

Plan Agreement

Savings Incentive Match Plan for Employees in IRA Form under Section 408(p) of the Internal Revenue Code

Article I: Adoption and Purpose of Plan

1.1 Adoption of Plan: By completing and executing the Adoption Agreement, the Employer has adopted and established the Sponsoring Organization's Prototype Plan. This Prototype Plan may only be used in conjunction with an Internal Revenue Service ("IRS") Model SIMPLE-IRA, Form 5305-S or Form 5305-SA or an IRS approved Prototype SIMPLE-IRA. This Prototype Plan may only be adopted by an Eligible Employer and may not be adopted by an Employer (or a predecessor employer) who currently maintains during any part of the calendar year another plan, contract, pension, or trust described in Section 219(g)(5) of the Code with respect to which contributions are made or benefits are accrued, for any employee's service beginning or ending in the calendar year. This Prototype Plan is intended to be for the exclusive benefit of the Participants and their beneficiaries.

Article II: Definitions

As used in this Plan, the following terms shall have the meanings set forth below, unless a different meaning is clearly required by the context:

2.1 "Adoption Agreement" or "Agreement" shall mean the original application executed by the Employer, and any amendment thereto, through which the Employer adopts and establishes, or amends, the Plan, designates the optional provisions selected by the Employer, and agrees to be bound by all terms and conditions of the Plan. This Agreement may be proved either by an original copy or by a reproduced copy thereof, including, without limitation, a copy reproduced by photocopying, facsimile transmission, electronic commerce, or electronic imaging.

2.2 "Applicable Limit" shall mean the annual elective deferral limit as determined in accordance with the following schedule. Employees who will not have attained age 50 before the end of the Plan Year may elect to have their compensation reduced by up to: \$7,000 for 2002; \$8,000 for 2003; \$9,000 for 2004; and \$10,000 for 2005 and later years. After 2005, this limit may be adjusted from time to time, in multiples of \$500, by the Secretary of the Treasury in accordance with Section 408(p)(2)(E) of the Code for increases in the cost of living. Employees who will have attained age 50 before the end of the Plan Year may elect to have their compensation reduced by an additional amount of: \$500 for 2002; \$1,000 for 2003; \$1,500 for 2004; \$2,000 for 2005; and \$2,500 for 2006 and later years. After 2006, the additional limit may also be adjusted from time to time, in multiples of \$500, for increases in the cost of living. An Eligible Employee who will have attained age 50 before the end of the Plan Year is deemed to be age 50 as of January 1 of that year.

2.3 "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, or any successor provisions of law.

2.4 "Compensation" shall mean with respect to an Employee, the sum of the wages, tips, and other compensation from the Employer subject to federal income tax withholding (as described in Section 6051(a)(3) of the Code) and the Employee's salary reduction contributions made under this Plan, and, if applicable, elective deferrals on behalf of the Employee under a Section 401(k) plan, a SARSEP, a Section 403(b) annuity contract and compensation from the Employer deferred under a Section 457 plan required to be reported by the Employer on Form W-2 (as described in Section 6051(a)(8) of the Code). Compensation shall not include any amounts deferred by the Employee pursuant to a Section 125 cafeteria plan. For any self-employed individual (as described in Section 401(c)(1) of the Code) covered under the Plan, Compensation shall mean net earnings from self employment with respect to the Employer determined under Section 1402(a) of the Code, without regard to Section 1402(c)(6) of the Code, prior to subtracting any contributions made pursuant to this Plan on behalf of the individual. Compensation shall include only that Compensation which is actually paid or made available to the Participant during the Plan Year. The annual Compensation of each Participant taken into account under the Plan for purposes of the Nonelective Contributions for any Plan Year shall not exceed \$200,000, as adjusted from time to time in accordance with Section 401(a)(17) of the Code for increases in the cost of living. Such adjustments shall be in multiples of \$5,000.

2.5 "Custodian" shall mean Fidelity Management Trust Company (or its successor). The Custodian of the Plan may or may not be the custodian of a Participant's SIMPLE-IRA to which contributions under the Plan will be made.

