

LIGHTHOUSE COMMUNITY CHARTER PUBLIC SCHOOLS, INC.

RETIREMENT SAVINGS PLAN

Effective July 1, 2007

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LIGHTHOUSE COMMUNITY CHARTER PUBLIC SCHOOLS, INC.
RETIREMENT SAVINGS PLAN

This document governs the terms of the Lighthouse Community Charter Public Schools, Inc. Retirement Savings Plan. The Plan is a government plan within the meaning of Internal Revenue Code §414(d), is exempt from the provisions of the Employee Retirement Income Security Act of 1974, as amended, (“ERISA”), and is intended to qualify under (and shall be maintained consistent with) Internal Revenue Code §401(a). The Plan was originally effective May 1, 2006. This restatement is generally effective July 1, 2007, and reflects all legislation enacted and guidance issued through April 30, 2020.

ARTICLE I
DEFINITIONS

Whenever the terms set forth below are used in this document, they shall have the meaning indicated below, unless a different meaning is plainly required by the context.

1.01 “Account” means the sum of subaccounts maintained separately for a Participant’s Employee Contributions, Employer Contributions and Rollover Contributions.

1.02 “Beneficiary” means a person who is or may become entitled to a benefit under the Plan as specified under Section 7.07 or 7.08.

1.03 “Code” means the Internal Revenue Code of 1986, as amended.

1.04 “Compensation” means wages from the Employer as defined in Code §3401(a) and all other payments from the Employer for which a statement is required to be furnished to the Employee under Code §§ 6041(d), 6051(a)(3) and 6052 as further adjusted by including any elective contributions made pursuant to Code §§ 125, 132(f)(4), 402(e)(3), 402(h)(1)(B), 403(b), 408(p)(2)(A)(i) and 457, and any pickup contribution described in Code §414(h)(2). Compensation also (i) includes any earned income defined in Code §401(c)(2) from the Employer, subject to the adjustments described in the preceding sentence, (ii) includes amounts contributed by the Company pursuant to Code §125 that are not available to the Participant in cash in lieu of group health coverage because the Participant does not certify to the Company that he or she has other health coverage (as provided under IRS Revenue Procedure 2002-27) and (iii) excludes any amounts (such as severance and vacation pay, but not final ordinary wages) paid after the Employee’s severance from employment. Any compensation paid after the Employee’s severance from employment shall not be taken into account unless such compensation is either regular compensation (including bonuses), or payments for bona fide leave (including sick and vacation pay), that is paid to the Employee within 2½ months of the Employee’s severance from employment (or, if later, by the end of the calendar year in which the Employee incurred the severance from employment) and would have been paid or available to the Employee regardless of his or her severance from employment. With respect to any Plan Year, the annual compensation of any Participant taken into account pursuant to this definition for purposes other than Section 3.06 shall not exceed the limitation in effect for the Plan Year that begins in the calendar year according to Code §401(a)(17) (\$225,000 for 2007, \$230,000 for 2008, \$245,000 for 2009, 2010 and 2011, \$250,000 for 2012, \$255,000 for 2013, \$260,000 for 2014, \$265,000 for 2015

and 2016, \$270,000 for 2017, \$275,000 for 2018, \$280,000 for 2019, \$285,000 for 2020, and adjusted for cost of living thereafter).

1.05 “Eligible Employee” means any Employee other than an Excluded Employee; provided that an Employee who is not treated as an Employee of the Employer for payroll tax reporting purposes is not an Eligible Employee until the first payroll period in which such Employee’s current compensation is processed in a timely manner by the Employer as wages paid subject to income tax withholding.

1.06 “Employee” means any employee of the Employer, and any Leased Employee.

1.07 “Employee Contributions” means contributions made pursuant to Section 3.02.

1.08 “Employer” means Lighthouse Community Charter Public Schools, Inc., a California Nonprofit Public Benefit Corporation.

1.09 “Employer Contributions” means contributions made pursuant to Section 3.03.

1.10 “Excluded Employee” means any Leased Employee.

1.11 “Hour of Service” means an hour of service, without duplication, described in any of the following clauses (i), (ii) or (iii):

(i) Each hour for which the Employer, either directly or indirectly, pays an Employee, or for which the Employee is entitled to payment, for the performance of duties. An Hour of Service shall be credited under this clause for the calendar year in which the Employee performs the duties, irrespective of when paid. An Employee’s Hours of Service earned before the Plan’s effective date are recognized for the purpose of determining Years of Service for vesting purposes.

(ii) Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Employer. An Hour of Service shall be credited under this clause for the Plan Year or Plan Years to which the award or the agreement pertains rather than for the Plan Year in which the award, agreement or payment is made.

(iii) Each hour for which the Employer, either directly or indirectly, pays an Employee, or for which the Employee is entitled to payment (irrespective of whether the employment relationship is terminated), for reasons other than for the performance of duties during a computation period, such as leave of absence, vacation, holiday, sick leave, illness, incapacity (including disability), layoff, jury duty, or military duty. No more than 501 Hours of Service under this clause shall be credited to an Employee on account of any single continuous period during which the Employee performs no duties (whether or not such period occurs during a single Plan Year). Hours of Service shall be credited under this clause generally in accordance with the rules of paragraphs (b) and (c) of U.S. Department of Labor Regulation §2530.200b-2, but applying the monthly equivalency described in Labor Regulation §2530.200b-3(e)(1)(iv). Therefore, a Participant who would be credited with at least one Hour of Service during a calendar month shall instead be credited with 190 Hours of Service.

1.12 “Leased Employee” means a person who is not an employee of the Employer, but who provides services to the Employer under the Employer’s primary direction and control pursuant to an

agreement between the Employer and any other person, and has provided services to the Employer on a substantially full-time basis for a period of at least one year.

1.13 “Participant” means an Employee or former Employee who either (or both) is eligible to participate in the Plan under Article II or who has an Account in the Plan. Such term shall also refer to a Beneficiary when the context is appropriate.

1.14 “Plan” means this Lighthouse Community Charter Public Schools, Inc. Retirement Savings Plan, as memorialized under the provisions of this document.

1.15 “Plan Year” means the 12-month period ending each June 30. The reference herein to a particular Plan Year refers to the Plan Year that begins in the referenced year (*e.g.*, the “2007 Plan Year” means the Plan Year that begins on July 1, 2007).

1.16 “Regulations” mean Federal Income Tax Regulations (whether final, temporary or proposed), as amended.

1.17 “Rollover Contributions” means rollover contributions made pursuant to Section 3.04.

1.18 “Trust” means the separate legal entity created under a separate trust agreement. The provisions of the trust agreement are hereby incorporated by reference. In the event of a conflict between the Plan and the trust agreement, the provisions of the trust agreement shall govern.

1.19 “Trustee” means the person or persons identified as trustee under the terms of the Trust, or any successor duly appointed by the Employer.

ARTICLE II ELIGIBILITY

An Eligible Employee shall participate in the Plan with respect to all Compensation earned as an Eligible Employee. Employee Contributions and Employer Contributions will be made with respect to all such Compensation. An Employee is eligible to make Rollover Contributions at any time he or she is an Eligible Employee.

ARTICLE III CONTRIBUTIONS

3.01 AMOUNT OF CONTRIBUTIONS. For each Plan Year, the Employer shall contribute to the Trust an amount which equals the sum of the Employee Contributions and Employer Contributions, as determined under Sections 3.02 and 3.03.

