



Common Purpose. Uncommon Commitment.

457(b) ELIGIBLE DEFERRED COMPENSATION PLAN

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457(b) PLAN AND AGREEMENT

The undersigned Employer, in its capacity as Trustee 457(b) Plan Sponsor, establishes this Trustee 457(b) Plan intended to comply with Code §457(b) of the Internal Revenue Code of 1986, as amended. If the Employer adopts this Plan as a restated Plan in substitution for, and in amendment of, an existing plan, the provisions of this Plan, as a restated Plan, apply solely to an Employee on or after the restated Effective Date of the Employer's Plan. If an Employee incurs a Severance from Employment prior to the restated Effective Date, that Employee is entitled to benefits under the Plan as the Plan existed on the date of the Employee's Severance from Employment.

ARTICLE I DEFINITIONS

- 1.01 Account means the separate Account(s) which the Plan Administrator maintains under the Plan for a Participant's Deferred Compensation.
- 1.02 Accounting Date means the last day of the Plan Year.
- 1.03 Beneficiary means a person who the Plan or a Participant designates and who is or may become entitled to a benefit under the Plan. A Beneficiary who becomes entitled to a benefit under the Plan remains a Beneficiary under the Plan until the Plan Administrator has fully distributed to the Beneficiary his/her Plan benefit. A Beneficiary's right to (and the Plan Administrator's duty to provide to the Beneficiary) information or data concerning the Plan does not arise until the Beneficiary first becomes entitled to receive a benefit under the Plan.
- 1.04 Code means the Internal Revenue Code of 1986, as amended.
- 1.05 Compensation for purposes of allocating Deferral Contributions means W-2 wages. Any reference in this Plan to Compensation is a reference to the definition in this Section 1.05.
- (A)** **"W-2 Wages"** W-2 wages means wages for federal income tax withholding purposes, as defined under Code §3401(a), plus all other payments to an Employee in the course of the Employer's trade or business, for which the Employer must furnish the Employee a written statement under Code §§6041, 6051 and 6052, but determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or services performed (such as the exception for agricultural labor in Code §3401(a)(2)).
- (B)** **Elective Contributions.** Compensation under Section 1.05 includes Elective Contributions. Elective Contributions" are amounts excludible from the Employee's gross income under Code §§125, 132(f)(4), 402(e)(3), 402(h)(1)(B), 403(b), 408(p) or 457, and contributed by the Employer, at the Employee's election, to a cafeteria plan, a qualified transportation fringe benefit plan, a 401(k) arrangement, a SARSEP, a tax-sheltered annuity, a SIMPLE plan or a Code §457 plan. Notwithstanding the preceding sentence, amounts described in Code §132(f)(4) are not Elective Contributions until Plan Years beginning on or after January 1, 2001, unless the Plan Administrator operationally has included such amounts effective as of an earlier Plan Year beginning no earlier than January 1, 1998.
- 1.06 Deferral Contributions means Plan Salary Reduction Contributions, Nonelective Contributions and Matching Contributions. The Plan Administrator in applying the Code §457(b) limit will take into account Deferral Contributions in the Taxable Year in which deferred.
- 1.07 Deferred Compensation means as to a Participant the amount of Deferral Contributions, and Transfers adjusted for allocable net income, gain or loss, in the Participant's Account.
- 1.08 Effective Date of this Plan is the date the Employer signs and dates this plan.

- 1.09 Eligibility An Employee may become a Participant as of the first day of any calendar month by entering into a Salary reduction Agreement in accordance with the provisions of Section 2.01. A new Employee may become a Participant on the first day of employment by entering into a Salary Reduction Agreement in accordance with the provisions of Section 2.01.
- 1.10 Employee means an individual who provides services for the employer as a common law employee of the employer. Any person employed by the Employer and who is a member of a select management group or is highly compensated. Excluded Employee means any person employed by the Employer and who is not a member of a select management group or is not highly compensated within the meaning of Title 1 of ERISA.
- 1.11 Employer means an employer who adopts this Plan.
- 1.12 Employer Contribution means Nonelective Contributions or Matching Contributions.
- 1.13 ERISA means the Employee Retirement Income Security Act of 1974, as amended.
- 1.14 Excess Deferrals means Deferral Contributions to an eligible Trustee 457(b) Plan for a Participant that exceed the Taxable Year maximum limitation of Code §§457(b) and (e) (15).
- 1.15 Includible Compensation means, for the Employee's taxable year, the Employee's total Compensation within the meaning of Code §415(c)(3) paid to an Employee for services rendered to the Employer. Includible Compensation includes Deferral Contributions under the Plan, compensation deferred under any other plan described in Code, and any amount excludible from the Employee's gross income under Code §§401(k), 125 or 132(f)(4) or any other amount excludible from the Employee's gross income for Federal income tax purposes. The Employer will determine Includible Compensation without regard to community property laws.
- 1.16 Leased Employee means an Employee within the meaning of Code §414(n).
- 1.17 Matching Contribution means an Employer fixed or discretionary contribution made on account of Salary Reduction Contributions.
- 1.18 Nonelective Contribution means an Employer fixed or discretionary contribution not made as a result of a Salary Reduction Agreement and which is not a Matching Contribution.
- 1.19 Normal Retirement Age means age 65 unless otherwise specified in the Salary Reduction Agreement.
- 1.20 Participant is an Employee other than an Excluded Employee who becomes a Participant in accordance with the provisions of Section 2.01.
- 1.21 Plan means the Trustee 457(b) plan established or continued by the Employer in the form of this basic Plan.
- 1.22 Plan Administrator is the Employer unless the Employer designates another person to hold the position of Plan Administrator. The Plan Administrator may be a Participant.
- 1.23 Plan Entry Date means the effective date of the Plan and/or the first day of the month following completion of a Salary Reduction Agreement.
- 1.24 Plan Year means the calendar year.
- 1.25 Salary Reduction Agreement means a written agreement between a Participant and the Employer, by which the Employer reduces the Participant's Compensation for Compensation not available as of the date of the election and contributes the amount as a Salary Reduction Contribution to the Participant's Account.