2.6 "Effective Date" shall mean the date specified by the Employer in the Adoption Agreement with respect to the SIMPLE Plan, or with respect to the amendment or restatement, if this is an amendment or restatement of an existing SIMPLE plan.

2.7 "Election Period" shall mean the 60-day period immediately preceding January 1 of a calendar year. For the initial Plan Year, the Election Period shall mean the 60-day period that precedes or runs concurrent with the Effective Date of the Plan or the day plan notice is provided to each Eligible Employee, if later. In the case of an employee who becomes an Eligible Employee other than at the beginning of the calendar year because

- (i) the Employer has not elected a prior year compensation requirement in Item 2(B) of the Adoption Agreement,
- (ii) the employee satisfied the prior year's compensation requirement during a prior period of employment with the Employer or
- (iii) the plan is first effective after the beginning of the calendar year, the Election Period shall begin on the day plan notice is provided to the employee and shall include either the day the Employee becomes eligible or the day before that date.

2.8 "Elective Deferrals" shall mean any Employer contribution made to a Participant's SIMPLE-IRA under the Plan at the election of such Participant, in lieu of cash compensation, and shall include contributions made pursuant to a Salary Reduction Agreement, including Employer contributions made to a Participant's SIMPLE IRA under the Plan in accordance with Section 414(v) of the Code, up to the limits described in Section 4.3(a) of this Plan Agreement.

2.9 "Eligible Employee" shall mean an Employee who meets the eligibility requirements as outlined in Section 3.1 and elected by the Employer in the Adoption Agreement.

2.10 "Eligible Employer" shall mean an Employer which had no more than 100 Employees who received at least \$5,000 of Compensation from the Employer for the preceding calendar year ("100-Employee Limit"), and who does not currently maintain another plan, contract, pension or trust described in Section 219(g)(5) of the Code with respect to which contributions are made or benefits are accrued, for any employee's service beginning or ending in that calendar year (the "one-plan requirement"). For this purpose, a plan, contract, pension or trust described in Section 219(g)(5) of the Code is a plan described in Section 401(a) of the Code that includes a trust exempt from tax under Section 501(a) of the Code; an annuity plan described in Section 403(a) of the Code; a plan established for its employees by the United States, by a State or political subdivision thereof, or by an agency or instrumentality of any of the foregoing (but not an eligible deferred compensation plan within the meaning of Section 457(b) of the Code); a tax sheltered annuity plan described in Section 403(b) of the Code; a simplified employee pension (SEP) plan described in Section 408(k) of the Code; a trust described in Section 501(c)(18) of the Code and another SIMPLE-IRA Plan described in Section 408(p) of the Code. If the failure to meet the one-plan requirement is due to an acquisition or similar transaction, the Employer is treated as meeting the one-plan requirement through the end of the following calendar year (through the end of the following two calendar years, if permitted by Section 408(p) of the Code) provided that, during this period, Employees who would be employed by another employer involved in the transaction had the transaction not occurred are not eligible to participate in the Plan. However, the one-plan requirement is not violated if the Employer maintains another qualified plan that limits participation to Employees covered under a collective bargaining agreement described in Section 410(b)(3)(A) of the Code and eligibility to participate in this SIMPLE Plan is limited to other Employees. For this purpose, an Eligible Employer who adopts a SIMPLE plan for one or more years, and who subsequently fails to be an Eligible Employer solely by reason of exceeding the 100-Employee Limit, shall be treated as an Eligible Employer for the two calendar years immediately following the last Plan Year the Employer was an Eligible

Employer. If the failure to continue to satisfy the 100-Employee Limit is due to an acquisition or similar transaction, the 2 year grace period applies only if the Employer satisfies the provisions of Section 410(b)(6)(C)(i) of the Code.

