

**THE DIOCESE OF SANTA ROSA LAY DEFINED CONTRIBUTION PLAN**

Effective as of July 1, 2014

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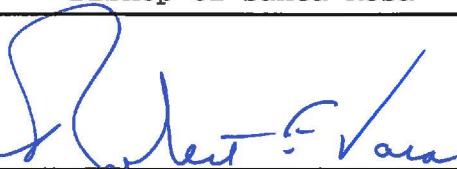
THE ROMAN CATHOLIC BISHOP OF SANTA ROSA, a California Corporation Sole (the "Plan Sponsor"), a church within the meaning of Section 414(e) of the Internal Revenue Code ("Code"), hereby establishes The Diocese of Santa Rosa Lay Defined Contribution Plan for the exclusive benefit of its employees who shall participate herein in accordance with its terms. It is the intention of the Plan Sponsor that this Plan constitute a "church plan" within the meaning of Section 3(33) of the Employee Retirement Income Security Act of 1974 as amended ("ERISA") and Section 414(e) of the Code, and a "qualified plan" within the meaning of Section 401(a) of the Code, and the Plan Sponsor has not made, and does not intend to make, the election described in 410(d) of the Code to have the provisions of Title I of ERISA and certain provisions of the Code (including but not limited to Sections 401(a)(11), (12), (13), (14), (15), and (20), Sections 410, 411, and 412, and Treasury Regulations under Section 401(a)(4)) apply to the Plan.

IN WITNESS WHEREOF, the Plan Sponsor has caused this Plan to be executed by its officer duly thereunto authorized on the date shown below.

THE ROMAN CATHOLIC BISHOP OF SANTA ROSA, a California Corporation Sole

By: ROBERT F. VASA

Title: Bishop of Santa Rosa

Signature: 

Date: 10-3-14

THE DIOCESE OF SANTA ROSA LAY DEFINED CONTRIBUTION PLAN

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**ARTICLE I. DEFINITIONS**

Whenever used in this Plan:

- 1.1 Account Value. The fair market value of a Participant Account. See Section 5.4.
- 1.2 Allocation Date means:
  - (a) With respect to the Plan Year beginning on July 1, 2014 and ending December 31, 2014, the last day of each calendar quarter; and
  - (b) With respect to Plan Years beginning on or after January 1, 2015, the last day of each calendar month.
- 1.3 Allocation Period means the period beginning on the day after an Allocation Date and ending on the subsequent Allocation Date.
- 1.4 Beneficiary. See Section 8.19.
- 1.5 Bishop means The Roman Catholic Bishop of Santa Rosa, a Corporation Sole.
- 1.6 Break-In-Service means the period of time commencing on an Employee's Termination of Employment Date and ending on the date he is reemployed by the Employer and performs any Service for which he is paid or entitled to payment for the performance of duties, whether or not said Employee performs one or more Hours of Service.

Notwithstanding the above, in the case of an Employee who is absent from Service because of a Maternity or Paternity Leave of Absence, the period commencing on the date after the first anniversary of such absence from Service and ending on the second anniversary of such absence from Service shall not be considered as part of a Break-In-Service.
- 1.7 Code means the Internal Revenue Code of 1986 as amended.
- 1.8 Compensation means, for each Plan Year or Allocation Period, total compensation paid during such period by the Employer to an Employee for personal services rendered, before reduction for participation in tax sheltered annuities under Section 403(b) of

the Code or a cafeteria plan under Section 125 of the Code, if any, excluding severance payments. Notwithstanding the foregoing:

- (i) the Compensation of each Employee taken into account under the Plan for any Plan Year shall not exceed \$260,000, as adjusted from time to time by the Internal Revenue Service for increases in the cost of living in accordance with Section 401(a)(17)(B) of the Code, and
- (ii) solely for purposes of Section 5.2(d) and Article X, Compensation shall be determined under Treas. Reg. 1.415(c)-2.

1.9 Contract means the group annuity contract issued by the Insurance Company in which the Participant Accounts are held.

1.10. Effective Date means July 1, 2014.

1.11 Election Period means the 60-day period for election of a benefit form (including written and notarized spousal consent in the case of a married Employee) established by the Plan Administrator to govern the application process under Section 6.5.

1.12 Eligible Employee means an Employee who meets the following requirements:

- (a) He or she is regularly scheduled to work at least 20 hours per week for at least 9 months during the Plan Year (provided, that the 9-month requirement shall not apply during the short Plan Year beginning July 1, 2014 and ending December 31, 2014);
- (b) He or she is not covered under the terms of a collective bargaining agreement as to which there is evidence that retirement benefits were the subject of good faith bargaining between the Employer and any labor union, unless such agreement provides for coverage under this Plan; and
- (c) He or she is not a Leased Employee.

1.13. Employee means persons employed and compensated for services by the Employer who are considered lay employees by the Employer. The term Employee shall also include any Leased Employee deemed to be an Employee of the Employer as provided in Sections 414(n) or 414(o) of the Code and Section 1.20 herein.

With respect to a person who is a deacon, status as an Employee for purposes of this section (and as an Eligible Employee under Section 1.12) is determined solely with reference to duties typically performed as a lay person; ministerial duties the performance of which is restricted, by canon law or custom, to deacons or clergy, are completely disregarded.

Employee does not mean priests, professed religious, members of religious orders or communities, or independent contract labor.

- 1.14 Employer means the Plan Sponsor and any subsidiary or affiliate of the Plan Sponsor which enters into a written agreement with the Plan Sponsor for participation in the Plan. Solely for convenience of reference, such entities may be listed from time to time in an Appendix to the Plan.
- 1.15 Employer Contribution means the amount that an Employer contributes to the Plan by payment to the Insurance Company pursuant to Article IV.
- 1.16 Employment Commencement Date means the first date on which an Employee performs an Hour of Service for the Employer.
- 1.17 Entry Date means the first day of a month.
- 1.18 Hour of Service means each hour for which an Employee is paid or entitled to payment for services rendered and specifically includes each hour for which he is paid, or entitled to payment, for the performance of duties for the Employer, including, but not limited to vacations, holidays, absence from work due to sickness or accident, disability, and leaves of absence.
- 1.19 Insurance Company means American United Life Insurance Company or any successor insurer which is the issuer of the Contract.
- 1.20 Leased Employee.
- (a) A Leased Employee is a person who is not otherwise an employee of the Employer, but who rendered services to the Employer (or for any related person as defined by Section 414(n)(6) of the Code) which:
- (i) are provided pursuant to one or more agreements between the Employer and one or more leasing organizations, and
- (ii) have been performed by such person for the Employer on a substantially full-time basis for a period of at least one year (12 consecutive months), and

