

# Instructions for the completion of the Adoption Agreement and the 403(b) Plan Document for Public Higher Education institutions

## ADOPTION AGREEMENT FOR THE 403(b) PLAN DOCUMENT FOR PUBLIC HIGHER EDUCATION INSTITUTIONS

An Employer has several options for meeting the written plan document requirement under the final Section 403(b) regulations, whether through a single document or a collection of documents constituting the Plan including:

- Using (and perhaps revising) any IRS model plan document (or model document language such as this), if applicable
- Using (and perhaps revising) a sample plan document provided by one of your 403(b) Vendors or your counsel

This Adoption Agreement allows the Employer to elect optional provisions that are provided for under the final Section 403(b) regulations. This Adoption Agreement becomes a part of the plan document and should reflect the actual operation of the Plan.

### Employer Information

1. Insert Employer information as requested on page 1.

### Plan Information

2. **Name of Plan:** Insert the official plan name [e.g., ABC College 403(b) Plan] on page 1.
3. **Plan Effective Date:** Insert the effective date of written plan document on page 1. If a date is not specified, the provisions of this plan will not be effective until January 1, 2009.  
**Note:** The effective date should indicate when the provisions are to be effective.
4. **Eligibility:** Select any Employees that will be excluded from participation in the plan on page 1. If there are none, leave this section blank.
5. **Additional Eligibility Exclusions:** Select any additional Employees that will be excluded prior to 2010 but will be able to participate in the plan on or after January 1, 2010.
6. **Contributions into the Plan:**

#### **Employee Contributions (in addition to salary reduction contributions):**

**Roth 403(b) Contributions:** Select the first option on page 2 if you intend to offer Roth after-tax contributions in your plan and insert the date on which they are permitted. Otherwise, select the second option on page 2.

**Note:** If no election is made, Roth 403(b) Contributions are **not** permitted.

**Employer Contributions (if any):** Select the first option on page 2 if Employer Contributions will not be permitted. Select the second option if Employer Contributions will be permitted.

**Note:** If no election is made, Employer Contributions are permitted.

**Employer, After-tax Employee Elective Contributions and Nonelective Employee Contributions:** This section must be completed if the plan provides for contributions in addition to Elective Deferrals and/or Roth 403(b) Contributions.

**Employer Contributions:** Select any applicable additional contributions that will be made to the plan and fill in blanks as appropriate.

**After-Tax Employee Elective Contributions:** Select this option if the plan will provide for after-tax contributions.

**Nonelective Employee Contributions:** Select this option if the plan will provide for these contributions and specify the percent of compensation in the blank.

**Vesting:** If Employer contributions are indicated, make an election regarding the applicable vesting schedule.

**Loans:** Indicate if loans are allowed from any additional contributions and, if so, indicate the contribution source. Otherwise, select the third option to indicate that loans will not be permitted from Employer contributions.

**Withdrawals from Employer Contributions:** If Employer contributions are allowed, make selection regarding withdrawal options.

**Other Provisions Related to Employer Contributions:** The following are provisions that will be standard and **not** optional:

- Transfers to purchase service credits in a defined benefit plan.
- No involuntary distributions i.e. distributions will **not** be allowed without participant's consent.

**Note:** Distributions will be automatically allowed upon normal/early retirement, death, or disability.

**15 Years of Service Catch-up Contributions:** If the plan will permit Catch-up contributions for employees with 15 years of service with the Employer that satisfy the appropriate conditions, select the first option on page 2. If not, select the second option.

**Note:** If no election is made, Catch-up Contributions **are** permitted.

**Exchanges Within the Plan:** If the plan will permit Participants to make exchanges, select the first option on page 2 and indicate by selection of (i) if Exchanges will only be permitted to those organizations listed on Appendix A (which replaces Appendix I) or (ii) Exchanges will be permitted from those organizations on Appendix A (which replaces Appendix I) and any other organization offering annuity contracts and/or custodial accounts that satisfy the 403(b) requirements and who have executed an information sharing agreement with the Employer or its appointee. If the plan will not permit Participants to make Exchanges, select the second option.