2.11 "Employee" shall mean a common-law employee of the Employer, and also include a Self-Employed. For purposes of eligibility in accordance with Section 3.1 such term shall exclude

- (i) any individual who is a nonresident alien receiving no earned income from the Employer which constitutes income from sources within the United States,
- (ii) any individual who is covered by a collective bargaining agreement as to which retirement benefits were the subject of good faith bargaining, and
- (iii) individuals who would be employed by another employer had an acquisition or similar transaction not occurred with the Employer, but only for the calendar year of the transaction and the following calendar year (the following 2 calendar years, if permitted by Section 408(p)) of the Code).

However, for purposes of determining whether the "100-Employee Limit" has been exceeded, individuals in (i) and (ii) above shall not be excluded. "Employee" shall also mean any employee of any other employer required to be aggregated under Section 414(b), (c) or (m) of the Code; any leased employee within the meaning of Section 414(n) of the Code; and all employees required to be aggregated under Section 414(o) of the Code.

2.12 "Employer" shall mean the sole proprietorship, partnership, corporation or other entity identified as such in the Adoption Agreement, and any successor thereto. If the Employer is a member of a controlled group of corporations (under Section 414(b) of the Code), a group of trades or businesses under common control (under Section 414(c) of the Code), an affiliated service group (under Section 414(m) of the Code) or is required to be aggregated with any other entity (under Section 414(o) of the Code), then for purposes of this Plan, the term "Employer" shall include the other members of such group or other entities required to be aggregated with the Employer.

2.13 "Matching Contributions" shall mean the Employer contribution described in Section 4.3.

2.14 "Nonelective Contributions" shall mean the Employer contribution of two percent (2%) of Compensation of each Eligible Employee as described in Section 4.3(c).

2.15 "Participant" shall mean each Eligible Employee who participates in the Plan pursuant to its provisions.

2.16 "Plan Year" shall mean the calendar year.

2.17 "Salary Reduction Agreement" shall mean a written agreement or arrangement between the Participant and the Employer pursuant to which the Participant's salary is reduced and the amount of such reduction is contributed by the Employer as Elective Deferrals to the Participant's SIMPLE-IRA under the Plan.

2.18 "Sponsoring Organization" shall mean Fidelity Management & Research Company, a Massachusetts corporation, or its successor.

2.19 "Summary Description" shall mean a document produced and mailed on behalf of the SIMPLE-IRA Plan Custodian to the Employer, which incorporates plan information specific to the particular Employer's plan elections. The Custodian is legally required to provide this document to the Employer for each Plan Year. The Employer must provide a copy of the Summary Description to its Eligible Employees within a reasonable amount of time before the 60-Day Election Period.

2.20 "The Fidelity SIMPLE-IRA Plan" or "Fidelity SIMPLE Plan" or "SIMPLE-IRA Plan" or "Prototype Plan" or "Plan" shall mean the Sponsoring Organization's Prototype Plan consisting of this Plan Agreement and the Adoption Agreement, as completed and executed by the Employer, together with any and all amendments and supplements hereto. The records of the Plan shall be maintained on a proprietary system of the Custodian, or one of its affiliates.

Article III: Eligibility and Participation

3.1 Eligible Employees: All Employees of the Employer shall be eligible to participate in the Plan except for Excludable Employees as defined under Section 3.2.

3.2 Excludable Employees: If the Employer so elects in Item 2B of the Adoption Agreement, Employees who are not reasonably expected to earn at least the amount of Compensation stated in Item 2B(i) of the Adoption Agreement (not to exceed \$5,000) from the Employer during the Plan Year for which the contribution is being made and Employees who have not earned at least the amount of Compensation stated in Item 2B(ii) of the Adoption Agreement (not to exceed \$5,000) from the Employer during any of the number of prior calendar years stated in Item 2B(ii) of the

Adoption Agreement (not to exceed two calendar years) shall be excluded from eligibility.