- (iii) are performed under primary direction or control by the recipient of such services.
- (b) Notwithstanding subsection (a), Leased Employee does not include a person who is covered by a money purchase pension plan maintained by the leasing organization, and said pension plan provides: (1) a nonintegrated employer contribution rate of at least ten percent (10%) of compensation, as defined in Section 415(c)(3) of the Code, but including amounts contributed by the leasing organization pursuant to a salary reduction agreement which are excludable from the Leased Employee's gross income under Section 125, Section 402(a)(8), Section 402(h) or Section 403(b) of the Code, (2) immediate participation, and (3) full and immediate vesting, provided that as a group Leased Employees do not constitute more than twenty percent (20%) of the aggregate non-highly compensated workforce of the Employer, determined with reference to Section 414(q) of the Code.
- 1.21 Mandatory Distribution means a distribution to which Section 6.5(b) and (c) apply due to the failure of an Employee or Beneficiary to elect under Section 6.5(a) during the Election Period.
- 1.22 Maternity or Paternity Leave of Absence means an absence from the employment of the Employer (1) by reason of the pregnancy of the Employee or Spouse, (2) by reason of the birth of a child of the Employee, (3) by reason of the placement of a child in connection with the adoption of the child by the Employee, or (4) for the purpose of the Employee caring for a child during the period immediately following the birth or placement for adoption of such child with the Employee.
- 1.23 Normal Retirement Age means the Employee's sixty-fifth birthday.
- 1.24 Normal Retirement Date means the first day of the month coincident with or next following the date on which a person attains the age of sixty-five years.
- 1.25 One Year Break-In-Service. A One Year Break-In-Service means a twelve consecutive month period commencing on an Employee's Termination of Employment Date, and ending on the first anniversary of such date, during which an Employee is not credited with any Service, subject to the caveat in Section 1.6 with respect to a Maternity or Paternity Leave of Absence.
- 1.26 Participant means an Eligible Employee who has met the requirements of

Section 3.1 and whose Accounts have not been fully distributed.

- 1.27 Participant Account means the account established in accordance with Article V and maintained for a Participant, to which are allocated Employer Contributions for the Participant and from which payments of Plan expenses and distributions to the Participant are made.
- 1.2 Plan. This plan will be known as THE DIOCESE OF SANTA ROSA LAY DEFINED CONTRIBUTION PLAN (herein called the Plan).
- 1.2 Plan Administrator. The Plan Administrator is the Bishop. (See Article VIII for details).
- 1.30 Plan Sponsor. The Plan Sponsor is the Bishop.
- 1.31 Plan Year means (a) the period beginning July 1, 2014 and ending December 31, 2014, and (b) each subsequent twelve-month period beginning on January 1 and ending on the following December 31.
- 1.32 Reemployment Date. Reemployment Date means the first day of the month following a One Year Break-In-Service on which an Employee performs an Hour of Service for the Employer.
- 1.33 Service. Service means the period commencing on the date determined under Section 2.2 and ending on his most recent Termination of Employment Date, disregarding any intervening Break-in-Service lasting 12 consecutive months or more. Service includes each Hour of Service for which an Employee is paid or entitled to payment. Subject to the preceding sentence, Service will not include the following:
- (a) Any period during which an Employee is not an Eligible Employee.
  - (b) Any period of military service not covered by Section 2.6.
  - (c) Any period after the Employee's Termination of Employment Date.
  - (d) Any period of absence in excess of 12 months from the beginning of a Maternity or Paternity Leave of Absence.
  - (e) Any period of unauthorized absence.

1.34 Spouse means any Participant's spouse under applicable law as in effect at the time a specified action is to be taken or a determination is to be made.

1.35 Termination of Employment and Termination of Employment Date mean the last day of the month in which an Employee ceases to be employed by the Employer by reason of the earlier of:

- (a) discharge, or
- (b) resignation, or
- (c) death, or
- (d) retirement, or
- (e) failure to return as an Employee for the Employer from absence due to illness, or accident, after having been pronounced fit by a doctor employed by, or acceptable to, the Employer, or
- (f) failure to return on the date stipulated under a leave of absence, or
- (g) failure to comply with the terms of the Employer's maternity or paternity leave policy, if any is applicable, and which is not incompatible with subsection (j) below.

Notwithstanding the foregoing provisions of this subsection a Termination of Employment shall not occur by reason of:

- (h) an absence for military service, provided the Employee returns to the Employer's employ within the time required by law for protection of reemployment rights (see Section 2.6);
- (i) vacation, holiday, absence due to sickness, accident or an authorized leave granted on a nondiscriminatory basis;
- (j) Maternity or Paternity Leave of Absence until 12 consecutive months have expired from the beginning of such leave of absence during which the Employee failed to return to work for the Employer.

1.36 Year of Service means twelve (12) months of Service computed in accordance with Article II herein.

## ARTICLE II. SERVICE

- 2.1 Elapsed Time Method. For purposes of this Plan, each complete month of Service shall count as one-twelfth of a year. Partial months of Service will count as whole months. Thus all Service is expressed in terms of calendar months and years.
- 2.2 Commencement of Service. The Service of an Employee begins on the first day of the first month following his or her Employment Commencement Date, except that with respect to an Employee whose Employment Commencement Date is the first day of a month, Service shall begin on his or her Employment Commencement Date.
- 2.3 Calculation of Breaks-In-Service. Breaks-In-Service will be calculated in consecutive calendar months and years in accordance with Section 2.1 above. Because Service is credited through the last day of the calendar month in which employment terminates, the first day of the month next following said month marks the beginning of the computation period for determining the first One Year Break-In-Service. Each successive One Year Break-In-Service, or part thereof, shall be computed accordingly.
- 2.4 Service Spanning Rules. Service credited through the last day of the calendar month in which Termination of Employment occurred and Service credited subsequent to the date of reemployment shall be added together for purposes of the Plan, but the intervening time shall be disregarded - subject to the next paragraph.

