PINCKNEY COMMUNITY SCHOOLS

I.R.S. CODE SECTION 403(b) MASTER PLAN

Restated Effective December 15, 2011

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PREAMBLE

This Restatement of the Plan is adopted to reflect certain changes in requirements under the Internal Revenue Code, including, but not limited to changes required or permitted by the Pension Protection Act of 2006, the Heroes Earnings Assistance and Relief Tax Act of 2008 (the HEART Act) and the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA) and guidance issued thereunder. This restatement is also intended as good faith compliance with the requirements of the final regulations under Code §403(b) issued on July 26, 2007 and is to be construed in accordance with the Code and guidance issued thereunder. This restatement shall generally be effective December 15, 2011, provided however, that certain provisions have earlier effective dates identified herein.

ARTICLE I - DEFINITIONS

The words and phrases defined in this Article have the following meanings throughout this Plan document.

1.1 Account

"Account" means the aggregate accounts established for each Participant or Beneficiary under an Annuity Contract or Custodial Account. The current value of an Account includes any Employer Contribution Account and the Elective Deferral Account.

1.2 Administrator

"Administrator" means the Pinckney Community Schools or a designee appointed in writing by the Pinckney Community Schools to act as Administrator on its behalf.

1.3 Annual Additions

"Annual Additions" means the sum of the following amounts credited to a Participant's Account for the Plan Year (limitation year);

(a) Employer contributions which are not Elective Deferrals;

(b) Elective Deferrals made to this Plan, other than elective deferrals made pursuant to Code Section 414(v);

(c) Employee after-tax contributions; and

(d) Employee Roth contributions, to the extent such contributions are otherwise permitted under the Plan.

All amounts contributed to the Plan are fully vested. Further, the Employer does not maintain individual medical accounts as defined in Code Section 415(l)(2) or post-retirement medical benefits for key employees as determined pursuant to Code Section 419A(d). For purpose of determining Annual Additions, all tax-sheltered annuity plans of the Employer shall be aggregated.

1.4 Annuity Contract

"Annuity Contract" means a nontransferable contract as defined in Code §403(b)(1), established by each Participant, that is issued by an insurance company qualified to issue annuities in Michigan and that includes payment in the form of an annuity.

1.5 Beneficiary

"Beneficiary" means the person(s), trustee, or estate designated by the Participant to receive the Participant's benefits at his or her death as provided in Section 6.3 or an

alternate payee pursuant to a qualified domestic relations order, as described in Treas. Reg. §1.403(b)-10(c).

1.6 Board

"Board" means the Employer's Board of Education.

1.7 Code

"Code" means the Internal Revenue Code of 1986, as amended.

1.8 Compensation

"Compensation" means all cash compensation for services to the Employer, including salary, wages, fees, commissions, bonuses, and overtime pay, that is includible in the Employee's gross income for the calendar year, plus amounts that would be cash compensation for services to the Employer includible in the Employee's gross income for the calendar year but for a compensation reduction election under Code §§125, 132(f), 401(k), 403(b) or 457(b) (including an election under this Plan made to reduce compensation in order to have Elective Deferrals under the Plan). Only remuneration which is earned by a Participant from the Employer during the period which precedes the taxable year by no more than five years shall be considered as "Compensation". "Compensation" shall not include any Board-paid Employer contributions.

Effective on and after January 1, 2005, "Compensation" shall include remuneration paid after a Participant's Severance from Employment with the Employer, provided that such compensation is paid by the later of 2 ½ months after such Severance from Employment or the end of the calendar year that includes the date of Severance from Employment if:

(a)(1) the payment is regular compensation for services during the Participant's regular working hours, or compensation for services outside of the employee's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments; and (2) the payment would have been paid to the employee prior to a severance from employment if the employee had continued in employment with the Employer; or

(b) the payment is for unused accrued bona fide sick, vacation, or other leave, but only if the Participant would have been able to use the leave if employment had continued.

Effective January 1, 2009, Compensation also includes a differential wage payment as defined in Code §3401(h)(2).

If, in connection with the adoption of this amendment and restatement, the definition of Compensation has been modified, then, for Plan Years prior to the Plan Year which includes the adoption date of this amendment and restatement, Compensation means compensation determined pursuant to the Plan then in effect.

1.9 Compensation Reduction Agreement

"Compensation Reduction Agreement" means an agreement executed by and between the Employer and the Employee pursuant to Code Section 403(b) under which the Employee agrees to a reduction in future compensation and the Employer agrees to deposit such amount into the Employee's Account subject to the applicable limitations of the Plan, the Code and accompanying regulations.

1.10 Custodial Account

"Custodial Account" means the group or individual custodial account or accounts, as defined in Code §403(b)(7), established by each Participant to hold assets of the Plan.

1.11 Elective Deferral Account

"Elective Deferral Account" means the separate bookkeeping account established under the Plan which is credited with Elective Deferrals made by a Participant and which is adjusted by the applicable Fund Sponsor to reflect expenses, income, investment experience and distributions.

1.12 Elective Deferrals

"Elective Deferrals" mean Employer contributions made to the Plan at the election of the Participant, in lieu of cash compensation, and shall include contributions made pursuant to a salary reduction agreement or other deferral mechanism. With respect to any taxable year, a Participant's Elective Deferral is the sum of all Employer contributions made on behalf of such Participant pursuant to an election to defer under any qualified CODA as described in Section 401(k) of the Code, any simplified employee pension cash or deferred arrangement as described in Section 402(h)(1)(B), any SIMPLE retirement account as described under Code Section 408(p)(2)(A)(i), any eligible deferred compensation plan under Section 457 (for Plan Years prior to January 1, 2002), any plan as described under Section 501(c)(18), and any Employer contributions made on the behalf of a Participant for the purchase of an annuity contract under Section 403(b) pursuant to a salary reduction agreement. Elective Deferrals shall not include any deferrals properly distributed as excess Annual Additions. Elective Deferrals may be

made on a tax-deferred basis in accordance with Code Sections 402(g), 414(v) and 403(b). To the extent otherwise permitted under the Plan, Roth deferrals may also be made on a post-tax basis in accordance with Code Section 402A.

1.13 Employee

"Employee" means any employee who is employed by the Employer other than non-resident aliens described in Code Section 410(b)(3)(C) and employees who are students performing services described in Code Section 3121(b)(10) and employees who normally work fewer than twenty (20) hours per week. An employee normally works fewer than 20 hours per week if, for the 12-month period beginning on the date the employee's employment commenced, the Employer reasonably expects the employee to work fewer than 1,000 hours of service (as defined under Code §410(a)(3)(C)) 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. An Employee shall not include any independent contractor or individual whose compensation for performing services for the Employer is paid other than directly from the payroll of the Employer. Effective January 1, 2009, an Employee shall also include an individual who receives differential pay, as defined in Code §3401(h)(2), from the Employer during a period of qualified military service in accordance with Code §414(u)(12).

