

Qualified Retirement Plan EGTRRA Model Amendment Kit

**For use with BISYS' Comprehensive and
Flexible Plans**

INSTRUCTIONS

- Complete and sign the BISYS Adoption Agreement Amendment and file with your other qualified plan documents.
- Review the BISYS Basic Plan Document Amendment and file with your other qualified plan documents.
- Complete the BISYS Summary of Material Modifications and provide each participant a copy. Retain with your other qualified plan documents – and provide a copy to new employees as they become eligible to participate in the plan, along with a copy of the Summary Plan Description.

BISYS Adoption Agreement Amendment

This amendment of the Plan (hereinafter referred to as "the Amendment") is comprised of this Adoption Agreement Amendment and the corresponding Basic Plan Document Amendment and is adopted to reflect certain provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA"). The Amendment is intended as good faith compliance with the requirements of EGTRRA and is to be construed in accordance with EGTRRA and guidance issued thereunder. Except as otherwise provided, the Amendment shall be effective as of the later of the first day of the first Plan Year beginning after December 31, 2001, or the Effective Date of the Plan. The Amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of the Amendment.

Employer Information

Name of Adopting Employer _____

Address _____

City _____ State _____ Zip _____

Telephone _____ Adopting Employer's Federal Tax I.D. Number _____

Name of Plan _____

Plan Sequence Number _____ Adopting Employer's Fiscal Year End _____

NOTE: Section numbers used below correspond to the Adoption Agreement sections to which the Amendment provisions relate.

SECTION THREE: CONTRIBUTIONS

Part A. Direct Rollovers

The Plan will accept Direct Rollovers of Eligible Rollover Distributions from *(select any that apply)*

- A qualified plan described in Section 401(a) or 403(a) of the Code, excluding Nondeductible Employee Contributions.
- A qualified plan described in Section 401(a) or 403(a) of the Code, including Nondeductible Employee Contributions.
- An annuity contract described in Section 403(b) of the Code, excluding Nondeductible Employee Contributions.
- 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.

Part B. Indirect Rollovers

The Plan will accept indirect rollovers of Eligible Rollover Distributions from *(select any that apply)*

- A qualified plan described in Section 401(a) or 403(a) of the Code.
- An annuity contract described in Section 403(b) of the Code.
- 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.

Part C. Rollover Contributions from IRAs

Will the Plan accept rollover contributions of the portion of a distribution from an individual retirement account or annuity described in Section 408(a) or 408(b) of the Code that is eligible to be rolled over and would otherwise be includible in gross income *(select one)?*

Option 1: Yes.

Option 2: No.

NOTE: If no option is selected, Option 1 shall be deemed to be selected.

Part D. Effective Date of Direct Rollover, Indirect Rollover, and Rollover Contributions From IRAs *(complete if one or more boxes are selected in either Parts A or B above or if Option 1 is selected in Part C above)*

Section 3, Part B of the Basic Plan Document Amendment, Rollovers From Other Plans, shall be effective _____ *(enter a date no earlier than January 1, 2002.)*

Part E. Modification of Top-Heavy Rules

The Minimum Benefits for Employees Also Covered Under Another Plan

The Employer should describe below the extent, if any, to which the top-heavy minimum benefit requirement of Section 416(c) of the Code and Section 3.01(E) of the Plan shall be met in another plan. This should include the name of the other plan, the minimum benefit that will be provided under such other plan, and the Employees who will receive the minimum benefit under such other plan.

SECTION FIVE: DISTRIBUTIONS AND LOANS

Part A. Rollovers Disregarded in Involuntary Cash-Outs

Will rollover contributions be included in determining the value of a Participant's Vested Individual Account for purposes of the Plan's involuntary cash-out rules (*select one*)?

Option 1: Yes

Option 2: No

If the Employer selected Option 2, the election shall apply with respect to distributions made after _____ (*enter a date no earlier than December 31, 2001*) with respect to Participants who separated from service after _____ (*enter a date (may be earlier than December 31, 2001.)*)

NOTE: *If no option is selected, Option 2 shall be deemed to be selected.*

Signature of Trustee(s)

Name of Trustee _____

Address _____ City _____ State _____ Zip _____

Telephone _____

Signature _____ Title _____

Name of Trustee _____

Address _____ City _____ State _____ Zip _____

Telephone _____

Signature _____ Title _____

Signature of Employer

1. **I acknowledge that I have relied upon my own advisors regarding the completion of this Amendment and the legal and tax implications of amending this Plan;**
2. **I understand that my failure to properly complete this Amendment may result in disqualification of the Plan; and**
3. **I have received a copy of this Amendment.**

