - Male
  - a.2.Q. RP-2000 - Female
  - a.2.R. RP-2000 - Blended
  - a.2.S. Applicable Mortality defined at 3.1.2(d)(2).
  - a.2.T. Mortality table, based upon a fixed blend of 50 percent of the unloaded male mortality rates and 50 percent of the unloaded female mortality rates underlying the mortality rates in the 94 GAR, projected to 2002. The table set forth in Rev. Rul. 2001-62.
  - a.2.U. Other postretirement mortality table. (Specify.)
- a.3. Mortality improvement projection. The Mortality Table selected above shall be projected to\_\_\_\_. (If applicable, select under the appropriate column, enter a year after 1970 and before 2015, and select the scale.)  
With projection scale: (Complete if a.3. selected.)
  - a.3.A. C
  - a.3.B. D
  - a.3.C. G
  - a.3.D. H
  - a.3.E. AA
- a.4. Setback (-)/Setforward (+): \_\_\_\_ years. (If applicable, select under the appropriate column and specify.)



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

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

Contract name/number: \_\_\_\_\_.

Company that issued the Contract: \_\_\_\_\_.

Date of issuance: \_\_\_/\_\_\_/\_\_\_\_.

*Note: If the Insurance or Annuity Contract specifies different interest and mortality assumptions for different purposes under the Contract, the assumptions that will be used to determine Actuarial Equivalence under the Plan are those assumptions specified under the Contract for purposes of determining the amount of benefits payable in different forms under the Contract. Note: Any change in the Insurance or Annuity Contract, including the substitution of a different Contract, that results in a change in the interest and mortality assumptions used to determine Actuarial Equivalence under the Plan shall be treated as an amendment of the Plan for purposes of Section 3.8.3 of the Plan.*

- c. Code section 417(e) Assumptions - The mortality table and interest rate are the Code section 417 applicable mortality table and interest rate as set forth in Rev. Rul. 2001-62, 2001-53, I.R.B. 632 or any other mortality table specified by the Secretary of the Treasury. The interest rate for each Stability Period is the interest rate determined during the associated Look Back Month.

c.1. Effective Date for "Applicable Mortality Table" is for Plan Years beginning on and after January 1,

- c.1.A. 2008       c.1.B. 2009

The Stability Period under the Plan is:

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

The Look Back Month under the Plan is the:

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

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

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

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

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

SAMPLE