- 1.26 Salary Reduction Contribution means a contribution the Employer makes to the Plan pursuant to a Participant's Salary Reduction Agreement.
- 1.27 Service means any period of time the Employee is in the employ of the Employer. An Employee terminates Service upon incurring a Severance from Employment.
- (A) **“Qualified Military Service.”** Service includes any Service the Plan must credit for contributions and benefits in order to satisfy the crediting of Service requirements of Code §414(u). The provisions of this Section apply beginning December 12, 1994, or if the Employer's plan is effective after that date, as of the Plan's Effective Date.
- (B) **“Continuous Service”** means Service with the Employer during which the Employee does not incur a Severance from Employment.
- (C) **“Severance from Employment.”**
- (1) **Employee.** An Employee has a Severance from Employment when the Employee ceases to be an Employee of the Employer. A Participant does not incur a Severance from Employment if, in connection with a change in employment, the Participant's new employer continues or assumes sponsorship of the Plan or accepts a Transfer of Plan assets as to the Participant.
- 1.28 Taxable Year means the calendar year.
- 1.29 Transfer means a transfer of eligible 457(b) Plan assets to another eligible 457(b) Plan and which is made in accordance with section 8.03.
- 1.30 Trust means the Trust under which the Accounts under this Plan are invested and which is subject to Section 5.09.
- 1.31 Trustee means the person or persons who act as Trustee under the Trust created under this Plan, or any successor in office who in writing accepts the position of Trustee.

ARTICLE II PARTICIPATION IN PLAN

- 2.01 Eligibility Each Employee becomes a Participant (unless an Excluded Employee) in the Plan in accordance with the Eligibility conditions of Section 1.09, when such Employee becomes a member of a select management group or is highly compensated. If this Plan is a restated Plan, each Employee who was a Participant in the Plan on the day before the Effective Date continues as a Participant in the Plan, irrespective of whether he/she satisfies the eligibility conditions in the restated Plan.
- 2.02 Participation Upon Re-Employment A Participant who incurs a Severance from Employment will re-enter the Plan as a Participant on the date of his/her re-employment. An Employee who satisfies the Plan's eligibility conditions but who incurs a Severance from Employment prior to becoming a Participant will become a Participant on the later of the Plan Entry Date on which he/she would have entered the Plan had he/she not incurred a Severance from Employment or the date of his/her re-employment.
- 2.03 Change In Employee Status If a Participant has not incurred a Severance from Employment but ceases to be eligible to participate in the Plan, by reason of becoming an Excluded Employee, the Plan Administrator must treat the Participant as an Excluded Employee during the period such a Participant is subject to the Plan exclusion. The Plan Administrator determines a Participant's sharing in the allocation of Employer Contributions by disregarding his/her Compensation paid by the Employer for services rendered in his/her capacity as an Excluded Employee. However, during such period of exclusion, the Participant, without regard to employment classification, continues to share fully in Plan income allocations under Section 5.07.

ARTICLE III
DEFERRAL CONTRIBUTIONS/LIMITATIONS

3.01 Amount

- (A) **Contribution Formula.** For each Plan Year, the Employer will contribute to the Plan the type and amount of Deferral Contributions elected by the Participant in the Salary Reduction Agreement.
- (B) **Time Of Payment Of Contribution.** The Employer may pay its contributions for each Plan Year in one or more installments and at such time(s) as the Employer determines, without interest.

3.02 Employer Contributions The Employer in the Salary Reduction Agreement may elect whether the Plan permits employer Contributions.

3.03 Normal Limitation Except as provided in Section 3.04, a Participant's maximum Deferral Contributions (excluding Transfers) under this Plan for a Taxable Year may not exceed the lesser of:

- (a) The applicable dollar amount as specified under Code §457(b) and (e)(15) or, beginning January 1, 2006 such larger amount as the Commissioner of the Internal Revenue may prescribe, or
- (b) 100% of the Participant's Includible Compensation for the Taxable Year.

3.04 Normal Retirement Age Catch-Up Contribution For one or more of the Participant's last three Taxable Years ending before his/her attainment of Normal Retirement Age, the Participant's maximum Deferral Contributions may not exceed the lesser of:

- (a) Twice the dollar amount under Section 3.03(a) normal limitation, or
- (b) the underutilized limitation.