1.14 Employer

"**Employer**" means the Pinckney Community Schools.

1.15 Employer Contribution Account

"Employer Contribution Account" means the bookkeeping account established under the Plan which is credited with Employer contributions which are not Elective

Deferrals and which is adjusted by the applicable Fund Sponsor to reflect expenses, income, investment experience and distributions.

1.16 Employment Commencement Date

"Employment Commencement Date" means the date on which an employee first performs an Hour of Service for the Employer.

1.17 Excess Elective Deferrals

"Excess Elective Deferrals" shall mean those Elective Deferrals that are includible in a Participant's gross income under Section 402(g) of the Code to the extent such Participant's Elective Deferrals for a taxable year exceed the dollar limitation under such Code Section. Excess Elective Deferrals shall be treated as Annual Additions under the Plan, unless such amounts are distributed no later than the first April 15 following the close of the Participant's taxable year.

1.18 415 Compensation

"**415 Compensation**" means the Compensation considered for purposes of determining the Code Section 415 limitations of the Annual Additions to each Participant's Account.

Effective January 1, 2002, "415 Compensation" shall mean "includible compensation" as defined in Code Section 403(b)(3). Effective January 1, 2009, "415 Compensation" shall also include differential wage payments as defined in Code §3401(h)(2).

1.19 Fund Sponsor

"Fund Sponsor" means an insurance, variable annuity, mutual fund, or retirement company that provides Funding Vehicle(s) available to Participants under the Plan.

1.20 Funding Vehicle(s)

"Funding Vehicle(s)" means the financial instruments issued for the purpose of funding benefits under this Plan as specifically approved by the Employer for use under this Plan. Any Annuity Contract utilized in conjunction with this Plan must be nontransferrable. Funding Vehicles shall be limited to Annuity Contracts and Custodial Accounts which comply with the requirements of Code Section 403(b).

1.21 Hour of Service

"Hour of Service" means an hour for which an employee is paid, or entitled to payment for the performance of duties for the Employer.

1.22 Includible Compensation

"Includible Compensation" means an Employee's actual wages in box 1 of Form W-2 for a year for services to the Employer, but subject to a maximum of $200,000 (or such higher maximum as may apply under Code §401(a)(17)) and increased (up to the dollar maximum) by any compensation reduction election under Code §§125, 132(f), 401(k), 403(b) or 457(b) (including any Elective Deferral under the Plan). The amount of Includible Compensation is determined without regard to any community property laws. Effective January 1, 2009, Includible Compensation also includes a differential wage payment as defined in Code §3401(h)(2).

1.23 Individual Agreement

"Individual Agreement" means an agreement between a Fund Sponsor and a Participant that constitutes or governs a Custodial Account or an Annuity Contract.

1.24 Most Recent Period of Service

"Most Recent Period of Service" means the last Period of Service which ends on or before the end of the tax year for which Compensation is determined and which may be counted as one year of service for the Participant. The Most Recent Period of Service for purposes of determining Compensation for an Employee who is a part-time employee or a full-time employee who worked for a part of a year is determined pursuant to Treas. Reg. §1.403(b)-4(e)(7).

1.25 Normal Retirement Age

"Normal Retirement Age" shall mean the day on which the Participant attains age fifty-nine and one-half (59½).

1.26 Participant

"Participant" means any Employee of the Employer participating in this Plan in the manner provided in Article II.

1.27 Plan

"Plan" means the Pinckney Community Schools I.R.S. Code Section 403(b) Master Plan as set forth herein and as amended from time to time and as supplemented by the Pinckney Community Schools Tax-Sheltered Annuity or Custodial Account Purchase Agreement (Compensation Reduction Agreement), the Agreements Between the Pinckney Community Schools and Authorized Annuity Sales Agencies and Custodial Account Representatives and applicable custodial accounts and annuity contracts, all as

amended from time to time. However, in no event shall these supplementary documents supersede or conflict with the Plan terms. The provisions of this Plan document shall be controlling.

1.28 Plan Year

"Plan Year" means the calendar year. The Plan Year shall be the limitation year for Code Section 415 purposes.

1.29 Related Employer

"Related Employer" shall mean the Employer and any other entity which is under common control with the Employer under Code §414(b) or (c). For this purpose, the Employer shall determine which entities are Related Employers based on a reasonable, good faith standard and taking into account the special rules applicable under Notice 89-23, 1989-1C.B. 654.

1.30 Severance From Employment

"Severance From Employment" shall mean Severance from Employment with the Employer and any Related Employer. However, a Severance from Employment also occurs on any date on which an Employee ceases to be an employee of a public school, even though the Employee may continue to be employed by a Related Employer that is another unit of the State or local government that is not a public school or in a capacity that is not employment with a public school (e.g., ceasing to be an employee performing services for a public school but continuing to work for the same State or local government employer.

1.31 Total Disability

"Total Disability" means that the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or be of long continued and indefinite duration.

1.32 Year of Service

"Year of Service" means the total period of employment (determined as of the end of the Employer's annual work period) with the Employer which is credited to a Participant for purposes of determining Compensation referred to in Section 1.8 of the Plan. A Participant shall be credited with a full Year of Service for each year during which the individual is a full-time employee of the Employer for the entire work period, and a fraction of a year for each part of a work period during which the individual is a full-time or part-time employee of the Employer. An individual's number of Years of Service equals the aggregate of the annual work period during which the individual is employed by the Employer.

A Participant shall be treated as having a fraction of a Year of Service for each year during which he was a full-time employee for part of the taxable year or for each year during which he was a part-time employee for the entire or for part of a year as determined under Treas. Reg. §1.403(b)-4(e). A Participant shall be considered a full-time Employee if the Participant's amount of required work is comparable to the work required of individuals holding the same position with the Employer who receive most of their Compensation for such position. A full Year of Service means the completion of the

usual annual work period for persons employed full-time in that general type of employment at the place of employment.

ARTICLE II- ESTABLISHMENT OF PLAN

2.1 Establishment of Plan

The Employer's Board of Education (the "Board") established the Plan. Plan contributions are invested in one or more of the Funding Vehicles available under the Plan.

ARTICLE III - ELIGIBILITY FOR PARTICIPATION

3.1 Participation

An Employee may begin participation in the Plan upon the later of becoming employed by the Employer or the date the Employee completes the necessary forms.

3.2 Compliance with Terms

An Employee who complies with the requirements of Section 3.1 and becomes a Participant is entitled to the benefits and is bound by all of the terms, provisions, and conditions of this Plan, including any and all amendments which from time to time may be adopted, and including the terms, provisions and conditions of any Funding Vehicle(s) to which Plan contributions for the Participant have been applied.

