

## **Section 403(b) Elective Deferral Only Non-ERISA Retirement Plan Document**

This document may be used by certain tax exempt employers that intend to operate a voluntary elective deferral only Section 403(b) plan pursuant to the requirements of 29 CFR Section 2510.3-2(f).

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**Section 403(b) Elective Deferral Only  
Non-ERISA Retirement Plan Document**

**Statement of Purpose**

This Section 403(b) Elective Deferral Only Non-ERISA Retirement Plan Document (Plan Document) and accompanying Adoption Agreement are intended to comply with Section 403(b) of the Internal Revenue Code of 1986 and 29 CFR Section 2510.3-2(f), as amended from time to time. The Plan shall be maintained for the exclusive benefit of Plan Participants and is intended to allow Employees of certain tax exempt Employers to establish a regular savings program to provide additional security for their retirement.

**Section 1  
Definition of Terms Used**

The following words and terms, when used in the Plan, have the meaning set forth below.

**1.1 Account:** The account or accumulation maintained for the benefit of any Participant or Beneficiary under an Annuity Contract or a Custodial Account.

**1.2 Account Balance:** The bookkeeping Account maintained for each Participant which reflects the aggregate amount credited to the Participant's Account under all Accounts, including the Participant's Elective Deferrals, the earnings or loss of each Annuity Contract or a Custodial Account (net of expenses) allocable to the Participant, any transfers for the Participant's benefit, and any distribution made to the Participant or the Participant's Beneficiary. If a Participant has more than one Beneficiary at the time of the Participant's death, then a separate Account Balance shall be maintained for each Beneficiary. The Account Balance includes any Account established under Section 6 for rollover contributions and plan-to-plan transfers made for a Participant, the Account established for a Beneficiary after a Participant's death, and any Account or Accounts established for an alternate payee (as defined in Section 414(p)(8) of the Code).

**1.3 Administrator:** The person, committee, or organization named in Section 1(B) of the Adoption Agreement appointed to administer the Plan.

**1.4 Adoption Agreement:** The Section 403(b) Elective Deferral Only Non-ERISA Retirement Plan Adoption Agreement, executed by the Employer and each other participating Employer adopting the Plan and specifying certain features of the Plan as elected therein, as the same may be amended from time to time, a copy of which is attached and made a part of this Plan.

**1.5 Annuity Contract:** A nontransferable contract as defined in Section 403(b)(1) of the Code, established for each Participant by

the Employer, or by each Participant individually, that is issued by an insurance company qualified to issue annuities in that State and that includes payment in the form of an annuity.

**1.6 Beneficiary:** The designated person who is entitled to receive benefits under the Plan after the death of a Participant, subject to such additional rules as may be set forth in the Individual Agreements. Notwithstanding the foregoing, if no Beneficiary is so named, then the Beneficiary shall be the spouse. The designation of a spouse as Beneficiary shall become null and void in the event of the divorce of the Participant unless the Participant makes a Beneficiary designation after the final date of such divorce naming such former spouse as his or her Beneficiary.

**1.7 Custodial Account:** The group or individual Custodial Account or Accounts, as defined in Section 403(b)(7) of the Code, established for each Participant by the Employer, or by each Participant individually, to hold assets of the Plan.

**1.8 Code:** The Internal Revenue Code of 1986, as now in effect or as hereafter amended. All citations to sections of the Code are to such sections as they may from time to time be amended or renumbered.

**1.9 Compensation:** All cash compensation for services to the Employer, including salary, wages, fees, commissions, bonuses, and overtime pay, that is includible in the Employee's gross income for the calendar year, plus amounts that would be cash compensation for services to the Employer includible in the Employee's gross income for the calendar year but for a compensation reduction election under Section 125, 132(f), 401(k), 403(b), or 457(b) of the Code (including an election under Section 2 made to reduce compensation in order to have Elective Deferrals under the Plan).

**1.10 Disabled:** The definition of disability provided in the applicable Individual Agreement.

**1.11 Elective Deferrals:** The Employer contributions made to the Plan at the election of the Participant in lieu of receiving cash compensation. Elective Deferrals are limited to pre-tax salary reduction contributions.

**1.12 Employee:** Each individual who is a common law Employee performing services for the Employer. This definition is not applicable unless the Employee's compensation for performing services is paid by the Employer and does not include a former employee or an independent contractor. Subject to any rules in this section, Section 1.403(b)-1, and Sections 1.403(b)-3 through 1.403(b)-11 of the Regulations that are specifically applicable to ministers, an employee also includes a minister described in Section 414(e)(5)(A) when performing services in the exercise of his or her ministry.

**1.13 Eligible Employer:** An Eligible Employer means:

- (a) A Section 501(c)(3) organization,

(b) An employer of a minister described in Section 414(e)(5)(A), but only with respect to the minister, or

(c) A minister described in Section 414(e)(5)(A), but only with respect to a retirement income account established for the minister.

A subsidiary or other affiliate of an Eligible Employer is not an Eligible Employer if the subsidiary or other affiliate is not an entity described in this section.

**1.14 Employer:** The corporation or other such entity named in Section 1(A) of the Adoption Agreement provided that such Employer is an Eligible Employer.

**1.15 Funding Vehicles:** The Annuity Contracts or Custodial Accounts issued for funding amounts held under the Plan and specifically approved by Employer for use under the Plan.

**1.16 Includible Compensation:** An Employee's actual wages in box 1 of Form W-2 for a year for services to the Employer, but subject to a maximum of \$230,000 for 2008 (or such higher maximum as may apply under Section 401(a)(17) of the Code) and increased (up to the dollar maximum) by any compensation reduction election under Section 125, 132(f), 401(k), 403(b), or 457(b) of the Code (including any Elective Deferrals under the Plan). The amount of Includible Compensation is determined without regard to any community property laws.