(A) **Underutilized Limitation.** A Participant's underutilized limitation is equal to the sum of: (i) the normal limitation for the Taxable Year, and (ii) the normal limitation for each of the prior Taxable Years of the Participant commencing after 1978 during which the Plan was in existence and the Participant was eligible to participate in the Plan less the amount of Deferral Contributions for each such prior Taxable Year.

(B) **Normal Retirement Age.** Normal Retirement Age is age 65, or as indicated in a Salary Reduction Agreement, provided that the age may not be: (i) earlier than the earliest of age 65 or the age at which Participants have the right to retire and receive under the Employer's defined benefit plan (or money purchase plan if the Participant is not eligible to participate in a defined benefit plan) immediate retirement benefits without actuarial or other reduction because of retirement before a later specified age; or (ii) later than age 70½.

- (1) **Participant Designation.** The Employer may permit a Participant to designate his/her Normal Retirement Age as any age including or between the foregoing ages.
- (2) **Multiple 457(b) Plans.** If the Employer maintains more than one eligible 457(b) Plan, the Plans may not permit any Participant to have more than one Normal Retirement Age under the Plans.

(C) **Pre-2002 Coordination.** In determining a Participant's underutilized limitation, the Plan Administrator must apply the coordination rule in effect under now repealed Code §457(b)(c)(2).

3.05 Distribution Of Excess Deferrals In the event that a Participant has Excess Deferrals, the Plan may distribute to the Participant the Excess Deferrals and allocable net income no later than April 15th following the tax year in which the excess occurred.

- (A) **Plan Aggregation.** If the Employer maintains more than one eligible 457(b) Plan, the Employer must aggregate all such Plans in determining whether any Participant has Excess Deferrals.
- (B) **Individual Limitation.** If a Participant participates in another eligible 457(b) Plan maintained by a different employer, and the Participant has Excess Deferrals, the Plan Administrator may, but is not required, to correct the Excess Deferrals by making a corrective distribution from this Plan.

ARTICLE IV TIME AND METHOD OF PAYMENT OF BENEFITS

4.01 Distribution Restrictions Except as the Plan provides otherwise, the Plan Administrator may not distribute to a Participant his/her Account prior to one of the following events:

- (a) The Participant's attaining age 70½; or
- (b) The Participant's Severance from Employment; or
- (c) The Participant's death

4.02 Time And Method Of Payment Of Account The Plan Administrator will distribute to a Participant who has incurred a Severance from Employment the Participant's Vested Account under one or any combination of payment methods. The Plan Administrator, in the absence of a Participant election described below, will determine the time and method applicable to a particular Participant in accordance with Section 4.02 (C) below. In no event will the Plan Administrator commence distribution, nor will the Participant elect to have distribution commence, later than the Participant's required beginning date, or under a method that does not satisfy Section 4.03.

- (A) **Participant Election of Time and Method.** The Plan Administrator must consent to the specific terms of any such Participant election and the Plan Administrator in its sole discretion may withhold consent. Subject to the foregoing conditions, a Participant: (1) may elect to postpone distribution of his/her Account to any fixed or determinable date including, but not beyond, the Participant's required beginning date; and (2) may elect the method of payment. Unless an earlier date is elected by the Participant, distributions will commence 60 days after a distribution event. A Participant may elect an earlier date or postpone distribution of his/her Account by making a written election no later than 30 days after the date of the distribution event. The Plan Administrator must furnish to the Participant a form for the Participant to elect the time and a method of payment.
- (B) **Number of Initial Elections/Subsequent Elections.** A Participant may make any number of elections or revoke any prior election under Section 4.02(A) within the election period. Once the initial 30 day election period expires, a Participant, before payment would commence under the Participant's initial election, may make one additional election to defer (but not to accelerate) the timing of payment of his/her Account and also as to the method of payment.

(C) **No Election/Default.** If the Participant does not make a timely election regarding the time and method of payment, the Plan Administrator will pay the Participant's Account as follows:

(1) For Accounts with balances less than \$25,000, a lump sum will be paid.

(2) For Accounts with balances of \$25,000 or greater, 5 substantially equal annual installments will be paid.

4.03 Required Minimum Distributions The Plan Administrator may not distribute the Participant's Account, nor may the Participant elect any distribution his/her Account, under a method of payment which, as of the required beginning date, does not satisfy the minimum distribution requirements of Code §401(a)(9) or which is not consistent with applicable Treasury regulations.

(A) **General Rules.**

(1) **Effective Date.** Plan, the provisions of this Section 4.03 will apply for purposes of determining required minimum distributions for calendar years beginning with the 2002 calendar year.

(2) **Coordination with Minimum Distribution Requirements Previously in Effect.** If the effective date of this Section 4.03 is earlier than the 2003 calendar year, required minimum distributions for 2002 under the Plan will be determined as follows:

(a) If the total amount of 2002 required minimum distributions under the Plan made to the distributee prior to the effective date of this Section 4.03 equals or exceeds the required minimum distributions determined under this Section 4.03, then no additional distributions will be required to be made for 2002 on or after such date to the distributee;

(b) If the total amount of 2002 required minimum distributions under the Plan made to the distributee prior to the effective date of this Section 4.03 is less than the amount determined under this Section 4.03, the required minimum distributions for 2002 on and after such date will be determined so that the total amount of required minimum distributions for 2002 made to the distributee will be the amount determined under this Section 4.03.