Signature of Adopting Employer _____ Date Signed _____

Type Name _____ Title _____

NOTE: *In order to obtain reliance with respect to plan qualification, the Employer may be required to apply to the Employee Plans Determinations of the Internal Revenue Service for a determination letter.*

BISYS

Basic Plan Document Amendment

This amendment of the Plan (hereinafter referred to as “the Amendment”) is comprised of this Basic Plan Document Amendment and the corresponding Adoption Agreement Amendment and is adopted to reflect certain provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 (“EGTRRA”). The Amendment is intended as good faith compliance with the requirements of EGTRRA and is to be construed in accordance with EGTRRA and guidance issued thereunder. Except as otherwise provided, the Amendment shall be effective as of the later of the first day of the first Plan Year beginning after December 31, 2001, or the Effective Date of the Plan. The Amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of the Amendment.

Note: *Section numbers used below correspond to the Basic Plan Document Sections to which the Amendment provisions relate.*

DEFINITIONS

Compensation: The annual Compensation of each Participant taken into account in determining allocations, shall not exceed \$200,000, as adjusted for cost-of-living increases in accordance with Section 401(a)(17)(B) of the Code. Annual Compensation means Compensation paid during the Plan Year or such other consecutive 12-month period over which Compensation is otherwise determined under the Plan (the Determination Period). The cost-of-living adjustment in effect for a calendar year applies to annual Compensation for the Determination Period that begins with or within such calendar year.

Effective Date: This section shall be effective for any Plan Year beginning after December 31, 2001

Key Employee: Key Employee means any Employee or former Employee (including any deceased Employee) who at any time during the Plan Year that includes the Determination Date was an officer of the Employer having annual Compensation greater than \$130,000 (as adjusted under Section 416(i)(1) of the Code for Plan Years beginning after December 31, 2002), a five-percent owner of the Employer, or a one-percent owner of the Employer having annual Compensation of more than \$150,000. For this purpose, annual Compensation means Compensation within the meaning of Section 415(c)(3) of the Code. The determination of who is a Key Employee will be made in accordance with Section 416(i)(1) of the Code and the applicable regulations and other guidance of general applicability issued thereunder.

Effective Date: This section shall apply for purposes of determining whether the Plan is a Top-Heavy Plan under Section 416(g) of the Code for Plan Years beginning after December 31, 2001, and whether the Plan satisfies the minimum benefit requirements of Section 416(c) of the Code for such years. This section amends Section 7.19 of the Plan.

Eligible Retirement Plan: For purposes of the Direct Rollover provisions of the Plan, the definition of an Eligible Retirement Plan shall also mean an annuity contract described in Section 403(b) of the Code and 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. The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a Surviving Spouse, or to a Spouse or former Spouse who is the Alternate Payee under a Qualified Domestic Relations Order, as defined in Section 414(p) of the Code.

Effective Date: This section shall apply to distributions made after the later of December 31, 2001, or the Effective Date of the Plan.

Eligible Rollover Distributions: For purposes of the Direct Rollover provisions of the Plan, any amount that is distributed on account of hardship shall not be included in the definition of an Eligible Rollover Distribution and the Recipient may not elect to have any portion of such a distribution paid directly to an Eligible Retirement Plan.

For purposes of the Direct Rollover provisions of the Plan, a portion of a distribution shall not fail to be an Eligible Rollover Distribution merely because the portion consists of Nondeductible Employee Contributions which are not includible in gross income. However, such portion may be transferred only to an individual retirement account or annuity described in Section 408(a) or (b) of the Code, or to a qualified defined contribution plan described in Section 401(a) or 403(a) of the Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

Effective Date: This section shall apply to distributions made after the later of December 31, 2001, or the Effective Date of the Plan.

SECTION 3: CONTRIBUTIONS

Part A. Limitations on Contributions:

Except to the extent permitted under Section 3 of the Amendment and Section 414(v) of the Code, if applicable, the Annual Addition that may be contributed or allocated to a Participant's Individual Account under the Plan for any Limitation Year shall not exceed the lesser of

- (a) \$40,000, as adjusted for increases in the cost-of-living under Section 415(d) of the Code, or
- (b) 100 percent of the Participant's Compensation, within the meaning of Section 415(c)(3) of the Code, for the Limitation Year.