**1.17 Individual Agreement:** The agreements between a Vendor and the Employer or a Participant that constitutes or governs a Custodial Account or an Annuity Contract.

**1.18 Participant:** An individual for whom Elective Deferrals are currently being made, or for whom Elective Deferrals have previously been made, under the Plan and who has not received a distribution of his or her entire benefit under the Plan.

**1.19 Plan:** The Section 403(b) Elective Deferral Only Non-ERISA Retirement Plan Document adopted by the Employer by the execution of the Section 403(b) Elective Deferral Only Non-ERISA Retirement Plan Adoption Agreement, as from time to time amended. The written plan consists of this Plan Document, the corresponding Adoption Agreement as completed and signed by the Employer, and other such documents incorporated by reference pursuant to Section 9.8 of this Plan Document.

**1.20 Plan Year:** The calendar year.

**1.21 Related Employer:** The Employer and any other entity which is under common control with the Employer under Section 414(b), (c), (m) and (o) of the Code. For this purpose, the Employer shall determine which entities are Related Employers based on rules set forth in Section 1.414(c)-5 of the Regulations.

**1.22 Severance from Employment:** For purposes of the Plan, Severance from Employment occurs on any date on which an

Employee ceases to be an Employee of an Eligible Employer, even though the Employee may continue to be employed either by another entity that is treated as the same Employer where either that other entity is not an entity that can be an Eligible Employer (such as transferring from a Section 501(c)(3) organization to a for-profit subsidiary of the Section 501(c)(3) organization) or in a capacity that is not employment with an Eligible Employer (for example, ceasing to be an employee performing services for an Eligible Employer but continuing to work for the same Employer). Thus, an Employee does not incur a Severance from Employment if the Employee transfers from one Section 501(c)(3) organization to another Section 501(c)(3) organization that is treated as the same Employer.

**1.23 Vendor:** The provider of an Annuity Contract or Custodial Account.

**1.24 Valuation Date:** The Valuation Date shall be each business day.

## Section 2 Participation and Contributions

**2.1 Eligibility.** Each Employee shall be eligible to participate in the Plan and elect to have Elective Deferrals made on his or her behalf hereunder immediately upon becoming employed by the Employer. However, an Employee may not participate unless an election is made to contribute not less than \$200 annually.

**2.2 Compensation Reduction Election:** An Employee elects to become a Participant by executing an election to reduce his or her Compensation (and have that amount contributed as an Elective Deferral on his or her behalf) and filing it with the Administrator. This Compensation reduction election shall be made on the agreement provided by the Administrator under which the Employee agrees to be bound by all the terms and conditions of the Plan. The participation election shall also include designation of the Funding Vehicles and Accounts therein to which Elective Deferrals are to be made and a designation of Beneficiary. Any such election shall remain in effect until a new election is filed. Only an individual who performs services for the Employer as an Employee may reduce his or her Compensation under the Plan. All Elective Deferrals shall be made on a pre-tax basis. An Employee shall become a Participant as soon as administratively practicable following the date applicable under the Employee's election.

**2.3 Information Provided by the Employee.** Each Employee enrolling in the Plan should provide to the Administrator at the time of initial enrollment, and later if there are any changes, any information necessary or advisable for the Administrator to administer the Plan, including any information required under the Individual Agreements.

**2.4 Changes in Elective Deferral Election.** Subject to the provisions of the applicable Individual Agreements, an Employee may at any time revise his or her participation election, including

a change of the amount of his or her Elective Deferrals, his or her investment direction, and his or her designated Beneficiary. A change in the investment direction shall take effect as of the date provided by the Administrator on a uniform basis for all Employees. A change in the Beneficiary designation shall take effect when the election is accepted by the Vendor.

**2.5 Contributions Made Promptly.** Elective Deferrals under the Plan shall be transferred to the applicable Funding Vehicle within 15 business days following the end of the month in which the amount would otherwise have been paid to the Participant.

**2.6 Leave of Absence.** Unless an election is otherwise revised, if an Employee is absent from work by leave of absence, Elective Deferrals under the Plan shall continue to the extent that Compensation continues.

### **Section 3 Limitations on Amounts Deferred**

**3.1 Basic Annual Limitation.** Except as provided in Sections 3.2 and 3.3, the maximum amount of the Elective Deferrals under the Plan for any calendar year shall not exceed the lesser of (a) the applicable dollar amount or (b) the Participant's Includible Compensation for the calendar year. The applicable dollar amount is the amount established under Section 402(g)(1)(B) of the Code, which is \$15,500 for 2008, and is adjusted for cost-of-living after 2008 to the extent provided under Section 415(d) of the Code.

**3.2 Special Section 403(b) Catch-up Limitation for Employees With 15 Years of Service.** Because the Employer is a qualified organization (within the meaning of Section 1.403(b)-4(c)(3)(ii) of the Regulations), the applicable dollar amount under Section 3.1(a) for any qualified Employee is increased (to the extent provided in the Individual Agreements) by the least of:

(a) \$3,000;

(b) The excess of:

1) \$15,000, over

2) The total special 403(b) catch-up elective deferrals made for the qualified Employee by the qualified organization for prior years; or

(c) The excess of:

1) \$5,000 multiplied by the number of years of service of the Employee with the qualified organization, over

2) The total Elective Deferrals made for the Employee by the qualified organization for prior years.

For purposes of this Section 3.2, a qualified Employee means an Employee who has completed at least 15 years of service taking into account only employment with the Employer.

**3.3 Age 50 Catch-up Elective Deferral Contributions.** An Employee who is a Participant who will attain age 50 or more by the end of the calendar year is permitted to elect an additional amount of Elective Deferrals, up to the maximum age 50 catch-up Elective Deferrals for the year. The maximum dollar amount of the age 50 catch-up Elective Deferrals for a year is \$5,000 for 2008, and is adjusted for cost-of-living after 2008 to the extent provided under the Code.

