

**DESERT COMMUNITY COLLEGE DISTRICT
SECTION 403(b) MATCHING RETIREMENT PLAN**

Prepared By:

**Envoy Plan Services
901 Calle Amanecer, Suite 200
San Clemente, CA 92673**

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**DESERT COMMUNITY COLLEGE DISTRICT SECTION 403(b)
MATCHING RETIREMENT PLAN**

INTRODUCTION AND PURPOSE

This Plan is hereby made and entered into by the Employer and as of the Effective Date set forth in Appendix A. The Plan (including Appendix A) is intended to qualify as a tax-deferred annuity plan under section 403(b) of the Internal Revenue Code of 1986, as amended, and the final section 403(b) Treasury regulations.

As elected by the Employer in Appendix A, the Plan permits Employees to accumulate retirement savings by making pre-tax and/or after-tax deferrals of salary into the Plan, and permits the Employer to make non-elective contributions on behalf of Eligible Employees. All contributions to the Plan, together with earnings, are credited to separate Accounts for each Participant. Contributions are invested at the direction of Participants in one or more funding vehicles consisting of Annuity Contracts and/or Custodial Accounts. Benefits are based solely on the contributions and earnings credited to the Participant's Account.

The Plan has been established for the exclusive benefit of the Participants and their Beneficiaries.

ARTICLE 1 DEFINITIONS

1.1 “**Account**” means the bookkeeping account(s) maintained for a Participant to which Plan contributions and earnings are credited.

1.2 “**Account Balance**” means the amount of a Participant’s Account(s) as of any determination date.

1.3 “**Administrator**” means the Employer or its designated Third Party Administrator (“TPA”).

1.4 “**Annual Additions**” means the sum of the following amounts credited to a Participant’s account during a Limitation Year, consisting of Employee Contributions, Employer Contributions and forfeitures. Annual Additions excludes any Rollover Contributions pursuant to Section 3.10 or Transfer Contributions pursuant to Section 3.11.

1.5 “**Annuity Contract**” means a nontransferable group or individual contract as defined in section 403(b)(1) of the Code issued by an Insurer and that includes payment in the form of an annuity, as defined in section 1.401(f)-1(d)(2) and (e) of the Treasury regulations.

1.6 “**Appendix A**” means the adoption agreement attached to this Plan in which the Employer designates optional provisions permitted by the Plan. The terms and provisions of Appendix A are an integral part of the Plan.

1.7 “**Beneficiary**” means a person designated by a Participant or the terms of the Plan to receive the Participant’s remaining Vested Account Balance following the death of a Participant.

1.8 “**Code**” means the Internal Revenue Code of 1986, as amended.

1.9 “**Compensation**” means a Participant’s wages, salaries and other amounts paid by the Employer for services rendered by the Participant to the extent includible in gross income and reported on Form W-2. Compensation shall also include amounts contributed by the Employer pursuant to a salary reduction agreement which are not currently includable in the Participant’s gross income by reason of the application of Code sections 125, 132(f)(4), 402(e)(3), 402(h), 403(b) or 457. Compensation excludes reimbursements or other expense allowances, fringe benefits (cash and noncash), moving expenses, deferred compensation and welfare benefits, and any items elected by the Employer in Appendix A.

The annual Compensation of each Participant taken into account under the Plan shall not exceed \$200,000 (or such higher maximum as may apply under section 401(a)(17) of the Code; the indexed limit for 2009 is \$245,000). If Compensation is to be determined for a period (determination period) consisting of fewer than 12 months, the annual Compensation limit will be multiplied by a fraction, the numerator of which is the number of months in the determination period, and the denominator of which is 12.

If elected by the Employer in Appendix A, effective July 1, 2007, payments made by the later of two and one-half (2-½) months after a Participant’s Severance from Employment or the

end of the Limitation Year that includes the date of the Participant's Severance from Employment shall be included in the Participant's Compensation if absent the Participant's Severance from Employment, such payments would have been made to the Participant while the Participant continued in employment with the Employer and are regular compensation for services during the Participant's regular working hours, or compensation for services outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments. If elected in Appendix A, such Compensation shall also include payment for unused accrued bona fide sick, vacation, or other leave, but only if the Employee would have been able to use the leave if employment had continued. In addition, if elected in Appendix A, Compensation includes post-severance compensation paid to a Participant who is permanently and totally Disabled.

Effective July 1, 2007, Compensation also includes salary continuation payments to an individual who does not currently perform services for the Employer by reason of qualified military service (as defined in Code section 414(u)(1)) to the extent those payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the Employer rather than entering qualified military service.

1.10 "Contract Exchange" means an exchange of section 403(b) contracts (Annuity Contracts or Custodial Accounts) by which the investment of a Participant's account is changed from one approved Fund Provider within the Plan to another approved Fund Provider within the Plan, as described in Section 7.3.

1.11 "Custodial Account" means an Account under the Plan maintained by a Custodian satisfies the investment and distribution restrictions of section 403(b)(7) of the Code.

1.12 "Custodial Agreement" means a separate written agreement between the Employer (or Participant) and the Custodian which sets forth the terms of the Custodian's engagement.

1.13 "Custodian" means a bank or other entity that satisfies the requirements of Code section 401(f)(2) that invests amounts contributed by the Employer in regulated investment companies pursuant to Code section 403(b)(7) pursuant to the terms of the Plan and/or a separate custodial agreement with the Employer.

1.14 "Disability" or "Disabled" means (in accordance with Code section 22(e)(3)) a physical or mental condition, certified by a physician selected by the Administrator, which renders the Participant incapable of performing any substantial gainful activity and which has lasted (or is expected to last) for at least 12 consecutive months, or which is expected to result in death.

1.15 "Effective Date" means the date on which the Plan, or the Plan as amended and restated, is effective, as specified in Appendix A.

1.16 "Elective Deferral" means a contribution made under the Plan by the Employer at the election of the Participant (excluding Non-Elective Contributions) pursuant to a Salary Reduction Agreement. Elective Deferral shall include Pre-Tax Deferrals, Age 50 Catch-Up Contributions under Section 3.6, Special 403(b) Catch-Up Contributions under Section 3.7, Roth

Contributions, and any other elective deferral as defined in section 1.403(b)-2(a)(7) of the Treasury regulations. Elective Deferrals shall not include any deferrals properly distributed as excess annual additions pursuant to section 415 of the Code.

1.17 “Eligible Employee” means, for purposes of Elective Deferrals, all Employees except Excluded Employees as elected under Appendix A. For purposes of Employer Contributions, Eligible Employee means an Employee who satisfies the eligibility requirements under Appendix A.

1.18 “Employee” means a common law employee performing services for the Employer and whose compensation for such services is paid by the Employer. Employee does not include a former employee or an independent contractor.

1.19 “Employee Contribution” means an Elective Deferral, Voluntary After-Tax Contribution, Rollover Contribution and/or Transfer Contribution.

1.20 “Employer” means governmental employer of a State identified in Appendix A.

1.21 “Employer Contribution” means a Non-Elective Contribution made by the Employer on behalf of a Participant.

1.22 “Entry Date” means for purposes of eligibility to make Elective Deferrals, the first day of the month coinciding with or next following an Eligible Employee’s employment date. For purposes of eligibility for Employer Contributions, the Entry Date shall be the date specified by the Employer in Appendix A.

1.23 “EPCRS” means the IRS’s Employee Plans Compliance Resolution System, as described in Revenue Procedure 2008-50, or any successor thereto.

1.24 “Excluded Employee” means, for purposes of eligibility to make Elective Deferrals and only to the extent elected by the Employer in Appendix A, an Employee (i) who is eligible under another section 403(b) plan or a section 457(b) plan of the Employer which permits an amount to be contributed or deferred at the election of the Employee; (ii) who is a student performing services described in section 3121(b)(10) of the Code; (iii) who is a non-resident alien described in Code section 410(b)(3)(C); or (iv) who normally works fewer than 20 hours per week (or such lower number of hours per week as may be elected by the Employer in Appendix A). To the extent that on July 26, 2007 the Plan excluded such employees from making Elective Deferrals and if elected by the Employer in Appendix A, Excluded Employee also means an Employee described in the transitional rules under section 1.403(b)-11 of the Treasury regulations, who is a visiting professor, affiliated with a religious order who is under a vow of poverty, who made a one-time election to participate in a governmental plan that is not a section 403(b) plan, or is covered by a collective bargaining agreement, but such exclusion shall be permitted only for the period provided in section 1.403(b)-11.

1.25 “Fund” means the assets of the Plan, consisting of all contributions received under the terms of the Plan and the investment earnings thereon, which shall be held in one or more Annuity Contracts or Custodial Accounts.

1.26 “Fund Provider” means the Custodian or Insurer specifically approved by the Employer and listed in Appendix B.

1.27 “Funding Vehicle” means an Annuity Contract or Custodial Account issued for funding accrued benefits under the Plan and specifically approved by the Employer.

1.28 “Includible Compensation” means the amount of a Participant’s Compensation received from the Employer that is includible in the Participant’s gross income for federal income tax purposes for the most recent school year of the Employer (ending not later than the close of the Participant’s taxable year), and any amount which is not includible in gross income by reason of Code sections 125, 132(f)(4), 402(g)(3) or 457, not to exceed \$200,000 (or such higher maximum as may apply under section 401(a)(17) of the Code; the indexed limit for 2009 is \$245,000). A Participant shall be credited with a full year of service for each school year during which he or she is a full-time employee of the Employer for the entire year, and a fraction of a year for each part of the year during which the Participant is a full-time or part-time Employee. In no case may an Employee accumulate more than one year of service in a 12-month period.