3.3 Enrollment in Plan

An Employee must complete and execute the necessary enrollment form(s) and Compensation Reduction Agreement forms. The Compensation Reduction Agreement shall (1) provide that the Employee agrees to be bound by all the terms and conditions of the Plan; (2) include designation of the Funding Vehicles and Accounts therein to which elective deferrals are to be made; and (3) provide for the designation of a Beneficiary.

All forms must be returned to the Employer. An Employee shall become a Participant as soon as administratively practicable following the date applicable under the Employee's Compensation Reduction Agreement.

3.4 Re-employment

Any Employee who terminates employment but is re-employed as an Employee will be immediately eligible to participate in the Plan on the date of re-employment.

ARTICLE IV - PLAN CONTRIBUTIONS

4.1 Elective Deferrals and Code Section 402(g) Limitations

Subject to the provisions of this Plan and applicable Code limitations, a Participant may elect to make Elective Deferrals to the Plan by means of a Compensation Reduction Agreement. All Elective Deferral amounts are subject to the Code limitations and the limitations of this Plan. Elective Deferrals shall be deposited in the Plan within a reasonable time after each payroll period, but in any event, no later than 15 business days following the end of the month in which the amount would otherwise have been paid to the Participant.

A Compensation Reduction Agreement only applies to amounts earned by the Participant after the effective date of the Agreement. Once a Compensation Reduction Agreement is accepted by the Employer, such agreement shall continue to be effective for the current calendar year and each subsequent calendar year until (i) a new Compensation Reduction Agreement is executed and accepted by the Employer, (ii) the Compensation Reduction Agreement is terminated by either the Employer or the Employee, or (iii) the Employer modifies the Agreement (as provided below) to comply with Code requirements.

The Employer reserves the right to limit Elective Deferrals only as required to comply with Code limitations or other applicable laws. If the Employer limits, reduces or terminates contributions, the Participant will be first notified. In addition, each Funding Vehicle (i.e., Annuity Contract or Custodial Account) shall provide for the return of Excess Elective Deferrals, together with income attributable thereto, if applicable, to the Participant in conformance with the Code requirements.

Except to the extent permitted under Section 4.3 of the Plan and Section 414(v) of the Code, if applicable, no Participant shall be permitted to have Elective Deferrals to any contract purchased pursuant to a salary reduction agreement, during any taxable year, in excess of the dollar limitation contained in Section 402(g) of the Code in effect at the beginning of such taxable year. Code §402(g) requires that the maximum amount of the Elective Deferral under the Plan for any calendar year shall not exceed the lesser of (a) the applicable dollar amount, or (b) the Participant's Includible Compensation for the calendar year. The applicable dollar amount is the amount established under Code §402(g)(1)(B), which is $15,500 for 2007, and is adjusted for cost-of-living after 2007 to the extent provided under Code §415(d). For longer service Participants, the Code Section 402(g) limitation shall take into account the provisions of Code Section 402(g)(7). Under this provision, the applicable dollar amount is increased by the least of: (a) $3,000; (b) the excess of: (1) $15,000, over (2) the total special Code §403(b) catch-up elective deferrals made for the employee by the Employer for prior years; or (c) the excess of: (1) $5,000 multiplied by the number of Years of Service of the employee with the Employer, over (2) the total Elective Deferrals made for the Employee by the Employer for prior years. A "longer service" Participant, for purposes of Code

§402(g)(7), means an Employee who has completed at least 15 Years of Service taking into account only employment with the Employer. Participants shall be required to present worksheets which demonstrate entitlement to the increased Code Section 402(g)(7) limitation.

A Participant may assign to this Plan any Excess Elective Deferrals made during a taxable year of the Participant by notifying the Fund Sponsor on or before March 1 of the amount of the Excess Elective Deferrals to be assigned to the Plan. A Participant is deemed to notify the Fund Sponsor of any Excess Elective Deferrals that arise by taking into account only those Elective Deferrals made to this Plan and any other plans of this Employer.

Notwithstanding any other provisions of the Plan or Funding Vehicle document, Excess Elective Deferrals, plus any income and minus any loss allocable thereto, shall be distributed no later than April 15 to any Participant to whose Account Excess Elective Deferrals were assigned for the preceding year and who claims Excess Elective Deferrals for such taxable year.

Excess Elective Deferrals shall be adjusted for any income or loss up to the date of distribution. The income or loss allocable to Excess Elective Deferrals is the sum of: (1) income or loss allocable to the Participant's Elective Deferral Account for the taxable year multiplied by a fraction, the numerator of which is such Participant' Excess Elective Deferrals for the year and the denominator is the Participant's Elective Deferral Account balance without regard to any income or loss occurring during such taxable year; and (2) ten percent of the amount determined under (1) multiplied by the number of whole calendar months between the end of the Participant's taxable year and the date of

distribution, counting the month of distribution if distribution occurs after the 15th of such month.

4.2 Roth Elective Deferrals

Effective January 1, 2009, the Plan will accept Roth Elective Deferrals made by Participants. A Roth Elective Deferral is an elective deferral that is (a) designated irrevocably by the Participant at the time of the cash or deferred election as a Roth elective deferral that is being made in lieu of all or a portion of the pre-tax elective deferrals the Participant is otherwise eligible to make under the Plan; and (b) treated by the Employer as includible in the Participant's income at the time the Participant would have received that amount in cash of the Participant had not made a cash or deferred election. All Roth Elective Deferrals under the Plan shall satisfy the requirements of Treas. Reg. §1.403(b)-3(c). A Participant's Roth Elective Deferrals will be allocated to a separate account maintained for such deferrals as described in this Section 4.2. Unless specifically stated otherwise, Roth Elective Deferrals will be treated as elective deferrals for all purposes under the Plan.

Contributions and withdrawals of Roth Elective Deferrals will be credited and debited to the Roth elective deferral account maintained for each Participant. The Administrator and each Fund Sponsor will maintain a record of the amount of Roth Elective Deferrals in each Participant's Account. Gains, losses and other credits or charges must be separately allocated on a reasonable and consistent basis to each Participant's Roth elective deferral account and the Participant's other accounts under the Plan. No contributions other than Roth Elective Deferrals and properly attributable earnings will be credited to each Participant's Roth elective deferral account.