(3) **Precedence.** The requirements of this Section 4.03 will take precedence over any inconsistent provisions of the Plan.

(4) **Requirements of Treasury Regulations Incorporated.** All distributions required under this Section 4.03 will be determined and made in accordance with the Treasury regulations under Code §401(a)(9).

(B) **Time and Manner of Distribution**

(1) **Required Beginning Date.** The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's required beginning date.

(2) **Death of Participant Before Distribution Begins.** 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) Spouse Designated Beneficiary. If the Participant's surviving spouse is the Participant's sole designated Beneficiary, then, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant dies, or by December 31 of the calendar year in which the Participant would have attained age 70½, if later.
- (b) Non-Spouse Designated Beneficiary. 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) No Designated Beneficiary. If there is no designated Beneficiary as of September 30 of 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) Death of Spouse. 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 Section 4.03(B)(2) other than Section 4.03(B)(2)(a), will apply as if the surviving spouse were the Participant.

For purposes of this Section 4.03(B) and Section 4.03(D), unless Section 4.03(B)(2)(d) applies, distributions are considered to begin on the Participant's required beginning date. If Section 4.03(B)(2)(d) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under Section 4.03(B)(2)(a). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under Section 4.03(B)(2)(a), the date distributions are considered to begin is the date distributions actually commence.

- (3) **Forms of Distribution**. Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with Sections 4.03(C) and 4.03(D). If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Section 401(a)(9) of the Code and the Treasury regulations.

(C) Required Minimum Distributions During Participant's Lifetime.

- (1) **Amount of Required Minimum Distribution for Each Distribution Calendar Year**. During the Participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:
 - (a) ULT. The quotient obtained by dividing the Participant's account balance by the number of the Uniform Life Table set forth in Treas. Reg. §1.401(a)(9)-9, using the Participant's attained age as of the Participant's birthday in the distribution calendar year; or

(b) Younger Spouse. If the Participant's sole designated Beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's account balance by the number in the Joint and Last Survivor Table set forth in Treas. Reg. §1.401(a)(9)-9, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the distribution calendar year.

(2) **Lifetime Required Minimum Distributions Continue Through Year of Participant's Death**. Required minimum distributions will be determined under this Section 4.03(C) beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant's date of death.

(D) Required Minimum Distributions After Participant's Death.

(1) Death On or After Distributions Begin.

(a) Participant Survived by Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the participant's account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's designated Beneficiary, determined as follows:

(i) Participant's Life Expectancy. The Participant's remaining life expectancy is calculated using the attained age of the Participant as of the Participant's birthday in the calendar year of death, reduced by one for each subsequent calendar year.

(ii) Spouse's Life Expectancy. If the Participant's surviving spouse is the Participant's sole designated Beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the attained age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.

(iii) Non-Spouse's Life Expectancy. If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, the designated Beneficiary's remaining life expectancy is calculated using the attained age of the Beneficiary as of the Beneficiary's birthday in the calendar year following the calendar year of the Participant's death, reduced by one for each subsequent calendar year.

(b) No Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of September 30 of the calendar year after the calendar year of the Participant's death, the minimum amount that will be distributed for each distribution calendar year after the calendar year of the Participant's death is the quotient obtained by dividing the

Participant's account balance by the Participant's remaining life expectancy calculated using the attained age of the Participant as of the Participant's birthday in the calendar year of death, reduced by one for each subsequent calendar year.

(2) **Death Before Date Distributions Begin.**

- (a) Participant Survived by Designated Beneficiary. Except as the Employer may have elected in the Plan, if the Participant dies before the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in Section 4.03(D)(1).
- (b) No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
- (c) Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under Section 4.03(B)(2)(a), this Section 4.03(D)(2) will apply as if the surviving spouse were the Participant.

(E) **Definitions**

- (1) **Designated Beneficiary.** The individual who is designated as the Beneficiary under the Plan and is the designated beneficiary under Code §401(a)(9) and Treas. Reg. §1.401(a)(9)-1, Q&A-4.
- (2) **Distribution calendar year.** A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately proceeding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which the distributions are required to begin under Section 4.03(B)(2). The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's required beginning date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's required beginning date occurs, will be made on or before December 31 of that distribution calendar year.
- (3) **Life expectancy.** Life expectancy as computed by use of the Single Life Table in Treas. Reg. §1.401(a)(9)-9.
- (4) **Participant's account balance.** The account balance as of the last valuation date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated to the account balance as of dates in the

valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The account balance for the valuation calendar year includes any Transfers to the Plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.

- (5) **Required beginning date.** A Participant's required beginning date is the April 1 of the calendar year following the later of: (1) the calendar year in which the Participant attains age 70½, or (2) the calendar year in which the Participant retires or such other date under Code §401(a)(9) by which required minimum distributions must commence.

4.04 Death Benefits Upon the death of the Participant, the Plan Administrator must pay the Participant's Account in accordance with Section 4.03. Subject to Section 4.03, a Beneficiary may elect the timing and method of payment in the same manner as a Participant may elect under Section 4.02, if such elections apply.