3.02 EMPLOYEE CONTRIBUTION. An Eligible Employee shall make an Employee Contribution to the Plan in an amount equal to 8% of the Employee’s Compensation. The Employer shall pay the contribution on the Employee’s behalf in lieu of the Employee receiving the related compensation then making the contribution, and therefore the Employee Contribution shall constitute a pick-up contribution as described in Code §414(h)(2) and shall not be taxable to the Employee. For each calendar month, the Employer shall contribute a Participant’s Employee Contribution to the Trust no later than the close of the succeeding month. The Employer will maintain for each Participant an

Employee Contributions Account to which will be allocated the Participant's Employee Contributions.

3.03 EMPLOYER CONTRIBUTION. Unless otherwise provided, the Employer will make an Employer Contribution for each Eligible Employee in an amount equal to 8% of the Employee's Compensation. The Employer Contribution will be paid by the Employer to the Trust by the close of the month succeeding the month in which it was earned. The Employer will maintain for each Participant an Employer Contributions Account to which will be allocated the Participant's Employer Contributions.

Reduced Employer Contribution. For Compensation paid on and after August 12, 2009, and before July 1, 2014, the Employer will make an Employer Contribution for each Eligible Employee in an amount equal to 4% of the Employee's Compensation.

3.04 ROLLOVERS AND TRANSFERS. Subject to the conditions set forth in this section, the Plan will accept directly from any Eligible Employee as a Rollover Contribution any eligible rollover distribution properly contributed to the Plan under the Code as a rollover contribution. The Employer shall require an Employee to furnish satisfactory evidence that the proposed Rollover Contribution meets the requirements of this section. The Trustee may accept a direct transfer of cash from any other qualified plan on behalf of any Employee who is an Eligible Employee, provided that such transfer satisfies the conditions of Section 8.03.

3.05 MISTAKE OF FACT. The Employer contributes to the Plan on the condition its contribution is not due to a mistake of fact. Upon written request from the Employer, the Trustee will return to the Employer the amount of the Employer's contribution made by mistake of fact.

3.06 LIMITATION ON ANNUAL ADDITIONS

(a) General Rules. The amount of Annual Additions to any Participant's Account may not exceed the Maximum Permissible Amount, as determined in accordance with the rules and procedures set forth in this section. For purposes of this section, all defined contribution plans (whether or not terminated) of the Employer shall be treated as one defined contribution plan. Should a contribution which otherwise would be contributed cause the Annual Additions for the Limitation Year to exceed an Employee's Maximum Permissible Amount, the Excess Amount shall be corrected pursuant to the procedures in subsection (c).

(b) Estimate of Compensation. Before the determination of a Participant's actual Compensation, for a Limitation Year, the Maximum Permissible Amount may be determined on the basis of the Participant's estimated annual Compensation for such Limitation Year. This determination must be made on a reasonable and uniform basis for all Participants similarly situated. Contributions shall be reduced based on estimated annual Compensation by any Excess Amounts carried over from any prior year. As soon as is administratively feasible after the end of the Limitation Year, the Maximum Permissible Amount shall be determined for such Limitation Year on the basis of the Participant's actual Compensation for such Limitation Year.

(c) Disposition of Excess Amount. If, under paragraph (a), there is an Excess Amount with respect to a Participant for a Limitation Year, the Excess Amount may be corrected under the IRS's Employee Plans Compliance Resolution System (EPCRS).

(d) Definitions. For purposes of this section:

(1) “Annual Addition” means the sum of the following amounts allocated on behalf of a Participant for a Limitation Year: (i) all Employee Contributions, (ii) all Employer Contributions and (iii) all other amounts required to be included by Code §415(c) (specifically including pre-tax elective deferrals and after-tax contributions, but excluding catch-up contributions described in Code §414(v)). Except to the extent provided in Regulations, Annual Additions include deferrals described in Code §402(g) and excess amounts reapplied to reduce contributions under this section.

(2) “Maximum Permissible Amount” means the lesser of (A) 100% of the Participant’s Compensation for the Limitation Year (computed without regard to the addback of contributions under Code §414(h)(2)) and, on and after July 1, 2015, with regard to Code §415(c)(8) (relating to difficulty of care foster care payments) and (B) the amount set forth in the following table (as adjusted for Limitation Years beginning after the latest year set forth in the table, for cost of living pursuant to Code §415(d)):

Limitation Year End	Maximum Permissible Amount
June 30, 2007	\$45,000
June 30, 2008	\$46,000
June 30, 2009	\$49,000
June 30, 2010	\$49,000
June 30, 2011	\$49,000
June 30, 2012	\$50,000
June 30, 2013	\$51,000
June 30, 2014	\$52,000
June 30, 2015	\$53,000
June 30, 2016	\$53,000
June 30, 2017	\$54,000
June 30, 2018	\$55,000
June 30, 2019	\$56,000
June 30, 2020	\$57,000

If there is a short Limitation Year because of a change in Limitation Year, the limitation set forth in subparagraph (B) (as adjusted) will be multiplied by the following fraction:

$$\frac{\text{Number of months in the short Limitation Year}}{12}$$

(3) “Excess Amount” means the excess of the Participant’s Annual Additions for the Limitation Year over the Maximum Permissible Amount.

(4) “Limitation Year” means the Plan Year. If the Employer amends the Limitation Year to a different 12-consecutive-month period, the new Limitation Year must begin on a date within the Limitation Year for which the Employer makes the amendment, creating a short Limitation Year.

ARTICLE IV VESTING

4.01 VESTING. A Participant’s Employee Contributions Account and Rollover Contributions Account are entirely nonforfeitable at all times. A Participant’s Employer Contributions

Account shall become an additional 20% vested upon having earned each additional Year of Service until fully vested after having earned 5 Years of Service. Notwithstanding the preceding sentence, a Participant's Employer Contributions Account shall become fully vested upon the earlier of (i) the later to occur of the Participant's 5th anniversary of having commenced Plan participation and the date the Participant has attained age 65, if then an Employee, and (ii) the Plan's termination.

4.02 YEAR OF SERVICE. Before July 1, 2017, "Year of Service" means each 12-month period ending on June 30 (including those ending before the Plan's effective date) during which the Employee completes not less than 500 Hours of Service (or 1,000 Hours of Service for years ending before July 1, 2016) based on the actual hours method of determining service as set forth in Regulations. Effective July 1, 2017, "Year of Service" means each Plan Year during which a year of service is earned on the basis of the elapsed time method set forth in Regulation §1.410(a)-7 and any official guidance issued in connection therewith. Therefore, an Employee earns a Year of Service after June 30, 2017, for each Plan Year during which the Employee is an Employee for the entire Plan Year regardless of the number of Hours of Service earned by the Employee during such Plan Year. An Employee who quits, is discharged or retires (collectively, a "severance"), but who performs an Hour of Service during the one-year period following the severance, is treated as having been an Employee throughout the severance period. An Employee who has not incurred a severance, but who has not earned an Hour of Service for a period of one year, shall be treated as having incurred a severance on the one-year anniversary of the Employee's last Hour of Service earned. This section shall be applied in accordance with applicable Regulations; provided, however, that an individual whose employment commencement date falls after July 1 and before January 1 during the Plan Year shall be deemed to have commenced employment on the previous July 1.

4.03 FORFEITURES. A Participant shall forfeit the unvested portion of his or her Employer Contribution Account upon the earlier of (i) the last day of the Plan Year that constitutes the Participant's 5th consecutive 1-year break in service and (ii) the date substantially all of the Participant's Account has been distributed to the Participant after the Participant has ceased being an Employee. The Employer shall restore amounts forfeited under this section, without earnings, if (a) a former Participant who incurred a forfeiture under clause (ii) of the preceding sentence again becomes an Employee before a forfeiture would have occurred under clause (ii) of the preceding sentence and (b) such former Participant restores all of his or her vested Account. Any such restored amounts will be subject to forfeiture under Section 4.01. A "1-year break in service" means any Plan Year in which the Employee fails to earn at least 501 Hours of Service; provided, however, that after June 30, 2017, such term means a "1-year period of severance" as set forth in Regulation §1.410(a)-7(d)(4). At the Employer's discretion, forfeitures may be used either to pay Plan administrative expenses or reduce the amount of the Employer Contribution.