Includible Compensation shall be determined in accordance with section 403(b)(3) of the Code and section 403(b)-2 of the Treasury regulations. Includible Compensation does not include any Compensation paid after Severance from Employment except as permitted in Section 1.9 and this Section.

If the Employer so elects in Appendix A, a former Employee is deemed to have Includible Compensation for the period through the end of the taxable year of the Employee in which his or her Severance from Employment due to retirement occurred and through the end of each of the next five taxable years. The amount of such Includible Compensation shall be equal to the former Employee’s Includible Compensation during his or her Most Recent Year of Service.

1.29 “Insurer” means any insurance company (including an affiliate or successor) qualified to issue annuities in the State from which the Employer obtains Annuity Contracts covering Participants.

1.30 “Limitation Year” means the 12 consecutive month period elected in Appendix A as applicable to Code section 415 limitations on Annual Additions.

1.31 “Most Recent Year of Service” means a Participant’s last full year of service, ending on the last day of the Employer’s school year.

1.32 “Mutual Fund” means a regulated investment company which funds benefits under the Plan or a Custodial Account.

1.33 “Non-Elective Contribution” means an Employer Contribution made on behalf of a Participant based on a contribution formula elected by the Employer in Appendix A.

1.34 “Normal Retirement Age” means the age (not greater than age 65) elected by the Employer in Appendix A.

1.35 “Participant” means an Employee who is participating in the Plan or a portion thereof in accordance with its terms and includes a former Employee who has not received a distribution of his or her entire Account Balance under the Plan.

1.36 “Plan” means the Employer’s section 403(b) plan as named in Appendix A, the terms of which are set forth in this document including Appendix A, as it may be amended from time to time, and any Custodial Agreement or Annuity Contract, as applicable.

1.37 “Plan Sponsor” means the Employer.

1.38 “Plan Year” means the Plan’s accounting year of 12 months commencing and ending on the dates set forth in Appendix A, except, if applicable, for the first Plan Year, which commenced on the short year beginning date set forth in Appendix A.

1.39 “Pre-Tax Deferral” means an Elective Deferral (including a Catch-Up Deferral under Section 3.6 or 3.7) which is not a Roth Contribution.

1.40 “Qualified Domestic Relations Order” or “QDRO” means a qualified domestic relations order under section 414(p) of the Code.

1.41 “Rollover Contribution” means an amount of cash or property (including a Participant loan under another plan) transferred by an Eligible Employee or Participant from another Eligible Retirement Plan (as defined in Section 9.10) to this Plan. The Plan will accept Rollover Contributions if elected by the Employer in Appendix A.

1.42 “Roth Contribution” means an Elective Deferral (including a Catch-Up Deferral under Section 3.6 or 3.7) which a Participant irrevocably designates as a Roth Contribution under Code section 402A that is being made in lieu of all or a portion of the Pre-Tax Deferrals the Participant is otherwise eligible to make under Section 3.1 of the Plan, and which is subject to income tax when contributed to the Plan.

1.43 “Salary Reduction Agreement” means a written election by an Employee authorizing the Employer to withhold a specified portion of his or her Compensation and to contribute such amount as an Elective Deferral under the Plan. **“Salary Reduction Election”** means the election evidenced by a Salary Reduction Agreement.

1.44 “Severance from Employment” means the date an Employee dies, retires, or otherwise ceases to be employed by the Employer, as determined by the Administrator in accordance with section 1.403(b)-2(b)(19) of the Treasury regulations and other applicable guidance.

1.45 “State” means the state where the Employer is located.

1.46 “Third Party Administrator” means an entity designated in Appendix A to assist the Administrator in the administration of the Plan.

1.47 “Transfer Contribution” means a transfer of a Participant or Beneficiary’s interest from another section 403(b) plan to this Plan as permitted under Section 3.11 and Appendix A.

1.48 “USERRA” means the Uniformed Services Employment and Reemployment Rights Act of 1994. Notwithstanding any provision of the Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code section 414(u).

1.49 “Valuation Date” means the last day of the Plan Year and any additional Valuation Dates as elected by the Employer in Appendix A.

1.50 “Voluntary After-Tax Contribution” means a Participant’s after-tax contribution to a Funding Vehicle which the Participant designates as an after-tax contribution at the time of contribution, other than a Roth Contribution. A Voluntary After-Tax Contribution is not an Elective Deferral.

1.51 “Vested” means a Participant’s nonforfeitable, legally enforceable interest in all or a portion of his or her Account Balance.

ARTICLE 2 ELIGIBILITY FOR PARTICIPATION

2.1 Commencement of Participation

All Employees except Excluded Employees may participate in the Plan and have the right to make Elective Deferrals, Rollover Contributions and Transfer Contributions to the extent elected in Appendix A as of the later of the Effective Date or the Employee's date of employment.

Eligible Employees shall commence participation in the Employer Contributions portion of the Plan, if applicable, after satisfying the eligibility requirements elected in Appendix A. If this Plan is a restated plan, each Employee who was a Participant on the day before the Effective Date of the restatement will continue as a Participant, irrespective of whether he or she satisfies the eligibility conditions of the restated plan, unless the Employer elects otherwise in Appendix .

2.2 Reemployment

A Participant who has a Severance from Employment or ceases to be an Eligible Employee will resume participation in the Plan on his or her reemployment date or the date such Employee again becomes an Eligible Employee.

2.3 Former Employees

If elected by the Employer in Appendix A, Non-Elective Contributions may be continued for up to five years for former Employees. The annual amount of such contributions may not exceed the lesser of the dollar amount in Code section 415(c)(1)(A) or the former Employee's Includible Compensation during his or her Most Recent Year of Service.

2.4 Cessation of Participation

A Participant shall continue participation in the Plan until he or she has a Severance from Employment and receives a distribution of his or her entire Vested Account Balance.

ARTICLE 3 EMPLOYEE CONTRIBUTIONS

3.1 Elective Deferrals

If provided in Appendix A, each Eligible Employee may elect to have Elective Deferrals contributed to the Plan on his or her behalf by entering into a Salary Reduction Agreement authorizing the Employer to withhold part of the Employee's Compensation and to contribute the withheld amount to an Elective Deferral Account established for the Employee under the Plan. Such Elective Deferrals shall be Pre-Tax Deferrals unless the Participant designates some or all of his or her Elective Deferrals as Roth Contributions as described in Section 3.3.

Elective Deferrals on behalf of a Participant shall commence with the first payment of Compensation made on or after the date on which the Participant's election is effective.

The Employer may specify in Appendix A any limitations on the amount of Elective Deferrals that may be contributed under the Plan, in addition to the limitations under the Code and Section 3.5.

3.2 Change in Salary Deferral Election

In accordance with rules adopted by the Administrator, Eligible Employees shall have an effective opportunity to make (or change) a Salary Deferral Election at least once during each Plan Year. Modifications to a Participant's election shall become effective as of the beginning of the next payroll period after the date the Administrator receives the Employee's new Salary Reduction Agreement unless the Participant specifies a later date in the agreement.

3.3 Roth Contributions

If permitted in Appendix A, Eligible Employees may make Elective Deferrals designated as Roth Contributions as described in Code section 402A. The Employer may not limit Elective Deferrals to Roth Contributions. Any Roth Contributions shall be credited to a separate Roth Contribution Account maintained for the Participant, and the Administrator shall maintain a record of the Participant's investment of Roth Contributions in the Annuity Contract or Custodial Account. Gains, losses and other credits or charges must be separately allocated on a reasonable and consistent basis to the Roth Contributions Account. Forfeitures under the Plan may not be allocated to the Roth Deferral Account. No contributions other than designated Roth Contributions and Rollover Contributions of Roth contributions described in Code section 402A(c)(3)(B) may be allocated to the Participant's Roth Contributions Account.

3.4 Remittance of Elective Deferrals

Elective Deferrals under the Plan (including Roth Contributions and any Catch-Up Contributions) and any Voluntary After-Tax Contributions paid through the Employer's payroll shall be transferred to the applicable Annuity Contract or Custodial Account no later than 15 business days following the end of the month in which the amount would otherwise have been paid to the Participant as wages.

3.5 Basic Annual Limitation

Except as provided in Sections 3.6 and 3.7, the maximum amount of 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. The applicable dollar amount is the amount established under section 402(g)(1)(B) of the Code, which is \$15,500 for 2008 and \$16,500 for 2009, and is adjusted for cost of living after 2009 to the extent provided under section 415(d) of the Code.

3.6 Age 50 Catch-Up Contribution

If elected in Appendix A, all Eligible Employees who will attain age 50 or more by the end of the calendar year shall be permitted to elect an additional amount of Elective Deferrals, up to the maximum age 50 catch-up dollar amount under Code section 414(v). Such maximum dollar amount is \$5,000 for 2008, \$5,500 for 2009 and is adjusted for cost of living after 2009 to the extent provided under the Code. Age 50 Catch-up Contributions shall not be taken into account for purposes of the maximum deferral amount under Section 3.5 or the limitation on Annual Additions under Code section 415.

3.7 Special 403(b) Catch-Up Contribution (Employees with 15 Years of Service)

If permitted in Appendix A, for an Employee with 15 Years of Service the annual limit under Section 3.5 shall be increased by the least of the following amounts:

- (a) \$3,000,
- (b) \$15,000 reduced by the aggregate amount of the Employee's special catch-up elective deferrals under Code section 402(g)(7) in prior years, or
- (c) \$5,000 multiplied by the Participant's years of service with the Employer less the total Elective Deferrals on behalf of such Employee for prior taxable years.