**Note:** If no election is made, Exchanges between organizations listed on Appendix A **are** permitted.

**Transfers Into the Plan:** If the plan will accept Transfers from another employer's 403(b) plan, select the first option on page 2. If the plan will not accept Transfers, select the second option.

**Note:** If no election is made, Transfers **will** be accepted.

**Transfers From the Plan:** If the plan will permit Transfers from the Plan to another employer's 403(b) plan, select the first option on page 2. If the plan will not permit Transfers to another employer's 403(b) plan, select the second option.

**Note:** If no election is made, Transfers **will** be sent to another 403(b) plan.

**Financial Hardship Distributions:** If Hardship Distributions will be available under the Plan, select the first option on page 2. If Hardship Distributions will not be available under the Plan, select the second option.

**Note:** If no election is made, Hardship Distributions will be permitted.

**Loans:** If Loans will be permitted under the Plan subject to the availability and conditions of the Participant's 403(b) Individual Agreement(s), select the first option on page 2. If Loans will not be permitted, select the second option.

**Note:** If no election is made, Loans **will** be permitted.

**Direct Roth Rollovers:** If Roth 403(b) Contributions are permitted above, and direct rollovers from other Roth 403(b) or Roth 401(k) will be accepted, select the first option on page 3. If Roth 403(b) Contributions are not permitted in the Plan, select the second option.

**Note:** If no election is made, direct rollovers of Roth contributions **will** be permitted.

**Plan Administration:** If the Plan Administrator will be the Employer, select the first option on page 3. If responsibilities for administering the Plan will be shared jointly by the Employer and the Vendor(s), select the second option. If responsibilities for administering the Plan will be delegated to another party, select the third option and input the name of the designated Administrator.

**Other Provisions of the Plan:** If there are provisions of the Plan that are not provided for in the Adoption Agreement and/or common document, they can be denoted in this section or via additional attachments.

**Employer Acknowledgments and Signatures:** The Adoption Agreement should be executed (signed) by an authorized representative of the Employer. The individual's name should be printed along with their title and date.

**Important Note:** Appendix A must be completed.

## APPENDIX A – Authorized 403(b) Vendor List

This list is intended to identify Vendors that are available under the Plan on or after the effective date of the Appendix. These Vendors are subject to the requirements and the restrictions under the written plan.

1. Insert your Employer name, Plan Name, and Effective Date of this authorization. Also, include the date in which this Appendix was prepared or revised.
2. **Section A:** List all Vendors along with the respective contact information that are authorized to receive contributions and transfers as of the effective date indicated. In the appropriate column, please insert “yes” or “no” to indicate if the Vendor is approved to allow hardship distributions and/or loans, if allowed under the Plan and Individual Arrangement(s).
3. **Section B:** List all Vendors along with the respective contact information that hold assets under the plan but are **no longer** authorized to receive new contributions. In the appropriate column, please insert “yes” or “no” to indicate if the Vendor is approved to allow hardship distributions and/or loans, if allowed under the Plan and Individual Arrangement(s).

**Note:** These Vendors will also be allowed to receive transfers unless the Plan provides otherwise.

4. **Section C:** List all Vendors along with the respective contact information that may receive transfers under the Plan due to an information sharing agreement, but are not authorized to receive new contributions.

### 403(b) Plan Document For Public Education Organizations

This is a common plan document that incorporates provisions of the plan that are standard unless elected otherwise in the Adoption Agreement or as an additional provision of the Plan. This common plan document along with the Adoption Agreement and Appendix A comprises (but may not be all inclusive) the plan document.

After reviewing the written plan document and making elections where appropriate, please complete the **Adoption Agreement** and **Appendix A**. **Please keep the originals in your files and send copies to your Vendors. Please send AIG Retirement’s copies to the following address:**

AIG Retirement, Implementation  
2929 Allen Parkway, L11-40  
Houston, TX 77019