ARTICLE V INVESTMENT OF FUNDS

5.01 INVESTMENTS. The Employer will make available to each Participant an individual account for the purpose of allowing the Participant to self-direct the investment of his or her Account among investments selected by the Employer. The Employer shall establish reasonable procedures designed to ensure the practical and efficient administration of such accounts. Such procedures shall, without limitation, be designed to prohibit the investment of Plan assets in a manner that (i) places the investment outside the jurisdiction of U.S. federal and state courts, (ii) might jeopardize the favorable

tax status of the Plan, (iii) might result in a loss exceeding the Participant's Account, (iv) results in a prohibited transaction under Code §503 or (v) results in unrelated business taxable income. Trust assets may be used to acquire interests in a group trust described in IRS Revenue Ruling 81-100, and the terms of any such group trust holding Plan assets are hereby incorporated by reference.

5.02 INVESTMENT ELECTION. The Employer or the Trustee shall comply with investment instructions given by Participants, except (i) where the instructions are contrary to the provisions of law or this Plan, (ii) where implementing the transaction could result in a loss in excess of the Account balance, (iii) in circumstances in which the Participant is known by the Employer to be incompetent, and (iv) in such other circumstances that the Trustee reasonably determines are inconsistent with the purposes of this Plan. Should the Participant refuse or be unable to direct the investment of his or her Account, the Employer may select an appropriate investment on behalf of the Participant.

5.03 VOTING RIGHTS. The Participant shall have the right to vote any securities held in his or her Account, except to the extent the Employer has voted such securities.

5.04 ACCOUNTS OF BENEFICIARIES AND ALTERNATE PAYEES. A Beneficiary and an alternate payee of a qualified domestic relations order shall have the same ability to direct the investment of their Account as does a Participant under this article.

5.05 VALUATION OF ACCOUNTS. The value of each Account will be updated each day that the national U.S. equity exchanges are open for trading, such value to reflect the closing prices of equities as of the preceding day pursuant to a method consistently followed and uniformly applied. The value of an account may be frozen for a reasonable period of time (not to exceed 10 business days) to allow for the processing of a distribution.

ARTICLE VI PAYMENT OF BENEFITS

6.01 PAYMENT BEFORE SEVERANCE FROM EMPLOYMENT. A Participant may receive one withdrawal during a calendar quarter of any or all of his or her Account while the Participant is an Employee, provided that (i) the Participant has attained age 59½ and (ii) no withdrawal may be made from the Participant's Employer Contribution Account that is not fully vested. (For distributions made in 2020 in compliance with the CARES Act, see Section 6.01A of Appendix B.)

6.02 PAYMENT AFTER SEVERANCE FROM EMPLOYMENT. Except in the case of the death of the Participant, and subject to a distribution required by reason of the Participant attaining age 72 (age 70½, before January 1, 2020), the time and form of distribution of a Participant's Account after the Participant has incurred a severance from employment shall be determined in accordance with this section. If the value of the Participant's Account does not exceed \$1,000, the Account shall be distributed in a single sum after the Participant has incurred a severance from employment pursuant to procedures established by the Employer. If the value of the Participant's Account exceeds \$1,000, any or all of the Account may be distributed as is allowable under Section 6.03 on or about the date or dates elected by the Participant under this subsection, provided that only one such distribution may be made during a calendar quarter. In the absence of an election by the Participant, the Participant's

Account shall be paid in a single sum during the 180-day period preceding the latest allowable distribution date set forth in Section 6.04. If, after a partial distribution, the value of the Participant's Account does not exceed \$1,000, the remaining portion of the Participant's Account shall be distributed in a single sum.

6.03 ALLOWABLE FORMS OF DISTRIBUTION. A Participant or Beneficiary who is eligible to receive a distribution from his or her Account may elect a single sum distribution of any or all of the Account (as otherwise allowed under this article), and may make subsequent elections until the Account is distributed in full, provided that no more than one such distribution may be made in any calendar quarter. All distributions shall be in cash, except that the Administrator may arrange for a requested in-kind distribution if practical as determined in its discretion.

6.04 MINIMUM DISTRIBUTIONS AND DEATH DISTRIBUTIONS.

(a) General Rules and Definitions. This section applies after December 31, 2019, to a living Participant, and after December 31, 2021, to a deceased Participant. All distributions required under this section will be determined and made in accordance with Code §401(a)(9) and the Regulations thereunder, and the provisions of this section will prevail over any inconsistent provisions of the Plan. (For Participant distributions not subject to this section, see Section 6.04A in Appendix A. Any reference in this Plan to Section 6.04 is deemed to refer also to Section 6.04A to the extent applicable.)

For purposes of this section:

(1) *Designated Beneficiary* means a Beneficiary who is a designated beneficiary under Regulation §1.401(a)(9)-4.

(2) *Distribution Calendar Year* means a calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first Distribution Calendar Year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first Distribution Calendar Year is the calendar year in which distributions are required to begin under subsection (d).

(3) *Eligible Designated Beneficiary* means a Participant's Designated Beneficiary who, as of the date of the Participant's death, is (i) the Participant's surviving spouse, (ii) the Participant's child who has not attained the age of majority, (iii) disabled within the meaning of Code §72(m)(7), (iv) certified as chronically ill within the meaning of Code §7702B(c)(2) where the illness is indefinite in time and expected to be lengthy, or (v) no more than 10 years younger than the Participant.

(4) *Life Expectancy* means life expectancy as computed by use of the Single Life Table in Regulation §1.401(a)(9)-9.

(5) *Multi-Beneficiary Trust* means a trust (i) which has more than one Beneficiary, all of which are Designated Beneficiaries for purposes of this section, and at least one of which is described in paragraph (3)(iii) or (iv).

(6) *Participant Account Balance* means the Account balance as of the last valuation date in the calendar year immediately preceding the Distribution Calendar Year (the "valuation calendar year") increased by the amount of any contributions made and allocated or forfeitures

allocated to the Account as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The Participant Account Balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the Distribution Calendar Year if distributed or transferred in the valuation calendar year.

(7) *Required Beginning Date* means the April 1 following the close of the calendar year in which the Participant attains age 72 or, if later, the April 1 following the close of the calendar year in which the Participant ceases to be an Employee.

(8) *10-Year Rule* means the an applicable Account may be distributed either in full or in part at any time, provided the Account is distributed in full no later than the close of the year in which falls the 10th anniversary of the Participant's death.

(b) Required Minimum Distributions During Participant's Lifetime. During the Participant's lifetime, the minimum amount that will be distributed for each Distribution Calendar Year is the lesser of (i) the quotient obtained by dividing the Participant Account Balance by the distribution period in the Uniform Lifetime Table set forth in Regulation §1.401(a)(9)-9, using the Participant's age as of the Participant's birthday in the Distribution Calendar Year, or (ii) if the Participant's sole Designated Beneficiary for the Distribution Calendar Year is the Participant's spouse, the quotient obtained by dividing the Participant Account Balance by the number in the Joint and Last Survivor Table set forth in Regulation §1.401(a)(9)-9, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the Distribution Calendar Year. The required minimum distribution for the Participant's first Distribution Calendar Year will be made on or before the Participant's Required Beginning Date. The required minimum distribution for other Distribution Calendar Years, including the required minimum distribution for the Distribution Calendar Year in which the Participant's Required Beginning Date occurs, will be made on or before December 31 of that Distribution Calendar Year. Required minimum distributions will be determined under this subsection beginning with the first Distribution Calendar Year and up to and including the Distribution Calendar Year that includes the Participant's death.