For purposes of this Section 3.7, a Participant's years of service shall be credited as described in Section 1.27 and section 1.403(b)-4(e) of the Treasury regulations.

3.8 Coordination of Age 50 and Special Catch-Up Elections

If an Employee is eligible for both an Age 50 Catch-Up Contribution under Section 3.6 and the Special 403(b) Catch-Up Contribution under Section 3.7, the Employee's Elective Deferral will be treated first as a Special 403(b) Catch-Up Contribution to the extent such catch-up is permitted, and then as an Age 50 Catch-Up Contribution, to the extent the age-50 catch-up amount exceeds the maximum section 403(b) catch-up.

3.9 Uniformed Services

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).

3.10 Rollover Contributions

If elected in Appendix A, a Participant who is entitled to receive an Eligible Rollover Distribution from an Eligible Retirement Plan (as those terms are defined in Section 9.10) may make a Rollover Contribution of all or any part of such contribution. The Plan will accept Rollover Contributions from the types of plans specified by the Employer in Appendix A. The Administrator shall be responsible for determining the tax-free status of any Rollover Contribution made to this Plan.

If elected in Appendix A, but only if this Plan permits Roth Contributions, the Plan shall accept a Direct Rollover from another Roth elective deferral account under a retirement plan described in Code section 402A(e)(1). The transferor plan shall report to the Administrator the amount of the Employee's Code section 72 basis in the amount rolled over.

3.11 Transfer Contributions

If elected in Appendix A, a Participant who is an Employee or former Employee of the Employer, or the Beneficiary of a deceased Participant, may transfer his or her entire interest in another section 403(b) plan to this Plan as a Transfer Contribution, provided that the requirements of this Section 3.11 and section 1.403(b)-10(b)(3) of the Treasury regulations are satisfied. (A Participant or Beneficiary may also transfer his or her interest in this Plan to another section 403(b) plan as permitted under Section 9.8.) Such a transfer to this Plan is permitted only if the transferor plan provides for such transfer, and only if the Participant or Beneficiary whose assets are being transferred has an accumulated benefit immediately after the transfer at least equal to his or her accumulated benefit immediately before the transfer. The Administrator may require such documentation from the transferor plan as it deems necessary to effectuate the transfer in accordance with section 1.403(b)-10(b)(3) of the Treasury regulations and to confirm that the other plan satisfies section 403(b) of the Code.

The Transfer Contribution shall be credited to the Participant's Account. To the extent that the Transferred Contribution is subject to any restrictions on distributions under section 403(b) of the Code, the Annuity Contract or Custodial Account under which such transferred amounts are held must impose restrictions on distributions to the Participant or Beneficiary that are not less stringent than those imposed by the transferor plan.

Transfer Contributions shall not be considered an Elective Deferral in determining the maximum deferral amount under Section 3.5.

3.12 Participants Covered by Another Section 403(b) Plan

If a Participant is or has been a participant in one of more plans under section 403(b) (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 contribution limitations of this Article 3. The Administrator shall take into account any other plan maintained by the Employer and any other such plan for which the Administrator receives from the Participant sufficient information concerning his or her participation in such other plan.

3.13 Voluntary After-Tax Contributions

If elected in Appendix A, a Participant may make Voluntary After-Tax Contributions to the Plan in the manner designated by the Administrator (*i.e.*, by payroll deduction or other means). Such contributions are not subject to the annual dollar limit under Section 3.5, but are subject to the Maximum Annual Additions under Section 5.1. The Employer may limit Voluntary After-Tax Contributions as provided in Appendix A.

ARTICLE 4 EMPLOYER CONTRIBUTIONS

4.1 Non-Elective Contributions

The Employer may make Non-Elective Contributions to the Plan in accordance with the formulas selected in Appendix A. As elected in Appendix A, a Participant may be required to meet eligibility requirements, including but not limited to service requirements, as a condition of eligibility to receive an allocation of Employer Contributions. Employer Contributions on behalf of a Participant, when combined with the Participant's Elective Deferrals shall not exceed the Maximum Annual Additions permitted under Section 5.1.

If elected in Appendix A, Non-Elective Contributions may be made on behalf of former Employees for up to five years after retirement.

A Participant whose reemployment rights are protected by USERRA shall be credited with any Non-Elective Contributions that such Participant would have received but for the period of qualified military service in accordance with Code section 414(u).

4.2 Responsibility for Contributions

The Employer shall be solely responsible for making contributions and for determining whether contributions have been made pursuant to the terms of the Plan and the Code. Each Custodian and/or Insurer shall be accountable solely for contributions actually received.

4.3 Time of Payment

Employer Contributions shall be paid into the Fund at times determined by the Employer, except that the total contribution for any Plan Year shall be paid in full not later than two and one-half months after the last day of the Plan Year, which period may be extended for not more than six months under regulations prescribed by the Secretary of the Treasury.

4.4 Return of Contributions

Contributions made to the Plan by the Employer shall be irrevocable, except that any contribution forwarded to the Fund Provider or the Administrator due to a mistake of fact may be returned to the Employer or the Administrator within one year of the payment of the contribution. In addition, as provided under Article 5, the Administrator may make corrective distributions of contributions in excess of applicable Code limitations.

4.5 Erroneous Exclusion or Inclusion of Employee

If due to an operational failure (as defined in EPCRS) an Eligible Employee fails to receive an allocation of Employer Contributions provided in Appendix A, or fails to receive the correct amount of such contributions, the Administrator shall take appropriate steps to correct the allocation consistent with EPCRS principles. The Administrator may redo the allocation (if feasible) in such manner as if the Eligible Employee had originally been included in such allocation. Alternatively, the Employer may contribute for the Participant the amount, adjusted

for earnings, that the Employer would have contributed for the Participant, as determined by the Administrator,

If due to such an operational failure an Employee who is ineligible to make Elective Deferrals or to share in Employer Contributions, as determined under Appendix A, is erroneously included and discovery of such inclusion is not made until after a contribution by the Employer has been made and allocated, any Employer Contribution erroneously allocated to the Employee shall be forfeited. The forfeited amount may be treated as a forfeiture and reallocated to other Participants or used to reduce future Non-Elective Contributions, as elected in Appendix A, or may be returned to the Employer pursuant to Section 4.3. Any Elective Deferrals which the Employee was not eligible to make shall be distributed to the Employee, together with attributable earnings.

ARTICLE 5 LIMITATIONS ON CONTRIBUTIONS

5.1 Maximum Annual Additions

Except to the extent permitted under Sections 3.6 and 3.7, Annual Additions to a Participant's Account under this Plan (and any other section 403(b) plan maintained by the Employer) for any Limitation Year shall not exceed the lesser of: (i) \$40,000, as adjusted for increases in the cost of living under section 415(d) of the Code (the 2009 limit is \$49,000), or (ii) 100% of the Participant's Includible Compensation.

If a Participant's Annual Additions for any Limitation Year would otherwise exceed the maximum amount, the Administrator shall reduce Elective Deferrals, Voluntary After-Tax Contributions and/or Employer Contributions credited to the Participant's Account to the extent necessary to satisfy the limitation, in accordance with the final section 415 regulations. The amount of any reduction in Elective Deferrals or Voluntary After-Tax Contributions, adjusted for attributable gains and losses for the year, and for the gap period between the end of the year and the date of distribution, shall be returned to the Participant. The amount of any reduction in Employer Contributions shall be deemed a forfeiture for the Limitation Year.

5.2 Excess Deferrals

If a Participant makes Elective Deferrals in excess of the maximum annual dollar amount permitted under Code section 402(g) and Section 3.5 ("Excess Deferrals"), such Excess Deferrals (adjusted for income or loss allocable thereto up to the date of distribution) shall be distributed to the Participant no later than April 15 following the calendar year to which the excess is attributable. If the Excess Deferral occurs because the Participant also participates in another plan which permits elective deferrals, the Participant shall have the right to request a distribution of the excess from one or both plans by March 1 of the year following the year to which the excess is attributable. Excess Deferrals that are distributed on a timely basis shall not be considered Annual Additions for the Limitation Year with respect to which such amounts were deferred.

Corrective distributions under this Article 5 shall be made in accordance with Code section 402(g)(2), the final section 415 regulations and EPCRS, as applicable.

ARTICLE 6 VESTING

6.1 Employee Contributions

A Participant is always fully Vested in his or her Elective Deferrals (including Roth Contributions and Catch-Up contributions), Voluntary After-Tax Contributions, Rollover Contributions, and Transfer Contributions, including the earnings thereon.

6.2 Employer Contributions

A Participant shall acquire a Vested interest in the portion of his or her Account Balance attributable to Employer Contributions upon satisfying the service or other requirements elected by the Employer in Appendix A. Notwithstanding the foregoing, a Participant shall be fully Vested upon attaining Normal Retirement Age or the termination of the Plan.

6.3 Forfeiture of Unvested Account

If a Participant has a Severance from Employment and receives a distribution, the nonvested portion of his or her Account Balance shall be treated as a forfeiture. If a Participant has a Severance from Employment and does not request a distribution, the nonvested portion of the Participant's Account shall be treated as a forfeiture as of the last day of the fifth Plan Year following the Participant's Severance from Employment or if earlier, the date the Participant receives a distribution of his or her Vested Account Balance.

Forfeitures, adjusted for earnings, shall be reallocated to other Participants or held in a suspense account and applied to reduce future Employer Contributions, as elected in Appendix .