Notwithstanding Section 6.7 of the Plan, a direct rollover of a distribution from a Roth elective deferral account under the Plan will only be made to another Roth elective deferral account under an applicable retirement plan described in Code §402A(e)(1) or to a Roth IRA described in Code §408A, and only to the extent the rollover is permitted under the rules of Code §402(c). Notwithstanding Section 4.9 of the Plan, the Plan will accept a rollover contribution to a Roth elective deferral account only if it is a direct rollover from another Roth elective deferral account under an applicable retirement plan described in Code §402A(e)(1) and only to the extent the rollover is permitted under the rules of Code §402(c). The Plan will not provide for a direct rollover (including an automatic rollover) for distributions from a Participant's Roth elective deferral account if the amount of the distributions that are eligible rollover distributions are reasonably expected to total less than $200 during a year. In addition, any distribution from a participant's Roth elective deferral account is not taken into account in determining whether distributions from a Participant's other accounts are reasonably expected to total less than $200 during a year.

In the case of a distribution of excess contributions as described in Sections 4.1 or 4.5 of the Plan, a Participant may designate the extent to which the excess amount is composed of pre-tax elective deferrals and Roth elective deferrals, but only to the extent such types of deferrals were made for the year. If the Participant does not designate which type of elective deferrals are to be distributed, the Plan will distribute pre-tax elective deferrals first.

The distribution of Roth Elective Deferrals may not be made earlier than the earliest of the events set forth in Section 6.1 of the Plan. Such distributions are also

subject to the minimum distribution requirements stated in Section 6.2 of the Plan. If an amount is distributed from a Roth elective deferral account under the Plan, the amount, if any, that is includible in gross income and the amount, if any, that may be rolled over to another Code §403(b) plan is determined under Treas. Reg. §1.402A-1.

4.3 Catch-Up Contributions

Effective with the Plan Year beginning January 1, 2002, all Participants who are eligible to make Elective Deferrals under this Plan and who have attained age 50 before the close of the Plan Year shall be eligible to make catch-up contributions in accordance with, and subject to the limitations of Section 414(v) of the Code. Such catch-up contributions shall not be taken into account for purposes of the provisions of the Plan implementing the required limitations of sections 402(g) and 415 of the Code. Elective Deferrals in excess of the amount permitted under Code §402(g) shall be allocated first to the special "long service" catch-up under Code §402(g)(7) and next as an "age 50" catch-up under Code §414(v). In no event, however, may the amount of a Participant's Elective Deferrals for a year be more than the Participant's Compensation for the year.

4.4 Special Rule for Participant Covered by Another Section 403(b) Plan

For purposes of this Article 4, if the Participant is or has been a participant in one or more other plans under Code §403(b) (or any other plan that permits elective deferrals under Code §402(g)), then this Plan and all such other plans shall be considered as one plan for purposes of applying the foregoing limitations of this Article 4. For this purpose, the Administrator shall take into account any other such plan maintained by any Related Employer and shall also take into account any other such plan for which the Administrator receives from the Participant sufficient information concerning his or her

participation in such other plan. Notwithstanding the foregoing, another plan maintained by a Related Employer shall be taken into account for purposes of Section 4.1 only if the other plan is a Code §403(b) plan.

4.5 Code Section 415 Limitations

Since no Participant participates in, or has ever participated in a welfare benefit fund, as defined in Section 419(e) of the Code maintained by the Employer, or an individual medical account, as defined in Section 415(l)(2) of the Code, maintained by the Employer, the Code Section 415 limitations in this Plan do not address these circumstances. Instead, the amount of Annual Additions which may be credited to a Participant's Account for any limitation year (Plan Year) will not exceed the lesser of (i) $40,000 as adjusted for increases in cost of living under section 415(d) of the Code; or (ii) one hundred percent (100%) of the Participant's Compensation for the Plan Year. If a short limitation year is credited because of an amendment changing the limitation year to a different 12-consecutive month period, the maximum permissible amount will not exceed the defined contribution dollar limitation in (i) above multiplied by a fraction with a numerator of the number of months in the short limitation year and a denominator of 12. The rules described in Treas. Reg. §1.403(b)-4(b), as applicable to plans of governmental employers, shall apply for the purpose of satisfying these limitations.

If, as the result of (a) an error in calculating 415 Compensation, or (b) a reasonable error in calculating Elective Deferrals that may be made with respect to any individual under Code Section 415, or (c) other facts and circumstances under which may be considered under Code §415 and applicable IRS guidance, there is an amount in excess of the Annual Addition limitation, the excess will be disposed of as follows.

Elective Deferrals in excess of the Annual Addition limitation, and gains attributable to such Elective Deferrals, shall be distributed from the Funding Vehicle by the applicable Fund Sponsor to the Participant. These distributed or returned amounts are disregarded for purposes of Code Section 402(g).

If an excess still exists after the return of Elective Deferrals, then the Plan may only correct such excess in accordance with the Employee Plans Compliance Resolution System (EPCRS) as set forth in Revenue Procedure 2008-50 or any superseding guidance, including, but not limited to, the preamble of the final §415 regulations.

4.6 Protection of Persons Who Serve in a Uniformed Service

An Employee whose employment is interrupted by qualified military service under Code §414(u) or who is on a leave of absence for qualified military service under Code §414(u) 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 Code §414(u), 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).

4.7 Employer Contributions

The Employer shall make Employer Contributions as required pursuant to the terms of any employment contract, collective bargaining agreement or early retirement incentive plan adopted by the Employer. Such contributions shall be credited to the

applicable Employer Contribution Account. Employer Contributions shall not be based upon Includible Compensation in excess of the limit provided in Code §401(a)(17).

4.8 Reversions

Except as provided below and otherwise specifically permitted by law, no Plan assets may revert to the Employer or be used for any purposes other than the exclusive benefit of Participants and their Beneficiaries.

4.9 Rollover Distributions

This Plan may accept Eligible Rollover Distributions by means of a direct transfer or rollover. Prior to accepting any direct transfer or rollover, the Plan may require the Employee or Participant to establish that the amounts to be rolled over or transferred to this Plan meet the requirements of this Section and that he/she is entitled to receive an Eligible Rollover Distribution from an Eligible Retirement Plan. Such Eligible Rollover Distributions shall be paid to the Plan in cash only. Eligible Rollover Distributions are limited to those distributions described in Section 6.7 of the Plan and shall not include after-tax amounts described in Code Section 402(c)(2)(A) or (B). An Eligible Rollover Distribution of Roth deferrals from a Roth elective deferral account as described in Code §402A(e)(1) or a Roth IRA described in Code §408A will be accepted by the Plan only if the Plan permits Participants to make Roth deferrals directly to the Plan. All Eligible Rollover Distributions must be made from Eligible Retirement Plans as described in Section 6.7 of the Plan. Eligible Rollover Distributions must comply with the requirements of Code Section 402(c). The Fund Sponsor shall establish and maintain for the Participant a separate account for any eligible rollover distribution made to the Plan,

including a separate account for any Roth amounts which are permitted to be rolled over or transferred to the Plan under this Section.