(c) Required Minimum Distributions to Designated Beneficiaries. If, by September 30 of the year following the year of the Participant's death there is a Designated Beneficiary, the Account shall be distributed in accordance with the 10-Year Rule and otherwise in accordance with any election by the Designated Beneficiary under Section 6.03; provided, however, that if the Beneficiary is an Eligible Designated Beneficiary, the Account may, at the Beneficiary's election, be distributed in accordance with subsection (d). The interest of an Eligible Designated Beneficiary described in clause (ii) of subsection (a)(3) who attains the age of majority shall be distributed in full no later than 10 years after the date the child attained the age of majority.

(d) Required Minimum Distributions to Eligible Designated Beneficiaries. A deceased Participant's Account may be distributed to an Eligible Designated Beneficiary either in accordance with subsection (c) or the rules of this subsection.

(1) *Surviving Spouse.* If the Participant's surviving spouse is the Participant's sole Eligible Designated Beneficiary, the minimum amount distributable under this subsection for a Distribution Calendar Year after the year the Participant dies is the quotient obtained by dividing the Participant Account Balance by the remaining Life Expectancy of the surviving spouse. The surviving spouse's remaining Life Expectancy is calculated for each Distribution Calendar Year, after the year of the Participant's death and through the year of the spouse's death, using the surviving spouse's age as

of the spouse's birthday in that year. If the surviving spouse does not die before distributions under this paragraph begin, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died or, if later, by December 31 of the calendar year in which the Participant would have attained age 72.

(2) *Other Eligible Designated Beneficiaries.* If an individual other than the Participant's surviving spouse is the Participant's Eligible Designated Beneficiary, the minimum amount distributable under this subsection for a Distribution Calendar Year after the year the Participant dies is the quotient obtained by dividing the Participant's Account Balance by the remaining Life Expectancy of the Participant or the Account's oldest nonspouse Eligible Designated Beneficiary, whichever is longer. The Participant's remaining Life Expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year, and the Eligible Designated Beneficiary's remaining Life Expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(e) *No Designated Beneficiary.* If, as of September 30 of the year following the year of the Participant's death, the Participant's Beneficiary is the Participant's estate or other person who is not a Designated Beneficiary, the entire Account will be distributed in accordance with the 10-Year Rule, except that the rule shall be applied on the basis of 5 years instead of 10.

(f) *Small Account Balances.* Notwithstanding any other provision of this section, if any separate Account of a deceased Participant or a Beneficiary does not exceed \$5,000, the Account will be distributed to the Beneficiary (or the estate, if no Beneficiary) in a single sum as soon as is administratively practicable.

(g) *Multiple Designated Beneficiaries.* The Administrator may establish separate Accounts for each Designated Beneficiary by September 30 of the year following the year of the Participant's death. If such separate Accounts are established, the provisions of this section shall apply separately to each such Account.

(h) *Multi-Beneficiary Trust.* If the terms of a Multi-Beneficiary Trust require that it be divided immediately upon the Participant's death into separate trusts for each trust beneficiary, then the required minimum distribution for the year is determined separately under subsection (d)(2) for each Eligible Designated Beneficiary described in subclauses (iii) and (iv) of subsection (a)(3). If the terms of a Multi-Beneficiary Trust provide that no individual other than an Eligible Designated Beneficiary described in subclauses (iii) and (iv) of subsection (a)(3) has a right to the Participant's Account so long as that Eligible Designated Beneficiary is alive, then the required minimum distribution for the year is the amount determined under subsection (d)(2), and all other Designated Beneficiaries shall be treated as a Beneficiary of such Eligible Designated Beneficiary.

(i) *Deceased Individual with No Beneficiary.* Distribution of a deceased individual's Account, for which there is no Beneficiary, will be made in accordance with the following order of priority: (i) the individual's surviving spouse; (ii) the individual's surviving children, including adopted children, in equal shares; then (iii) the individual's estate. For purposes of this section, individuals described in clauses (i) and (ii) are Eligible Designated Beneficiaries.

(j) *Alternate Payee Treated as Spouse.* A Participant's former spouse to whom all or a portion of the Participant's Account is subject to assignment under a qualified domestic relations order described in Section 6.06 shall be treated as the Participant's spouse under this section with respect to

the portion assigned. This subsection shall apply to an alternate payee's Account whether or not a separate Account has been established for the alternate payee.

(k) *Beneficiary of a Beneficiary.* The Account of a Beneficiary of a Beneficiary shall be distributed in accordance with the 10-Year Rule.

(l) *No Required Minimum Distribution for 2020 Plan Year.* This section does not apply for the 2020 Distribution Calendar Year.

6.05 ELECTION REQUIREMENTS. The Employer shall provide the Participant a benefit notice no earlier than 180 days nor later than 30 days before the first administratively practicable date on which such Participant may elect to receive a distribution. The notice shall explain distribution rights available to the Participant with regard to form and timing. Such distribution may commence less than 30 days after the notice is given, provided that (i) the Employer or its agent clearly informs the Participant that the Participant has a right to a period of at least 30 days after receiving the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option) and (ii) the Participant, after receiving the notice, affirmatively elects a distribution.

6.06 QUALIFIED DOMESTIC RELATIONS ORDERS. The Plan permits distribution to an alternate payee under a qualified domestic relations order at any time, irrespective of whether the Participant's Account is otherwise distributable under the Plan. Any distribution under this section must be consistent with the provisions of Code §401(a)(13) and §414(p). A distribution to an alternate payee, prior to the time the Participant's Account is otherwise distributable, is available only if (i) the order specifies distribution at that time, or permits an agreement between the Plan and the alternate payee to authorize an earlier distribution, and (ii) if the present value of the alternate payee's benefits under the Plan exceeds \$1,000, the alternate payee consents to any distribution occurring prior to the time the Participant's Account is otherwise distributable. The only form of payment available to an alternate payee is a single sum.

6.07 DIRECT ROLLOVERS. Notwithstanding any provision of this document to the contrary that would otherwise limit a distributee's election affecting distribution of assets under the Plan, a distributee may elect, at the time and in the manner prescribed by the Employer, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover. "Eligible rollover distribution" under this section means any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution shall 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 joint 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 Code §401(a)(9) (with any distribution, or portion thereof, during a Plan Year treatable first as a minimum distribution for such Plan Year, and not eligible for a direct rollover, to extent the minimum distribution requirement has not been satisfied for the Plan Year), and (iii) any nontaxable distribution unless such distribution is made to an individual retirement account (including a Roth IRA) or annuity or a tax-qualified plan under Code §401(a), 403(a), or an arrangement described in Code §403(b), that agrees to account separately for the amount transferred (including the portion of any after-tax amounts). "Eligible retirement plan" under this section means (i) an individual retirement account described in Code §408(a), (ii) after 2007, a Roth IRA described in

Code §408A(b), (iii) an individual retirement annuity described in Code §408(b), (iv) an annuity plan described in Code §403(a), (v) an annuity contract described in Code §403(b), (vi) a qualified trust described in Code §401(a) or (vii) an eligible deferred compensation plan described in Code §457(b) which is maintained by a state or political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to account separately for amounts transferred into such plan from this Plan. Distributee, for purposes of this section, includes (i) a Participant, (ii) a Participant's or former Participant's surviving spouse, (iii) a Participant's or former Participant's spouse or former spouse who is the alternate payee under a qualified domestic relations order (as defined in Code §414(p)) with regard to the interest of the spouse or former spouse and (iv) the designated nonspouse Beneficiary of a deceased Participant with respect to a direct rollover to an individual retirement account or individual retirement annuity as provided in Code §402(c)(11). Direct rollover, for purposes of this section, means a payment by the Plan to the eligible retirement plan specified by the distributee.