**3.4 Coordination.** Amounts in excess of the limitation set forth in Section 3.1 shall be allocated first to the special 403(b) catch-up under Section 3.2 and next as an age 50 catch-up contribution under Section 3.3. However, in no event can the amount of the Elective Deferrals for a year be more than the Participant's Compensation for the year.

**3.5 Special Rule for a Participant Covered by Another Section 403(b) Plan.** For purposes of this Section 3, if the Participant is or has been a participant in one or more other plans under Section 403(b) of the Code (and any other plan that permits elective deferrals under Section 402(g) of the Code), then this Plan and all such other plans shall be considered as one plan for purposes of applying the foregoing limitations of this Section 3. For this purpose, the Administrator shall take into account any other such plan maintained by any Related Employer and shall also take into account any other such plan for which the Administrator receives from the Participant sufficient information concerning his or her participation in such other plan. Notwithstanding the foregoing, another plan maintained by a Related Entity shall be taken into account for purposes of Section 3.2 only if the other plan is a § 403(b) plan.

**3.6 Correction of Excess Elective Deferrals.** If the Elective Deferral on behalf of a Participant for any calendar year exceeds the limitations described above, or the Elective Deferral on behalf of a Participant for any calendar year exceeds the limitations described above when combined with other amounts deferred by the Participant under another plan of the Employer under Section 403(b) of the Code (and any other plan that permits elective deferrals under Section 402(g) of the Code for which the Participant provides information that is accepted by the Administrator), then the Elective Deferral, to the extent in excess of the applicable limitation (adjusted for any income or loss in value, if any, allocable thereto), shall be distributed to the Participant.

**3.7 Protection of Persons Who Serve in a Uniformed Service.** An Employee whose employment is interrupted by qualified military service under Section 414(u) of the Code or who is on a leave of absence for qualified military service under Section 414(u) of the Code may elect to make additional Elective Deferrals upon resumption of employment with the Employer equal to the maximum Elective Deferrals that the Employee could have elected during that period if the Employee's employment with the Employer had continued (at the same level of Compensation) without the interruption or leave, reduced by the

Elective Deferrals, if any, actually made for the Employee during the period of the interruption or leave. Except to the extent provided under Section 414(u) of the Code, this right applies for five years following the resumption of employment (or, if sooner, for a period equal to three times the period of the interruption or leave).

#### Section 4 Loans

**4.1 Loans.** Loans shall be permitted under the Plan to the extent such loan is permitted by the Individual Agreements controlling the Account assets from which the loan is made and by which the loan will be secured.

**4.2 Information Coordination Concerning Loans.** Each Vendor is responsible for all information reporting and tax withholding required by applicable federal and state law in connection with distributions and loans. To minimize the instances in which Participants have taxable income as a result of loans from the Plan, the Administrator shall take such steps as may be appropriate to coordinate the limitations on loans set forth in Section 4.3, including the collection of information from Vendors, and transmission of information requested by any Vendor, concerning the outstanding balance of any loans made to a Participant under the Plan or any other plan of the Employer. The Administrator shall also take such steps as may be appropriate to collect information from Vendors, and transmission of information to any Vendor, concerning any failure by a Participant to repay timely any loans made to a Participant under the Plan or any other plan of the Employer.

**4.3 Maximum Loan Amount.** No loan to a Participant under the Plan may exceed the lesser of:

(a) \$50,000, reduced by the greater of (i) the outstanding balance on any loan from the Plan to the Participant on the date the loan is made or (ii) the highest outstanding balance on loans from the Plan to the Participant during the one-year period ending on the day before the date the loan is approved by the Administrator (not taking into account any payments made during such one-year period); or

(b) one-half (½) of the value of the Participant's vested Account Balance (as of the Valuation Date immediately preceding the date on which such loan is approved by the Administrator).

For purposes of this Section 4.3, any loan from any other plan maintained by the Employer and any Related Employer shall be treated as if it were a loan made from the Plan, and the Participant's vested interest under any such other plan shall be considered a vested interest under this Plan; provided, however, that the provisions of this paragraph shall not be applied so as to allow the amount of a loan to exceed the amount that would otherwise be permitted in the absence of this paragraph.

#### Section 5 Benefit Distributions

**5.1 Benefit Distributions at Severance from Employment or Other Distribution Event.** Except as permitted under Section 3.6 (relating to excess Elective Deferrals), Section 5.4 (relating to withdrawals of amounts rolled over into the Plan), Section 5.5 (relating to hardship), or Section 8.3 (relating to termination of the Plan), distributions from a Participant's Account may not be made earlier than the earliest of the date on which the Participant has a Severance from Employment, dies, becomes Disabled, or attains age 59½. Distributions shall otherwise be made in accordance with the terms of the Individual Agreements.

**5.2 Reserved.**

**5.3 Minimum Distributions.** Each Individual Agreement shall comply with the minimum distribution requirements of Section 401(a)(9) of the Code and the Regulations thereunder. For purposes of applying the distribution rules of Section 401(a)(9) of the Code, each Individual Agreement is treated as an individual retirement account (IRA) and distributions shall be made in accordance with the provisions of Section 1.408-8 of the Regulations, except as provided in Section 1.403(b)-6(e) of the Regulations.

**5.4 In-Service Distributions from Rollover Account.** If a Participant has a separate Account attributable to rollover contributions to the Plan, to the extent permitted by the applicable Individual Agreement, the Participant may at any time elect to receive a distribution of all or any portion of the amount held in the rollover Account.

**5.5 Hardship Withdrawals.**

(a) Hardship withdrawals shall be permitted under the Plan subject to the Individual Agreements controlling the Account assets to be withdrawn to satisfy the hardship. If applicable under an Individual Agreement, no Elective Deferrals shall be allowed under the Plan during the 6-month period beginning on the date the Participant receives a distribution on account of hardship.