4.05 Distributions Prior To Severance From Employment The Employer must permit in-service distributions of a Participant's Vested Account under this Section 4.05, notwithstanding the Section 4.01 distribution restrictions.

(A) **Unforeseeable Emergency.** In the event of a Participant's unforeseeable emergency, the Plan Administrator may make a distribution to a Participant who has not incurred a Severance from Employment (or who has incurred a Severance but will not begin to receive payments until some future date). In the event of an unforeseeable emergency, the Plan Administrator also may accelerate payments to a Participant or to a Beneficiary. The Plan Administrator will establish a policy for determining whether an unforeseeable emergency exists. An unforeseeable emergency is a severe financial hardship of a Participant or Beneficiary resulting from: (1) illness or accident of the Participant, the Beneficiary, or the Participant's or Beneficiary's spouse or dependent (as defined in Code §152(a)); (2) loss of the Participant's or Beneficiary's property due to casualty; or (3) other similar extraordinary and unforeseeable circumstances arising from events beyond the Participant's or Beneficiary's control. Unforeseeable Emergencies do not include the purchase of a home or the payment of college tuition. The Plan Administrator will not pay the Participant or the Beneficiary more than the amount reasonably necessary to satisfy the emergency need, which may include amounts necessary to pay taxes or penalties on the distribution. The Plan Administrator will not make payment to the extent the Participant or Beneficiary may relieve the financial hardship by cessation of deferrals under the Plan, through insurance or other reimbursement, or by liquidation of the individual's assets to the extent such liquidation would not cause severe financial hardship.

(B) **De minimis distribution.** The Plan Administrator may allow a Participant to elect to receive a distribution or the Plan Administrator may distribute (without a Participant election) the Participant's Account where: (1) the Participant's Account does not exceed \$5,000 (or such other amount as does not exceed the Code §411(a)(11)(A) dollar amount); (2) the Participant has not made or received an allocation of any Deferral Contributions under the Plan during the two-year period ending on the date of distribution; and (3) the Participant has not received a prior distribution under the de minimis exception.

4.06 Distributions Under Qualified Domestic Relations Orders (QDROS)

The Plan Administrator must comply with the terms of a QDRO, as defined in Code §414(p), which is issued with respect to the Plan.

- (A) **Time and Method of Payment.** This Plan specifically permits distribution to an alternate payee under a QDRO at any time, notwithstanding any contrary Plan provision and irrespective of whether the Participant has attained his/her earliest retirement age (as defined under Code §414(p)) under the Plan. A distribution to an alternate payee prior to the Participant's attainment of earliest retirement age is available only if the QDRO specifies distribution at that time or permits an agreement between the Plan and the alternate payee to authorize an earlier distribution. Nothing in this Section 4.06 gives a Participant a right to receive distribution at a time the Plan otherwise does not permit nor authorizes the alternate payee to receive a form of payment the Plan does not permit.
- (B) **QDRO Procedures.** The Plan Administrator must establish reasonable procedures to determine the qualified status of a domestic relations order. Upon receiving a domestic relations order, the Plan Administrator promptly will notify the Participant and any alternate payee named in the order, in writing, of the receipt of the order and the Plan's procedures for determining the qualified status of the order. Within a reasonable period of time after receiving the domestic relations order, the Plan Administrator must determine the qualified status of the order and must notify the Participant and each alternate payee, in writing, of the Plan Administrator's determination. The Plan Administrator must provide notice under this paragraph by mailing to the individual's address specified in the domestic relations order.
- (C) **Accounting.** If any portion of the Participant's Account Balance is payable under the domestic relations order during the period the Plan Administrator is making its determination of the qualified status of the domestic relations order, the Plan Administrator must maintain a separate accounting of the amounts payable. If the Plan Administrator determines the order is a QDRO within 18 months of the date amounts first are payable following receipt of the domestic relations order, the Plan Administrator will distribute the payable amounts in accordance with the QDRO. If the Plan Administrator does not make its determination of the qualified status of the order within the 18-month determination period, the Plan Administrator will distribute the payable amounts in the manner the Plan would distribute if the order did not exist and will apply the order prospectively if the Plan Administrator later determines the order is a QDRO.

To the extent it is not inconsistent with the provisions of the QDRO, the Plan Administrator may segregate the QDRO amount in a segregated investment account. The Plan Administrator will make any payments or distributions required under this Section 4.06 by separate benefit checks or other separate distribution to the alternate payee(s).

ARTICLE V

PLAN ADMINISTRATOR - DUTIES WITH RESPECT TO PARTICIPANTS' ACCOUNTS

- 5.01 Term/Vacancy The Plan Administrator will serve until his/her successor is appointed. In case of a vacancy in the position of the Plan Administrator, the Employer will exercise any and all of the powers, authority, duties and discretion conferred upon the Plan Administrator pending the filling of the vacancy.
- 5.02 Powers And Duties The Plan Administrator will have the following powers and duties:
- (a) To select a Committee to assist the Plan Administrator;