ARTICLE VII ADMINISTRATIVE PROVISIONS

7.01 PLAN ADMINISTRATION. The Employer shall be the “administrator” of the Plan, and may from time to time delegate any right, power or duty with respect to the operation and administration of the Plan to one or more committees, individuals or entities (in any case, a “committee”); provided, however, unless otherwise expressly delegated by the Employer in writing, the Employer shall have the sole responsibility for performing any specific statutory duty imposed by the Code or state or federal law. If the Employer delegates any right, power or duty to any committee, such committee may from time to time further delegate such right, power, and duty to any other person. If any right, power or duty is delegated to more than one person, such persons may from time to time allocate among themselves any such right, power or duty. Any delegations by the Employer shall be terminable upon such notice as the Employer, in its sole discretion deems reasonable and prudent. Any delegation (or subdelegation) shall carry with it the full discretionary authority of the Employer with respect to the delegated (or subdelegated) right, power or duty unless the Employer (or the person subdelegating) provides to the contrary.

7.02 POWERS OF THE ADMINISTRATOR. The Employer (including any persons appointed under Section 7.01) has full discretionary authority to administer and interpret the Plan, including the following powers and duties which it must exercise in a uniform and nondiscriminatory manner:

- (a) to determine the rights of eligibility of an Employee to participate in the Plan, and the value of a Participant's Account;
- (b) to adopt rules of administration necessary for the proper and efficient administration of the Plan provided the rules are not inconsistent with the terms of the Plan;
- (c) to construe and enforce the terms of the Plan and the rules of administration it adopts;
- (d) to direct the Trustee with respect to the crediting and charging of the Trust;
- (e) to review and render decisions with respect to a claim for (or denial of a claim for) a benefit under the Plan;

(f) to furnish the Employer with information which the Employer may require for tax or other purposes;

(g) to engage the services of agents whom it may deem advisable to assist it with the performance of its duties; and

(h) to engage the services of an “investment manager” or managers, who will have full power and authority to manage, acquire or dispose (or direct the Trustee with respect to acquisition or disposition) of any Plan asset under its control.

7.03 PAYMENT OF EXPENSES. The Trust will pay all expenses of Plan administration, unless paid by the Employer. The Employer may seek reimbursement from the Plan for expenses of Plan administration it has paid, provided the reimbursement is actually made no later than one year after the expense was paid by the Employer.

7.04 ADJUSTMENT OF ACCOUNTS. As of each business day, the Employer shall cause the adjustment of Accounts to reflect net income, gain or loss since the previous business day. In its discretion, the Administrator may ignore gains or losses incurred up to 5 business days preceding a distribution with respect to the assets distributed.

7.05 UNCLAIMED ACCOUNT PROCEDURE. The Plan does not require the Employer to search for, or to ascertain the whereabouts of, any Participant or Beneficiary. At the time the Participant’s or Beneficiary’s benefit becomes distributable under Article VI after termination of employment with the Employer, the Employer will make reasonable efforts to notify the Participant or Beneficiary that he or she is entitled to a distribution under the Plan (which may, in appropriate cases, include contacting government agencies and private locator services for location assistance). If the Employer’s efforts fail, and the Participant or Beneficiary fails to claim his or her Account or make his or her whereabouts known to the Employer within a reasonable time, the Employer may treat the Participant’s or Beneficiary’s unclaimed Account as forfeited as of the last day of the Plan Year, and may utilize the amount in the Account as an offset to any contribution under Article III. If a Participant or Beneficiary who has incurred a forfeiture under this section makes a claim that is supported by reasonable evidence, at any time, for his or her forfeited Account, the Account shall be restored to the same dollar amount as the dollar amount of the Account forfeited. The restoration shall be made from the amount, or additional amount, the Employer contributes for such Plan Year.

7.06 INDEMNITY OF CERTAIN FIDUCIARIES. To the extent allowed by law, the Employer indemnifies and holds harmless any committee it appoints under Section 7.01 from and against any and all loss resulting from liability to which the committee may be subjected by reason of any act or conduct (except willful misconduct or gross negligence) in their official capacities in the administration of the Plan, including all expenses reasonably incurred in their defense, should the Employer fail to provide such defense. The indemnification herein does not relieve the committee from any liability it may have for breach of a fiduciary duty. The Employer and the committee may, in a manner consistent with applicable law, execute a letter agreement further delineating the indemnification agreement of this section.

7.07 BENEFICIARY DESIGNATION

(a) General Rule. A Participant may complete a beneficiary designation form, in the manner specified by the Employer, indicating one or more persons who will become a primary or contingent Beneficiary with respect to the Participant's Account in the event of the Participant's death. A properly completed beneficiary designation form shall become effective on the date delivered to the Employer. A Participant may change or revoke any existing designation at any time during his or her lifetime. A Beneficiary with respect to a deceased Participant, and an alternate payee under Section 6.06, may also designate a beneficiary under this section.

(b) Consent of Spouse. No designation by a married Participant will be effective unless the Participant's spouse is the primary Beneficiary or the designation includes the written consent of the spouse. Such consent must (i) acknowledge the effect on the spouse of the designation, (ii) be witnessed by a notary public and (iii) be effective only with respect to the nonspouse designee to which the spouse has consented. A spouse may revoke his or her consent to a designation only if the designation expressly allows a revocation, and then only as provided in the designation. No consent shall be required if the Participant's spouse cannot be located.

(c) Effect of Dissolution of Marriage. Any designation of a spouse shall become permanently ineffective on the date of the final dissolution of the marriage of the Participant and the spouse, unless the designation expressly provides that it shall be effective notwithstanding the dissolution.

7.08 ASSIGNMENT OR ALIENATION. Subject to Section 6.06 (relating to qualified domestic relations orders), and except as otherwise allowed under the Code, a Plan benefit shall not be anticipated, assigned or alienated by a Participant or Beneficiary, and shall not be subject to attachment, garnishment, levy, execution or other legal or equitable process.

7.09 APPEAL PROCEDURE FOR DENIAL OF BENEFITS

(a) General Rule. A Participant or a Beneficiary may file with the Employer a written claim for benefits, if the Participant or Beneficiary ("Claimant") determines the distribution procedures of the Plan have not provided such Claimant his or her proper benefit. The Employer must render a decision on the claim within 60 days of the Claimant's written claim for benefits. The Employer shall provide adequate notice in writing to the Claimant whose claim for benefits under the Plan the Employer has denied. The Employer's notice to the Claimant shall provide (1) the specific reason for the denial, (2) specific references to pertinent Plan provisions on which the Employer based its denial, (3) a description of any additional material and information needed for the Claimant to perfect the claim and an explanation of why the material or information is needed and (4) that any appeal the Claimant wishes to make of the adverse determination must be in writing to the Employer within 75 days after receipt of the Employer's notice of denial of benefits.