Notwithstanding the preceding paragraph, if a terminated Employee is reemployed within the twelve consecutive calendar month period following his Termination of Employment Date, he will be credited with Service as if his employment with the Employer had not been interrupted, and the Employee will not be regarded as having incurred a Break-In-Service for Plan purposes.

In no event, however, will an Employee who was covered under the Plan when he so terminated, become covered until he is actually reemployed.
- 2.5 Aggregating Service. All periods of employment shall be aggregated in determining an Employee's Service.
- 2.6 Treatment of Certain Military Service. Solely to the extent required by the Uniformed Services Employment and Reemployment Rights Act ("USERRA," P.L 103-353) and Section 414(u) of the Code, an Employee who enters service with the uniformed services of the

United States (as defined in USERRA) entitling him to reemployment rights with the Employer under federal law shall, upon exercise of such rights, be treated under this Plan as follows:

- (a) Break in Service. He shall not incur a Break-in-Service under Section 1.6 by reason of such uniformed service;
- (b) Eligibility Service. He or she shall not be credited with Service by reason of such uniformed service for the purpose of determining his or her satisfaction of the eligibility requirement of Section 3.1.
- (c) Employer Contributions. His or her Participant Account shall be credited with Employer Contributions under Article IV for the period of such uniformed service, provided that (i) immediately prior to such uniformed service he or she was an Eligible Employee and (ii) he or she was in such uniformed service or in the employ of the Employer on any day of the Plan Year.
- (d) Compensation. For the purpose of calculating the Employer Contribution to which an Employee is entitled for a period of uniformed service under this section, his or her Compensation during the period of uniformed service shall be deemed equal to his or her Compensation for the 12-month period immediately preceding such service (or, if shorter, his or her period of employment with the Employer immediately preceding such service).
- (e) Death Benefit. In the case of a Participant who dies while performing uniformed service under this section, his or her death benefit under Section 6.4 shall not be less than the benefit that would have been provided under the Plan had the Participant resumed employment with the Employer and then terminated employment on account of death.

### ARTICLE III. PARTICIPATION

- 3.1 Commencement of Participation. An Eligible Employee shall commence participation in the Plan and thereby become a Participant upon the first Entry Date coincident with or immediately following the day upon which he completes twelve (12) months of Service as an Eligible Employee.
  
- 3.2 Enrollment Forms. The Plan Administrator may require a Participant to complete such enrollment forms as maybe necessary for the administration of the Plan.

#### ARTICLE IV. EMPLOYER CONTRIBUTIONS

- 4.1. Amount of Contribution. Subject to Article VII (re amendment or termination of the Plan) and the limitation set forth in Section 5.2(d) (re maximum allocations), the Employer shall contribute, with respect to each Participant who is an Eligible Employee throughout an Allocation Period (or throughout the portion of such Allocation Period commencing with his Entry Date), an amount equal to the percentage of such Participant's Compensation received during such Allocation Period to which he is entitled under Section 5.2(b) (Regular Contribution) and, if applicable, Section 5.2(c) (Additional Transition Contribution).
  
- 4.2. Transfer to Contract. The Employer Contribution for each Allocation Period shall be paid in cash to the Insurance Company no later than the fifteenth day of the second month following the end of such Allocation Period (or the next business day if such fifteenth day is not a business day), to be held under the Contract and to be invested and distributed in accordance with the terms of the Plan.

## ARTICLE V. ACCOUNTS AND ALLOCATIONS

5.1 Participant Accounts. The Insurance Company shall establish and maintain a Participant Account in the name of each Participant in which the Insurance Company shall account for amounts allocated thereto from Employer Contributions, for income and investment gains and losses thereon, for payment of Plan administrative expenses not paid by the Bishop under Section 8.21, and for distributions therefrom. The Insurance Company shall maintain all Participant Accounts until the final distribution is made therefrom in accordance with the terms of the Plan.

5.2 Allocation of Employer Contributions.

- (a) Eligibility for Allocation. A Participant is eligible to receive an Employer contribution to his Participant Account as of an Allocation Date if and only if he was an Eligible Employee throughout the Allocation Period ending on such Allocation Date (or throughout the portion of such Allocation Period commencing with his Entry Date).
- (b) Regular Contribution. Immediately upon contribution to the Contract under Section 4.2 of the Employer Contribution for an Allocation Period, the Plan Administrator shall allocate to the Participant Account of each Participant eligible under subsection (a) an amount equal to five and one-half percent (5.5%) of such Participant's Compensation received during such Allocation Period (excluding, during the short Plan Year beginning July 1, 2014 and ending December 31, 2014, Compensation earned in any portion of such Allocation Period before his Entry Date).
- (c) Additional Transition Contribution. In addition to the contribution specified in subsection (b), the Employer shall make additional contributions to the Participant Accounts of the Participants specified in paragraph (1), in the percentage of Compensation specified in paragraph (2), subject to the terms and conditions specified in paragraph (3), as follows:
  - (1) Participants Eligible for Transition Contribution. Each person who, on July 1, 2014, is a Participant who has reached his 40th birthday and has completed at least 10 Years of Service shall be eligible for a Transition Contribution for any Allocation Period during which he is at all times an Eligible Employee.
  - (2) Percentage of Compensation. The percentage of an eligible Participant's Compensation to be contributed as a Transition Contribution is determined based on his Years of Service as of the first day of the

Allocation Period for which the contribution is made, as follows:

Service at Beginning of Contribution Period	Percentage of Compensation Contributed
10 years to 19 years 11 months	2.5 percent
20 years to 24 years 11 months	4.5 percent
25 or more years	6.5 percent

- (3) *Terms and Conditions.* Transition Contributions under this subsection are subject to the following:
- (i) No contribution will be made with respect to any Allocation Period beginning after June 30, 2021.
  - (ii) The percentage of contribution for a Participant whose Service reaches 20 years or 25 years during an Allocation Period shall increase as indicated in paragraph (2) at the beginning of the next following Allocation Period.
  - (iii) Eligibility for Transition Contributions ceases permanently upon loss of Eligible Employee status for any reason; provided, however that this item (iii) shall not apply if-
    - (I) an Employee loses Eligible Employee status due solely to reduction of his or her hours below 20 hours per week, and
    - (II) after no more than six months from the date of such reduction, the Employee's hours are increased to at least 20 hours per week, and
    - (III) no termination of the Employee's employment or other event causing loss of Eligible Employee status occurs between the events in (I) and (II) above.