6.4 Restoration of Forfeited Amounts

If a Participant who has a Severance from Employment and receives a distribution of his or her partially vested Account Balance is subsequently reemployed by the Employer, he or she shall have the amount forfeited under Section 6.3 restored to his or her Account, provided that the Employee repays (without interest) the full amount of the distribution attributable to Employer Contributions within five years after the date of his or her reemployment. The reinstated forfeiture shall be credited to the Participant's Account, and shall be charged against the Plan's current forfeitures. If there are no forfeitures, the Employer shall make a contribution to the Plan to cover the buy back.

ARTICLE 7 FUNDING AND INVESTMENTS

7.1 Funding Vehicles

The Plan shall be funded by means of one or more Custodial Accounts or Annuity Contracts provided by the Fund Providers, as elected by the Employer in Appendix B. The Employer shall specify in Appendix B or on a separate form the approved Fund Providers available under the Plan. The Employer may change the approved Funding Providers available as Plan investments at any time. The terms of the Annuity Contract and/or Custodial Agreement are incorporated in the Plan, together with any other written documents which the Employer designates as part of the Plan. To the extent that any incorporated document conflicts with the terms of the Plan, the provisions of the Plan will prevail unless such provisions conflict with the applicable requirements of Code section 403(b), or unless otherwise provided by the Employer in Appendix A.

7.2 Participant Investment Direction

Each Participant shall have the opportunity to designate the manner in which his or her Account will be allocated among investments offered under the available Funding Vehicles, with such frequency and in accordance with such procedures as established by the Administrator, which shall include procedures by which Participants shall issue investment instructions to the Insurer or Custodian.

The Fund Providers shall allocate and invest the assets in the Participant's Account in accordance with the Participant's instructions. Subject to Section 7.3, a Participant may change the investment of his or her Account among the approved Fund Providers under the Plan, subject to the terms of the Fund Providers. When remitting contributions under the Plan to the Fund Providers, the Administrator shall provide instructions regarding the dollar amount or percentage to be credited to each investment choice for each Participant, based on directions from the Participant, unless such information is maintained by the Fund Provider.

Neither the Employer, Administrator, Fund Provider, nor any fiduciary of the Plan shall be liable to the Participant or Beneficiary for any loss resulting from any investment made at the direction of the Participant.

7.3 Contract Exchanges

A Participant may make Contract Exchanges among Annuity Contract or Custodial Accounts provided by Fund Providers if the requirements of this Section 7.3 are satisfied:

- (a) The Participant has an accumulated benefit immediately after the exchange that is at least equal to the accumulated benefit of that Participant immediately before the exchange (taking into account the accumulated benefit of that Participant under both contracts immediately before the exchange);
- (b) The other contract is subject to distribution restrictions with respect to the Participant that are not less stringent than those imposed on the contract being exchanged; and

- (c) The Employer enters into an agreement with the Fund Provider under which the Employer and the Fund Provider will from time to time in the future provide each other with the following information:
- (1) Information necessary for the resulting contract or custodial account, or any other contract or custodial account 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 Fund Provider when the Participant has had a Severance from Employment; (ii) the Fund Provider notifying the Employer of any hardship withdrawal by the Participant if the withdrawal results in a six-month suspension of the Participant's right to make Elective Deferrals under the Plan; and (iii) the Fund Provider providing information to the Employer concerning the Participant's section 403(b) contracts or custodial accounts to enable a Provider 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 9.6; and
 - (2) Information necessary in order for the resulting 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 Provider to determine whether the additional Plan loan satisfies the loan limitations of Section 7.4, 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 after-tax employee contributions in order for the Fund Provider to determine the extent to which a distribution is includible in gross income.

The foregoing provisions of this Section 7.3 shall not apply to any Annuity Contract or Custodial Account received in an exchange that occurred on or before September 24, 2007 if the exchange (including the contract received in the exchange) satisfies such rules as the Commissioner of Internal Revenue prescribed in guidance of general applicability at the time of the exchange.

7.4 Participant Loans

If permitted in Appendix A, a Participant who has not had a Severance from Employment may request a loan from his or her Account. The Administrator may authorize a loan, subject to Code section 72(p), to a Participant upon the Participant's written request, in accordance with uniform loan policies and procedures. Loans are available to Participants before the commencement of retirement benefit payments. Loans shall be subject to the following terms.

The total amount of any loan (when added to the outstanding balance of all other loans from the Plan or any other qualified Plan maintained by the Employer) shall not exceed the lesser of \$50,000 or 50% of the Participant's vested Account Balance. The \$50,000 limitation will be reduced by the excess (if any) of the highest outstanding loan balance of loans from the Plan (or any other qualified plan maintained by the Employer) during the one-year period ending on the day before the date on which such loan was made, over the outstanding balance of loans from the Plan (or any other qualified plan maintained by the Employer) on the date such loan was made.

A request by a Participant for a loan shall be made in writing to the Administrator and shall specify the amount of the loan and the Account(s) of the Participant from which the loan is to be made.

Loans will be made on such terms and subject to such limitations as the Administrator (or the Annuity Contract or Custodial Agreement) may prescribe, provided that any such loan shall: (i) be evidenced by a written promissory note, (ii) bear a reasonable rate of interest on the unpaid principal, (iii) be adequately secured, and (iv) be repaid by the Participant over a period not to exceed five years, unless the loan is to be used for the purpose of acquiring a dwelling which is to be used as the principal residence of the Participant. The interest rate charged on a loan must be at least equivalent to the prevailing interest rate charged by commercial lenders in the local area for a similar loan, unless the Administrator or other party to whom the Administrator has delegated authority sets forth another method for determining interest rates in its loan procedures. The loan agreement shall also require principal and interest to be amortized on a substantially level basis, with payments not less frequently than quarterly over the term of the loan. Any loan shall be secured by a pledge of up to 50% of the Participant's interest in his or her Account.

A loan may be prepaid without penalty at any time. Repayment will be made to the Annuity Contract or Custodial Account, as the case may be, and shall be accompanied by written instructions from the Administrator identifying the Participant on whose behalf the loan repayment is being made. Principal and interest paid by a Participant on a loan shall be credited to the Participant's loan account and invested under the Plan in the same manner as Elected Deferrals. Loan repayments shall be suspended during a Participant's qualified military service as provided in Code section 414(i)(4).

The Fund Provider shall be authorized (to the extent permitted by law) to take any and all actions necessary and appropriate to enforce collection of an unpaid loan. However, in the event of a default, foreclosure on the note or attachment of Participant's Account Balance will not occur until a distributable event occurs under the Plan. A default will be deemed to have occurred if an loan payment has not been made within 90 days of the payment due date. Upon the Participant's Severance from Employment, death or retirement, or earlier distribution, the unpaid balance of the loan, including any unpaid interest, will be deducted from any payment or distribution from the Plan to which the Participant or his or her designated Beneficiary may be entitled, and the Participant's Vested interest in the Account will be correspondingly reduced.

ARTICLE 8 PARTICIPANT ACCOUNTS

8.1 Separate Accounts

A separate Account will be established for each Participant showing the total value of his or her interest in the Fund. The Fund Provider shall divide the Participant's Account into such Sub-Accounts as are necessary or appropriate to reflect the Participant's interest in the Fund. A separate Sub-Account shall be established for Roth Contributions, if any. Each Account shall be maintained and administered for each Participant and Beneficiary in accordance with the terms of the Plan.

8.2 Adjustments to Participant Accounts

The Participant's Account shall be credited with Employee Contributions, the Participant's allocated share of Employer Contributions, and attributable earnings, and debited with attributable losses, withdrawals or distributions since the last Valuation Date.

8.3 Participant Statements

A statement shall be provided to each Participant showing the adjustments to his or her account since the last statement and the value of his or her Account as of the Valuation Date and as of any other date agree to by the Employer and the Custodian or Insurer.

ARTICLE 9 DISTRIBUTIONS

9.1 Distribution of Benefits

The Plan may distribute Elective Deferrals (including earnings) only upon the Participant's Severance from Employment, attainment of age 59-½, death or Disability; hardship; termination of the Plan; corrective distributions as provided in Article 5 and section 1.403(b)-6 of the Treasury regulations; or at any time to a qualifying reservist pursuant to section 72(t)(2)(G) of the Code.

The Plan may distribute any amounts under a Custodial Account or transferred from a Custodial Account (other than amounts attributable to Elective Deferrals) only upon the Participant's Severance from Employment, attainment of age 59-½, death or Disability; termination of the Plan; corrective distributions or at any time to a qualifying reservist pursuant to section 72(t)(2)(G) of the Code.

The Plan may distribute any amounts under an Annuity Contract (exclusive of Elective Deferrals, corrective distributions or distributions upon Plan termination) no earlier than the earlier of the Participant's Severance from Employment or the prior occurrence of some event, such as after a fixed number of years, the attainment of a stated age, or Disability, as elected by the Employer in Appendix A.

9.2 In-Service Distributions

Distributions before the Participant's Severance from Employment ("in-service distributions") shall be permitted as elected by the Employer in Appendix A, subject to the provisions of this Article 9 and other applicable provisions of the Plan (no Employer election shall be required for corrective distributions). The Employer may limit in-service distributions to Participants who are 100% Vested, or apply other conditions. The Employer may also limit the time or frequency of in-service distributions. Participant requests for in-service distributions shall be made in the form and manner designated by the Administrator, subject to the applicable terms of the Annuity Contract or Custodial Agreement.