The compensation limit referred to in (b) shall not apply to any contribution for medical benefits after separation from service (within the meaning of Section 401(h) or Section 419A(f)(2) of the Code) which is otherwise treated as an Annual Addition.

Effective Date: This section shall be effective for Limitation Years beginning after December 31, 2001.

Part B. Rollovers From Other Plans:

If rollover contributions are otherwise permitted under the Plan, the Plan will accept Participant rollover contributions and/or Direct Rollovers of distributions from the types of plans specified in the Adoption Agreement.

Applicability and Effective Date: This section shall apply if elected by the Employer in the Adoption Agreement and shall be effective as specified in the Adoption Agreement.

SECTION 4: VESTING AND FORFEITURES

Rollovers Disregarded in Involuntary Cash-Outs:

For purposes of Section 4.01(C) of the Plan, the value of a Participant's Vested Individual Account shall be determined without regard to that portion of the Individual Account that is attributable to rollover contributions (and earnings allocable thereto) within the meaning of Sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), and 457(e)(16) of the Code. If the value of the Participant's Vested Individual Account as so determined is \$5,000 or less, the Plan shall immediately distribute the Participant's entire Vested Individual Account.

Applicability and Effective Date: This section shall apply if elected by the Employer in the Adoption Agreement and shall be effective as specified in the Adoption Agreement.

SECTION 5: DISTRIBUTIONS AND LOANS TO PARTICIPANTS

Plan Loans for Owner-Employees and Shareholder-Employees:

Plan provisions prohibiting loans to any Owner-Employee or shareholder-employee shall cease to apply.

Effective Date: This section shall be effective for Plan loans made after the later of December 31, 2001, or the Effective Date of the Plan.

SECTION 7: MISCELLANEOUS

Modification of Top-Heavy Rules:

This paragraph shall apply for purposes of determining the Present Values of accrued benefits and the amounts of account balances of Employees as of the Determination Date. The Present Values of accrued benefits and the amounts of account balances of an Employee as of the Determination Date shall be increased by the distributions made with respect to the Employee under the Plan and any plan aggregated with the Plan under Section 416(g)(2) of the Code during the one-year period ending on the Determination Date. The preceding sentence shall also apply to distributions under a terminated plan which, had it not been terminated, would have been aggregated with the Plan under Section 416(g)(2)(A)(i) of the Code. In the case of a distribution made for a reason other than separation from service, death, or Disability, this provision shall be applied by substituting "five-year period" for "one-year period." The accrued benefits and accounts of any individual who has not performed services for the Employer during the one-year period ending on the Determination Date shall not be taken into account.

Matching Contributions shall be taken into account for purposes of satisfying the minimum contribution requirements of Section 416(c)(2) of the Code and the Plan. The preceding sentence shall apply with respect to Matching Contributions under the Plan or, if the Plan provides that the minimum contribution requirement shall be met in another plan, such other plan. Matching Contributions that are used to satisfy the minimum contribution requirements shall be treated as Matching Contributions for purposes of the Average Contribution Percentage test and other requirements of Section 401(m) of the Code.

The Employer may provide in the Adoption Agreement that the minimum benefit requirement shall be met in another plan (including another plan that consists solely of a cash or deferred arrangement which meets the requirements of Section 401(k)(12) of the Code and Matching Contributions with respect to which the requirements of Section 401(m)(11) of the Code are met.

Effective Date: This section shall apply for purposes of determining whether the Plan is a Top-Heavy Plan under Section 416(g) of the Code for Plan Years beginning after December 31, 2001, and whether the Plan satisfies the minimum benefit requirements of Section 416(c) of the Code for such years. This section amends Section 7.19 of the Plan.

GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001 (EGTRRA)

SUMMARY OF MATERIAL MODIFICATIONS

Name of Plan _____

Name of Adopting Employer _____

Plan Sequence Number _____ Plan Year End _____

The purpose of this document is to update your Summary Plan Description (SPD) regarding several provisions. This document is very important and should be maintained with your SPD. Unless otherwise noted, the effective date of the amendment is the first day of the later of the first Plan Year beginning after December 31, 2001, or the effective date of the Plan. The following sections of your SPD are amended to read as follows:

DEFINITIONS

Direct Rollover

A way of rolling over an Eligible Rollover Distribution from a qualified plan directly to an Eligible Retirement Plan thereby avoiding federal income tax withholding.

Eligible Retirement Plan

An eligible 457(b) plan maintained by a state governmental entity, a Traditional IRA, a qualified retirement plan, a qualified annuity plan and a 403(b) plan.