- (d) Limit on Annual Additions to Participant Account. In no event, however, shall the amount allocated to the Participant Account of a Participant for a Plan Year exceed the lesser of (1) 100 percent of the Compensation of such Participant, or (2) fifty-two thousand dollars (\$52,000.00), or such greater amount permitted pursuant to

Section 415(c)(1)(A) of the Code for such Plan Year.

5.3 Allocation of Plan Administrative Expenses. Expenses of administration of the Plan (including the Insurance Company's fees and expenses) paid from the Contract shall be charged to Participant Accounts on the date paid, allocated in proportion to Account Values.

5.4 Valuation of Contract and Accounts

- (a) In General. Whenever required in the administration of the Plan or upon request of the Plan Administrator, the Insurance Company shall determine the fair market value of the assets of the Contract and report such value to the Plan Administrator in writing. Such valuation shall be as of such business day (defined as any day on which the New York Stock Exchange is open for business) as the Plan Administrator shall specify.
- (b) Valuation for Distribution. A distribution of a Participant Account to a Participant or Beneficiary on any business day, shall be based on the Account Value of such Participant Account, which is the Insurance Company's valuation of the Participant's Account under subsection (a) as of the close of business on the business day preceding the date of distribution.
- (c) Conclusiveness of Valuation. The valuations determined under subsections (a) and (b) shall be binding upon the Employer, Participants, and all other persons entitled to benefits under the Plan.

## ARTICLE VI. DISTRIBUTIONS

- 6.1 Full Vesting. Each Participant shall be 100% vested in his Participant Account at all times.
- 6.2 Time and Manner of Distribution.
- (a) Distribution of a Participant Account shall be made only in the event of a Participant's Termination of Employment or death or of termination of the Plan under Section 7.4.
  - (b) Each Participant Account shall be distributed no later than-
    - (i) in the case of a distribution to a Participant, the later of (I) April 1 of the calendar year following the calendar year in which the Participant reaches age 70-1/2 or (II) April 1 of the calendar year following the calendar year in which the Participant retires, and
    - (ii) in the case of a distribution to a Beneficiary, the last day of the fifth (5th) calendar year beginning after the Participant's death.
  - (c) Distribution of a Participant Account shall be made by a lump sum cash payment, based on the Account Value of the Participant Account as of the date of distribution, determined under Section 5.4(b).
- 6.3 Distribution on Termination of Employment.
- (a) Upon termination of employment of a Participant, he shall be entitled to a distribution of the Account Value of his Participant Account, as determined under Section 5.4 on the date of distribution.
  - (b) Notwithstanding subsection (a), but subject to Section 6.7, if the Account Value of a Participant Account shall, at the time of termination of employment, be less than five thousand dollars (\$5,000), the Plan Administrator shall direct the Insurance Company to make distribution by lump sum cash payment as soon as practicable following termination of employment. Consent of the Participant to such distribution is not required.

6.4. Distribution on Death. In the event of the death of a Participant, the Insurance Company shall distribute his Participant Account by lump sum cash payment to his Beneficiary as soon as administratively feasible, but not later than the date specified in Section 6.2(b)(ii).

6.5 Distribution Procedures.

(a) *Election Period Procedures.* Subject to Section 6.2(b), but notwithstanding any other provision of the Plan or any previous election to defer receipt of benefits with respect to either of the following:

- (1) an Employee entitled to and eligible to receive a benefit under Section 6.3 who has not submitted an application for benefits during the one-year period commencing on his Termination of Employment Date, or
- (2) a Beneficiary of a deceased Employee entitled to a benefit under Section 6.4 who has not submitted an application for benefits,

the Plan Administrator shall initiate the benefit application process by designating a 60-day Election Period, providing such Employee or Beneficiary with an application for benefits at the beginning of such period, and notifying the Employee or Beneficiary in writing that, unless the application is completed, duly signed (including spousal consent in the case of a married Employee), and returned within the Election Period, such Employee's or Beneficiary's vested benefit will be distributed immediately in a Mandatory Distribution under subsections (b) and (c).

(b) *Mandatory Distributions.* Upon the expiration of the Election Period, if the completed and duly signed application for benefits has not been received, the Plan Administrator shall direct the Insurance Company to pay the Employee's or Beneficiary's vested benefit immediately in the form specified in subsection (c).

(c) *Form of Mandatory Distributions.* Notwithstanding any other provision of the Plan, a Mandatory Distribution under subsection (b) shall be paid in the form determined from the following table:

Situation	Pension Account Balance \$1000 or Less at Distribution	Pension Account Balance more than \$1000 at Distribution
Employee under age 65 at Distribution	Lump Sum Payment	Automatic Rollover
Employee age 65 or over at Distribution	Lump Sum Payment	Lump Sum Payment
Employee deceased; payment made to Beneficiary	Lump Sum Payment	Lump Sum Payment

For purposes of the foregoing table:

- (i) Lump Sum Payment means a single cash payment to the Employee, subject to income tax withholding as required by law, and
  - (ii) Automatic rollover means a direct rollover to an individual retirement arrangement (IRA) designated by the Plan Administrator.
- (d) *Practices and Procedures.* The Plan Administrator shall establish administrative practices and procedures under Article VIII with regard to this Section.

#### 6.7 Direct Rollovers from Plan.

(a) *In General.* Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this paragraph, a distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

#### (b) *Definitions.*

(i) Eligible rollover distribution: An 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: (I) 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 life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; (II) any distribution to the

extent such distribution is required under section 401(a)(9) of the Code; and (III) any distribution made due to hardship of the employee. A distribution including a nontaxable amount shall constitute an eligible rollover distribution only if rolled over to an eligible retirement plan described in item (I) of paragraph (ii) or to an eligible retirement plan described in item (II) of paragraph (ii) which agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution (including earnings thereon) which is includable in gross income and the portion (including earnings) which is not so includable.

(ii) Eligible retirement plan: An eligible retirement plan is one of the following:

(I) an individual retirement account described in Section 408(a) of the Code or an individual retirement annuity described in Section 408(b) of the Code, including a Roth IRA under Section 408A;

(II) a qualified trust described in Section 401(a) of the Code or an annuity contract or account described in Section 403(b) of the Code;

(III) an annuity plan described in Section 403(a) of the Code; or

(IV) 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 and that accepts the distributee's eligible rollover distribution.