(b) The Individual Agreements shall provide for the exchange of information among the Employer and the Vendors to the extent necessary to implement the Individual Agreements, including, in the case of a hardship withdrawal that is automatically deemed to be necessary to satisfy the Participant's financial need (pursuant to Section 1.401(k)-1(d)(3)(iv)(E) of the Regulations), the Vendor notifying the Employer of the withdrawal in order for the Employer to implement the resulting 6-month suspension of the Participant's right to make Elective Deferrals under the Plan. In addition, in the case of a hardship withdrawal that is not automatically deemed to be necessary to satisfy the financial need (pursuant to § 1.401(k)-1(d)(3)(iii)(B) of the Regulations), the Vendor shall obtain information from the Employer or other Vendors to determine the amount of any plan loans and rollover Accounts

that are available to the Participant under the Plan to satisfy the financial need.

#### 5.6 Rollover Distributions.

(a) A Participant or the Beneficiary of a deceased Participant (or a Participant's spouse or former spouse who is an alternate payee under a domestic relations order, as defined in Section 414(p) of the Code) who is entitled to an eligible rollover distribution may elect to have any portion of an eligible rollover distribution (as defined in Section 402(c)(4) of the Code) from the Plan paid directly to an eligible retirement plan (as defined in Section 402(c)(8)(B) of the Code) specified by the Participant in a direct rollover. In the case of a distribution to a Beneficiary who at the time of the Participant's death was neither the spouse of the Participant nor the spouse or former spouse of the participant who is an alternate payee under a domestic relations order, a direct rollover is payable only to an individual retirement account or individual retirement annuity (IRA) that has been established on behalf of the Beneficiary as an inherited IRA (within the meaning of Section 408(d)(3)(C) of the Code).

(b) Each Vendor shall be separately responsible for providing, within a reasonable time period before making an initial eligible rollover distribution, an explanation to the Participant of his or her right to elect a direct rollover and the income tax withholding consequences of not electing a direct rollover.

### Section 6

#### Rollovers to the Plan and Transfers

##### 6.1 Eligible Rollover Contributions to the Plan.

(a) **Eligible Rollover Contributions.** To the extent provided in the Individual Agreements, an Employee who is a Participant who is entitled to receive an eligible rollover distribution from another eligible retirement plan may request to have all or a portion of the eligible rollover distribution paid to the Plan. Such rollover contributions shall be made in the form of cash only. The Vendor may require such documentation from the distributing plan as it deems necessary to effectuate the rollover in accordance with Section 402 of the Code and to confirm that such plan is an eligible retirement plan within the meaning of Section 402(c)(8)(B) of the Code. However, in no event does the Plan accept a rollover contribution from a Roth elective deferral account under an applicable retirement plan described in Section 402A(e)(1) of the Code or a Roth IRA described in Section 408A of the Code.

(b) **Eligible Rollover Distribution.** For purposes of Section 6.1(a), an eligible rollover distribution means any distribution of all or any portion of a Participant's benefit under another eligible retirement plan, except that an eligible rollover distribution does not include (1) any installment payment for a period of 10 years or more, (2) any distribution made as a result of an unforeseeable emergency or other distribution which is made upon hardship of the employee, or (3) for any other distribution, the portion, if any, of the distribution that is a

required minimum distribution under Section 401(a)(9) of the Code. In addition, an eligible retirement plan means an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, a qualified trust described in Section 401(a) of the Code, an annuity plan described in Section 403(a) or 403(b) of the Code, or an eligible governmental plan described in Section 457(b) of the Code, that accepts the eligible rollover distribution.

(c) **Separate Accounts.** The Vendor shall establish and maintain for the Participant a separate Account for any eligible rollover distribution paid to the Plan.

##### 6.2 Plan-to-Plan Transfers to the Plan.

(a) At the direction of the Employee, for an Employee who may be a participant or beneficiary in another plan under Section 403(b) of the Code, the Plan shall permit a transfer of assets to the Plan as provided in this Section 6.2. Such a transfer is permitted only if the other plan provides for the direct transfer of the participant's or beneficiary's entire interest therein to the Plan and the participant is an Employee or former Employee of the Employer. The Administrator and any Vendor accepting such transferred amounts may require that the transfer be in cash or other property acceptable to it. The Administrator or any Vendor accepting such transferred amounts may require such documentation from the other plan as it deems necessary to effectuate the transfer in accordance with Section 1.403(b)-10(b)(3) of the Regulations and to confirm that the other plan is a plan that satisfies Section 403(b) of the Code.

(b) The amount so transferred shall be credited to the Participant's Account Balance, so that the Participant or Beneficiary whose assets are being transferred has an accumulated benefit immediately after the transfer at least equal to the accumulated benefit with respect to that Participant or Beneficiary immediately before the transfer.

(c) To the extent provided in the Individual Agreements holding such transferred amounts, the amount transferred shall be held, accounted for, administered and otherwise treated in the same manner as an Elective Deferral by the Participant under the Plan, except that (1) the Individual Agreement which holds any amount transferred to the Plan must provide that, to the extent any amount transferred is subject to any distribution restrictions required under Section 403(b) of the Code, the Individual Agreement must impose restrictions on distributions to the Participant or Beneficiary whose assets are being transferred that are not less stringent than those imposed on the transferor plan and (2) the transferred amount shall not be considered an Elective Deferral under the Plan in determining the maximum deferral under Section 3.