- (b) To select a Secretary for the Committee, who need not be a member of the Committee;
- (c) To determine the rights of eligibility of an Employee to participate in the Plan and the value of a Participant's Account;
- (d) To adopt rules of procedure and regulations necessary for the proper and efficient administration of the Plan provided the rules are not inconsistent with the terms of the Plan.
- (e) To construe and enforce the terms of the Plan and the rules and regulations the Plan Administrator adopts, including interpretation of the Plan documents and documents related to the Plan's operation;
- (f) To direct the distribution of a Participant's Account;
- (g) To review and render decisions respecting a claim for (or denial of a claim for) a benefit under the Plan;
- (h) To furnish the Employer with information which the Employer may require for tax or other purposes;
- (i) To establish a policy in making distributions for unforeseeable emergencies;
- (j) To establish a policy regarding the making and the receipt of Transfers;
- (k) To establish a policy regarding Participant or Beneficiary direction of investment;
- (l) To engage the services of any person to invest any Account under this Plan and to direct such person to make payment to a Participant of his/her Vested Account;
- (m) To comply with the reporting and disclosure rules of ERISA if applicable to the Plan;
- (n) To undertake correction of any Plan failures as necessary to preserve Eligible Plan status;
- (o) To undertake any other action the Plan Administrator deems reasonable or necessary to administer the Plan; and
- (p) To Establish QDRO Policy. [See Paragraph 4.06]
- (q) The Plan Administrator shall have total and complete discretion to interpret and construe the Plan and to determine all questions arising in the administration, interpretation and application of the Plan. Any determination the Plan Administrator makes under the Plan is final and binding upon any affected person.

5.03 Compensation The Plan Administrator and the members of the Committee will serve without compensation for services, but the Employer will pay all expenses of the Plan Administrator and Committee.

5.04 Authorized Representative The Plan Administrator may authorize any one of the members of the Committee, if any, or the Committee's Secretary, to sign on the Plan Administrator's behalf any Plan notices, directions, applications, certificates, consents, approvals, waivers, letters or other documents.

5.05 Individual Accounts / Records The Plan Administrator will maintain a separate Account in the name of each Participant to reflect the value of the Participant's Deferred Compensation under the Plan. The Plan Administrator will maintain records of its activities.

- 5.06 Value Of Participant's Account The value of each Participant's Account consists of his/her accumulated Deferred Compensation, as of the most recent Accounting Date or any later date as the Plan Administrator may determine.
- 5.07 Allocation Of Net Income, Gain Or Loss As of each Accounting Date (and each other valuation date determined under Section 5.06), the Plan Administrator will adjust Accounts to reflect net income, gain or loss, if any, since the last Accounting Date or Account valuation. The Plan Administrator will continue to allocate net income, gain and loss to a Participant's Account subject to an installment distribution, but not an annuity distribution until the Account is fully distributed.
- 5.08 Account Charged The Plan Administrator will charge all distributions made to a Participant or to his/her Beneficiary, or transferred under Section 9.03 from his/her Account, against the Account of the Participant when made.
- 5.09 Ownership Of Fund/Tax-Exempt Organization If the Employer is a Tax-Exempt Organization, the Plan is an unfunded plan and all Deferred Compensation, property and rights to property purchased by Deferred Compensation and all income attributable thereto remain, until paid or made available under the Plan, the sole property and rights of the Employer, subject only to the claims of the Employer's general creditors. No Participant or Beneficiary will have any vested interest or secured or preferred position with respect to an Account or have any claim against the Employer except as a general creditor. No Participant or Beneficiary shall have any right to sell, assign, transfer or otherwise convey his or her Account or any interest in his or her Deferred Compensation. The Employer or Plan Administrator may enter into a trust arrangement solely for the purpose of investing all or part of the Accounts, which will be subject to the claims of the Employer's general creditors, and in which the Participants or Beneficiaries will not have a vested interest or secured claim or preferred position or have any claim except as a general creditor. The Employer may not purchase life insurance contracts under this plan unless the Employer retains all incidents of ownership in such contracts, the Employer is the sole beneficiary of such contracts and the Employer is not under any obligation to transfer the contracts or pass through the proceeds to any Participant or to his/her Beneficiary. The Employer may adopt and attach to the Plan as "Appendix A" a trust under Rev. Proc. 92-64 (as amended) to hold the assets of a Tax-Exempt Organization Eligible 457 Plan.
- 5.10 Participant Direction Of Investment Subject to the terms of the Plan administrator's adopted policy, a Participant will have the right to direct the investment or re-investment of the assets comprising the Participant's Account. The Plan Administrator will account separately for the Participant-directed Accounts. The Participant's right to direct investment does not give the Participant any vested interest or secured or preferred position with respect to assets over which he/she has investment responsibility.
- 5.11 Limited Liability The Employer will not be liable to pay plan benefits to a Participant in excess of the value of the Participant's Account as the Plan Administrator determines in accordance with the Plan terms. Neither the Employer nor the Plan Administrator will be liable for losses arising from depreciation or shrinkage in the value of any investments acquired under this Plan.

**ARTICLE VI
PARTICIPANT ADMINISTRATIVE PROVISIONS**

6.01 Beneficiary Designation A Participant from time to time may designate, in writing, any person(s) (including a trust or other entity), contingently or successively, to whom the Plan Administrator will pay the Participant's Account in the event of death. A Participant also may designate the method of payment of his/her Account. The Plan Administrator will prescribe the form for the Participant's written designation of Beneficiary and, upon the Participant's filing the form with the Plan Administrator, the form revokes all designations filed prior to that date by the same Participant. A divorce decree, or a decree of legal separation, revokes the Participant's designation, if any, of his/her spouse as his/her Beneficiary under the Plan unless the decree or a QDRO provides otherwise. The foregoing revocation provision (if applicable) applies only with respect to a Participant whose divorce or legal separation becomes effective on or following the date the Employer executes the plan, unless the Employer specifies a different effective date.