3.3 Participation:

- (a) Each Participant shall establish a SIMPLE-IRA under the Plan in order to receive contributions provided for under the Plan and any contributions shall be made directly to the SIMPLE-IRA. Such SIMPLE-IRA shall be established with the custodian or trustee of the Participant's choice.
- (b) If a Participant fails to establish in a timely manner or maintain a SIMPLE-IRA under the Plan into which contributions provided for under the Plan may be made on such Participant's behalf, the Employer may execute any necessary documents to establish a SIMPLE-IRA under the Plan with a custodian or trustee into which such contributions shall be made on behalf of such Participant, in a form and manner acceptable to such custodian or trustee.

ARTICLE IV: Contributions and Written Allocation Formula

4.1 Amount of Contribution: The Employer agrees to permit Elective Deferrals to be made in each Plan Year to the SIMPLE IRA established by or on behalf of each of the Employer's Employees who are eligible to participate in the Plan. The Employer agrees to contribute on behalf of each Participant for the Plan Year an amount determined under one of the written allocation formulas specified in Item 4 of the Adoption Agreement. All contributions must be made solely in cash.

4.2 Uniform Relationship to Compensation: All Matching Contributions and Nonelective Contributions to the Plan shall bear a uniform relationship to the total Compensation of each Participant.

4.3 Limitation on Employer Contributions: The maximum Employer contributions which may be made for any one Plan Year with respect to any Participant and allocated to each Participant's SIMPLE-IRA under the Plan is:

- (a) **Elective Deferrals:** In accordance with Article V of this Agreement, each Eligible Employee may elect to have contributions, pursuant to a Salary Reduction Agreement, made under this Plan expressed as a percentage of Compensation, or as a specific dollar amount if permitted by the Employer. The Salary Reduction Agreement shall be in writing and shall be delivered to the Employer. Such contributions may not exceed the Applicable Limit.
- (b) **Matching Contributions:**
 - (i) Unless the Employer elects to make the Nonelective Contributions described in Section 4.3(c), each year the Employer is required to make a dollar-for-dollar Matching Contribution equal to the Elective Deferral of each Participant. Such Matching Contribution shall not exceed the lesser of three percent (3%) of such Participant's Compensation for the Plan Year or the Applicable Limit.
 - (ii) The Employer may elect a lesser percentage (not less than one percent (1%) for any Plan Year if:
 - (A) the Employer notifies all Eligible Employees of such lesser percentage within a reasonable time before the Election Period for that Plan Year; and
 - (B) Matching Contributions are not less than three percent (3%) for more than two (2) of the years during the five-year (5-year) period ending with the Plan Year the reduction is effective. (The limit is not considered reduced for any year any SIMPLE-IRA plan of the Employer is not in effect or for any calendar year with respect to which the Employer makes nonelective contributions to a SIMPLE-IRA plan.)
- (c) **Nonelective Contributions:** In lieu of making Matching Contributions described in Section 4.3(b), the Employer must make a Nonelective Contribution to the SIMPLE IRA for each Eligible Employee in an amount equal to two percent (2%) of the Eligible Employee's Compensation. In order to elect to make such Nonelective Contributions for a calendar year, the Employer must notify all Eligible Employees of such election within a reasonable time before the Election Period for that Plan Year. Compensation of each Participant taken into account under the Plan in determining the 2% Nonelective Contribution shall not exceed the limits described in Section 401(a)(17) of the Code, as adjusted by the Secretary of the Treasury for increases in the cost of living in accordance with Section 401(a)(17) of the Code. Such adjustments will be in multiples of \$5,000. (The Compensation limit for 2002 is \$200,000.)

4.4 Timing and Amounts of Matching Contributions and

Nonelective Contributions: An Employer shall make the Matching Contributions or Nonelective Contributions described in Section 4.3 to each Participant's SIMPLE-IRA under the Plan no later than the due date for filing of the Employer's federal income tax return, including extensions, for the taxable

year that includes the last day of the Plan Year for which the contributions are made. The Custodian shall not be responsible for determining the amount of any Matching or Nonelective Contributions made under the Plan, nor shall the Custodian be responsible to recommend or compel any Employer contributions to a Participant's SIMPLE-IRA account. The disposition of any excess Matching or Nonelective Contributions made under the Plan will be in accordance with instructions from the Participant or the Participant's Employer, as the case may be, to the Custodian in a form and manner acceptable to it.