##### 6.3 Plan-to-Plan Transfers from the Plan.

(a) At the direction of the Employee, the Plan shall permit Participants and Beneficiaries to elect to have all or any portion of their Account Balance transferred to another plan that

satisfies Section 403(b) of the Code in accordance with Section 1.403(b)-10(b)(3) of the Regulations. A transfer is permitted under this Section 6.3(a) only if the Participants or Beneficiaries are employees or former employees of the employer (or the business of the employer) under the receiving plan and the other plan provides for the acceptance of plan-to-plan transfers with respect to the Participants and Beneficiaries and for each Participant and Beneficiary to have an amount deferred under the other plan immediately after the transfer at least equal to the amount transferred.

(b) The other plan must provide that, to the extent any amount transferred is subject to any distribution restrictions required under Section 403(b) of the Code, the other plan shall impose restrictions on distributions to the Participant or Beneficiary whose assets are transferred that are not less stringent than those imposed under the Plan. In addition, if the transfer does not constitute a complete transfer of the Participant's or Beneficiary's interest in the Plan, the other plan shall treat the amount transferred as a continuation of a pro rata portion of the Participant's or Beneficiary's interest in the transferor plan (e.g., a pro rata portion of the Participant's or Beneficiary's interest in any after-tax employee contributions).

(c) Upon the transfer of assets under this Section 6.3, the Plan's liability to pay benefits to the Participant or Beneficiary under this Plan shall be discharged to the extent of the amount so transferred for the Participant or Beneficiary. The Administrator may require such documentation from the receiving plan as it deems appropriate or necessary to comply with this Section 6.3 (for example, to confirm that the receiving plan satisfies Section 403(b) of the Code and to assure that the transfer is permitted under the receiving plan) or to effectuate the transfer pursuant to Section 1.403(b)-10(b)(3) of the Regulations.

#### 6.4 Contract and Custodial Account Exchanges.

(a) A Participant or Beneficiary is permitted to change the investment of his or her Account Balance among the Vendors under the Plan, subject to the terms of the Individual Agreements. However, an investment change that includes an investment with a Vendor that is not eligible to receive contributions under Section 2 (referred to below as an exchange) is not permitted unless the conditions in paragraphs (b) through (d) of this Section 6.4 are satisfied.

(b) The Participant or Beneficiary must have an Account Balance immediately after the exchange that is at least equal to the Account Balance of that Participant or Beneficiary immediately before the exchange (taking into account the Account Balance of that Participant or Beneficiary under both Section 403(b) Annuity Contracts and Custodial Accounts immediately before the exchange).

(c) The Individual Agreement with the receiving Vendor has distribution restrictions with respect to the Participant that are not less stringent than those imposed on the investment being exchanged.

(d) The Employer enters into an agreement with the receiving Vendor for the other Annuity Contract or Custodial Account under which the Employer and the Vendor will from time to time in the future provide each other with the following information:

(1) Information necessary for the resulting Annuity Contract or Custodial Account, or any other Annuity Contract or Custodial Accounts to which contributions have been made by the Employer, to satisfy Section 403(b) of the Code, including the following: (i) the Employer providing information as to whether the Participant's employment with the Employer is continuing, and notifying the Vendor when the Participant has had a Severance from Employment (for purposes of the distribution restrictions in Section 5.1); (ii) the Vendor notifying the Employer of any hardship withdrawal under Section 5.5 if the withdrawal results in a 6-month suspension of the Participant's right to make Elective Deferrals under the Plan; and (iii) the Vendor providing information to the Employer or other Vendors concerning the Participant's or Beneficiary's Section 403(b) Annuity Contracts or Custodial Accounts or qualified employer plan benefits (to enable a Vendor to determine the amount of any plan loans and any rollover Accounts that are available to the Participant under the Plan in order to satisfy the financial need under the hardship withdrawal rules of Section 5.5); and

(2) Information necessary in order for the resulting Annuity Contract or Custodial Account and any other contract or Custodial Account to which contributions have been made for the Participant by the Employer to satisfy other tax requirements, including the following: (i) the amount of any plan loan that is outstanding to the Participant in order for a Vendor to determine whether an additional plan loan satisfies the loan limitations of Section 4.3, so that any such additional loan is not a deemed distribution under Section 72(p)(1) of the Code, and (ii) information concerning the Participant's or Beneficiary's after-tax employee contributions in order for a Vendor to determine the extent to which a distribution is includible in gross income.

(e) If any Vendor ceases to be eligible to receive Elective Deferrals under the Plan, the Employer will enter into an information sharing agreement as described in Section 6.4(d) to the extent the Employer's contract with the Vendor does not provide for the exchange of information described in Section 6.4(d)(1) and (2).

#### 6.5 Permissive Service Credit Transfers.

(a) If a Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in Section 414(d) of the Code) that provides for the acceptance of plan-to-plan transfers with respect to the Participant, then the Participant may elect to have any portion of the Participant's Account Balance transferred to the defined benefit governmental plan. A transfer

under this Section 6.5(a) may be made before the Participant has had a Severance from Employment.

(b) A transfer may be made under Section 6.5(a) only if the transfer is either for the purchase of permissive service credit (as defined in Section 415(n)(3)(A) of the Code) under the receiving defined benefit governmental plan or a repayment to which Section 415 of the Code does not apply by reason of Section 415(k)(3) of the Code.

(c) In addition, if a plan-to-plan transfer does not constitute a complete transfer of the Participant's or Beneficiary's interest in the transferor plan, the Plan shall treat the amount transferred as a continuation of a pro rata portion of the Participant's or Beneficiary's interest in the transferor plan (e.g., a pro rata portion of the Participant's or Beneficiary's interest in any after-tax employee contributions).

## **Section 7 Investment of Contributions**

**7.1 Manner of Investment.** All Elective Deferrals or other amounts contributed to the Plan, all property and rights purchased with such amounts under the Funding Vehicles, and all income attributable to such amounts, property, or rights shall be held and invested in one or more Annuity Contracts or Custodial Accounts. Each Custodial Account shall provide for it to be impossible, prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries, for any part of the assets and income of the Custodial Account to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries.