(iii) Distributee: A Participant receiving a distribution of his or her Participant Account. In addition, the Participant's surviving Spouse and the Participant's Spouse or former Spouse who is the alternate payee under a domestic relations order accepted by the Plan Administrator under Section 9.2 are distributees with regard to the interest of the Spouse or former Spouse.

(iv) Direct rollover: A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.

(c) *Nonspouse Beneficiaries.* A trustee-to-trustee transfer of all or any portion of a distribution from the Plan to an individual retirement account described in Code Section 408(a) or an individual retirement annuity described in Code Section 408(b) on behalf of a nonspouse beneficiary shall be treated, under Code Section 402(e)(11) and IRS guidance thereunder, as an eligible rollover distribution for purposes of this Section. For purposes of the

preceding sentence, "nonspouse beneficiary" means an individual who is a designated beneficiary of the Participant for purposes of Code Section 401(a)(9) and who is not the surviving Spouse of the Participant.

ARTICLE VII. AMENDMENT AND TERMINATION

- 7.1 Plan Sponsor's Rights. Although the Plan Sponsor intends that the Plan will be permanent, it reserves the right at any time (a) to modify, suspend or discontinue Employer Contributions, (b) to amend the Plan, and (c) to terminate the Plan.
- 7.2 Restrictions. Notwithstanding Section 7.1, under no circumstances:
- (a) shall any part of the corpus or income of the Contract revert to the Plan Sponsor or be used for or diverted to purposes other than for the exclusive benefit of Participants and their Beneficiaries,
  - (b) shall the Plan be amended or any action be taken by the Plan Sponsor or the Insurance Company which results in the distribution or diversion of any part of the corpus or income of the Contract for purposes other than the exclusive benefit of Participants and their Beneficiaries,
  - (c) shall there be any amendment of the Plan which shall operate in such a manner as to deprive retroactively any Participant or Beneficiary of benefits attributable to Employer Contributions or earnings thereon prior to such amendment unless such amendment is necessary to conform the Plan to any law, government regulation or ruling or to enable the Plan to satisfy the requirements of Sections 401 and 501 of the Internal Revenue Code,
  - (d) shall any amendment or termination of the Plan decrease or eliminate the Employer Contributions with respect to a Plan Year if such termination or amendment occurs after the end of such Plan Year,
  - (e) shall any amendment of the Plan materially increase the duties or responsibilities of the Insurance Company unless such amendment is agreed to by the Insurance Company, and
  - (f) shall the protections in this Section 7.2 be limited or reduced by any amendment, modification, or revocation.
- 7.3 Amendment of the Plan. Subject to Section 7.2, the Plan may be amended at any time by the Plan Sponsor. A copy of any amendment adopted by the Plan Sponsor shall be delivered to the Insurance Company.

- 7.4 Termination. Subject to Section 7.2, the Plan may be terminated at any time by the Plan Sponsor. After termination of the Plan, the Contract shall continue in existence for so long as is necessary to wind up its affairs.
- 7.5 Procedure on Termination. After termination of the Plan, the Employer shall make no further Employer Contributions. The Insurance Company shall, after payment of any expenses properly charged to the Contract that have not been paid by the Employer, distribute the Participant Accounts by lump sum cash payments.
- 7.6 Merger of Plans. This Plan and the Contract associated with it shall not be merged or consolidated with, nor any assets transferred to any other plan, unless the benefit after such merger or consolidation is equal to or greater than the value of the benefit the Employee (or his Beneficiary in a proper case) would have received had this Plan terminated on the day before such merger or consolidation.

## ARTICLE VIII. ADMINISTRATION

- 8.1 Plan Administrator and Named Fiduciary. The Bishop is hereby designated as the Plan Administrator and Named Fiduciary and will be responsible for the general administration of the Plan and will be entitled to rely on all valuations, tables and reports furnished by the Insurance Company or by a consultant retained or employed by the Plan Administrator.
- 8.2 Plan Administrator's Powers. The Plan Administrator will have full discretionary authority to administer, interpret and construe this Plan including discretionary authority to determine all questions of eligibility and of the status, rights and benefits of Employees and other persons under this Plan. In all such cases, the Plan Administrator's determination will be based on uniform rules and practices and will be binding on all Employees or other persons affected thereby.
- 8.3 Delegation of Plan Administrator and Named Fiduciary Duties. The Plan Administrator and Named Fiduciary may delegate all or part of his responsibilities. No delegation of the Plan Administrator's and Named Fiduciary's powers and duties to any party not an employee of any Employer shall become effective until the party designated accepts those powers and duties in writing filed with the Plan Administrator.
- 8.4 Acts of Authorized Person to be Considered Acts of Plan Administrator. Whenever the Plan Administrator or his delegate is permitted or required to do or perform any discretionary responsibility act, matter or thing (acts), it shall be done and performed by any officer, or other person, duly authorized and delegated to do so by the Plan Administrator, and such acts shall be considered acts of the Plan Administrator.
- 8.5 Allocation of Functions. Any person or group of persons, may serve in more than one fiduciary or administrative capacity with respect to the Plan. Such persons may agree in writing to allocate among themselves the various powers and duties delegated to them, provided all such persons sign such agreement.
- 8.6 Named Fiduciary's Duties. The Named Fiduciary shall have the exclusive authority and discretion to manage the availability of investment funds for investment by Participants under Section 8.7, including the authority and discretion to determine the

number and types of investment funds to be made available, to determine the specific funds to be offered, to designate one or more default investment funds, and to terminate the availability of any investment fund. In exercising such discretion, the Named Fiduciary shall use the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims and shall act in accordance with applicable law.