4.5 Vesting Requirements: Except as specifically provided in Section 4.4, a Participant's interest in the balance of such participant's SIMPLE-IRA under the Plan shall be 100% immediately vested and non-forfeitable at all times.

ARTICLE V: Elective Deferral Rules

5.1 Salary Reduction Agreement: An Eligible Employee may elect to have Elective Deferrals made under the Plan through either single-sum or continuing contributions, or both, pursuant to a Salary Reduction Agreement. By entering into a Salary Reduction Agreement, the Employee agrees to a reduction in his or her Compensation in the amount designated and the Employer agrees to contribute and allocate an equivalent amount to the Participant's SIMPLE-IRA under the Plan. An employee who is an Eligible Employee for a particular calendar year must be permitted to make or modify a Salary Reduction Agreement during the 60-day Election Period for the calendar year. Such a Salary Reduction Agreement, or modification thereof, shall be effective as soon as practical after receipt by the Employer (or, if later, the date specified by the Eligible Employee in the Salary Reduction Agreement) but not earlier than the first pay period beginning in the calendar year. In the case of an Employee who becomes an Eligible Employee other than at the beginning of the calendar year for any of the reasons stated in Section 2.7 of the Plan, the Eligible Employee must be permitted to make or modify a Salary Reduction Agreement during the 60-day Election Period that begins on the day the plan notice is provided to the Eligible Employee and that includes the day the employee becomes eligible or the day before. Such a Salary Reduction Agreement will become effective as soon as practical after receipt by the Employer (or, if later, the date specified by the Eligible Employee in the Salary Reduction Agreement). Any Salary Reduction Agreement may be modified prospectively during the Election Period. An Employee may terminate a Salary Reduction Agreement at any time during the Plan Year. Such termination shall be in writing and shall be effective as soon as practical after receipt of a termination request by the Employer, or, if later, the date specified by the Employee in the termination request. An Employee who terminates a Salary Reduction Agreement during the Plan Year may not resume Elective Deferrals until such time as is stated in Item 3A of the Adoption Agreement following such termination. An Employer may accept modifications to Salary Reduction Agreements in accordance with the provisions outlined in Item 3B of the Adoption Agreement.

5.2 Transmission of Elective Deferrals: An Employer shall deposit such Elective Deferrals into the Participant's SIMPLE-IRA under the Plan in a form and manner acceptable to the Custodian and as soon as such contributions can be reasonably segregated from the Employer's general assets, but no later than the close of the 30-day period following the last day of the month in which the amounts were withheld from the Employee's Compensation.

ARTICLE VI: Investment of Contributions and Assets

6.1 Investment of Contributions and Assets.

- (a) **Direction by Participant:** All contributions to the Participant's SIMPLE-IRA under the Plan and assets in such SIMPLE-IRA shall be invested in accordance with specific instructions given by the Participant (or the person designated by such Participant on a signed form acceptable to and filed with the Custodian to make investment decisions on behalf of the Participant (the "Authorized Agent")) (or, following the death of the Participant, his or her beneficiary, executor or administrator) to the Custodian in a form and manner acceptable to the Custodian. An investment medium must be approved by the Employer in order to be available under the Plan. Notwithstanding the above, the Custodian reserves the right to refuse to accept or hold any specific asset.
- (b) **Effect of Direction:** The Custodian and its agents may conclusively rely upon and shall be protected in acting upon any direction from the Participant (or the Participant's Authorized Agent or, following the death of the Participant, his or her beneficiary, executor or administrator) believed by it to be genuine, and, so long as it acts in good faith, in taking or omitting to take any other action. The Custodian shall have no duty to question the directions of the Participant (or the Participant's Authorized Agent) (or the Participant's beneficiary, executor or adminis-

trator), regarding the investment of the assets in the Participant's SIMPLE-IRA or to advise such persons regarding the purchase, retention or sale of such investments, nor shall the Custodian or the Sponsoring Organization, or any of their affiliates, be liable for any loss that results from the exercise of control (whether by his or her action or inaction) over the Participant's SIMPLE-IRA by the Participant (or the Participant's Authorized Agent, beneficiary, executor or administrator).