**7.2 Investment of Contributions.** Each Participant or Beneficiary shall direct the investment of his or her Account among the investment options available under the Annuity Contract or Custodial Account in accordance with the terms of the Individual Agreements. Transfers among Annuity Contracts and Custodial Accounts may be made to the extent provided in the Individual Agreements and permitted under applicable Regulations.

**7.3 Current and Former Vendors.** The Administrator shall maintain a list of all Vendors under the Plan. Such list is hereby incorporated as part of the Plan. Each Vendor and the Administrator shall exchange such information as may be necessary to satisfy Section 403(b) of the Code or other requirements of applicable law. In the case of a Vendor which is not eligible to receive Elective Deferrals under the Plan (including a Vendor which has ceased to be a Vendor eligible to receive Elective Deferrals under the Plan and a Vendor holding assets under the Plan in accordance with Section 6.2 or 6.4), the Employer shall keep the Vendor informed of the name and contact information of the Administrator in order to coordinate information necessary to satisfy Section 403(b) of the Code or other requirements of applicable law.

## **Section 8 Amendment and Plan Termination**

**8.1 Termination of Contributions.** The Employer has adopted the Plan with the intention and expectation that contributions will be continued indefinitely. However, the Employer has no obligation or liability whatsoever to maintain the Plan for any length of time and may discontinue contributions under the Plan at any time without any liability hereunder for any such discontinuance.

**8.2 Amendment and Termination.** The Employer reserves the authority to amend or terminate this Plan at any time.

**8.3 Distribution upon Termination of the Plan.** The Employer may provide that, in connection with a termination of the Plan and subject to any restrictions contained in the Individual Agreements, all Accounts will be distributed, provided that the Employer and any Related Employer on the date of termination do not make contributions to an alternative Section 403(b) contract that is not part of the Plan during the period beginning on the date of plan termination and ending 12 months after the distribution of all assets from the Plan, except as permitted by the Regulations.

## **Section 9 Miscellaneous**

**9.1 Non-Assignability.** Except as provided in Section 9.2 and 9.3, the interests of each Participant or Beneficiary under the Plan are not subject to the claims of the Participant's or Beneficiary's creditors; and neither the Participant nor any Beneficiary shall have any right to sell, assign, transfer, or otherwise convey the right to receive any payments hereunder or any interest under the Plan, which payments and interest are expressly declared to be non-assignable and non-transferable.

**9.2 Domestic Relations Orders.** Notwithstanding Section 9.1, if a judgment, decree or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or the marital property rights of a spouse or former spouse, child, or other dependent of a Participant is made pursuant to the domestic relations law of any State (domestic relations order), then the amount of the Participant's Account Balance shall be paid in the manner and to the person or persons so directed in the domestic relations order. Such payment shall be made without regard to whether the Participant is eligible for a distribution of benefits under the Plan. The Administrator shall establish reasonable procedures for determining the status of any such decree or order and for effectuating distribution pursuant to the domestic relations order.

**9.3 IRS Levy.** Notwithstanding Section 9.1, the Administrator may pay from a Participant's or Beneficiary's Account Balance the amount that the Administrator finds is lawfully demanded under a levy issued by the Internal Revenue Service with respect to that

Participant or Beneficiary or is sought to be collected by the United States Government under a judgment resulting from an unpaid tax assessment against the Participant or Beneficiary.

**9.4 Tax Withholding.** Contributions to the Plan are subject to applicable employment taxes (including, if applicable, Federal Insurance Contributions Act (FICA) taxes with respect to Elective Deferrals, which constitute wages under Section 3121 of the Code). Any benefit payment made under the Plan is subject to applicable income tax withholding requirements (including Section 3401 of the Code and the Employment Tax Regulations thereunder). A payee shall provide such information as the Administrator may need to satisfy income tax withholding obligations, and any other information that may be required by guidance issued under the Code.

**9.5 Payments to Minors and Incompetents.** If a Participant or Beneficiary entitled to receive any benefits hereunder is a minor or is adjudged to be legally incapable of giving valid receipt and discharge for such benefits, or is deemed so by the Administrator, benefits will be paid to such person as the Administrator may designate for the benefit of such Participant or Beneficiary. Such payments shall be considered a payment to such Participant or Beneficiary and shall, to the extent made, be deemed a complete discharge of any liability for such payments under the Plan.

**9.6 Mistaken Contributions.** If any contribution (or any portion of a contribution) is made to the Plan by a good faith mistake of fact, then within one year after the payment of the contribution, and upon receipt in good order of a proper request approved by the Administrator, the amount of the mistaken contribution (adjusted for any income or loss in value, if any, allocable thereto) shall be returned directly to the Participant or, to the extent required or permitted by the Administrator, to the Employer.

**9.7 Procedure When Distributee Cannot Be Located.** The Administrator shall make all reasonable attempts to determine the identity and address of a Participant or a Participant's Beneficiary entitled to benefits under the Plan. For this purpose, a reasonable attempt means (a) the mailing by certified mail of a notice to the last known address shown on the Employer's or the Administrator's records, (b) notification sent to the Social Security Administration or the Pension Benefit Guaranty Corporation (under their program to identify payees under retirement plans), and (c) the payee has not responded within 6 months. If the Administrator is unable to locate such a person entitled to benefits hereunder, or if there has been no claim made for such benefits, the Funding Vehicle shall continue to hold the benefits due such person.

**9.8 Incorporation of Individual Agreements.** The Plan, together with the Individual Agreements, is intended to satisfy the requirements of Section 403(b) of the Code and the Regulations thereunder. Terms and conditions of the Individual Agreements are hereby incorporated by reference into the Plan, excluding those terms that are inconsistent with the Plan or Section 403(b) of the Code.