8.7 Participant Direction of Investments. Participants shall have the right to direct the investment of their Participant Accounts on the following terms:

- (a) Each Participant shall direct the Insurance Company or its delegate as to the investment of the assets comprising his Participant Account, including the investment of amounts to be allocated to the Account in the future, and shall select such investments from among the investment funds made available from time to time by the Named Fiduciary. Each Participant Account shall be charged or credited (as appropriate) with the earnings, gains, losses, and expenses attributable to the particular investment of the Participant Account as set forth in Section 5.4. Neither the Named Fiduciary, the Plan Administrator, the Insurance Company, nor any other fiduciary shall have any responsibility for the direct or indirect results of any investment decision made by a Participant in accordance with this Section.
- (b) The Plan Administrator shall establish such uniform and nondiscriminatory rules relating to investment direction by Participants as he deems necessary or advisable, including but not limited to rules prescribing the permitted frequency of, and the forms and procedures for making investment changes.
- (c) In the event that the Insurance Company does not receive a valid direction from a Participant with respect to the investment of all or any portion of his Participant Account, the Participant shall be deemed to have provided a valid direction to, and the Insurance Company shall, invest such Participant Account (or portion thereof) in the investment fund designated as the "default investment fund" with respect to such Participant by the Named Fiduciary, provided that notice of such designation shall have been provided to Participants.
- (d) The Beneficiary of a deceased Participant, or an alternate payee under a domestic relations order accepted by the Plan Administrator under Section 9.2, shall each be entitled to

direct the investment of the Participant Account to which they are entitled as if they were a Participant hereunder.

- (e) In the event that the Named Fiduciary changes the investment funds available to Participants in a way that results in the elimination of one or more funds, the Named Fiduciary shall also determine the disposition of amounts then invested in the fund or funds being eliminated, provided that Participants who are affected by such elimination shall have reasonable opportunity to direct the transfer of their Participant Accounts to a different available investment fund.

8.8 Insurance Company's Power and Duties. The powers and duties of the Insurance Company shall be to manage and hold the funds of the Contract in accordance with the terms of the Contract.

8.9 Records and Reports. The Plan Administrator shall keep a record of all his proceedings and acts and shall keep all such books of account, records, and other data as may be necessary for proper administration of this Plan.

The Plan Administrator shall file or cause to be filed all such annual reports, financial and otherwise as may be required by any federal or state statute, agency or authority within the time prescribed by law or regulation for filing said documents, if any are applicable to this Plan.

8.10 Application (Claim) for Benefits. Except as provided in Sections 6.4(b) and 6.5(b), no benefit will be paid hereunder until the Employee, or in a proper case his Beneficiary, submits an application to the Plan Administrator. Application for benefits under this Plan must be made in writing on a form or forms supplied by, or acceptable to the Plan Administrator, within ninety (90) days prior to the date such benefit is scheduled to commence; otherwise such benefit payment may be delayed by the Plan Administrator.

Incomplete applications will be returned to the applicant and, where appropriate, an explanation or assistance as to how the applicant can perfect the application will be provided.

8.11 Spouse Consent. No payments to, or election by, an Employee may be made hereunder unless his Spouse consents to the payment, or election, as follows:

- (a) The Employee's Spouse must consent to the payment in writing on a form or forms provided by or acceptable to the Plan

Administrator. The Spouse's signature consenting to the payment must be witnessed by the Plan Administrator or a notary public.

- (b) Nothing in this section shall permit a married Employee to designate a Beneficiary other than his Spouse.
- (d) Spousal consent may be waived if the Employee establishes to the satisfaction of the Plan Administrator that there is no Spouse or the Spouse cannot be located. Any consent by a Spouse is effective only with respect to that Spouse.

8.12 Evidence of Marital Status. For purposes of payment of benefits hereunder and wherever Spouse consent is required herein, it must be established to the satisfaction of the Plan Administrator, that an Employee does or does not have a Spouse, or that the Employee is deemed not to have a Spouse because no Spouse can be located, or because of such other circumstances as may be prescribed in regulations issued by the Secretary of the Treasury.

8.13 Information to be Furnished to Employees and Beneficiaries. The Plan Administrator shall furnish such information, reports, statements and documents to Employees and Beneficiaries of this Plan as may be required by any statute or regulation applicable to church plans, as defined in Section 414(e) of the Code.

8.14 Copies of Documents, Etc. Copies of this Plan and the Contract will be available for inspection to Employees and Beneficiaries, or their delegates, by appointment, made at least ten (10) days in advance, at the principal office of the Employer, during regular business hours. Copies of such documents may be obtained by written request made to the Plan Administrator. The Plan Administrator may make a reasonable charge to defray the expense of compiling, mailing and reproducing such documents.

8.15 Information to be Furnished to Plan Administrator. An Employee or Beneficiary, or such other person as may make application for benefits, or request information with respect to benefit determination or payment of benefits, will furnish all information which the Plan Administrator may reasonably require for the administration of this Plan.

8.16 Misstatements. If the age or sex, or any other relevant fact relating to any Employee or other individual, is found to have been misstated, an equitable adjustment of benefits payable will be made by the Plan Administrator, or his delegate(s), based on the correct information as it is known by the Plan Administrator.

Any adjustments of benefits made in accordance with this section will be conclusive, subject to the provisions of Section 8.18, upon any Employee, Beneficiary, or other individual affected thereby.

- 8.17 Notice of Decision. A decision as to the disposition of an application for benefits shall be made as soon as practical after submission, and such decision shall be communicated in writing to the applicant by the Plan Administrator.
- 8.18 Right of Appeal. Any Employee, or other person, who has had a claim for a benefit under this Plan denied shall be entitled to receive adequate notice, in writing, of such denial, setting forth the specific reasons for such denial, and such Employee, former Employee, or other person, shall be given a period of not less than sixty (60) days in which he may request and receive a full and fair review by the Plan Administrator.
- 8.19 Employee's Beneficiary. SUBJECT TO SECTION 9.2, AN EMPLOYEE'S SURVIVING SPOUSE SUPERSEDES ANY OTHER BENEFICIARY DESIGNATION. NEITHER THE EMPLOYEE NOR THE SPOUSE MAY MAKE AN ELECTION TO THE CONTRARY. When necessary for the administration of this Plan, the Employee will designate his primary and secondary Beneficiary and any change in such designation to the Plan Administrator, on a form or forms supplied by or acceptable to the Plan Administrator.

If a Spouse or designated Beneficiary is not living (or has not been designated) at the time any benefit would otherwise be paid to said Spouse or Beneficiary, then such benefits will be paid to the surviving party of highest priority in the following list:

- (i) natural and adopted minor and adult children for whom the Employee had a legal and parental responsibility,
- (ii) parent(s) of the Employee,
- (iii) siblings of the Employee,
- (iv) grandparents of the Employee,
- (v) aunts and/or uncles who are the children of (iv),
- (vi) the Employee's estate.