ARTICLE VII: Distributions, Rollovers and Transfers

7.1 Distributions: The Participant may elect, in such form and in such manner as is acceptable to the Custodian, to receive a distribution of any part of all of the assets in his or her SIMPLE-IRA under the Plan at any time. The Employer may not restrict Participant distributions, even if the distributions may be subject to an excise tax.

7.2 Rollovers and Transfers: A Participant may transfer all or part of the assets in his or her SIMPLE-IRA under the Plan to another SIMPLE-IRA under another SIMPLE plan on a tax-free basis. A Participant may transfer all or part of the assets in his or her SIMPLE-IRA under another SIMPLE plan to his or her SIMPLE-IRA under this SIMPLE Plan on a tax-free basis. A Participant shall not roll over all or part of the assets in a non-SIMPLE-IRA to his or her SIMPLE-IRA under the Plan. In addition, a Participant may roll over all or part of the assets in his or her SIMPLE-IRA under the Plan to any other eligible retirement plan on a tax-free basis after a two-year period has expired since Employer contributions were first deposited into the Participant's SIMPLE-IRA. Any rollover or transfer must be requested in a form and manner acceptable to the Custodian and must comply with the requirements under Sections 408 and 408A of the Code.

ARTICLE VIII: Substitution, Resignation or Removal of Custodian

8.1 Substitution of Custodian: The Sponsoring Organization may at any time appoint as substitute for the Custodian named in the Adoption Agreement another entity or person(s) that satisfies the requirements of Section 408(a) of the Code, provided that the Sponsoring Organization shall notify the Employer in writing at least 30 days in advance of the effective date of any such appointment.

8.2 Resignation or Removal of Custodian: The Custodian may resign at any time, upon at least 30 days' written notice to the Employer. The Custodian may be removed by the Employer at any time, upon 30 days' written notice to the Custodian. Upon resignation of the Custodian, the Sponsoring Organization may, but shall not be required to, appoint a successor custodian. Upon removal of the Custodian, the Employer shall appoint a successor custodian, but in that event the Plan shall be considered an individually designed plan for purposes of Section 9.2 and the Employer may no longer rely on the opinion letter received from the IRS in connection with the Prototype Plan. Upon receipt by the Custodian of written acceptance of appointment by a successor custodian, and notice by the Custodian to the Participants, the Custodian shall transfer and pay over to such successor the assets held in the Participants' SIMPLE-IRAs under the Plan, to such successor custodian. The Custodian is authorized to reserve from each Participant's SIMPLE-IRA such sum of money or property as it may deem advisable for payment of all its fees, compensation, costs and expenses, or for payment of any other liabilities constituting a charge on or against the assets of the Plan, or on or against the Custodian or the Sponsoring Organization, with any balance of such reserve remaining after the payment of all such items to be paid over to the successor custodian. The Custodian shall not be liable for the acts or omissions of any successor to it. If, after the Custodian's resignation or removal, no successor custodian is appointed within (30) thirty days, the Plan shall be deemed terminated. The assets shall remain in each Participant's SIMPLE-IRA until such time as the Participant requests a distribution, rollover, or transfer pursuant to Article VII.

ARTICLE IX: Amendment and Termination

9.1 Sponsoring Organization's Right to Amend: The Sponsoring Organization may amend any part of the prototype form of this Plan or the Adoption Agreement in any respect at any time (including retroactive amendments) so that they may conform with applicable provisions of the Code, or with any other applicable law as in effect from time to time, or to make such other changes to the Plan or the Adoption Agreement as the Sponsoring Organization deems advisable. Any such amendment shall be effected by delivering a written notice of such amendment to the Employer at the Employer's last known address as shown in the records of the Custodian.