All benefits under the Plan shall be paid or provided for solely from the Fund Providers, and the Employer assumes no responsibility for such payments.

9.3 Distributions on Severance from Employment

A Participant is entitled to receive a distribution of his or her Vested Account Balance upon his or her Severance from Employment. The Participant may request a distribution in the form and manner designated by the Administrator, subject to the applicable terms of the Custodial Agreement or Annuity Contract.

9.4 Distribution Upon Death

Upon the Participant's death, the Administrator shall direct the Fund Sponsor to distribute the Participant's Vested Account Balance to the Participant's Beneficiary. In a form prescribed by the Administrator, the Participant may elect the form and time of payment to his or

her Beneficiary and may limit the Beneficiary's right to change such payment terms. If the Participant fails to designate a form of payment, distribution shall be made in a single lump sum as soon as administratively practicable after the Administrator receives proof satisfactory to it of the Participant's death.

9.5 Forms of Payment of Benefits

Benefits shall be payable in a lump sum, installments or annuities (life or joint and survivor), as elected in Appendix A. Unless otherwise elected in Appendix A, the normal form of payment under the Plan shall be a lump sum.

The normal form of payment shall be automatic unless the Participant elects another form in writing prior to the date on which the benefit is payable.

9.6 Hardship Withdrawals

If elected in Appendix A, a Participant who has not had a Severance from Employment may request a hardship withdrawal of his or her Elective Deferrals (except the earnings thereon). The Participant must demonstrate an immediate and heavy financial need which may not be alleviated by other financial resources to satisfy such financial need.

In no event shall the withdrawal be in an amount greater than that necessary to satisfy the financial need. However, the withdrawal may include any amount necessary to pay any Federal, State or local income tax or penalties reasonably anticipated to result from the distribution.

A request for a hardship withdrawal shall be in writing to the Administrator, who shall have sole authority to authorize a hardship withdrawal, pursuant to uniform and nondiscriminatory procedures.

Unless Appendix A provides otherwise, the following shall be treated as an immediate and heavy financial need:

- (a) Code section 213(d) medical expenses of the Participant, his or her spouse, children or other dependents;
- (b) The purchase (excluding mortgage payments) of the Participant's principal residence;
- (c) Payment of tuition and related educational expenses for the next 12 months of post-secondary education for the Participant, his or her spouse, children or other dependents;
- (d) The need to prevent eviction or foreclosure proceedings of the Participant's primary residence;
- (e) Payments for burial or funeral expenses for the Participant's deceased parent, his or her spouse, children or other dependents (as defined in Code section 152), without regard to Code section 152(d)(1)(B));

- (f) Expenses for the repair or damage to the Participant's principal residence that would qualify for the casualty deduction under Code section 165 (determined without regard to whether the loss exceeds 10% of adjusted gross income); or
- (g) Such other financial needs as may be specifically promulgated by the internal revenue service.

A distribution is not treated as necessary to satisfy an immediate and heavy financial need of a Participant to the extent the need may be relieved from other resources that are reasonably available to the Participant. In order for a withdrawal to be authorized, the Participant must have obtained all distributions (other than for hardship) and nontaxable loans under all the Employer's plans. The amount of the distribution may not be in excess of the amount of the immediate and heavy financial need. A Participant who receives a distribution on account of a hardship shall be prohibited from making Elective Deferrals under this and all other voluntary plans of the Employer for six months after receipt of the distribution.

9.7 Qualified Domestic Relations Orders

If a domestic relations order ("order") requires payment of all or a portion of a Participant's benefit to a person other than a Participant or Beneficiary ("alternate payee"), the Administrator shall direct the Custodian or Insurer to comply with the order if the Administrator determines that the domestic relations order is a Qualified Domestic Relations Order ("QDRO"). To be deemed a QDRO, the order must contain the following information:

- (a) The name and last known mailing address of the Participant and each alternate payee covered by the order. If the order does not specify the current mailing address of the alternate payee, the order may still qualify if the Administrator has independent knowledge of that address;
- (b) The dollar amount or percentage of the Participant's benefit to be paid to each alternate payee, or the manner in which the amount or percentage will be determined;
- (c) The name of the plan(s) to which the order applies.

The order shall not be deemed a QDRO if it requires the plan to provide:

- (a) A type or form of benefit, or an option not already provided for the Plan;
- (b) Increased benefits or benefits in excess of the Participant's vested rights;
- (c) Payment of a benefit earlier than allowed by the Plan's earliest retirement provisions; or
- (d) Payment of benefits to an alternate payee which are required to be paid to another alternate payee under another QDRO.

Promptly upon receipt of a domestic relations order which constitute a QDRO, the Administrator shall notify the Participant and any alternate payee named in the order of such receipt, and shall include a copy of this Section 9.7. Within a reasonable time after receipt, the Administrator shall make a determination as to the qualified status of the order and shall promptly notify the Participant and the alternate payee(s) in writing of the determination.

If the status of a domestic relations order as a QDRO is in question, payment to any payee, including the Participant, shall be delayed until the status is resolved. In such event, the Administrator shall segregate the amount that would have been payable to the alternate payee(s) if the order had been deemed a QDRO. If the order is not a QDRO, or the status is not resolved within 18 months from the date the first payment would have to be made under the order, the Administrator shall pay the segregated amounts plus interest to the person(s) who would have been entitled to the benefits had there been no order. If after the expiration of such 18-month period the order is determined to be a QDRO, the Administrator shall notify the Participant and the alternate payee(s) and shall pay to the alternate payee(s) the amounts due under the QDRO, plus accrued earnings.

9.8 Plan to Plan Transfers to Another 403(b) Plan

The Administrator may permit a class of Participants and Beneficiaries to elect to have all or any portion of their Account Balance transferred to another section 403(b) plan in accordance with section 1.403(b)-10(b)(3) of the Treasury regulations. A transfer is permitted under this Section only if the Participants or Beneficiaries are employees or former employees of the employer under the receiving plan and the other plan provides for the acceptance of such transfers and provides that each Participant and Beneficiary will have an accumulated benefit deferred under the other plan immediately after the transfer that is at least equal to the accumulated benefit transferred from this Plan. The other plan must also provide that, to the extent any amount transferred is subject to any distribution restrictions required under Code section 403(b), the other plan will impose restrictions on distributions to the Participant or the Beneficiary whose assets are transferred that are not less stringent than those imposed under this 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.

Upon the transfer of assets under this Section 9.8, 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. The Plan may require such documentation from the receiving plan as it deems appropriate or necessary to comply with this Section (e.g., to confirm that the receiving plan satisfies Code section 403(b) and permits the transfer) or to effectuate the transfer pursuant to section 1.403(b) – 10(b)(3) of the Treasury regulations.

9.9 Distribution of Small Amounts

The Plan may provide (as elected in Appendix A) that if the Participant's vested Account Balance does not exceed \$1,000, the entire Account shall be paid in a single lump sum at the Participant's Normal Retirement Date or Severance from Employment date. For purposes of this

Section 9.9, unless otherwise elected by the Employer in Appendix A, the value of a Participant's Vested Account Balance shall be determined without regard to that portion of the Account Balance that is attributable to Rollover Contributions (and earnings allocable thereto).

If the Participant's Vested Account Balance is zero on the date he or she has a Severance from Employment, the Participant shall be deemed to have received a lump sum payment of the value of his or her Vested Account on such date as a cash-out payment. Such payment shall be in full settlement of all benefits otherwise payable.

9.10 Direct Rollovers

A Participant may elect, at the time and in the manner prescribed by the Administrator, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Participant in a Direct Rollover.

For purposes of this Section, the following definitions shall apply:

- (a) "Eligible Rollover Distribution" means any distribution of all or any portion of the Participant's vested Account Balance, except: (i) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Participant or the joint lives (or joint life expectancies) of the Participant and the Participant's designated beneficiary, or for a specified period of 10 years or more; (ii) any required minimum distribution under Section 9.11; (iii) the portion of any distribution that is not includible in gross income (except for Roth Contribution Accounts and Employee Contributions); (iv) any hardship distribution; and (v) any distribution which otherwise would be an Eligible Rollover Distribution but where the total distributions to the Participant during that calendar year are reasonably expected to be less than \$200. For purposes of (v), a Participant's Roth Contributions Account shall be deemed to be a separate plan subject to a separate \$200 limit.
- (b) "Eligible Retirement Plan" means a qualified trust described in Code section 401(a), an annuity plan under Code section 403(a), an individual retirement account or annuity described in Code section 408(a) or 408(b), an annuity contract under Code section 403(b) of the Code or a governmental Code section 457(b) plan. However, an Eligible Retirement Plan with respect to a Participant's Roth Contributions Account means a Roth IRA described in section 408A of the Code or a Roth account in a 403(b) plan or a 401(k) plan that permits Roth contributions. In the case of a designated Beneficiary who at the time of the Participant's death was neither the Participant's spouse nor an alternate payee under a QDRO, an Eligible Retirement Plan is limited 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 Code section 408(d)(3)(C)).
- (c) For purposes of this Section 9.10, "Participant" includes a former Employee, a Participant's surviving spouse, or a Participant's spouse or former spouse who is

the alternate payee under a Qualified Domestic Relations Order, or the non-spouse Designated Beneficiary of a deceased Participant.

- (d) “Direct Rollover” means payment by the Plan to the Eligible Retirement Plan specified by the Participant.