6.02 No Beneficiary Designation If a Participant fails to name a Beneficiary in accordance with Section 6.01, or if the Beneficiary named by a Participant predeceases the Participant and a new Beneficiary is not named, then the Plan Administrator will pay the Participant's remaining Account in accordance with Article IV in the following order of priority, to:

- (a) The Participant's surviving spouse; or
- (b) The Participant's children (including adopted children), in equal shares by right of representation (one share for each surviving child and one share for each child who predeceases the Participant with living descendants); and if none to:
- (c) The Participant's estate.

If the Beneficiary survives the Participant, but dies prior to distribution of the Participant's entire Account, the Plan Administrator will pay the remaining Account to the Beneficiary's estate unless: (1) the Participant's Beneficiary designation provides otherwise; or (2) the Beneficiary has properly designated a beneficiary. A Beneficiary only may designate a beneficiary for the Participant's Account Balance remaining at the Beneficiary's death, if the Participant has not previously designated a successive contingent beneficiary and the Beneficiary's designation otherwise complies with the Plan terms.

6.03 Salary Reduction Agreement

- (A) General.** A Participant must elect to make Salary Reduction Contributions on a Salary Reduction Agreement form the Plan Administrator provides for this purpose. The Salary Reduction Agreement must be consistent with the Employer's Plan elections and the Plan Administrator in a Salary Reduction Agreement may impose such other terms and limitations as the Plan Administrator may determine.
- (B) Election Timing.** A Participant's Salary Reduction Agreement may not take effect earlier than the first day of the calendar month following the date the Participant executes the Salary Reduction Agreement and as to Compensation paid or made available in such calendar month. However, if an Employee is eligible to become a Participant on the date he/she becomes an Employee, the Employee may execute a Salary Reduction Agreement on or before the date he/she becomes an Employee, effective the first day of the month in which he/she becomes an Employee, if such date is a Plan Entry Date.
- (C) Sick, Vacation and Back Pay.** A Participant who will incur a Severance from Employment may execute a Salary Reduction Agreement before accumulated sick pay, accumulated vacation pay or back pay are paid or made available provided: (i) such amounts are paid or made available before the Participant incurs the Severance; and (ii) the Participant is an Employee in that month.

- (D) Modification Of Salary Reduction Agreement.** A Participant's Salary Reduction Agreement remains in effect until a Participant modifies it or ceases to be eligible to participate in the Plan. A Participant may modify his/her Salary Reduction Agreement by executing a new Salary Reduction Agreement. Any modification will become effective no earlier than the beginning of the calendar month commencing after the date the Participant executes the new Salary Reduction Agreement. Filing a new Salary Reduction Agreement will revoke all Salary Reduction Agreements filed prior to that date. The Employer or Plan Administrator may restrict the Participant's right to modify his/her Salary Reduction Agreement in any Taxable Year.
- 6.04 Personal Data To Plan Administrator Each Participant and each Beneficiary of a deceased Participant must furnish to the Plan Administrator such evidence, data or information as the Plan Administrator considers necessary or desirable for the purpose of administering the Plan. The provisions of this Plan are effective for the benefit of each Participant upon the condition precedent that each Participant will furnish promptly full, true and complete evidence, data and information when requested by the Plan Administrator, provided the Plan Administrator advises each Participant of the effect of his failure to comply with its request.
- 6.05 Address For Notification Each Participant and each Beneficiary of a deceased Participant must file with the Plan Administrator from time to time, in writing, his/her address and any change of address. Any communication, statement or notice addressed to a Participant, or Beneficiary, at his/her last address filed with the Plan Administrator, or as shown on the records of the Employer, binds the Participant, or Beneficiary, for all purposes of this Plan.
- 6.06 Participant Or Beneficiary Incapacitated If, in the opinion of the Plan Administrator or of the Committee Member, a Participant or Beneficiary entitled to a Plan distribution is not able to care for his/her affairs because of a mental condition, a physical condition, or by reason of age, the Plan Administrator or Committee Member, may make the distribution to the Participant's or Beneficiary's guardian, conservator, trustee, custodian (including under a Uniform Transfers or Gifts to Minors Act) or to his/her attorney-in-fact or to other legal representative upon furnishing evidence of such status satisfactory to the Plan Administrator or the Committee Member. The Plan Administrator and the Committee Member do not have any liability with respect to payments so made and neither the Plan Administrator nor the Committee Member has any duty to make inquiry as to the competence of any person entitled to receive payments under the Plan.