4.10 Current and Former Fund Sponsors

The Administrator shall maintain a list of all Fund Sponsors approved to sell Funding Vehicles under the Plan. Such list is hereby incorporated as part of the Plan. Each Fund Sponsor and the Administrator shall exchange such information as may be necessary to satisfy Code §403(b) and other applicable Code requirements. In the case of a Fund Sponsor which issues an Annuity Contract or Custodial Account under the Plan after December 31, 2004 and before January 1, 2009, but which ceases to receive contributions in a year after the Annuity Contract or Custodial Account was issued (either because the Fund Sponsor is no longer approved to sell Funding Vehicles under the Plan or because the Fund Sponsor received a contract exchange after September 24, 2007 and before January 1, 2009 which was not the subject of an information sharing agreement between the Fund Sponsor and the Employer), the Employer may keep the Fund Sponsor informed of the name and contact information of the Administrator in order to coordinate information necessary to satisfy Code §403(b) and other applicable Code requirements. In the alternative, the Fund Sponsor may take action before making any distribution or loan to a Participant or Beneficiary which constitutes a reasonable, good faith effort to contact the Employer and exchange any information that may be needed to satisfy Code §403(b) and other applicable Code requirements with the Administrator.

4.11 Annuity Contract and Custodial Account Exchanges

Effective September 24, 2007, a Participant or Beneficiary is only permitted to change the investment of his or her Account among Fund Sponsors which are approved

Fund Sponsors under the Plan, subject to the terms of the applicable annuity contracts and/or custodial account agreements. Notwithstanding this provision, a Participant or Beneficiary who, after September 24, 2007 and prior to January 1, 2009, has changed the investment of his or her Account in an exchange permitted under Rev. Rul. 90-24 to an investment provider which is not an approved Fund Sponsor under the Plan may, prior to July 1, 2009, change his/her investment with such investment provider to a Fund Sponsor which is approved under the Plan in an exchange permitted under Rev. Rul. 90-24, subject to the terms of the applicable annuity contracts and/or custodial account agreements.

If any Fund Sponsor ceases to be eligible to receive Elective Deferrals and/or Employer Contributions under the Plan and has not previously entered into an information sharing agreement with the Employer which complies with the requirements of Treas. Reg. §1.403(b)-10(b)(2) with respect to the investments already held by that Fund Sponsor as of the time that it ceased to be eligible to receive Elective Deferrals and/or Employer Contributions, the Employer and the Fund Sponsor shall enter into such an information sharing agreement if the Employer's contract with that Fund Sponsor does not provide for such an exchange of information.

A Participant or Beneficiary is permitted to change the investment of his or her Account among Fund Sponsors which are approved Fund Sponsors under the Plan, subject to the terms of the applicable annuity contracts and/or custodial account agreements. An investment change that includes an investment with an investment provider that is not an approved Fund Sponsor under the Plan which is considered a

"contract exchange" under Treas. Reg. §1.403(b)-10 is not permitted unless the following conditions in paragraphs (a) through (d) of this Section 4.11 are satisfied:

(a) The Participant or Beneficiary must have an Account immediately after the exchange that is at least equal to the Account of that Participant or Beneficiary immediately before the exchange (taking into account the Account of that Participant or Beneficiary under both Code §403(b) annuity contracts or custodial accounts immediately before the exchange.

(b) The Funding Vehicle with the receiving investment provider (Fund Sponsor) has distribution restrictions with respect to the Participant or Beneficiary that re not less stringent than those imposed on the investment being exchanged.

(c) The receiving investment provider (Fund Sponsor) enters into an information sharing agreement with the Employer in a form satisfactory to the Employer under which the Fund Sponsor and the Employer will from time to time in the future provide each other with the following information:

(1) Information necessary for the resulting annuity contract or custodial account, or any other contract or custodial accounts to which contributions have been made by the Employer, to satisfy Code §403(b), including the following: (a) the Employer providing information as to whether the Participant's employment with the Employer is continuing, and notifying the Fund Sponsor when the Participant has had a Severance from Employment; (b) the Fund Sponsor notifying the Employer or any hardship distribution if the distribution results in a 6-month suspension of the Participant's right to make Elective Deferrals under the Plan; and (c) the Fund Sponsor providing information to the Employer or other Fund Sponsors concerning the

Participant's or Beneficiary's Code §403(b) annuity contracts or custodial accounts or qualified employer plan benefits; and

(2) Information necessary in order for the resulting annuity contract or custodial account and any other annuity contract or custodial account to which contributions have been made for the Participant by the Employer to satisfy other tax requirements, including the following: (a) the amount of any plan loan that is outstanding to the Participant in order for a Fund Sponsor to determine whether an additional plan loan satisfies the loan limitations of Section 6.6, so that any such additional loan is not a deemed distribution under Code §72(p)(1); and (b) information concerning the Participant's or Beneficiary's after-tax employee contributions in order for a Fund Sponsor to determine the extent to which a distribution is includible in gross income.

(d) If any Fund Sponsor ceases to be eligible to receive Elective Deferrals and/or Employer Contributions under the Plan and has not previously entered into an information sharing agreement with the Employer as described above with respect to the investments already held by that Fund Sponsor as of the time that it ceased to be eligible to receive Elective Deferrals and/or Employer Contributions, the Employer and the Fund Sponsor shall enter into such an information sharing agreement if the Employer's contract with that Fund Sponsor does not provide for the exchange of information described herein.

ARTICLE V - VESTING AND BREAK IN EMPLOYMENT RULES

5.1 Vesting

A Participant shall be automatically and fully vested in his or her Account at all times.

5.2 Break in Employment Rules

A Participant who severs from employment with the Employer shall have the distribution of the Account made pursuant to Article VI. Any re-employed Participant who is an Employee may re-enter the Plan as provided in Section 3.4. Such Participant shall have an Account balance equal to his undistributed Account balance, if any, during the new period of participation.

ARTICLE VI- BENEFIT DISTRIBUTIONS

6.1 Eligibility for Distributions

Except as permitted under Sections 6.5 and 6.6 of the Plan, distributions from a Participant's Account may not be made earlier than the earliest of the Participant's death, Total Disability, Severance from Employment with the Employer, or the attainment of age fifty-nine and one-half (59½). Early distribution penalties will apply to distributions due to Severance from Employment prior to age fifty-nine and one-half (59½).

Effective January 1, 2009, if a Participant performs service in the uniformed services, as defined in Code §414(u)(12)(B), on active duty for a period of more than 30 days, the Participant will be deemed to have had a Severance from Employment. However, the Plan will not distribute such a Participant's Account based upon such a deemed Severance from Employment unless the Participant specifically elects to receive a benefit distribution under this provision. If a participant elects to receive a distribution

on account of such a deemed Severance from Employment, then the Participant may not make an elective deferral or employee contribution during the 6 month period beginning on the date of the distribution. If a Participant would be entitled to a distribution based upon such a deemed Severance from Employment, and a distribution based upon another Plan provision (such as a qualified reservist distribution), then the other Plan provision will control and the 6 month suspension will not apply.