**9.9 Governing Law.** The Plan will be construed, administered and enforced according to the Code and the laws of the State in which the Employer has its principal place of business.

**9.10 Headings.** Headings of the Plan have been inserted for convenience of reference only and are to be ignored in any construction of the provisions hereof.

**9.11 Gender.** Pronouns used in the Plan in the masculine or feminine gender include both genders unless the context clearly indicates otherwise.



For use with\*:  
**Lincoln MultiFund®**  
**Lincoln SmartFuture<sup>SM</sup>**  
**Lincoln Alliance®**

**REQUEST TO USE LINCOLN UNIFIER<sup>SM</sup> SERVICE**

Please complete the following information if you are interested in taking advantage of the *Lincoln Unifier<sup>SM</sup>* service offered by Lincoln Retirement Services Company, LLC. This service is designed to ensure your plan is in compliance with the new 403(b) regulations and offers service to ease the administration of multiple product/carrier plans including:

- Common Remitter Services
- Plan Document Services
- Salary Reduction Administration
  - Online for all employees
- Consolidated Carrier Reporting
- Compliance monitoring
  - Contribution Limits
  - Loan Limits
  - Withdrawal Monitoring
  - Automatic suspension for hardship withdrawals, if elected

Employer Name SOUTHWESTERN Oregon Community College Plan Number OR 248583  
 Employer Address 1988 Newmark Ave.  
 City/State/Zip Coos Bay, OR 97420 Phone Number 541-888-7259  
 Total Number of Employees 270 Total Number of Participants 4037  
 Annual Contributions to Plan (all carriers): \$ 9075<sup>00</sup> Number of Carriers 7

**Services I'm Interested in:**

- |  |   |
|--|---|
| <input type="checkbox"/> Common Remitter                                     | <input checked="" type="checkbox"/> Compliance Monitoring                         |
| <input checked="" type="checkbox"/> Plan Document Services (choose one)      | <input checked="" type="checkbox"/> Contribution Limits                           |
| <input type="checkbox"/> ERISA <input checked="" type="checkbox"/> Non-ERISA | <input checked="" type="checkbox"/> Loan Limits                                   |
| <input type="checkbox"/> Salary Reduction Administration                     | <input checked="" type="checkbox"/> Withdrawal Monitoring                         |
| <input type="checkbox"/> Consolidated Carrier Reporting                      | <input checked="" type="checkbox"/> Automatic suspension for hardship withdrawals |

Return completed form to: U.S. mail: *Lincoln Unifier<sup>SM</sup> Service*  
 P.O. Box 7864  
 Fort Wayne, IN 46801

OR

Fax to: 260 455-4212

The *Lincoln Unifier<sup>SM</sup>* service is offered subject to underwriting approval by Lincoln Retirement Services Company, LLC and charges may apply. Upon approval, a complete implementation packet including a contract outlining all terms and conditions will be provided. Submission or acceptance of this request does not commit either party. If you have any questions, please contact us at 800 454-8265, extension 1528.

Employer signature Carole Howland Date 12.17.08

Plan Representative Signature \_\_\_\_\_ Date \_\_\_\_\_

\* Insurance products and programs are provided by The Lincoln National Life Insurance Company, Fort Wayne, IN. The Lincoln National Life insurance Company is not authorized nor does it solicit business in the State of New York. Insurance products and programs provided in New York are issued by Lincoln Life & Annuity Company of New York, Syracuse, NY.

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates.

Affiliates are separately responsible for their own financial and contractual obligations.



## INFORMATION SHARING AGREEMENT - 403(b) APPROVED CARRIER REQUEST

### Important Information – Please Read

Effective September 25, 2007, the change to the 90-24 transfer rules included in the recently published 403(b) regulations will take effect. Those changes effectively eliminate 90-24 transfers, replacing them with "contract exchanges." A contract exchange may only be to an approved 403(b) investment provider, like Lincoln Financial Group (Lincoln Financial). The approval of the investment provider by the employer does not have to be in place until January 1, 2009 for contract exchanges that occur on or after September 25, 2007 and before January 1, 2009. After that date, the approval will have to be in place before the contract exchange may occur.

Requirements for contract exchanges include:

1. The contract receiving transferred funds must include distribution restrictions that are not less stringent than those imposed on the contract being exchanged.
2. The employer must enter into an Information Sharing Agreement with the investment provider of the new contract under which the employer and the investment provider will, from time to time, provide each other with information.

Beginning January 1, 2009, plan sponsors must fulfill a written plan requirement. This signed Information Sharing Agreement - 403(b) Approved Carrier Request may be included as a portion of that written plan.

### Instructions:

**Information Sharing Agreement** – Please read the Information Sharing Agreement. It describes information that Lincoln Financial and the employer agree to share.

**Employer Signature** – Please sign, date and return via fax the Information Sharing Agreement – 403(b) Approved Carrier Request.

**403(b) Approved Carrier Request**

**Employer/Plan Information** – Please confirm pre-populated employer and plan information is comprehensive and accurate.

**Approved Carriers** – If your 403(b) plan utilizes several investment providers, please indicate below each of those carriers, so that contract exchanges (into or out of) each carrier's investment contracts may occur without delay. With this information, you and your plan participants will have assurance that this particular requirement is in place to prevent the possible taxation of Contract Exchanges that occur before January 1, 2009.

Even if Lincoln Financial is the exclusive carrier for this plan, please return this form with your signature for our records.



Information Sharing Agreement

This Information Sharing Agreement (the "Agreement"), is made between the Employer, as identified below, and Lincoln Financial Group (Lincoln Financial) effective as of the date a fully executed Agreement - 403(b) Approved Carrier Request are received by Lincoln Financial.