If more than one individual belongs to the highest category in the foregoing list for which there is a surviving party at the Employee's death, all then surviving individuals in such class shall share Plan benefits equally.

In the event the Beneficiary does not survive the Employee by at least 30 days, or in the event said Beneficiary dies in or as a result of a common accident or disaster with the Employee, then the Employee's death will be deemed to have occurred last.

8.20 Facility of Payment. If an individual entitled to any payment under this Plan is incapable, due to minority or other condition, of giving a valid receipt or discharge for any payment otherwise due such individual under the Plan, then the Plan Administrator may direct the Insurance Company to make such payment to the person or organization legally responsible for the individual's welfare or, if none such exists, to the person or organization which will, based on consideration of all information available to the Plan Administrator best serve the individual's welfare.

Any payment made under the conditions set out above will completely discharge the liability of the Plan Administrator, the Employer and the Insurance Company, with respect to the amount so paid.

8.21 Payment of Plan Expenses. The Bishop may pay all expenses in administration of this Plan, including expenses and fees of the Insurance Company, but he shall not be obligated to do so, and any such expenses and fees not paid by the Bishop will be paid from the Contract.

8.22 Forfeiture of Benefits Where Recipient Cannot Be Located.

(a) **Forfeiture of Benefit.** The vested benefit of a terminated Employee shall be forfeited (subject to reinstatement under subsection (d) or paragraph (e)(1)) if the Employee does not contact the Plan and request payment of his or her benefit before the first anniversary of the date on which the Plan Administrator executes its declaration (under subsection (c)) that is reasonable effort to locate the Employee was completed.

(b) **Reasonable Effort to Locate Employee.** For purposes of this Section, the Plan Administrator shall be deemed to have made a reasonable effort to locate the Employee if the Plan Administrator completes the actions required under paragraph (1) within the period described in paragraph (2), attempting to provide the Employee with information as described in paragraph (3).

(1) **Actions to Locate Employee.** The Plan Administrator shall complete the first of the following actions and any two of the remaining actions:

(A) **Mandatory.** Writing to the Employee, via certified mail with return receipt requested or an equivalent private delivery service, at each and every address in the records of the Plan or in records of the Employer accessible to the Plan

- which is not known to the Plan Administrator to be an invalid address.
- (B) Using the services of a licensed private investigator or an online search service and writing to the Employee at the addresses obtained (but not more than three) that are reasonably believed most likely to be valid among those provided by the investigator or search service. If fewer than four addresses are provided, the Plan Administrator shall write to the employee at all such addresses.
- (C) In addition to (B), using a different online search service and writing to the Employee at the addresses obtained (but not more than three) that are reasonably believed most likely to be valid among those provided by the search service. If fewer than four addresses are provided, the Plan Administrator shall write to the Employee at all such addresses.
- (D) Writing to the Employee's designated beneficiary (with respect to the Plan or to life insurance or any other benefit offered by the Plan Sponsor or any affiliate thereof) at an address reasonably believed by the Plan Administrator to be valid.
- (E) Writing to those relatives, friends, or associates of the Employee (but no more than three) known to the Plan Administrator as a result of Employee's employment, whose addresses are reasonably believed most likely to be valid among those provided by the Plan Sponsor. If fewer than four addresses are provided, the Plan Administrator shall write to all such addresses.
- (2) Timing of Actions. Actions taken by the Plan Administrator before the third anniversary of the Employee's Normal Retirement Date or subsequent date of termination of employment (or, if later, the most recent date on which the Employee contacted the Plan Administrator pertaining specifically to his or her Plan benefit) shall be disregarded in applying this subsection (b).
- (3) Content of Message. The Plan Administrator's communication to the Employee (or to others under subsection (D) or (E) of paragraph (1) above) shall clearly state:
- (A) That the Employee is believed to be entitled to a benefit under the Plan;

- (B) The address and telephone number of the Plan Administrator's delegate authorized to provide further information and assistance; and
  - (C) That the Plan permits forfeiture of the Employee's benefit if no response is received and that the forfeiture will become final upon any future termination of the Plan.
- (c) **Certification by Plan Administrator.** Upon completion of the reasonable effort under subsection (b), the Plan Administrator shall execute a declaration describing and certifying the actions taken to locate the Employee and the date on which such actions were completed.
- (d) **Reinstatement Upon Subsequent Reappearance.** Notwithstanding subsection (a), in the event that an Employee whose benefit has been forfeited thereunder contacts the Plan Administrator (or is otherwise located) and submits a claim for his or her benefit which is approved by the Plan Administrator under regular Plan procedures, the forfeiture shall be null and void and the Plan Administrator shall commence payment of benefits as soon as administratively feasible. The amount of the benefit paid to the Employee shall be equal to the amount of the benefit on the day before the forfeiture, without any addition to the benefit amount during the period of the forfeiture.
- (e) **Application to Deceased Employee.** In the case of an Employee who is deceased, this Section shall apply to payment of a survivor benefit to the Employee's Beneficiary as follows:
- (1) **After Forfeiture of Employee's Benefit.** A benefit which has been forfeited by an Employee under subsection (a) and not subsequently reinstated shall be reinstated and paid to a Beneficiary of the Employee who contacts the Plan Administrator and files a claim for benefits which is approved by the Plan Administrator under regular Plan survivor benefit procedures. Payment of such benefit shall be governed by subsection (d) as interpreted by the Plan Administrator to apply to the situation.
  - (2) **Before Forfeiture of Employee's Benefit.** If the Plan Administrator obtains information it deems reliable that an Employee whose benefit has not been forfeited is deceased, the Plan Administrator may make an effort to locate the Beneficiary of such Employee which is reasonable based on the extend of the information regarding the death of the Employee and the identity and whereabouts of the Beneficiary that is immediately

available to the Plan Administrator. Actions taken to locate such Beneficiary need not meet all the requirements of paragraph (1) of subsection (b)). The Plan Administrator may execute a declaration ---

- (A) Describing the information received about the death of the Employee and the identity and whereabouts of the Beneficiary,
- (B) Describing the efforts made to locate the Beneficiary, and
- (C) Declaring under penalty of perjury that any failure of such efforts to meet the standards of paragraph (b)(1) is due solely to the incomplete nature of the information as to the Beneficiary which was received by the Plan Administrator.