Distributions shall be made or commence not later than the times set forth in Section 6.2. Notwithstanding the foregoing, as to distributions from Annuity Contracts issued before January 1, 2009, a Participant may withdraw, with an early distribution penalty, any Employer contributions (which are not Elective Deferrals) plus earnings attributable thereto from any annuity contract which is a Funding Vehicle under this Plan. As to distributions from annuity contracts issued on and after January 1, 2009, a Participant may withdraw, subject to any applicable early distribution penalty, any Employer contributions (which are not Elective Deferrals) plus earnings attributable thereto from any Annuity Contract which is a Funding Vehicle under this Plan no earlier than a Participant's Severance from Employment, Total Disability, death, or the attainment of age 55. Further, a Participant may withdraw, with an early distribution penalty, any Elective Deferrals, and earnings attributable thereto, which were made prior to 1989 from any annuity contract which is a Funding Vehicle under this Plan. Any such distributions shall be subject to the distribution restrictions of the affected Participant's annuity contract. In no event may any withdrawal be made from a custodial account under this Plan before the Participant attains age fifty-nine and one-half (59½), Severs from Employment, dies or becomes Totally Disabled except that a withdrawal for

hardship as described in Section 6.5 may be made from the Participant's Elective Deferrals. Deferred payments shall be subject to the limitations of this Article VI. A hardship distribution shall not include any income attributable to Elective Deferrals. Loans are available to Participants and Beneficiaries meeting the loan requirements referenced in Section 6.6.

Distribution(s) from the Account balance to an eligible Participant or eligible Beneficiary shall only be made after completion and return of the necessary benefit distribution forms to the appropriate Fund Sponsor and shall be made subject to the provisions of this Article VI.

6.2 Minimum Distribution Limitations

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

Notwithstanding this Section 6.2 of the Plan, a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Code §401(a)(9)(H) ("2009 RMDs), and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the

Participant's designated Beneficiary, or for a period of at least 10 years ("Extended 2009 RMDs"), will not receive those distributions for 2009 unless the Participant or Beneficiary chooses to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence. Notwithstanding this Section 6.2 of the Plan, and solely for purposes of applying the direct rollover provisions of the Plan, 2009 RMDs and Extended 2009 RMDs will be treated as eligible rollover distributions.

6.3 Special Death Benefit Limitations and Forms of Death Benefit

If a Participant is receiving or has already received benefit payment(s) at the time of his death, then the Beneficiar(ies) shall only receive benefits, if any, in accordance with the Participant's benefit election under Section 6.4. If a Participant left the employ of the Employer prior to his death, his death benefit shall be limited to the unpaid portion of his Account, if any, under the benefit election in effect under Section 6.4. If a Participant dies while still employed by the Employer, his death benefit shall equal his entire Account balance. No other death benefits or retirement benefits are payable under this Plan.

In the case of a death occurring on or after January 1, 2007, if a Participant dies while performing qualified military service (as defined in Code §414(u)), the Participant's Beneficiary is entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan as if the Participant had resumed employment and then terminated employment on account of death. Moreover, to the extent that any vesting schedule is imposed under the Plan, the Plan will credit the Participant's qualified military service as service for vesting purposes,

as though the Participant had resumed employment under USERRA immediately prior to the Participant's death.

The Participant may designate Beneficiar(ies) to receive benefits on forms provided by the Fund Sponsors. In the absence of a surviving designated Beneficiary, the Fund Sponsor's beneficiary designation form shall contain a default provision. If not, the Beneficiary shall be the surviving spouse or, if no surviving spouse, then the estate of the Participant.

If a Participant dies prior to receiving benefit payments from the Plan, the Participant's Beneficiary may determine the form of benefit payment in accordance with Section 6.4.

6.4 Forms of Benefit and General Benefit Limitations

Benefit payments shall commence no later than the times set forth in this Article and shall be made in one of the following forms:

(a) Payment may be made in a single sum; or

(b) Alternatively, payment may be made pursuant to a fixed or variable annuity contract or custodial account (i) for a period over the life of the Participant and the Participant's Beneficiary (determined pursuant to Section 6.3), or (ii) for a period not extending beyond the life expectancy of the Participant or the life expectancy of the Participant and his Beneficiary. All annuities shall provide benefits without regard to the sex of the Participant.

If a Participant dies after his benefit payments commence but before his entire Account balance is distributed pursuant to the form selected, the remaining interest shall

be distributed in accordance with the form in effect. All benefit distributions shall be paid in accordance with the minimum distribution rules set forth in Section 6.2.

The Participant may elect to receive his benefits in any form described in this Section and available under his or her 403(b) Funding Vehicle, The Participant will be required to complete and file benefit election forms with the Funding Vehicle before distribution can be made.

6.5 Hardship Benefits

If a Participant becomes subject to a financial hardship, he may file an application to the Fund Sponsor for a hardship benefit distribution. A financial hardship distribution will only be authorized if the Participant has an immediate and heavy financial need as a result of (a) medical expenses (described in Code Section 213[d]) incurred by the Participant or his or her dependents (as defined in Code Section 152); (b) purchase of a principal residence for the Participant (excluding mortgage payments); (c) payment of tuition and related expenses for the next twelve (12) months secondary education for the Participant, spouse, children or dependents; (d) expenditures to prevent eviction from the Participant's principal residence or foreclosure of a mortgage on such residence; (e) payments for burial or funeral expenses for the Participant's deceased parent, spouse, children or dependents; (f) expenses for the repair of damage to the Participant's principal residence that would qualify for the casualty deduction under Code §165; or (g) such expenditure which has been approved by the Internal Revenue Service in an IRS Revenue Ruling, Notice or other IRS document of general applicability.

The Administrator shall determine whether a financial hardship exists and the amount, if any, available for distribution from the Participant's Account under the Plan in

a uniform and non-discriminatory manner based on information supplied by the Participant, the Fund Sponsor and the Employer. No hardship distribution from the Account may exceed the amount of the Participant's Account balance. In no event shall the earnings attributable to the Elective Deferrals be distributed to meet the hardship.

Such Participant and the Fund Sponsor shall submit all requested financial data to the Administrator so that a financial hardship determination can be made. The amount of the distribution shall not exceed the amount required to meet the immediate financial needs created by the hardship. Further, no hardship distribution shall be made if the funds needed are reasonably available from other resources of the Participant. No hardship distributions are authorized if the hardship can be relieved through (a) reimbursement or compensation by insurance or other third party, (b) liquidation of assets to the extent the liquidation of such assets would not cause severe financial hardship, (c) cessation of elective or employee contributions under the Plan, (d) by borrowing from commercial sources on reasonable commercial terms in an amount sufficient to satisfy the need, or (e) distributions or nontaxable (at the time of loan) loans from plans (including this Plan) maintained by the Employer. The determination of the Administrator as to whether the hardship exists and as to the amount, if any, of the distribution shall be final.