The Administrator (or its delegate) shall, within a reasonable period of time before making an Eligible Rollover Distribution, furnish the Participant with a written explanation as required by section 402(f) of the Code of his or her right to have the distribution transferred to an Eligible Retirement Plan in a Direct Rollover, the required tax withholding on a distribution that is not directly transferred to an Eligible Retirement Plan, the provision that the distribution will not be subject to tax if transferred to an Eligible Retirement Plan within 60 days after receipt by the Participant, and such other information as required by section 402(f).

9.11 Minimum Distribution Requirements

- (a) **Incorporation of Code Section 401(a)(9).** Notwithstanding any other provision of the Plan, all distributions from the Plan will comply with the minimum distribution requirements of Code section 401(a)(9). In accordance with section 1.401(a)(9)-2 through 1.401(a)(9)-9, the Final and Temporary Treasury Regulations published in the Federal Register on April 17, 2002, the provisions of which are incorporated herein by reference. The requirements of this Section 9.11 shall apply to any distribution of a Participant’s interest and shall override any inconsistent provision of the Plan. In addition, all benefits distributed to any Participant will satisfy the incidental death benefit provisions under Code section 401(a)(9)(G) and section 1.401(a)(9)-5(d) of the regulations.

(b) **Time and Manner Of Distribution.**

- (i) Required Beginning Date. Notwithstanding any other provision of the Plan, the Participant’s entire benefit shall be distributed, or begin to be distributed, not later than April 1 of the calendar year following the later of:

(A) the calendar year in which the Participant attains age 70½,
or

(B) the calendar year in which the Participant retires.

- (ii) Death of Participant Before Distributions Begin. If the Participant dies before distributions begin, the Participant’s entire interest will be distributed, or begin to be distributed no later than as follows:

(A) If the Participant’s surviving spouse is the Participant’s sole designated Beneficiary, then distributions to the surviving spouse shall begin by December 31 of the calendar year immediately following the calendar year in which the

Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70½, if later.

- (B) If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, then distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.
- (C) If there is no designated beneficiary as of September 30 the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
- (D) 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 the surviving spouse begin, this subsection (b)(ii), other than subsection (b)(ii)(A) will apply as if the surviving spouse were the Participant.

For purposes of subsection (b)(ii), unless subsection (b)(ii)(D) applies, distributions are considered to begin on the Participant's Required Beginning Date. If subsection (b)(ii)(D) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under subsection (b)(ii)(A).

A "designated Beneficiary" for purposes of this Section 9.11 means any individual designated as a beneficiary by the Participant.

Life expectancy shall be computed by use of the single life table in Q/A-1 of section 1.401(a)(9)-9 of the Treasury regulations.

9.12 Permissive Service Credit Transfers

If permitted in Appendix A, a Participant who is also a participant in a tax-qualified defined benefit governmental plan (as defined in Code section 414(d)) and has not had a Severance from Employment may elect to have any portion of his or her vested Account transferred to such defined benefit plan for the purpose of purchasing permissive service credit (as defined in Code section 415(n)(3)(A)) under such plan. A transfer under this Section may only be made if the other plan provides for acceptance of such transfers by the Participant.

ARTICLE 10 BENEFICIARIES

10.1 Designation of Beneficiary

Each Participant shall file a written designation of Beneficiary with the Employer, Administrator or Fund Provider upon commencing participation in the Plan. Such designation shall remain in force until revoked by the Participant by filing a new beneficiary designation with the Administrator in accordance with the Plan's administrative procedures. Any amount payable under the Plan which is not disposed of due to a Participant's or former Participant's failure to designate a Beneficiary, or because all of the designated Beneficiaries predeceased the Participant, shall be paid to the Participant's spouse. If the Participant had no spouse at the time of death, payment shall be made to his or her estate in a lump sum.

10.2 Distributions to Minors or Incompetent Persons

If a benefit becomes payable to a minor or to a legally incompetent person, the Administrator shall direct the Fund Sponsor to pay benefits to such person's legal guardian or conservator, a valid power of attorney, or any other individual recognized by the State law under which the Trust is established. Payments made pursuant to this provision shall completely discharge any obligation of the Employer, the Administrator, and the Fund Sponsor for such payment.

10.3 Inability to Locate Participant or Beneficiary

If a Participant or Beneficiary to whom benefits are to be distributed cannot be located, and reasonable efforts have been made to find him or her, including the sending of notification by certified or registered mail to his or her last known address, the Administrator may direct the Custodian or Insurer to take any of the following actions:

- (a) Distribute the benefits in question to an interest-bearing savings account established in the name of the Participant or Beneficiary;
- (b) Allocate the Participant's account balance to a segregated account for distribution to the Participant when located; or
- (c) Forfeit the Participant's account and use the assets thereof to reduce the cost of the Plan or reallocate such funds to other Participant, as elected by the Employer in Appendix A. Any reallocation to other Participant shall be in the ratio that each Participant's Account Balance bears to the total Account Balances of all Participants in the Plan. If the Participant subsequently returns, such forfeiture shall be restored. The restoration shall first be made out of forfeitures, if any, and then by additional Employer contributions.

Reasonable steps to locate the Participant or his or her Beneficiary shall include, but not be limited to, requesting assistance from the Employer, Employees, the Social Security Administration, and/or the Internal Revenue Service. The Administrator shall notify the Participant by certified or registered mail sent to his or her last known address of record when his

or her benefits become distributable. Depending upon the size of a Participant's Account Balance and the expenses involved in attempting to locate the missing Participant, the Administrator may, but is not required to consider using internet search tools, commercial locator services or credit reporting agencies to locate the missing Participant or Beneficiary.

ARTICLE 11 ADMINISTRATION

11.1 Administrator

Such persons as selected by the Code from time to time may constitute a committee responsible for administering and interpreting the Plan on behalf of the Employer. The Committee in its sole discretion shall appoint an individual or individuals to administer the Plan. The duties of the Administrator shall include:

- (a) Appointing all parties needed to administer the Plan including a Third Party Administrator;
- (b) Directing the Fund Providers with respect to distributions from the Fund;
- (c) Communicating with Employees regarding their participation, benefits and other matters of administration;
- (d) Making any filings with the Internal Revenue Service;
- (e) Reviewing and approving all records, reviews and other reports prepared by any party appointed by the Administrator or the Employer;
- (f) Selecting investment companies and/or insurance companies authorized to offer investment products under the Plan;
- (g) Establishing a funding policy and investment objectives consistent with the purposes of the Plan; and
- (h) Construing and resolving any question of Plan interpretation, with such interpretation being final.

11.2 Obligations of Fund Providers

The obligations of the Insurer and the Custodian shall be governed solely by the provisions of the applicable Annuity Contract, Custodial Agreement or other written agreement between the Employer and the Insurer or Custodian, as the case may be, provided that such contracts or agreements satisfy the applicable provisions of the Code and the Treasury regulations. Such agreements shall include procedures for the removal, resignation and replacement of the Custodian and the Insurer.

11.3 Administrative Fees and Expenses

All service fees of the Fund Sponsors and reasonable costs, charges and expenses incurred by the Fund Providers in connection with administrative, custodial and other services provided hereunder, unless paid by the Employer, shall be paid in the manner as agreed upon between the Fund Provider and the Participant. Service fees of the Third Party Administrator will be paid by either the Plan Sponsor, the Participants or the Fund Providers as determined by the Plan Sponsor. Such expenses may include any expenses incident to the functioning of the

Administrator, or to any person or persons retained or appointed by the Administrator incident to the exercise of duties under the Plan. Notwithstanding the foregoing, no compensation other than reimbursement for expenses shall be paid to an Administrator who is the Employer or a full-time Employee of the Employer. Any fees or expenses due to the Insurer or Custodian shall be payable in accordance with the terms of a written contract between the Participant and the Fund Provider; provided, however, that no fees or expenses shall be payable from the Fund where such payment is not permitted in accordance with the terms of the contract.

11.4 Claims and Review Procedure

Benefits normally will be paid to Participants and Beneficiaries without the necessity of formal claims. In the event of a dispute between a Participant or Beneficiary and the Administrator regarding entitlement to benefits under the Plan, the Participant or Beneficiary ("Claimant") may file a claim for benefits in writing with the Administrator. Written notice of the disposition of the claim shall be furnished by the Administrator to the Claimant within 90 days after the claim is filed. If a claim is denied in whole or in part, the Administrator shall issue a written decision setting forth the reasons for the denial and citing the provisions of the Plan on which the decision was based. Where appropriate, the decision shall explain how the Claimant may perfect the claim. In addition, the Claimant shall be furnished with an explanation of the Plan's claims review procedure.

If the claim is denied in whole or in part, the Claimant may request that the Administrator give further consideration of his or her claim by filing with the Administrator (on a form which may be obtained from the Administrator) a written request for review. Such request, together with a written statement of the reasons why the Claimant believes his or her claim should be reviewed, shall be filed with the Administrator no later than 60 days after the Claimant's receipt of the Administrator's denial of the initial claim. In connection with the appeal, the Claimant or his or her representative shall have an opportunity to review all documents in the possession of the Administrator which are pertinent to the claim at issue and its denial. The Administrator shall review the Claimant's statement of reasons in support of the appeal, and all evidence and arguments in support of the claim. The Administrator in its discretion may conduct a hearing on the claim.

The Administrator shall make its decision on the Claimant's request for review within 60 days of receipt of the appeal (except that such 60-day period may be extended due to special circumstances, provided that the delay and the special circumstances occasioning it are communicated to the Claimant within the initial 60-day period). The decision shall be written and shall include specific reasons for the decision and specific references to the pertinent Plan provisions upon which the decision is based. The Administrator's decision shall be final and binding.