(b) Appeals. The Employer's notice must further advise the Claimant that the Claimant's failure to appeal the action to the Employer in writing within the 75 day period will render the Employer's determination final, binding and conclusive. If the Claimant should appeal to the Employer, the Claimant or his or her duly authorized representative may submit, in writing, whatever issues and comments the Claimant or his or her duly authorized representative feels are pertinent. The

Claimant or his or her duly authorized representative may review pertinent Plan documents. The Employer will re-examine all facts related to the appeal and make a final determination as to whether the denial of benefits is justified under the circumstances. The Employer must advise the Claimant of its decision within 60 days of the Claimant's written request for review, unless special circumstances (such as a hearing) would make the rendering of a decision within the 60 day limit unfeasible, but in no event may the Employer render a decision respecting a denial for a claim for benefits later than 120 days after its receipt of a request for review. The Employer's notice of denial of benefits must identify the name of each member of the Committee and the name and address of the Committee member to whom the Claimant may forward an appeal. A Participant must exhaust these administrative remedies prior to commencing any court proceeding with respect to claims arising under the Plan.

7.10 FIDUCIARIES NOT INSURERS. Neither the Employer nor the Trustee guarantee the Trust from loss or depreciation. The Employer does not guarantee the payment of any money, which may be or becomes due to any person, from the Trust.

7.11 WORD USAGE. Wherever the context of this document dictates, the plural of a word includes the singular and singular includes the plural.

7.12 STATE LAW. The law of the State of California will determine all questions arising with respect to the provisions of the Plan.

7.13 EMPLOYMENT NOT GUARANTEED. The Plan is not intended, and shall not be construed, to give any Employee any right to continue employment with the Employer.

7.14 EXCLUSIVE BENEFIT. Except as expressly provided otherwise in this Plan, the Employer has no beneficial interest in any asset of the Trust and no part of the assets of the Plan may ever revert to or be repaid to the Employer, either directly or indirectly; nor, before the satisfaction of all liabilities with respect to the Participants and their Beneficiaries under the Plan, may any part of the corpus or income of the assets of the Plan, or any asset of the Trust, be, at any time, used for, or diverted to, purposes other than the exclusive benefit of the Participants or their Beneficiaries. However, if the Commissioner of Internal Revenue, upon the Employer's request for initial approval of the Plan, determines that the Plan is not qualified under Code §401(a), then (and only then) the Trustee, upon written notice from the Employer, will return the Employer's contributions to the Plan (and increments attributable to the contributions) to the Employer. The Trustee must make the return of the Employer contributions under this section within one year of a final disposition of the Employer's request for initial approval of the Plan. The Plan will terminate upon the Trustee's return of the Employer contributions.

7.15 MILITARY SERVICE. Notwithstanding any provision of the Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code §414(u). Furthermore, Participant loan repayments may be suspended under the Plan as permitted under Code §414(u)(4). Notwithstanding any provision of the Plan to the contrary, the Beneficiary of any Participant who dies while performing military service shall be entitled to those additional benefits (other than benefit accruals related to the period of military service) that would have been provided had the Participant resumed employment with the Employer and then terminated employment on account of death. Effective January 1, 2009, any "differential pay" (as described in Code §3401(h)) paid to a Participant shall be treated as Compensation under the Plan.

ARTICLE VIII LOANS

8.01 LOAN ELIGIBILITY. Any Participant in the Plan who is an Employee (or who is otherwise a “party-in-interest” as defined in ERISA §3(14), or would be but for the inapplicability of ERISA) may request a loan from the Plan as provided in this article and on forms prescribed by the Administrator. The Participant must agree to the terms contained in the promissory note and related documents, including the imposition of setup and ongoing administration fees. Any loan fees shall be disclosed to the Participant in advance, and either charged to the Participant’s account, added to the loan balance or paid directly by the Participant. Spousal consent shall not be required as a condition to receiving a loan. (For a loan issued in 2020 in compliance with the CARES Act, see Section 8.01A of Appendix B.)

8.02 LIMITATION ON AMOUNT AND PURPOSE. The Administrator will approve no loan in an amount that exceeds 50% of his or her account balance. The minimum loan amount is \$1,000. The maximum aggregate dollar amount of loans outstanding to any Participant may not exceed \$50,000, reduced by the excess of the highest outstanding loan balance during the 12-month period ending on the date of the loan over the current outstanding loan balance. The Plan imposes no restriction on the purpose of the loan. No more than 1 loan may be outstanding at any time.

8.03 INTEREST. The interest rate shall be fixed at the prime rate published in the Wall Street Journal at the time the loan is processed, plus 1%, unless such rate is not reasonable and appropriate. All interest accrued on the loan will be credited to the borrowing Participant’s Account.

8.04 PAYMENTS. A loan shall provide for regular even payments coinciding with the frequency of the Employer’s payroll. Payments will be collected by withholding from each paycheck the principal and interest due under the loan until it is fully paid. The Participant must agree to allow the Employer to collect payments by payroll deduction. Should the Participant revoke approval for payroll deduction while employed, the loan balance shall be immediately due and payable, together with accrued interest, and subject to the deemed (Section 8.08) or offset (Section 8.09) distribution procedures should the loan not be paid. Prepayments are not allowed, except that (i) a Participant may repay the entire balance due at any time and (ii) a Participant who ceases to be an Employee may make additional payments on the outstanding balance in multiples of the loan payment amount through the last day of the calendar quarter that begins after the calendar quarter in which the Participant ceased to be an Employee.

8.05 TERM. The maximum term of a loan shall be 60 months.

8.06 SECURITY AND ACCOUNT SOURCE. Each loan must be secured with an irrevocable pledge and assignment of up to 50% of the amount of the Participant’s Account. Funding shall be made from the following accounts, in the order stated: Rollover, Contributions, Employee Contributions, then Employer Contributions.

8.07 RISK OF LOSS. A Participant’s loan shall not place other Participants at risk with respect to their Account. All loans will be administered as a Participant directed investment of that portion of the Participant’s account equal to the outstanding balance of the loan. The Plan will credit the Participant’s Account with interest earned and principal payments received, and with expenses directly related to the maintenance and collection of the loan.

8.08 DEFAULT (DEEMED DISTRIBUTION). The Administrator will treat the entire unpaid balance of the loan in default if (i) any scheduled payment remains unpaid as of the last day of

the calendar quarter succeeding the calendar quarter in which the payment became late (*i.e.*, the grace period) and (ii) the loan is not immediately distributable under Sections 6.01 or 6.02. A loan in default shall be deemed distributed for tax purposes at the time of default, but shall (i) not be eligible for rollover to any other retirement plan, (ii) continue to be carried as an asset on the books and records of the Plan, with continuing adjustments for accrued interest, until such time as the loan is distributed under Section 8.09, (iii) be taken into account for purposes of computing the amount of any future loan under the Plan, (iv) reflect tax basis only to the extent that the Participant has made additional loan payments after the date of the deemed distribution and (v) cause no further taxable income to the Participant after the date of the deemed distribution.

8.09 DISTRIBUTION (OFFSET DISTRIBUTION). For Participants whose loan balance is entirely distributable by reason other than a severance from employment (including the Plan's termination), the Administrator shall offset the Participant's account represented by the unpaid balance of the loan for which a scheduled payment remains unpaid as of the last day of the grace period described in Section 8.08. For Participants who have incurred a severance from employment, the Administrator shall offset the Participant's account on the earlier of the (i) date the Participant receives a complete distribution of his or her Account or (ii) the 91st day following the date the Participant ceased to be an Employee. The Administrator shall provide an appropriate tax notice to the Participant on or about the date of the offset distribution explaining applicable tax and rollover rules. Should a Participant again become an Employee before the loan is offset, the period of absence shall be treated as a leave under Section 8.10. An offset distribution shall reduce the Participant's Account balance by the unpaid principal and accrued interest and cause the loan to be treated as repaid to the extent of the offset. As permitted under Regulations, the Participant is treated as having consented to a distribution under this section as a condition to receiving the loan.