The survivor benefit to which such Beneficiary would otherwise be entitled shall be forfeited if the Beneficiary does not contact the Plan Administrator and request payment of his or her benefit before the first anniversary of the date on which the Plan Administrator execute the declaration. Such forfeiture is subject to reinstatement and payment under subsection (d), as interpreted by the Plan Administrator to apply to the situation.

- (f) **Termination of Plan.** On the Plan termination date established under Section 14.3, all forfeitures which have occurred under this Section and have not previously been reinstated shall become final and no longer subject to reinstatement.
- (g) **Interpretation.** For purposes of this Section:
  - (1) "Beneficiary" includes the plural as well as the singular and includes the Employee's surviving Spouse.
  - (2) "Employee" includes an alternate payee under a domestic relations order accepted by the Plan under Section 17.2.
  - (3) "Plan Administrator" includes a delegate of the Plan Administrator.

ARTICLE IX. MISCELLANEOUS

9.1. Benefits from Contract. As a condition precedent to participation in the Plan, each Participant agrees that he will look solely to the assets of the Contract for the payment of benefits to which he is entitled under the Plan. The Plan Sponsor assumes no responsibility or liability for the payment of benefits under the Plan and is not legally obligated to make Employer Contributions. No action or suit shall be brought by any Employee, Participant or other person against the Plan Sponsor to compel Employer Contributions.

9.2 Nonassignability/Non-Alienation. All of the benefits provided under this Plan are nonassignable. All benefits under this Plan will be exempt from the claims of creditors to the maximum extent permitted by law.

Benefits under this Plan shall not be subject in any manner to alienation. Any attempt to alienate benefits under this Plan, for any reason, shall be void.

The preceding paragraphs shall also apply to the creation, assignment, or recognition of a right to any benefit payable with respect to an Employee pursuant to a domestic relations order, unless such order (1) would meet the requirements for a qualified domestic relations order under Section 414(p) of the Code if such section applied to church plans that have not made an election under Section 410(d) of the Code, and (2) is determined by the Plan Administrator in its discretion to be consistent with applicable law and the terms of the Plan (including this section).

9.3 Employee Contributions. Employee contributions are neither required nor permitted.

9.4 Construction. The masculine includes the feminine wherever appropriate. The singular may include the plural; and vice versa unless the context clearly indicates to the contrary.

If the terms of the Plan are inconsistent with the terms of the Contract, the Contract shall prevail.

The Plan shall be construed in accordance with the laws of the State of California.

## ARTICLE X. TOP-HEAVY PROVISIONS

### 10.1 Top-Heavy Determination.

- (a) For the purposes of this Article, the term "key employee" shall have the meaning set forth in Section 416(1)(1) of the Internal Revenue Code.
- (b) The Plan shall be considered Top-Heavy for a Plan Year if, as of the last day of the preceding Plan Year (the "determination date"), the aggregate of Participant Accounts of key employees and of the accrued benefits and account balances of key employees in any pension or profit-sharing plan of the Employer in which a key employee of the Employer participates (or which enables such a plan in which a key employee participates to qualify), increased to reflect distributions made to such key employee during the five year period ending on the determination date, exceeds sixty percent (60%) of the aggregate of all Participant Accounts and of the accrued benefits and account balances of all employees in any pension or profit-sharing plan or the Employer in which a key employee of the Employer participates (or which enables such a plan in which a key employee participates to qualify), similarly increased. For purposes of the preceding sentence: (i) the five-year period ending on the determination date shall be decreased to the one-year period ending on the determination date for years ending after December 31, 2001 in the case of distributions made by reason of separation from service, death or disability; and (ii) employees who have not performed services for any Employer during the five-year period ending on a determination date (one-year period, in the case of years ending after December 31, 2001) shall be disregarded.

### 10.02. Vesting when the Plan is Top-Heavy.

Each Participant shall be 100% vested at all times.

### 10.3 Top-Heavy Minimum Contribution

- (a) Except as otherwise provided in (c) and (d) below, the Employer Contributions allocated on behalf of any Participant who is not a Key Employee shall not be less than the lesser of 3% of such Participant's Compensation or in the case where the Employer has no defined benefit plan which designates this Plan to satisfy section 401 of the Code, the largest percentage of Employer Contributions as a percentage of the first \$200,000 of the Key Employee's Compensation, allocated on behalf of any Key Employee for that year. The minimum allocation is determined without

regard to any social security contribution. This minimum allocation shall be made even though, under other Plan provisions, the Participant would not otherwise be entitled to receive an allocation, or would have received a lesser allocation for the year because of (i) the Participant's failure to complete one thousand (1,000) Hours of Service (or the equivalent provided in the Plan), or (ii) the Participant's failure to make mandatory employee contributions to the Plan, if any are required, or (iii) Compensation less than a stated amount.

- (b) For purposes of computing the minimum allocation, Compensation shall be as defined for purposes of Section 5.2(d).
- (c) The provision in (a) above shall not apply to any Participant who was not employed by the Employer on the last day of the Plan Year.
- (d) The provisions in (a) above shall not apply to any Participant to the extent that the Participant is covered under any other plan or plans of the Employer and the Employer has provided in such plan or plans that the minimum allocation or benefit requirement applicable to top-heavy plans will be met in the other plan or plans.

10.4 Top-Heavy Defined Contribution and Defined Benefit Plans - Minimum. If the Employer maintains both this Plan and a defined benefit plan and both plans are Top-Heavy, the Employer shall provide a minimum in the following order or priority:

- (a) First, the provisions of Section 10.3 shall apply except that 3% shall be replaced by 5%.
- (b) If the Employer is unable to make contributions under paragraph (a) above, then each Employee who is not a Key Employee and who is covered under the defined benefit plan shall receive a minimum accrued benefit of two percent (2%) of his average compensation (as defined in that top-heavy defined benefit plan) multiplied by his years of Service (not to exceed ten (10) such years) provided such Participant earned at least one thousand (1000) Hours of Service (or the equivalent) under the defined benefit pension plan. In the event the normal form of benefit under the defined benefit plan is other than a straight-life annuity, the minimum accrued benefit described in said plan shall be the actuarial equivalent (as provided by the defined benefit plan for equivalent purposes) of a straight-life annuity.