Eligible Rollover Distribution

Any distribution to your credit that does not include the following: any distribution that is one of a series of substantially equal periodic payments; required minimum distributions; and hardship distributions. In addition, an Eligible Rollover Distribution includes a Direct Rollover of Nondeductible Employee Contributions made to a Traditional IRA or qualified retirement plan, if those amounts are separately accounted for in the receiving plan.

Key Employee

An Employee who at any time during the Plan Year is an officer of the employer having annual compensation greater than \$130,000 (indexed); a five-percent owner of the company; or a one-percent owner of the company with annual compensation exceeding \$150,000.

Nondeductible Employee Contributions

Any contribution that you make to a plan on an after-tax basis. These contributions may only be made to 401(k) plans and certain 403(b) plans.

PLAN FUNDING AND ADMINISTRATION

How will the amount of the Employer Contributions be determined?

If this is a profit sharing plan, your Employer will decide each Plan Year whether or not to make a contribution to the Plan based on your Compensation unless a more detailed method of determining the amount of an Employer Contribution is specified in your SPD. Contributions to a profit sharing plan can range from 0% to 25% of Participants' Compensation each year.

If this is a money purchase pension plan, your Employer will contribute the percentage of Compensation or amount specified in your SPD. Contributions to money purchase pension plans can range from 0% to 25% of a Participant's Compensation each year.

What is meant by my Compensation?

In general, the amount of your earnings from your Employer taken into account under the Plan is all earnings reported to you on Form W-2. In the event your Compensation exceeds \$200,000 (indexed) per year, only the first \$200,000 will be counted as Compensation under the Plan. This \$200,000 cap will be adjusted periodically by the Internal Revenue Service (IRS) for increases in cost-of-living. See your Plan Administrator for the current year's limit on Compensation.

Rollover/Transfer Contribution

You can complete a Direct Rollover of Eligible Rollover Distributions from the following type(s) of plans:

- A qualified retirement plan, excluding Nondeductible Employee Contributions.
- A qualified retirement plan, including Nondeductible Employee Contributions.
- A 403(b) plan, excluding Nondeductible Employee Contributions.
- An eligible 457(b) plan maintained by a state governmental entity.

You can complete an indirect rollover of Eligible Rollover Distributions from the following type(s) of plans:

- A qualified retirement plan
- A 403(b) plan
- An eligible 457(b) plan maintained by a state governmental entity.

You can make a rollover contribution of pre-tax amounts from a Traditional IRA.

- Yes
- No

The above transactions shall be available _____.

Limitations on Contributions and Allocations

Do any limits apply to the amount that may be allocated to my Individual Account for any Plan Year?

Yes. The amount which may be allocated to your Individual Account for any year is subject to Internal Revenue Code provisions limiting your allocation amount to the lesser of \$40,000 (indexed) or 100% of your Compensation paid to you by your Employer for a given year. The \$40,000 limit will be adjusted periodically by the IRS for increases in the cost-of-living. See your Plan Administrator for the current year's limit.

DISTRIBUTION OF BENEFITS AND VESTING

How will my benefits be paid to me?

Payments from the Plan that are Eligible Rollover Distributions may be taken in two ways. You may have all or any portion of your Eligible Rollover Distribution either (1) paid in a Direct Rollover to an Eligible Retirement Plan or (2) paid to you. If you choose to have your Plan benefits paid to you, you will receive only 80% of the payment, because the Plan Administrator is required to withhold 20% of the payment and send it to the IRS as income tax withholding to be credited against your taxes.

If your vested Individual Account (i.e., the amount of money in the Plan you are entitled to) is no more than \$5,000, your benefits will be paid either directly to you or as a Direct Rollover to a Traditional IRA, in a single payment.

Will rollover contributions be included when determining whether the value of your Individual Account is less than \$5,000?

- Yes
 No

If "No" is selected, see your Plan Administrator with regard to effective dates of this provision.

Once I become eligible to receive benefits, when will they be distributed to me?

If you terminate employment and the value of your Individual Account (disregarding rollover contributions if so indicated above) is no more than \$5,000, the Plan Administrator will direct that your benefits be paid as soon as administratively practicable after you become eligible to receive them.

If the value of your Individual Account is more than \$5,000, your benefits will not be paid until you submit a request to the Plan Administrator for payment. The Plan Administrator will provide you with the proper request forms. Once you have returned the completed request to the Plan Administrator, payment will be made as soon as administratively practicable after the Plan Administrator received your request.