9.2 Employer's Right to Amend: The Employer may from time to time modify or amend this Plan in whole or in part, by delivering to the Custodian a written copy of such amendment executed by the Employer; provided, however that any such amendment other than a change of the Employer's prior election of an optional provision permitted in the Adoption Agreement will constitute substitution by the Employer of an individually designed plan for the approved Prototype Plan, upon which event the Custodian named in the Adoption Agreement will resign pursuant to Section 8.2 above and the Employer may no longer rely on the opinion letter received from the IRS in connection with the Prototype Plan. An Employer may effect a change of any optional provision previously elected by the Employer in the Adoption Agreement by filing with the Custodian an amended Adoption Agreement executed by the Employer only. All such amendments shall comply with the law and any applicable regulations thereunder, including any amendments of optional provisions previously elected by the Employer. All such amendments to the Plan can become effective only at the beginning of a calendar year and shall not conflict with the terms of the Summary Description for that Plan Year. The Employer shall provide plan notice (in the form of a Summary Description) of the amendments to each Eligible Employee.

9.3 Termination of Plan: The Employer may terminate the Plan at any time by delivering to the Custodian a written notice, in a manner and form acceptable to the Custodian, signed by or on behalf of the Employer and specifying the date on which the Plan shall terminate.

ARTICLE X: Miscellaneous

10.1 Administration and Enforcement: The Plan shall be administered by the Employer, who shall be responsible for the operation of the Plan in accordance with its terms. From time to time the Employer shall furnish to the Custodian a written instrument in a form acceptable to the Custodian, specifying the person or persons authorized to give instructions and directions on behalf of the Employer under the Plan, and the Custodian shall be conclusively entitled to rely on the identity of such person or persons as disclosed in the most recent such instrument. The Employer shall have discretionary authority to determine all questions arising out of the administration, interpretation and application of the Plan, which determinations shall be conclusive and binding on all persons. In the event that any contract or arrangement which is entered into pursuant to the Plan conflicts in any manner with the provisions of the Plan, the provisions of the Plan will govern. Should any provision or provisions of this Plan be deemed to be invalid, such invalidity shall not affect the remaining provisions of the Plan.

10.2 Fees and Expenses of Administration: As consideration for its administrative services to the Plan and for performing its duties hereunder, the Custodian shall be entitled to reasonable fees, and to reimbursement of all reasonable expenses, including legal expenses, incurred in the rendering of such services and the performance of such duties, in accordance with any schedule of fees in effect at that time, as the Custodian may determine from time to time.

10.3 Reporting and Employee Notification:

- (a) **Reports of the Custodian:** Each Plan Year the Custodian shall provide to the Employer a Summary Description. Not later than 31 days after the close of each Plan Year the Custodian shall also furnish to each Participant an account statement with respect to his or her SIMPLE-IRA under the Plan for such Plan Year. In addition, the Custodian is required to file an annual report with the IRS.
- (b) **Employee Notification:** Immediately before the Election Period, the Employer shall provide a plan notice to each Eligible Employee to notify such individual of his or her opportunity to make or modify an Elective Deferral under the Plan. Such plan notice shall include a copy of the Summary Description described in Section 10.3(a) above, and shall specify the contribution allocation formula elected by the Employer as specified in Item 4 of the Adoption Agreement. (Section 6693(c)(1) of the Code provides that if an employer fails to provide one or more notices, such employer may be subject to a penalty of \$50 per day for each day that the failure to provide notice occurs.

10.4 Directions, Notices and Disclosure: Any direction, notice or other communication provided to the Employer or the Custodian by another party which is stipulated to be in written form under the provisions of this Plan may also be provided in any medium which is permitted under applicable law or regulation, with the consent of the Custodian. Any written communication or disclosure to Participants required under the provisions of this

Plan may be provided in any other medium (electronic, telephone or otherwise) that is permitted under applicable law or regulation.