The Administrator may rely on the Participant's representation that the need cannot be relieved from the other resources if such reliance is reasonable. The Participant's resources include assets of the spouse and minor children that are reasonably available to him. The Administrator may find that a hardship distribution satisfies the immediate and heavy financial need requirement if such distribution is

consistent with the requirements set forth in Treas. Reg. §1.401(k)-1(d)(3), applicable IRS Revenue Rulings, Notices or other documents of general applicability.

If the hardship distribution is made to the Participant, then all Elective Deferrals or other Employee contributions to any plan maintained by the Employer shall be suspended for six (6) months after receipt of the distribution. Further, the maximum amount of Elective Deferrals permitted under Code Section 402(g), in the taxable year following the year of the distribution, shall be reduced by the amount of Elective Deferrals made in the year of the hardship distribution.

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

6.6 Loans

Each separate Funding Vehicle document (Annuity Contract or Custodial Account) shall set forth the terms and conditions of any loan program available under

such Funding Vehicle. Such loan program shall constitute a part of this Plan. Each Funding Vehicle loan document must contain information regarding loan procedures, basis for loan approval or denial, limitations on loan amounts, interest rate charges, collateral needed to secure the loan and any applicable loan documentation forms. Each loan program shall meet the requirements of Code Section 72(p).

Each Fund Sponsor is responsible for all information reporting and tax withholding required by applicable federal and state law in connection with distributions and loans. The Administrator shall take such steps as may be appropriate to coordinate the limitations on loans set forth in this Section 6.6, including the collection of information from Fund Sponsors, and transmission of information requested by any Fund Sponsor, concerning the outstanding balance of any loans made to a Participant under the Plan or any other plan of the Employer. The Administrator shall also take such steps as may be appropriate to collect information from Fund Sponsors, and transmission of information to any Fund Sponsor, concerning any failure by a Participant to repay timely any loans made to a Participant under the Plan or any other plan of the Employer.

No loan to a Participant under the Plan may exceed the lesser of:

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

(b) one half of the value of the Participant's vested Account Balance (as of the valuation date immediately preceding the date on which such loan is approved by the

Administrator), or, if greater, the Participant's total vested Account Balance up to $10,000.

For purposes of this Section 6.6, any loan from any other plan maintained by the Employer and any Related Employer shall be treated as if it were a loan made from the Plan, and the Participant's vested interest under any such other plan shall be considered a vested interest under this plan; provided, however, that the provisions of this paragraph shall not be applied so as to allow the amount of a loan to exceed the amount that would otherwise be permitted in the absence of this paragraph.

6.7 Direct Rollovers

Notwithstanding any provision of the Plan to the contrary that would otherwise limit a "Distributee's" election under this Plan, a "Distributee" may elect, at the time and in the manner prescribed by the applicable Fund Sponsor, to have any portion of an "Eligible Rollover Distribution" paid directly to an "Eligible Retirement Plan" specified by the "Distributee" in a "Direct Rollover".

For purposes of this Section,

(i) "Eligible Rollover Distribution" is any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include: (a) 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 Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated Beneficiary, or for a specified period of ten years or more; (b) any distribution to the extent such distribution is required under section 401(a)(9) of the Code; and (c) the portion of any distribution that is not includible in gross income

(determined without regard to the exclusion for net unrealized appreciation with respect to employer securities), however, clause (c) shall not apply if the portion not includible in gross income is transferred in a direct transfer to a qualified trust which is part of a defined contribution plan where the accounting requirements of Code Section 402(c)(2)(a) are met or to an individual retirement account or individual retirement annuity. Further, an Eligible Rollover Distribution shall not include a hardship distribution. In the case of a distribution to a Beneficiary who, at the time of the death of an Employee or former Employee, was neither the spouse of the Employee/former Employee nor an alternate payee of the Employee/former Employee under a domestic relations order, a direct rollover is payable only to an individual retirement account or individual retirement annuity (IRA) that has been established on behalf of the Beneficiary as an inherited IRA (within the meaning of Code §408(d)(3)(C) of the Code. Effective January 1, 2007, an Eligible Rollover Distribution shall also include a transfer of an employee (after-tax) or Roth elective deferral contribution by means of a direct rollover to a qualified plan or to a 403(b) plan that agrees to account separately for amounts so transferred, including accounting separately for the portion of such distribution which is includible in gross income and the portion of such distribution which is not includible in gross income.

(ii) "Eligible Retirement Plan" is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, or another 403(b) annuity plan that accepts the Distributee's Eligible Rollover Distribution. As to distributions made after December 31, 2001, "Eligible Retirement Plan" shall also include (a) a qualified plan described in Section 401(a) of the

Code, (b) an individual retirement account to the extent permitted under Section 408(d)(3)(A) of the Code, and (c) an eligible plan under Section 457(b) of the Code 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 and which agrees to separately account for amounts transferred into such plan from this Plan. Effective for distributions made after December 31, 2007, the definition of Eligible Retirement Plan shall also include a Roth IRA described in Code §408A(b).

(iii) "Distributee" includes an Employee or former Employee. In addition, the employee's former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse. A Distributee may also include a Beneficiary who, at the time of death of an Employee or former Employee, was neither the spouse of the Employee/former Employee nor an alternate payee of the Employee/former Employee under a domestic relations order.

(iv) "Direct Rollover" is a payment by the plan to the eligible retirement plan specified by the distributee.

(v) Distributions to Non-Spouse Beneficiaries. Effective for distributions after December 31, 2006 and on and after December 31, 2009, a non-spouse beneficiary who is a "designated beneficiary" under Code §401(a)(9)(E) and the regulations thereunder, by direct trustee-to-trustee transfer ("direct rollover"), may roll over all or any portion of his or her distribution to an individual retirement account the beneficiary establishes for purposes of receiving the distribution. In order to be able to roll over the

distribution, the distribution otherwise must satisfy the definition of an Eligible Rollover Distribution. Although a non-spouse beneficiary may roll over directly a distribution as provided in this Section, any distribution made prior to January 1, 2010 is not subject to the direct rollover requirements of Code §401(a)(31) (including Code §401(a)(31)(B), the notice requirements of Code §402(f) or the mandatory withholding requirements of Code §3405(c)). If a non-spouse beneficiary receives a distribution from the Plan, the distribution is not eligible for a "60-day" rollover. If the Participant's named beneficiary is a trust, the Plan may make a direct rollover to an individual retirement account on behalf of the trust, provided the trust satisfies the requirements to be a designated beneficiary within the meaning of Code §401(a)(9)(E). A non-spouse beneficiary may not roll over an amount which is a required minimum distribution, as determined under applicable Treasury regulations and other IRS guidance. If the Participant dies before his or her required beginning date and the non-spouse beneficiary rolls over to an IRA the maximum amount eligible for rollover, the beneficiary may elect to use either the 5-year rule or the life expectancy rule, pursuant to Treas. Reg. §1.401(a)(9)-3, A-4(c), in determining the required minimum distributions from the IRA that receives the non-spouse beneficiary's distribution.