ARTICLE 12 AMENDMENT AND TERMINATION

12.1 Amendment by Administrator

The Administrator may amend this Plan at any time without obtaining the approval or consent of the Employer for the purpose of conforming the terms of the Plan with applicable law, regulations or other guidance of general applicability, provided that no amendment shall authorize or permit any part of the Fund to be used for or diverted to purposes other than for the exclusive benefit of Participants and their Beneficiaries.

12.2 Amendment by Employer

The Employer reserves the right to amend any provision of the Plan at any time and to any extent that it may deem advisable without the consent of any Participant or any Beneficiary provided, however, that no amendment shall deprive any Participant of any accrued benefit. Any amendment to this Plan by the Employer shall be set forth in writing and executed by a duly authorized officer on behalf of the Employer.

12.3 Termination

The Employer reserves the right at any time to discontinue or terminate the Plan, to cease making further contributions to the Plan, and/or to suspend contributions for a fixed or indeterminate period of time. Upon termination of the Plan or complete discontinuance of Employer contributions, the Account Balance of each Participant shall become fully vested and shall not be subject to forfeiture. Participants' Accounts may be distributed on termination of the Plan only if the Employer does not make contributions to another Code section 403(b) contract that is not part of the Plan during the 12 months before and after the date of Plan termination. In order for the Plan to be terminated, all accumulated benefits under the Plan must be distributed to all Participants and Beneficiaries as soon as administratively practicable after termination. A distribution includes delivery of a fully paid individual annuity contract.

12.4 Assignment and Alienation

No part of the Fund shall be used for, or diverted to, purposes other than for the exclusive benefit of the Participants and their Beneficiaries. However, a Participant's benefits under the Plan may be offset against any amount that the Participant has ordered or required to pay to the Plan under the circumstances set forth in Code section 401(a)(13)(C). In addition, if permitted in Appendix A, 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. This Section shall not apply to an alternate payee's right to benefits under a Qualified Domestic Relations Order as provided in Section 9.7.

12.5 No Employment Contract Created

This Plan shall not be deemed to constitute a contract between the Employer and any Participant or to be a consideration or an inducement for the employment or continued

employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the Employer or to limit the right of the Employer to discharge any Participant or Employee at any time regardless of the effect such discharge may have upon him or her as a Participant under this Plan.

12.6 Governing Law

The construction, validity and administration of the Plan shall be governed by the laws of the State in which the Employer is located.

APPENDIX A

COLLEGE OF THE DESERT MATCHING
SECTION 403(b) PLAN ADOPTION AGREEMENT

1. Name of Employer/Plan Sponsor

The Employer is:

Name: Desert Community College District

Address: 43-500 Monterey Avenue

City: Palm Desert State: CA Zip: 92260

Telephone: (760) 773-2513

2. Employer Identification Number

The Employer's EIN is: 33-0535430

3. Name of Plan

The name of the Plan is the College of the Desert Matching 403(b) Plan.

4. Effective Date of Plan

This Appendix A of the Plan:

Establishes a new Plan effective _____

Establishes a written Plan (for a Plan previously established) as of November 1, 2008.

Amends and restates the Plan as of _____

5. Administrator

The Administrator is:

Name: Wade W. Ellis, CPA

Address: 43-500 Monterey Avenue

City: Palm Desert State: CA Zip: 92260

Telephone: (760) 773-2513

6. Third Party Administrator

The Third Party Administrator is:

Name: Envoy Plan Services, Inc.

Address: 901 Calle Amanecer, Suite 200

City: San Clemente State: CA Zip: 92673

Telephone: 1-800-248-8858

7. Plan Year

The Plan Year is (month/day): July 1st through June 30th

8. Entry Date

An Eligible Employee's Entry Date for purposes of participation of Elective Deferrals shall be:

- N/A -- The Plan does not provide for Elective Deferrals.
- The Employee's date of employment.
- The first day of the month following the date on which the Employee meets the Plan's eligibility requirements.
- The first day of the school year coinciding with or next following the date on which the Employee meets the Plan's eligibility requirements.
- The earlier of the first day of the Plan Year or the first day of the seventh month of the Plan Year coinciding with or next following the date on which the Employee meets the eligibility requirements.
- Other: _____

9. Exclusions from Compensation

The following additional items shall be excluded from the definition of Compensation in Section 1.9 of the Plan *[if no additional items are to be excluded, check "None"]*:

- None
- Bonuses
- Overtime
- Incentive pay

- Paid leave
- Disability pay
- Fringe benefits
- Compensation during any period when the Employee was not a Participant in the Plan
- Other: _____

10. Post-Severance Elective Deferrals

In accordance with Section 1.9, the following items are included in Compensation if the Plan permits Elective Deferrals of:

- Regular, vacation and sick leave accrued as of the date of a Participant's Severance from Employment.
- Salary continuation payments to Disabled Employees.

11. Post-Severance Includible Compensation

In accordance with Section 1.27, Compensation paid to a former Employee for up to five years after retirement:

- Shall be deemed to be Includible Compensation.
- Shall not be deemed to be Includible Compensation.

12. Normal Retirement Age

Normal Retirement Age shall be 60 (*not more than age 65*).

13. Eligible Employees – Elective Deferrals

All Employees shall be eligible to make Elective Deferrals except:

- N/A—The Plan does not permit Elective Deferrals.
- No exclusions.
- Employees in the following categories shall be excluded (*check all that apply*):
 - Employees participating in another section 403(b) plan of the Employer.
 - Employees participating in a governmental section 457 plan of the Employer.

- Nonresident aliens.
- Student workers (not subject to FICA taxes).
- Employees who normally work less than 20 hours per week (*Note: An Employee normally works fewer than 20 hours per week if, for the 12-month period beginning on the date the Employee's employment commenced, the Employer reasonably expects the Employee to work fewer than 1,000 hours of service and, for each Plan Year ending after the close of that 12-month period, the Employee has worked fewer than 1,000 hours of service*).
- Employees in the following classification(s) who were excluded under the terms of the Plan as of July 26, 2007 shall continue to be excluded during the applicable transition period under section 1.403(b)-11 of the Treasury regulations:
 - Employees covered under a collective bargaining agreement.
 - Visiting professors.
 - Employees who make a one-time election to participate in a governmental plan described in Code section 414(d) that is not a section 403(b) plan.
 - Employees affiliated with a religious order and who have taken a vow of poverty.

14. Pre-Tax Deferrals -- Amount

Participants shall be permitted to make Pre-Tax Deferrals in:

- Any flat-dollar amount not exceeding the Code section 402(g) limit, as adjusted.
- Minimum dollar amount: _____
- Maximum dollar amount: _____

15. Age 50 Catch-Up Contribution

The Age-50 Catch-Up Contribution:

- Shall apply (*if this option is selected, it must apply to all Employees eligible to make Elective Deferrals*).
- Shall not apply.

16. Special Statutory Catch-Up for 15-Year Employees

The Special Statutory Catch-Up Contribution:

- Shall apply.
- Shall not apply.

17. Roth Contributions

Roth Contributions (*note: Roth Contributions may be permitted only if Pre-Tax Deferrals are permitted*):

- Shall be permitted.
- Shall not be permitted.
- If permitted, shall be subject to the following minimum and/or maximum limits (*describe*): _____.

18. Voluntary After-Tax Contributions

Voluntary After-Tax Contributions:

- Shall not be permitted.
- Shall be permitted.
- If permitted, shall be subject to the following limitations (*specify*): _____.

19. Rollover/Transfer Contributions

- Rollover Contributions into the Plan shall be permitted.
- Transfer Contributions shall be permitted (*note: Transfer Contributions shall be subject to the more stringent distribution restrictions of the transferor plan, if any*):
 - By current Employees only.
 - By current and former Employees.
 - By current and former Employees and Beneficiaries.

20. Plan to Plan Transfers

- Plan to Plan Transfers to another 403(b) plan shall not be permitted.
- Plan to Plan Transfers to another 403(b) plan shall be permitted:
 - By current Employees only.

- By current and former Employees.
- By former Employees and Beneficiaries.

21. Contract Exchanges

- Contract exchanges between two or more approved Fund Providers within the Plan shall not be permitted.
- Contract exchanges between two or more approved Fund Providers within the Plan shall be permitted:
 - By current Employees only.
 - By current and former Employees.
 - By current and former Employees and Beneficiaries.

22. Direct Rollover Contributions

The Plan will accept a Direct Rollover Contribution from *(check all that apply)*:

- A qualified plan described in Code section 401(a) or 403(a), excluding voluntary after-tax contributions and Roth contributions.
- A qualified plan described in Code section 401(a) or 403(a), including voluntary after-tax contributions and Roth contributions *(note: Roth contributions may be rolled over to this Plan only if this Plan permits Elective Deferrals designated as Roth Contributions)*.
- An annuity contract described in Code section 403(b), including voluntary after-tax contributions and Roth contributions.
- An annuity contract described in Code section 403(b), excluding voluntary after-tax contributions and Roth contributions.
- An eligible plan under Code section 457(b) which is maintained by a state, political subdivision of a state, or an agency or instrumentality of the state of political subdivision of the state.

23. Indirect Rollovers -- Participant Rollover Contributions from Other Plans

The Plan will accept a Participant Rollover Contribution of an Eligible Rollover Distribution from *(check all that apply; note that indirect rollovers of Roth or other after-tax contributions are not permitted)*:

- A qualified Plan described in Code section 401(a) or 403(a).
- An annuity contract described in Code section 403(b).

- An eligible plan under Code section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state.