8.10 LEAVE OF ABSENCE

(a) Leave Not Requiring Reamortization. If a Participant fails to make one or more scheduled payments in connection with an approved leave of absence, but no scheduled payment is late beyond the grace period described in Section 8.08, then the Participant shall make all late payments to the Administrator (by check) no later than 30 days after the end of the Participant's leave, and no interest adjustment shall be made to the loan due to any late payments. Should the Participant fail to make up all late payments as required, subsection (b) shall instead apply.

(b) Leave Requiring Reamortization. If a Participant fails to make a scheduled payment during an approved leave of absence and the scheduled payment becomes late beyond the grace period set forth in Section 8.08, then the Participant shall not be required to make any scheduled loan payment during the suspension period. The "suspension period" shall begin on the first day of the leave and end on the earlier of (i) the date the leave ends or (ii) the 1-year anniversary of the leave. The Participant may make voluntary loan payments during the suspension period in multiples of the loan payment amount. As soon as practicable after the end of the suspension period, (i) the Administrator shall reamortize the loan from the date the leave began by determining the amount of additional accrued interest and recomputing an even payment amount with the last payment to be made no later than 60 months after the date the loan was initiated and (ii) the loan shall again be subject to the generally applicable rules of this Policy. No loan shall be reamortized more than once. The Participant's Account shall be charged for any administration fees imposed on the Plan in connection with the reamortization.

(c) Leave for Military Service. In general, the provisions of subsection (b) shall apply to the repayment of a loan for a Participant who is performing service in the uniformed services of the United States, except that (i) the 1-year maximum suspension period shall not apply, (ii) the 60-month payoff deadline therein shall be extended by the period of the military service, (iii) the Participant may elect to continue with the same periodic payment amount (which will result in a final balloon payment for additional accrued interest), (iv) the loan may be reamortized regardless of whether it was previously reamortized and (v) the Participant may request a reduction in the interest rate imposed on the loan during the period of military service if he or she provides notice to the Administrator by the 180th day following the date military service ends.

(d) Loan Refinancing. Effective January 1, 2009, a Participant may refinance an existing loan with an equal or larger loan amount if (i) the interest rate on the replacement loan reflects a current interest rate and (ii) the term of the replacement loan does not exceed 60 months from the date of the initiation of the refinanced loan. A replacement loan that complies with this subsection will not be treated as being outstanding at the same time as the refinanced loan if it otherwise satisfies the requirements of this section.

ARTICLE IX AMENDMENT AND TERMINATION

9.01 AMENDMENT BY EMPLOYER. The Employer has the right at any time and from time to time (i) to amend the Plan in any manner it deems necessary or advisable in order to qualify (or maintain qualification of) the Plan under the appropriate provisions of Code §401(a), and (ii) to amend the Plan in any other manner. No amendment may authorize or permit any of the assets of the Plan (other than the part which is required to pay taxes and administration expenses) to be used for or diverted to purposes other than for the exclusive benefit of the Participants and Beneficiaries. No amendment may cause or permit any portion of the assets of the Plan to revert to or become property of the Employer. All amendments shall be in writing, approved by the Employer's Board of Directors, and signed by an authorized officer of the Employer. An amendment (including a restatement) may not decrease a Participant's accrued benefit.

9.02 DISCONTINUANCE. The Employer may, at any time, suspend or discontinue its contributions under the Plan, and terminate the Plan at any time by amendment adopted in accordance with Section 9.01. The Plan will terminate upon the first to occur of (i) the date terminated by action of the Employer or (ii) the dissolution or merger of the Employer, unless the successor makes provision to continue the Plan, in which event the successor must substitute itself as the Employer under the Plan.

9.03 MERGER/DIRECT TRANSFER. Mergers, consolidations and direct transfers shall be made in accordance with this section and Section 3.04.

(a) Equivalent Benefit. The Trustee may not consent, or be a party, to any merger or consolidation of the Plan with another plan, or to a transfer of assets or liabilities to another plan, unless immediately after the merger, consolidation or transfer, the surviving plan provides each Participant a benefit equal to or greater than the benefit each Participant would have received had the Plan terminated immediately before the merger or consolidation or transfer.

(b) Agreements. The Trustee possesses the specific authority to enter into merger agreements with, accept direct asset transfers from, and transfer plan assets to, the trustees of other Code §401(a) retirement plans. The Trustee may accept a direct transfer of plan assets on behalf of an Employee prior to the date the Employee satisfies the Plan's eligibility conditions. If the Trustee accepts a direct transfer of plan assets, the Employer and Trustee must treat the Employee as a Participant for all purposes of the Plan except the Employee is not a Participant for purposes of sharing in Employer contributions or Participant forfeitures under the Plan until the Employee actually becomes a Participant in the Plan. Any transfer proposed to be accepted by the Trustee that would not be taxable to the distributee if distributed shall not be accepted. Any other transfer to the Plan shall be accounted for in the subsidiary account that most closely describes the character of the amount transferred and does not enhance or diminish rights associated with the transfer in a manner that might jeopardize the Plan's status as a tax-qualified retirement plan.

9.04 TERMINATION. Upon termination of the Plan, the Employer will direct the Trustee to distribute each Participant's Account, in a single sum, as soon as administratively practicable after the termination of the Plan, irrespective of the present value of the Participant's Account, and whether or not the Participant consents to that distribution. Upon termination of the Plan, the amount, if any, in a suspense account will revert to the Employer, subject to the conditions of Regulations permitting such a reversion.

IN WITNESS WHEREOF, the Employer has executed this document on this _____ day of _____, 20____.

**LIGHTHOUSE COMMUNITY CHARTER
PUBLIC SCHOOLS, INC.**

By: _____

Title: _____

**LIGHTHOUSE COMMUNITY CHARTER PUBLIC SCHOOLS, INC.
RETIREMENT SAVINGS PLAN**

**Appendix A
(Required Minimum Distributions, Pre-SECURE Act Provisions)**

6.04A MINIMUM DISTRIBUTIONS AND DEATH DISTRIBUTIONS.

(a) General Rules and Definitions. This section applies before January 1, 2020, to a living Participant, and before January 1, 2022, to a deceased Participant. All distributions required under this section will be determined and made in accordance with Code §401(a)(9) and the Regulations thereunder, and the provisions of this appendix will prevail over any inconsistent provision of the Plan.

Distribution of the Account of a living Participant must commence no later than the Participant's Required Beginning Date. For purposes of this section:

(1) *Designated Beneficiary* means a Beneficiary who is a designated beneficiary under Regulation §1.401(a)(9)-4.

(2) *Distribution Calendar Year* means a calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first Distribution Calendar Year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first Distribution Calendar Year is the calendar year in which distributions are required to begin under subsection (c).

(3) *Life Expectancy* means life expectancy as computed by use of the Single Life Table in Regulation §1.401(a)(9)-9.

(4) *Participant Account Balance* means the Account balance as of the last valuation date in the calendar year immediately preceding the Distribution Calendar Year (the "valuation calendar year") increased by the amount of any contributions made and allocated or forfeitures allocated to the Account as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The Participant Account Balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the Distribution Calendar Year if distributed or transferred in the valuation calendar year.

(5) *Required Beginning Date* means the April 1 following the close of the calendar year in which the Participant attains age 70½ or, if later and if the Participant is not a 5% owner (as defined in Regulation §1.401(a)(9)), the April 1 following the close of the calendar year in which the Participant retires.