6.8 Purchase of Governmental Defined Benefit Plan Service Credit

To the extent permitted under Section 403(b)(13) of the Code, a Participant may request a trustee-to-trustee transfer from his/her Account to a governmental defined benefit pension plan for the purchase of permissive service credit (as defined in Section 415(n)(3)(A) of the Code) under such plan, or for the purpose of a repayment to which Section 415 of the Code does not apply by reason of subsection (k)(3) thereof.

ARTICLE VII- ADMINISTRATION

7.1 Funding and Valuation of the Plan

This tax-sheltered annuity Plan shall invest in appropriate annuity contracts and custodial accounts maintained by the Fund Sponsors to provide the tax-sheltered annuity benefits described herein. Subject to the provisions of applicable collective bargaining agreements, the Employer reserves the right to change Fund Sponsors and Funding Vehicles at any time and for any reason.

7.2 Plan Administration

The Fund Sponsor is responsible for remitting contributions for each Participant to the applicable Fund Vehicle.

7.3 Authority of the Employer

The Employer has all the powers and authority expressly conferred upon it herein and further has the sole discretion to interpret and construe the Plan in its sole and absolute discretion and to determine any disputes arising under it. The Employer may employ attorneys, agents, and accountants as it finds necessary or advisable to assist it in carrying out its duties. The Employer, by action of its Board, may designate a person or persons other than the Employer to carry out any of its powers, authority, or responsibilities. Any delegation shall be set forth in writing.

7.4 Action of the Employer

Any act authorized, permitted, or required to be taken by the Employer shall be taken by the Board or its designee. All notices, advice, directions, certifications, approvals, and instructions required or authorized to be given by the Employer under the Plan will be in writing and signed by either (i) a majority of the members of the Board, or

by any member or members as may be designated by an instrument in writing, signed by all members, as having authority to execute the documents on its behalf, or (ii) a person who becomes authorized to act for the Employer in accordance with the provisions of Section 7.3. Any action taken by the Employer which is authorized, permitted, or required under the Plan and is in accordance with the Fund Sponsors contractual obligations is final and binding on the Employer, and all persons who have or who claim an interest under the Plan, and all third parties dealing with the Employer subject to the provisions of applicable laws.

ARTICLE VIII- AMENDMENT AND TERMINATION

8.1 Plan May be Amended by Employer

This Plan may be amended by the Employer if, as amended, it continues to be for the exclusive benefit of Employees.

8.2 Employer May Discontinue Plan

The Employer intends to continue the Plan indefinitely, but reserves the right to discontinue contributions or terminate the Plan, in whole or in part, at any time. If contributions to the Plan are completely discontinued or if the Plan is partially or fully terminated, the rights of all affected Participants in the Plan shall become fully vested and the Accounts shall continue to be held for distribution as provided in the Plan. Any such termination of the Plan and distribution of Accounts due to such termination shall comply with the requirements of Treas. Reg. §1.403(b)-10(a).

ARTICLE IX - MISCELLANEOUS

9.1 Plan Non-Contractual

Nothing contained in this Plan shall be construed as a commitment or agreement on the part of any person to continue his or her employment with the Employer. Nothing contained in this Plan shall be construed as a commitment on the part of the Employer to employ or to continue to employ at any rate of Compensation for any period, and all Employees of the Employer shall remain subject to discharge to the same extent as if the Plan had never been put into effect.

9.2 Claims of Other Persons

The provisions of the Plan shall in no event be construed a giving any Participant or any other person, firm, or corporation and legal or equitable right as against the Employer, its officers, employees, or directors, except the rights specifically provided for in this Plan or created in accordance with the terms and provisions of this Plan.

9.3 Contracts -- Incorporation by Reference

The terms of the contracts between the Fund Sponsors and/or representatives of Fund Sponsors and the Employer and/or the Participants and any certificates issued to a Participant in accordance with the provisions of the Plan are a part of the Plan as if fully set forth in the Plan document, and the provisions of each are incorporated by reference into the Plan to the extent that such documents are consistent with this Plan document.

9.4 Non-Alienation of Retirement Rights or Benefits

To the fullest extent permitted by law, no benefit under the Plan may at any time be subject in any manner to alienation, encumbrance, the claims of creditors, or legal process. No person will have the power in any manner to transfer, assign, alienate, or in

any way encumber his or her benefits under the Plan, or any part thereof, and any attempt to do so will be void and of no effect. However, if a judgment, decree or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or the marital property rights of a spouse or former spouse, child or other dependent of a Participant is made pursuant to the domestic relations laws of any State ("domestic relations order"), then the amount of the Participant's Account shall be paid in the manner and to the person or persons so directed in the domestic relations order. Such payment shall be made without regard to whether the Participant is eligible for a distribution of benefits under the Plan. Effective April 6, 2007, a domestic relations order that otherwise satisfies the requirements for a domestic relations order will not fail to be a domestic relations order: (i) solely because the order is issued after, or revises, another domestic relations order; or (ii) solely because of the time at which the order is issued, including issuance after the annuity starting date or after the Participant's death. The Administrator shall establish reasonable procedures for determining the status of any such decree or order and for effectuating distribution pursuant to the domestic relations order.

9.5 Singular, Plural Gender

All singular references shall be construed to include the plural and all plural references shall be construed to include the singular, whenever the meaning so requires. All gender references shall be construed to include the female, male and neuter, wherever the meaning so requires.

9.6 Provisions Severable

In case any provisions of this Plan shall be held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining provisions of the Plan, but shall be fully severable, and the Plan shall be construed and enforced as if said illegal or invalid provisions had never been inserted herein.

9.7 Michigan Law to Control

This Plan shall be construed according to the laws of the State of Michigan, except to the extent they are superseded by federal law.

9.8 Executed in Counterparts

This Plan may be executed in any number of counterparts, each of which shall be deemed to be an original, and such counterparts together shall constitute but one and the same instruments.

IN WITNESS WHEREOF, the Employer, by authority of its Board of Education, has caused this instrument to be executed this _____ day of _____, 2011.

PINCKNEY COMMUNITY SCHOOLS

By_____

Its_____