24. Indirect Rollovers -- Participant Rollover Contributions from IRAs

The Plan:

- Will not accept Participant Rollover Contributions from IRAs.
- Will accept a Participant Rollover Contribution of the portion of a distribution from an individual retirement account or annuity described in Code section 408(a) or 408(b) that is eligible to be rolled over and would otherwise be includible in gross income.

25. Eligible Employees -- Non-Elective Contributions

The following eligibility requirements shall apply:

- The Plan does not permit Non-Elective Contributions.
- No eligibility conditions.
- Classified Bargaining Unit Employees of the Employer that meet the following eligibility requirements:
- Must be a Full-Time Employee and,
 - Is at a paid status and,
 - For Employees that are not categorically funded, have passed the one (1) year probationary period OR,

For Employees that are categorically funded, have worked for the Employer for three (3) continuous years.
- Classified Confidential Employees of the Employer that meet the following eligibility requirements:
- Classified Bargaining Unit Employees of the Employer that meet the following eligibility requirements:
- Must be a Full-Time Employee and,
 - Is at a paid status and,

- For Employees that are not categorically funded, have passed the one (1) year probationary period OR,

For Employees that are categorically funded, have worked for the Employer for three (3) continuous years.

Classified Supervisory Employees of the Employer that meet the following eligibility requirements:

- Must be a Full-Time Employee and,
- Is at a paid status and,

Management Employees of the Employer that meet the following eligibility requirements:

- Is at a Full-time status on July 1st
- OR
- Is at a paid status the first day of the academic year

Full-Time Faculty of the Employer that meet the following eligibility requirements:

- Is at a Full-time status on July 1st
- OR
- Is at a paid status the first day of the academic year

Employees in the following categories shall be excluded (*check all that apply*):

- Employees participating in another section 403(b) plan of the Employer.
- Employees participating in a governmental section 457 plan of the Employer.
- Nonresident aliens.
- Student workers (not subject to FICA taxes).
- Employees that do not meet the eligibility criteria outlined in this Section.
- Employees who normally work less than 20 hours per week (*Note: An Employee normally works fewer than 20 hours per week if, for the 12-month period beginning on the date the Employee's employment*

commenced, the Employer reasonably expects the Employee to work fewer than 1,000 hours of service and, for each Plan Year ending after the close of that 12-month period, the Employee has worked fewer than 1,000 hours of service).

- Employees in the following classification(s) who were excluded under the terms of the Plan as of July 26, 2007 shall continue to be excluded during the applicable transition period under section 1.403(b)-11 of the Treasury regulations:
 - Employees covered under a collective bargaining agreement.
 - Visiting professors.
 - Employees who make a one-time election to participate in a governmental plan described in Code section 414(d) that is not a section 403(b) plan.
 - Employees affiliated with a religious order and who have taken a vow of poverty.

26. Employer Non-Elective Contributions – Allocation Formula

Employer Non-Elective Contributions, at the discretion of the Employer, shall be allocated as follows:

- Discretionary Contribution: An amount the Employer in its sole discretion may determine.
- Fixed Contribution:
 - Classified Bargaining Unit Employees:

The District will match the Participants' 403(b) contribution amounts to this Plan, on a dollar for dollar basis, up to a maximum per fiscal year of \$675.00.
 - Classified Confidential Employee:

The District will match the Participants' 403(b) contribution amounts to this Plan, on a dollar for dollar basis, up to a maximum per fiscal year of \$1200.00.
 - Classified Supervisory Employees:

The District will match the Participants' 403(b) contribution amounts to this Plan, on a dollar for dollar basis, up to a maximum per fiscal year of \$1200.00.
 - Full-Time Faculty Employees;

The District will match the Participants' 403(b) contribution amounts to this Plan, on a dollar for dollar basis, up to a maximum per fiscal year of \$1200.00.

Management Employees:

The District will match the Participants' 403(b) contribution amounts to this Plan, on a dollar for dollar basis, up to a maximum per fiscal year of \$1200.00.

Age graded:

A base contribution of _____ % of Compensation up to age _____.

An additional contribution of _____ % of Compensation if the Participant is age ___ or above.

Service graded:

A base contribution of _____ % of Compensation for up to age _____.

An additional contribution of _____ % of Compensation if the Participant has completed at least _____ years of service with the Employer.

Non-Pro-Rata Allocation: The Employer will allocate the fixed or discretionary Non-Elective Contribution as follows: _____

27. Employer Non-Elective Contributions – Allocation Conditions

To be eligible for an Employer Non-Elective Contribution, a Participant must satisfy the following allocation conditions:

No allocation conditions.

The Participant must be employed by the Employer on the last day of the Plan Year.

Other (specify): As provided for in each employees' employment contract or agreement, Employer's policy statement or provisions of a collective bargaining agreement.

28. Employer Non-Elective Contributions – Former Employees

Non-Elective Contributions for former Employees (*note: Contributions for former Employees are only permitted if the Employer elects to include post-severance compensation as Includible Compensation*):

- Will not be made.
- Will be made at the discretion of the Employer.
- Will be made for former Employees who meet the following eligibility requirements: _____

- Contributions may be made for a period of _____ years (*not to exceed five*) following the Employee's Severance from Employment.
- Contributions shall be made on the following basis: _____

29. Vesting of Non-Elective Contributions

The following vesting provisions shall apply only to the Non-Elective Contributions allocated to a Participant's Account:

- Immediate 100% vesting.
- 100% vesting after three (3) years of service.
- 100% vesting upon Participant's Death
- Vesting schedule as follows:
 - _____ % after _____ year(s) of service.
 - _____ % after _____ years of service.
 - _____ % after _____ years of service.
 - _____ % after _____ years service.
 - _____ % after _____ years of service.
- A year of service shall be computed as follows: _____
- Other (*specify*): _____

In-Service Distributions

The Plan will permit distribution of a Participant's Account Balance before a Severance from Employment as follows:

- In-service distributions are not permitted.
- The Participant must be 100% Vested in his/her Account Balance.
- The Participant must be 100% Vested in his/her Account Balance except for hardship withdrawals.
- The Participant must be at least _____% Vested in his her Account Balance, and distribution is limited to _____% of the Vested portion (*distribution may not exceed the Vested portion of the Account*).
- In-service distributions are available for the Participant's vested portion of their account balance only and are permitted on the occurrence of the following events (*check all that apply*):
 - Death of the Participant.
 - Attainment of age 59 ½.
 - A qualified hardship withdrawal.
 - At any time with respect to Elective Deferrals by qualified reservists.
 - A Qualified Domestic Relations Order.
 - An IRS Levy.

30. Permissive Service Credit Transfers

Permissive Service Credit Transfers at the request of a Participant:

- Shall be permitted for only the Vested portion of Participants' account balances.
- Shall not be permitted.

31. Participant Loans

Participant loans:

- Shall not be permitted after November 1, 2008.
- Shall be permitted (current Employees only).
- Loans shall be subject to the following conditions:

- No more than _____ loans may be outstanding at one time.
- No limit on the number of loans subject to 72(p) of the Code.
- The minimum loan amount shall be: \$ 1,000.
- Only available prior to November 1, 2008, subject to section 72(p) of the Code.

32. Investments

Benefits under the Plan shall be funded through the following vehicle(s):

- Annuity Contracts
 - The Annuity Contract(s) issued by the Fund Providers Referenced in Exhibit B are incorporated into the Plan:

- Custodial Agreements
 - The Custodial Agreements(s) issued by the Fund Providers Referenced in Exhibit B are incorporated into the Plan:

33. Timing of Distributions

The Participant's benefit shall be paid (or payment shall commence):

- As soon as administratively feasible following the close of the Plan Year during which a distribution is requested or is otherwise payable.
- As soon as administratively feasible following the date on which a distribution is requested or is otherwise payable.
- After the Participant has reached Normal Retirement Age.
- Other: _____

34. Forms of Payment

The following distribution options shall apply (*specify all applicable options*)

- Lump sum.
 - Installment payments: As provided by the Fund Providers.
 - Annuities: _____.
 - Other forms as follows: As provided by the Fund Provider.
-

35. Cashout of Small Accounts

The involuntary cashout provisions of Section 9.9:

- Shall apply.
- Shall not apply.

In determining the value of the Participant's Vested Account Balance for purposes of the involuntary cashout provisions of Section 9.9, Plan, the Employer elects:

- Not to exclude Rollover Contributions.

36. Limitation Year

The Limitation Year is the (*select one*):

- Plan Year.
- Calendar Year.

37. Forfeitures

Forfeitures:

- Shall be allocated to other Participants in the Plan on the same basis as Non-Elective Contributions.
- Shall be used to reduce future Employer Contributions.
- N/A.

38. Valuation Dates

In addition to the Valuation Date specified in Section 1.46, the following additional Valuation Dates shall apply:

- Daily valuation – each business day of the Fund Provider.
- Last day of the following period(s): _____.
- The following dates: _____.
- As determined by each the Provider.
- None.

IN WITNESS WHEREOF, the Desert Community College District has caused this College of the Desert Matching 403(b) Plan to be executed on November 1, 2008, by its authorized officer.

Wade W. Ellis, CPA

DESERT COMMUNITY COLLEGE DISTRICT

By: Wade W. Ellis, CPA

Title: Director, Fiscal Services

APPENDIX B
APPROVED FUND PROVIDERS UNDER
THE COLLEGE OF THE DESERT
MATCHING 403(b)
PLAN

American Funds / Capital Research & Management Company

Firmwide:87304753.1 007833.2003

