

Plan Summary Description

Created September 13, 2012 02:22 PM

Employer Name

LINDALE ISD

| PLAN PROVISIONS | | | ALLOWED |
|---------------------------|--|--|---------|
| PRE TAX CONTRIBUTIONS | | | Yes |
| POST TAX CONTRIBUTIONS | | | Yes |
| EMPLOYER CONTRIBUTIONS | | | Yes |
| 15 YR CATCHUP | | | No |
| AGE 50 CATCHUP | | | Yes |
| EXCHANGES | | | Yes |
| TRANSFERS IN | | | No |
| TRANSFERS OUT | | | No |
| ROLLOVERS IN | | | Yes |
| PERMISSIVE SERVICE CREDIT | | | Yes |
| HARDSHIP WITHDRAWAL | | | Yes |
| LOANS | | | Yes |

THE FOLLOWING ARE ONLY DEFINITIONS OF THE PROVISIONS REFERENCED ABOVE:

PRE-TAX CONTRIBUTIONS - Elective Deferrals removed from the paycheck prior to it being taxed and then contributed to the Plan on behalf of the participant.

POST-TAX CONTRIBUTIONS - Elective Deferrals removed from the paycheck after it is taxed and then contributed to the Plan on behalf of the participant.

EMPLOYER CONTRIBUTIONS - Nonelective contributions made to the Plan by the Employer for the benefit of the participant.

15 YEARS OF SERVICE CATCHUP - An additional \$3,000 of contributions a year for participants (\$15,000 lifetime max). Calculations are required - see IRS Publication 571 for details.

AGE 50 CATCH UP - An additional \$5,500 of contributions a year for participants that are age 50 or older (no lifetime max).

EXCHANGES - Moving assets between providers listed on Appendix 1 and from providers NOT listed on Appendix 1 to providers that ARE listed on Appendix 1.

TRANSFERS IN - The Participant's account does not change, it simply moves from one Employer's Plan to another Employer's Plan. This is different from a Rollover.

TRANSFERS OUT - The Participant's account does not change, it simply moves from one Employer's Plan to another Employer's Plan. This is different from a Rollover.

ROLLOVERS IN - Moving assets from another eligible retirement plan into the Plan.

ROLLOVERS OUT - Moving assets from the Plan into another **eligible** retirement plan. This is allowed as long as the employee has a Qualifying Event to remove funds.

PERMISSIVE SERVICE CREDIT - Moving assets from the Plan to a tax-qualified defined benefit governmental plan for the purpose of purchasing years of service.

HARDSHIP WITHDRAWAL - Removing assets from the Plan due to hardship as defined by safe harbor regulations (if loans are eligible they must be exhausted).

LOANS - Max loan is 50% of the vested account balance, minus any outstanding loans (not to exceed \$50,000 annual). A defaulted loan makes future loans ineligible.