

Lincoln Unifier® Service Plan Level Reporting Questionnaire

As part of the *Lincoln Unifier® Service*, we are pleased to offer you our new **Unified Compliance Reporting**. To help us better serve your needs, please complete and sign the questionnaire below. This questionnaire will provide the *Lincoln Unifier® Service Team* the plan level requirements needed to create your compliance reports. You may fax this form to Lincoln Retirement Services Company, LLC at 260-455-4212 or email us at Gnet403b@LFG.com.

- Plan # or Plan ID CR24583 Plan name Southwestern Oregon Community College
- Service Type *Lincoln Unifier® InfoShare Service*
 Lincoln Unifier® CommonRemitter Service
 Lincoln Unifier® Monitor4Me Service
- Number of payrolls per calendar year 12
- Number of payrolls left through the calendar year 6 (as of 05/28/2009 (mm, dd, yyyy))
- Compliance report reminder frequency (complete all applicable)
 Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
- Beginning date 01/01/2009 (mm, dd, yyyy)
- Contribution detail for other vendors Yes No
- Age based catch-up applies Yes No
- 15 years of service applies Yes No
- 457 Special catch-up applies Yes No If yes, specify plan retirement age _____
- Plan retirement age 65
- Number of loans allowed 0 1 2 Unlimited
- In-service withdrawals Yes No
- Hardship withdrawals Yes No
If hardship allowed, employee dollars allowed Yes No
If hardship allowed, employer dollars allowed Yes No
- Safe Harbor hardship Yes No

Employer name: SOUTHWESTERN OREGON COMMUNITY COLLEGE
Employer signature: [Signature] Date: 6/10/2009 (mm, dd, yyyy)



Lincoln Retirement Services Company, LLC
PO Box 7864
Fort Wayne, IN 46801
Phone 800 454-6265 ext. 7179

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1300 South Clinton Street,
P.O. Box 2340
Fort Wayne, IN 46802
800 454-6265

Lincoln Financial Group is pleased to provide a sample written plan for employers that sponsor Non-ERISA Voluntary Elective Deferral Section 403(b) plans. Attached is an adoption agreement and document. These materials, along with numerous other pieces including, but not limited to, information sharing agreement(s) and vendor contracts will comprise your written plan.

This document has not been approved by the Internal Revenue Service (IRS), and Lincoln Financial makes no guarantees or warranties, expressed or implied, regarding the tax effects of this proposed language. Lincoln Financial recommends that the Employer consult legal counsel or a tax advisor regarding the adoption of these documents.

Lincoln Financial will periodically post updates to the written plan as they are mandated by law. As the Employer, you are responsible for making all updates and changes to your written plan as well as periodically reviewing Lincoln Groupnet to ensure you have the most current document available.

Below are important steps that you need to take:

1. Print, complete, sign and date the adoption agreement;
2. File an executed copy of all the documents and letters with your plan's records.

We are committed to providing you with the highest quality retirement plan services. If you would like Lincoln Financial to provide plan document servicing for a fee, please call 800 454-6265 to discuss this option.

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200807-2018760

Frequently Asked Questions

Q1. Why is a written plan needed?

A1. In July 2007, the government issued "Final 403(b) Regulations" (Final Regulations). As a part of the Final Regulations, effective January 1, 2009, all plans that are intended to be tax-qualified under IRS Section 403(b) are required to have a written plan. Various documents are considered to comprise a written plan. These items include, but are not limited to, an annuity contract or custodial arrangement (contract), information sharing agreement, an adoption agreement, a document, and sample loan policy(s) associated with each contract.

Q2. How do I complete the adoption agreement?

A2. There is one section that needs to be completed – Section One. Section One is asking for you to provide employer level information such as employer name, an employer identification number (EIN), address, phone number, administrator information, plan name, and fiscal year. Once all requested information is completed, execute the written plan by signing and dating the agreement. It is not an executed written plan until all necessary information is completed and the form is signed. You need to be sure that you keep a copy of all documents for your records.

Q3. Why does the written plan not offer elections for loans and hardship distributions?

A3. This plan was intended for employers that wish to administer a non-ERISA 403(b) plan as described in ERISA Regulation Section 2510.3-2(f). It is the current interpretation of Lincoln Financial that Field Assistance Bulletin 2007-02 indicates restricting loans and hardships which are permitted under a vendor's contract or agreement may be considered "involvement" that falls outside of the safe harbor. Because this is a sample written plan, an employer may change any or all provisions. However, we strongly recommend that this sample, or any changes, be reviewed by your legal counsel.

Q4. How are hardship provisions addressed in the written plan?

A4. Hardship distributions are permitted in the written plan in accordance with the associated contract provisions. If the contract permits hardship distributions, then such distribution will be permitted from the plan. In order to make sure that the distribution is in accordance with the Final Regulations, vendors must agree to exchange information with the employer or a designated party. This information may include a notice that elective deferrals must be suspended for six (6) months (as required by the "safe harbor" hardship rules) or a request for information on other loans and distributions that might be available to the participant from other contracts or plans of the employer.