ARTICLE VII MISCELLANEOUS

- 7.01 No Assignment Or Alienation A Participant or Beneficiary does not have the right to commute, sell, assign, pledge, transfer or otherwise convey or encumber the right to receive any payments under the Plan and the Plan Administrator will not recognize any such anticipation, assignment, or alienation. The payments and the rights under this Plan are nonassignable and nontransferable. Furthermore, a Participant's or Beneficiary's interest in the Plan is not subject to attachment, garnishment, levy, execution or other legal or equitable process.
- 7.02 Effect On Other Plans This Plan does not affect benefits under any other retirement, pension, or benefit plan or system established for the benefit of the Employer's Employees, and participation under this Plan does not affect benefits receivable under any such plan or system, except to the extent provided in such plan or system.
- 7.03 Word Usage Words used in the masculine will apply to the feminine where applicable, and wherever the context of the Plan dictates, the plural will be read as the singular and the singular as the plural.

- 7.04 State Law The laws of the state of the Employer's principal place of business will determine all questions arising with respect to the provisions of this Plan, except to the extent Federal law supersedes State law.
- 7.05 Employment Not Guaranteed Nothing contained in this Plan, or any modification or amendment to the Plan, or in the creation of any Account, or the payment of any benefit, gives any Employee, Participant or Beneficiary any right to continue employment, any legal or equitable right against the Employer, the Plan Administrator, the Committee Member, any other Employee of the Employer, or any agents thereof except as expressly provided by the Plan.
- 7.06 Notice, Designation, Election, Consent And Waiver All notices under the Plan and all Participant or Beneficiary designations, elections, consents or waivers must be in writing and made in a form the Plan Administrator specifies or otherwise approves. To the extent permitted by Treasury regulations or other applicable guidance, any Plan notice, election, consent or waiver may be transmitted electronically. Any person entitled to notice under the Plan may waive the notice or shorten the notice period except as otherwise required by the Code or ERISA.

ARTICLE VIII AMENDMENT, TERMINATION, TRANSFERS

8.01 Amendment By Employer The Employer has the right at any time and from time to time:

- (a) To amend this Plan as an eligible 457 plan in any manner it deems necessary or advisable in order to continue the status of this Plan as an Eligible plan and:
- (b) To amend this Plan in any other manner, including deletion, substitution or modification of any Plan or provision.

The Employer must make all amendments in writing. The Employer may amend the Plan by an addenda to the Plan. Each amendment must state the date to which it is either retroactively or prospectively effective. The Employer also may not make any amendment which affects the rights, duties or responsibilities of the Committee Member or the Plan Administrator without the written consent of the affected the Plan Administrator Committee Member.

8.02 Termination/Freezing Of Plan The Employer has the right, at any time, to terminate this Plan or to cease (freeze) further Deferral Contributions to the Plan. Upon termination or freezing of the Plan, the provisions of the Plan (other than provisions permitting continued Deferral Contributions) remain operative until distribution of all Accounts. Upon Plan termination, the Plan Administrator or Committee Member shall distribute to Participants and Beneficiaries all Deferred Compensation as soon as is reasonably practicable following termination.

8.03 Transfers The Employer may enter into a Transfer agreement with another employer under which this Plan: (a) may accept a Transfer of a Participant's benefit in the other employer's eligible 457(b) Plan; or (b) may Transfer a Participant's Account in this Plan to the other employer's eligible 457(b) Plan. The plan sponsors of the plans involved in the Transfer both must be Tax-Exempt Organizations. Any Transfer also must comply with applicable Treasury regulations. The Plan Administrator will credit any Transfer accepted under this Section 8.03 to the Participant's Account, but will not treat such Transfer as a Deferral Contribution subject to the limitations of Article III. If a Participant incurs a Severance from Employment with the Employer in order to accept employment with the other employer party to a Transfer agreement described in this Section 8.03, the Transfer agreement must provide the Plan Administrator will transfer the Participant's Account automatically and will not commence any distribution under this Plan of the Participant's Account regardless of any other provisions of this Plan to the contrary.

Transfers to or from a Qualified Pension or IRA is not permitted.

8.04 Execution in Counterparts: Facsimile Signatures. To facilitate execution, the Document and supporting documents may be executed in as many counterparts as may be required, and it shall not be necessary that the signatures of all persons required to bind any party appear on each counterpart; but it shall be sufficient that the signature of any person required to bind any party appear on one or more of the counterparts. All counterparts shall collectively constitute a single document. It shall not be necessary in making proof of this document to produce or account for more than the number of counterparts containing the respective signatures of all the parties hereto. Further, the Document and supporting documents may be executed by facsimile signatures and such facsimile signatures shall be deemed to be the original signatures of the parties.

<input checked="" type="checkbox"/> CHECK BOX IF THIS IS A NEW PLAN — Effective this _____ day of _____, 20____.
<input type="checkbox"/> CHECK BOX IF THIS IS AN EXISTING PLAN WHICH IS BEING RESTATED — Effective this _____ day of _____, 20____.

ALWAYS COMPLETE THIS SECTION — This Plan will be construed under the laws of the State of _____ In Witness Whereof, the Employer has caused this Plan to be signed by its duly authorized officers, on this _____ day of _____, 20____. <credit union> <contract number> _____ Plan Administrator/Title _____ Witness
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ALWAYS COMPLETE THIS SECTION

Employer hereby adopts the Trust attached hereto as CUNA Mutual 457 Retirement Trust effective _____.

Name of Employer

Plan Administrator

TRUSTEE-1008-BF03