Now Therefore, in consideration of the mutual promises hereinafter contained, the value of which is hereby affirmed, Lincoln Financial and the Employer agree as follows:

- I. Lincoln Financial agrees to process Contract Exchanges, as such term is described in the Internal Revenue Code ("Code") section 403(b) regulations published in the Federal Register on July 26, 2007 and as thereafter amended (the "Regulations"), into any Lincoln Financial 403(b) product or program where Lincoln Financial is an approved carrier as authorized by the Employer on Lincoln Financial's 403(b) Approved Carrier Request form (Form EM06800) or in any other manner acceptable to Lincoln Financial.
II. Employer agrees to complete the form described above and to update it as the Employer's plan approved carriers change.
III. Lincoln Financial and the Employer agree to reasonably share information to the extent necessary to satisfy Code section 403(b), the Regulations and other applicable tax requirements during the time that Contract Exchange assets remain in a Lincoln Financial 403(b) product or program for a plan participant in the Employer's 403(b) plan or until the termination of this Agreement, whichever occurs first, including information concerning:
A. Participant's employment information concerning his or her severance from employment related to a distribution event under applicable rules;
B. Any participant's previous or current hardship withdrawal requests from non-Lincoln Financial 403(b) contracts (for purpose of this agreement "contract" has the meaning provided in the Regulations.);
C. Other tax requirements such as participant's current vested account balance and highest outstanding loan balance in the last 12 months from non-Lincoln Financial contracts for purpose of compliance with the plan loan requirements found under Code section 72(p) and applicable regulations; and
D. Participant's basis for any after-tax employee contributions or designated Roth contributions accounts from non-Lincoln Financial contracts.
IV. Employer agrees that failure to execute this Agreement or a similar agreement by January 1, 2009 will cause a Contract Exchange occurring on or after September 25, 2007 and on or before January 1, 2009 to be non-compliant and potentially resulting in the Contract Exchange being treated as a taxable event for the plan participant.
V. Miscellaneous provisions:
A. This Agreement is effective as of the date provided herein and may be terminated by either party upon at least 30 days' prior written notice, sent to the address set forth below.
B. To the extent not preempted by the provisions of ERISA, this Agreement shall be administered, construed and enforced according to the laws of the State of Indiana.
C. This Agreement represents the entire agreement between the parties hereto and may be amended only by a written amendment signed by an authorized representative of each of the parties.
D. Should anyone or more of the provisions of this Agreement be determined to be invalid or unenforceable, the remaining provisions shall remain in effect and the parties will attempt to rehabilitate the invalid or unenforceable provision to reflect the intent of this Agreement.
E. This Agreement will not be assignable by either party without the written consent of the other except that Lincoln Financial may assign it to one of its subsidiaries or affiliates.
F. This Agreement may be executed in one or more counterparts, each of which when so executed will constitute an original and all of which together will constitute one and the same Agreement.
G. The failure of either party at any time or times to require performance of any provisions hereof will in no manner affect its right at a later time to enforce such provision and will not act as a waiver thereof.
H. The term of this Agreement will commence on the effective date described herein and will continue until terminated by either party as provided herein.

In Witness Whereof, Lincoln Financial and the Employer have executed this Agreement and 403(b) Approved Carrier Request on the dates indicated below, effective as provided herein.

SOUTHWESTERN OREGON Community COLLEGE

Employer: Carole Howland
Authorized Signature

Carole Howland 12.17.07
Authorized Name (print or type) Date

HR Director
Title

1988 Newmark Ave 1
Address

Coos Bay OR 97420

Michele Booth
Authorized Signature

Michele Booth 9/14/2007
Authorized Name (print or type) Date

Vice President - Annuity Client Services
Title

1300 S. Clinton St.
Address

Fort Wayne, IN 46801

Return to: Lincoln Financial Group
1300 S. Clinton St.
Fort Wayne, IN 46802
800 4LINCOLN (454-6265)
Fax: 260 455-1874

Information contained in this document is the result of Lincoln Financial's current interpretation of Contract Exchange rules contained in the final 403(b) regulations. Others may have a different interpretation and Lincoln Financial's interpretation may change if future government guidance is provided. Information is presented with the understanding that Lincoln Financial Group affiliates, their distributors, and their respective employees, representatives, and/or insurance agents are not engaged in rendering legal or tax advice. Individuals should seek advice based on their own particular circumstances from an independent tax advisor.

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates. Affiliates are separately responsible for their own financial and contractual obligations.



**403(b) APPROVED CARRIER REQUEST**

**Employer/Plan Information**

Employer Name: SOUTHWESTERN OREGON COMMUNITY COLLEGE  
 Plan Identifier: CR248583  
 Plan Name: 403(b) VOLUNTARY PLAN  
 Contact Name: Carole Howland  
 Telephone No.: 541-888-7259  
 E-mail Address: chowland@soce.edu

**APPROVED CARRIERS - (List all approved carriers for the 403(b) plan sponsored by your employer.)**

Date Approved	Carrier
	The Lincoln National Life Insurance Company or Lincoln Life & Annuity Company of New York or UNUM Life Insurance Co. of America or First UNUM Life Insurance Company
	<b>LINCOLN WILL BE THE ONLY VENDOR AT COLLEGE, STARTING JANUARY 1, 2009</b>
	Capital Guardian/American Funds
	Fidelity Investments
	Franklin Templeton
	Lincoln National
	New York Life
	Northern Life/ING
	Tiaa Cref

Return to: Lincoln Financial Group  
 1300 S. Clinton St.  
 Fort Wayne, IN 46802  
 800 4LINCOLN (454-6265)  
 Fax: 260 455-1874

The Lincoln National Life Insurance Company may act as the administrative agent for UNUM Life Insurance Co. of America, Lincoln Life & Annuity Company of New York may act as the administrative agent for First UNUM Life Insurance Company and UNUM Life Insurance Co. of America.  
 Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates.  
 Affiliates are separately responsible for their own financial and contractual obligations.