Q5. How are loan provisions addressed in the written plan?

A5. Loans are permitted in the plan in accordance with the contract's loan provisions. If the contract permits loans, then the loan will be permitted from the plan. It is likely that the loan policies will differ among vendors and even among products issued by the same vendor. Therefore, as part of your written plan, you should include sample loan policy(s) associated with each contract.

Q6. What is a contract exchange?

A6. A contract exchange is defined as a participant or beneficiary requested tax-free exchange of one 403(b) contract for another 403(b) contract within the same plan. In order for the exchange to be tax-free, certain conditions must be met:

- The plan must permit contract exchanges, an optional feature.
- The accumulated benefit immediately before the exchange has to be the same after the exchange. It appears that the accumulated benefit will be considered the same even if the distributing contract imposes surrender charges and/or reductions before transferring to the receiving contract.
- The receiving contract must impose distribution restrictions at least as stringent as the distributing contract.
- The Plan Sponsor and the Issuer of the receiving contract enter into an agreement to share information so that compliance with the Final Regulations is easier to monitor by the Plan Sponsor. This information includes:
 1. A participant's employment information including severance from employment.
 2. A participant's previous or current hardship withdrawal request from other contracts.
 3. Other tax requirements such as a participant's current vested account balance and highest outstanding loan balance in the last twelve (12) months from other contracts.
 4. Participant's basis for any after-tax amounts including employee contributions or designated Roth contribution accounts from other contracts.

Q7. How are contract exchanges addressed in the written plan?

A7. Contract exchanges are permitted to be made to vendors that are "approved" under the plan. An approved vendor is one that agrees, in writing, to exchange the required information with the employer or a designated party.

Q8. What is a Roth contribution?

A8. A Roth contribution is an elective deferral that is made on an "after-tax" basis. This means that taxes on the contributions are withheld at the time that the deferrals are withheld from the employee's pay. When certain conditions are met, distribution of earnings will be tax-free (the distribution of Roth contributions is always tax-free).

Q9. What is an age 50 catch-up contribution?

A9. A "catch-up" contribution is an elective deferral (including a Roth elective deferral) made to the plan that is in excess of an otherwise applicable plan limit. A participant who has attained age fifty (50) before the end of the calendar year is eligible to make a catch-up contribution to the extent allowed by IRS guidelines.

Q10. What is a "special" catch-up?

A10. If an employee has at least 15 years of service with the same employer in a public school system, hospital, home health service agency, health and welfare service agency, church, or convention or association of churches, the limit on elective deferrals to his or her 403(b) account may be increased by up to \$3,000 in any taxable year (lifetime employer by employer limit of \$15,000). There are several calculations to be dealt with prior to determining a participant's eligibility to make a \$3,000 catch-up contribution and special coordination rules if an employee is eligible for both a special catch-up and an age 50 catch-up. Employers or employees that would like additional information should review IRS Publication 571 or consult with their individual tax advisor.

Q11. Who do I call for help?

A11. You should consult your legal counsel or tax advisor on any questions you have regarding your plan and the language within the documents.

This FAQ is for informational purposes only and the statements made represent the current interpretation of the final regulations by Lincoln Financial Group. It is presented with the understanding that Lincoln Financial Group and its affiliates are not engaged in rendering legal or tax advice.

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200807-2018760

Section 403(b) Elective Deferral Only Non-ERISA Retirement Plan Adoption Agreement

Section 1 Employer General Information

1.1 Employer: Southwestern Oregon Community College

Employer Identification Number (EIN): 93-6015621

Business Address: 1988 Newmark Ave

City, State, Zip: Coos Bay, OR 97420

Business Phone No. (541) 888 - 2525

1.2 Administrator: SAME
(Identity of the person(s), committee, or organization appointed to administer the Plan. If same as the Employer, write "Same". Lincoln does not serve as Administrator.)

Administrator Identification Number: _____
(Employer Identification Number)

Business Address: _____

City, State, Zip: _____

Business Phone No. (_____) _____ - _____

1.3 Plan Name: Southwestern Oregon Community College

1.4 The Employer's fiscal year begins 7/1 and ends 6/30.

Section 2 Exclusions from Eligibility

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

**Section 3
Loans**

The Employer shall permit loans from the Plan to the extent permitted by the Individual Agreements controlling the Account assets.

**Section 4
Hardship Distributions**

The Employer shall permit hardship distributions to be made from amounts held in this Plan to the extent permitted by the Individual Agreements.

**Section 5
Exchanges and Transfers**

The Plan shall permit Contract Exchanges between Vendors as provided in Section 6.4 of the Document.

IN WITNESS WHEREOF, the Employer has caused this Plan to be executed this _____ day of _____.

Employer: Southwestern Oregon Community College

By: [Signature]

Title: Interim President

Date signed: 8/25/09

Effective Date of the Plan: **January 1, 2009**