10.5 Inalienability of Benefits: The benefits provided hereunder shall not be subject to alienation, pledge, use as security for a loan, assignment, garnishment, attachment, execution or levy of any kind, and any attempt to cause such benefits to be so subjected shall not be recognized; provided, however, that the rule just stated shall not apply in the case of an instrument received pursuant to divorce, legal separation, tax levy, or separate maintenance payments.

10.6 Limitation of Duties and Liabilities: The Custodian shall not be responsible in any way for the collection of contributions provided for under the Plan, the purpose or propriety of any distribution made pursuant to Article VII or any other action or nonaction taken pursuant to the request of the Employer or a Participant; the validity or effect of the Plan and Adoption Agreement; or the examination of the Plan. The Employer or successor of the Employer shall at all times fully indemnify and save harmless the Custodian, and its successors and assigns from any liability arising from distributions so made or actions so taken or not taken, and from any and all liability whatsoever which may arise in connection with the Plan and the Adoption Agreement, except liability arising from the gross negligence or willful misconduct of the Custodian.

10.7 Delegation of Agents: The Custodian may delegate to one or more corporations affiliated with the Custodian the performance of recordkeeping and other ministerial services in connection with the Plan.

10.8 Governing Law: This Plan and the accompanying Adoption Agreement shall be construed, administered and enforced in accordance with the laws of the Commonwealth of Massachusetts, except to the extent those laws are pre-empted by the Employee Retirement Income Security Act of 1974 ("ERISA").

10.9 When Effective: The terms and conditions of this Plan shall not become binding until acceptance of the Adoption Agreement by or on behalf of the Custodian, as evidenced by a written notice to the Employer.

Internal Revenue Service

Prototype SIMPLE IRA Plan 002

FFN: 50918740000-002 Case: 200200920 EIN: 04-2033129

Letter Serial No: K910890b

Department of the Treasury

Washington, DC 20224

▷

FIDELITY MANAGEMENT & RESEARCH CO

82 DEVONSHIRE STREET

BOSTON, MA 02109

Contact Person:

Ms. Arrington 50-00197

Telephone Number:

(202) 283-8811

In Reference to:

T:EP:RA:T3

Date:

10/15/2002

Dear Applicant:

In our opinion, the amendment to the form of your Savings Incentive Match Plan for Employees of Small Employers (SIMPLE IRA Plan) does not adversely affect its acceptability under section 408(p) of the Internal Revenue Code. This SIMPLE IRA Plan is approved for use only in conjunction with one or more SIMPLE Individual Retirement Arrangements (SIMPLE IRAs), each of which meets the requirements of Code section 408(p) and has received a favorable opinion letter, or is a model SIMPLE IRA (Form 5305-S or 5305-SA).

An employer that adopts this approved prototype will be considered to have a SIMPLE IRA Plan that satisfies the requirements of Code section 408(p) provided that the terms of the plan are followed and that it is used in conjunction with one or more approved SIMPLE IRAs. Please provide a copy of this letter to each adopting employer.

Code section 408(1)(2) requires an employer that adopts a SIMPLE IRA Plan to provide to employees certain information about the SIMPLE IRA Plan.

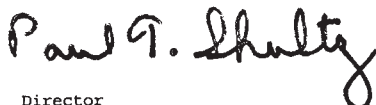
Your prototype may have to be amended to include or revise provisions to comply with future changes in the law or regulations.

If you, the sponsoring organization, have any questions concerning the IRS processing of this case, please call the above telephone number. This number is only for use of the sponsoring organization. Individual participants and/or adopting employers with questions concerning the plan should contact the sponsoring organization. The sponsoring organization must provide its address and telephone number for inquiries by individual participants and adopting employers.

If you write to the IRS regarding this plan, please provide your telephone number and the most convenient time for us to call in case we need more information. Whether you call or write, please refer to the File Folder Number (FFN) shown in the heading of this letter.

You should keep this letter as a permanent record. Please notify us in writing if you modify or discontinue sponsorship of this prototype plan.

Sincerely yours,



Director

Employee Plans Rulings & Agreements