(b) Required Minimum Distributions During Participant's Lifetime. During the Participant's lifetime, the minimum amount that will be distributed for each Distribution Calendar Year is the lesser of (i) the quotient obtained by dividing the Participant Account Balance by the distribution period in the Uniform Lifetime Table set forth in Regulation §1.401(a)(9)-9, using the Participant's age as of the Participant's birthday in the Distribution Calendar Year, or (ii) if the Participant's sole Designated Beneficiary for the Distribution Calendar Year is the Participant's spouse, the quotient obtained by dividing the Participant Account Balance by the number in the Joint

and Last Survivor Table set forth in Regulation §1.401(a)(9)-9, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the Distribution Calendar Year. The required minimum distribution for the Participant's first Distribution Calendar Year will be made on or before the Participant's Required Beginning Date. The required minimum distribution for other Distribution Calendar Years, including the required minimum distribution for the Distribution Calendar Year in which the Participant's Required Beginning Date occurs, will be made on or before December 31 of that Distribution Calendar Year. Required minimum distributions will be determined under this subsection beginning with the first Distribution Calendar Year and up to and including the Distribution Calendar Year that includes the Participant's death.

(c) Death Before Required Beginning Date. If the Participant's death occurs before the Required Beginning Date, the Account will be distributed upon election of the Beneficiary at any time allowed under Section 6.03, subject to the minimum distribution rules of this subsection. If, by September 30 of the year following the year of the Participant's death either there is no Designated Beneficiary or the Designated Beneficiary so elects, the Account may be distributed in full or in part at any time, provided the Account is distributed in full no later than the close of the year in which falls the 5th anniversary of the Participant's death (the "5-year rule"). If, as of September 30 of the year following the year of the Participant's death, a Designated Beneficiary fails to elect the 5-year rule, the Account may be distributed in full or in part at any time, provided that the minimum amount to be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant Account Balance by the remaining Life Expectancy of the Participant's Designated Beneficiary, determined as provided in subsection (d). If the Participant's surviving spouse is the Participant's sole Designated Beneficiary and the surviving spouse dies before distributions are required to begin to the surviving spouse, this subsection will apply as if the surviving spouse were the Participant.

(d) Death On or After Required Beginning Date. This subsection applies if the Participant dies on or after the Required Beginning Date.

(1) *Participant Survived by Spouse as Sole Designated Beneficiary.* If the Participant's surviving spouse is the Participant's sole Designated Beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each Distribution Calendar Year after the year the Participant dies is the quotient obtained by dividing the Participant Account Balance by the remaining Life Expectancy of the surviving spouse. The surviving spouse's remaining Life Expectancy is calculated for each Distribution Calendar Year, after the year of the Participant's death and through the year of the spouse's death, using the surviving spouse's age as of the spouse's birthday in that year. If the surviving spouse does not die before distributions under this paragraph begin, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died or, if later, by December 31 of the calendar year in which the Participant would have attained age 70½. The surviving spouse may alternatively elect the 5-year rule described in subsection (c). For Distribution Calendar Years after the year of the surviving spouse's death, the remaining Life Expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.

(2) *Participant Survived by Nonspouse Designated Beneficiary.* If there is a nonspouse Designated Beneficiary as of September 30 of the year after the year of the Participant's

death, the minimum amount that will be distributed for, and by the close of, each Distribution Calendar Year after the year the Participant dies is the quotient obtained by dividing the Participant's Account Balance by the remaining Life Expectancy of the Participant or the Account's oldest Designated Beneficiary, whichever is longer. The Participant's remaining Life Expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year, and the Designated Beneficiary's remaining Life Expectancy is calculated using the age of the Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year. Beneficiaries may elect on an individual basis to apply the 5-year rule described in subsection (c) if the election is made no later than September 30 of the year in which distribution would be required to begin under this paragraph.

(3) *No Designated Beneficiary.* If there is no Designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire Account will be distributed in accordance with the 5-year rule described in subsection (c).

(e) *Small Account Balances.* Notwithstanding any other provision of this section, if any separate Account of a deceased Participant or a Beneficiary does not exceed \$5,000, the Account will be distributed to the Beneficiary (or the estate, if no Beneficiary) in a single sum as soon as is administratively practicable.

(f) *Multiple Designated Beneficiaries.* The Administrator may establish separate Accounts for each Designated Beneficiary by September 30 of the year following the year of the Participant's death. If such separate Accounts are established, the provisions of this section shall apply separately to each such Account.

(g) *Deceased Individual with No Beneficiary.* Distribution of a deceased individual's Account, for which there is no Beneficiary, will be made in accordance with the following order of priority: (i) the individual's surviving spouse; (ii) the individual's surviving children, including adopted children, in equal shares; then (iii) the individual's estate.

(h) *Alternate Payee Treated as Spouse.* A Participant's former spouse to whom all or a portion of the Participant's Account is subject to assignment under a qualified domestic relations order described in Section 6.06 shall be treated as the Participant's spouse under this section with respect to the portion assigned. This subsection shall apply to an alternate payee's Account whether or not a separate Account has been established for the alternate payee.

**LIGHTHOUSE COMMUNITY CHARTER PUBLIC SCHOOLS, INC.
RETIREMENT SAVINGS PLAN**

**Appendix B
(CARES Act Temporary Amendments)**

6.01A CARES ACT DISTRIBUTIONS. Notwithstanding the provisions of Section 6.01 or any other provision of the Plan, and effective as of May 1, 2020, a Participant who has been adversely affected by the Covid-19 pandemic may request one or more distributions (singularly, a “CARES Act distribution”) during 2020 from any subaccount in his or her Account up to an aggregate amount of \$100,000. To obtain a CARES Act distribution either (i) the Participant, the Participant’s spouse or the Participant’s dependent must have been diagnosed with the Covid-19 virus by a test approved by the U.S. Center for Disease Control, or (ii) the Participant must be experiencing adverse financial consequences due to being quarantined, furloughed, laid-off, having reduced work hours, having to care for a child, or the closing or reducing of work hours of a business, due to the Covid-19 virus. The Participant may repay the distribution to the Plan, or to another tax-preferred retirement vehicle (such as an IRA), within three years of receiving the distribution. This section shall be implemented consistent with CARES Act §2202(a), and any Regulations or other official guidance implementing such provision.

8.01A CARES ACT LOAN AND LOAN PAYMENT SUSPENSION. Notwithstanding the provisions of Article VIII providing otherwise, effective May 1, 2020, and through September 23, 2020, a Participant who satisfies the conditions for a CARES Act distribution described in Section 6.01A may also request an additional Participant loan under Article VIII, regardless of whether the Participant is otherwise eligible for a Participant loan under such article, subject to the provisions of this section (a “CARES Act loan”). A CARES Act loan is a loan that generally meets the requirements set forth in Article VIII except that (i) a CARES Act loan shall not count toward the maximum number of loans outstanding, (ii) for purposes of determining the maximum amount of the CARES Act loan under Section 8.02, (1) up to 100% of the Participant’s vested Account balance may be taken into account and (2) the \$50,000 limit is increased to \$100,000. Any loan payment on any outstanding loan (including, but not limited to, a CARES Act loan) that becomes due on or after March 27, 2020, and before January 1, 2021, and that is not actually paid, is suspended and, along with accrued interest, will be rolled into a new loan balance determined as of January 1, 2021, that will be re-amortized over the remaining period of the loan plus the period of the loan deferment. Any Participant who currently has a loan outstanding that is in default and that has not been offset under Section 8.09 is ineligible for a CARES Act loan unless the outstanding balance is first repaid. This section shall be implemented consistent with CARES Act §2202(b), and any Regulations or other official guidance implementing such provision.