

ELGIN PUBLIC SCHOOL 403(B) PLAN

SUMMARY PLAN DESCRIPTION

September 1, 2010

Copyright 2002-2010
Retirement Plan Consultants LLC

ELGIN PUBLIC SCHOOL 403(B) PLAN

SUMMARY PLAN DESCRIPTION

TABLE OF CONTENTS

INTRODUCTION 1

ELIGIBILITY FOR PARTICIPATION 1

 Eligible Employee - Elective Deferrals 1

 Time of Participation - Elective Deferrals 1

CONTRIBUTIONS TO THE PLAN 1

 Elective Deferrals 1

 Roth Contributions 1

 Saver's Credit 2

 Rollovers 2

 Military Service 3

 Limits on Contributions 3

 Compensation 3

VESTING 3

 Participant Contributions 3

DISTRIBUTIONS 3

 Commencement of Distributions 3

 Timing and Form of Payment 4

 Beneficiary 4

INSERVICE DISTRIBUTIONS AND LOANS 5

 Hardship Withdrawals 5

 Reservist Distributions 6

 Rules Regarding Inservice Distributions 6

 Loans 6

MISCELLANEOUS 7

 Domestic Relations Orders 7

 Loss of Benefit 7

 Amendment and Termination 7

 Fees 8

 Insurance 8

ADMINISTRATIVE INFORMATION 8

INTRODUCTION

Elgin Public School (the "Company") adopted the Elgin Public School 403(b) Plan (the "Plan") effective October 1, 2008. This Plan Summary describes the Plan as amended and restated effective September 1, 2010.

This revised Plan Summary supersedes all previous Plan Summaries. Although the purpose of this document is to summarize the more significant provisions of the Plan, the Plan document will prevail in the event of any inconsistency.

ELIGIBILITY FOR PARTICIPATION

Eligible Employee - Elective Deferrals

You are an "Eligible Employee" if you are employed by Elgin Public School or any affiliate who has adopted the Plan. However, you are not an "Eligible Employee" if you are a member of any of the following classes of employee:

Employees whose maximum Elective Deferrals would not exceed \$200.

Time of Participation - Elective Deferrals

You will become a Participant eligible to make Elective Deferrals after you begin employment.

CONTRIBUTIONS TO THE PLAN

Elective Deferrals

You may elect to reduce your Compensation (defined below) and make a contribution to the Plan on a pre-tax basis. These pre-tax contributions are known as Elective Deferrals. Federal law limits the amount you may elect to defer under this Plan and any other retirement plan permitting Elective Deferrals during any calendar year (\$16,500 in 2010). However, if you are age 50 or over, you may defer an additional amount up to \$5,500 (in 2010).

You may elect to start, increase, reduce or totally suspend your elections to contribute to the Plan effective as of each pay period.

The Plan Administrator may establish rules regarding the manner in which your elections are made. The rules may also require that certain advance notice be given of any election. Your election regarding Elective Deferrals is only effective for Compensation you will receive in the future. The Plan Administrator may also reduce or totally suspend your election if the Plan Administrator determines that your election may cause the Plan to fail to satisfy any of the requirements of the Internal Revenue Code.

Roth Contributions

Effective October 1, 2008, the Plan was amended to allow a new type of employee contribution to the Plan. This new type of contribution is known as a Roth Contribution and is very much like a contribution to a Roth IRA. Like a Roth IRA, the Roth Contribution to the Plan is made by you on an after-tax basis, but if certain requirements are met, a "qualified distribution" from your Roth Contribution Account in the Plan will not be taxed. However, unlike a Roth IRA, there are no income limitations on who may make a Roth Contribution.

Roth Contributions are made in the same manner as your pre tax Elective Deferrals. You must designate how much you would like to contribute on a pre-tax basis (normal 403(b) contribution) and how much you would like to contribute as an after-tax Roth Contribution. You are not required to make any Roth Contributions. You may continue to designate all of your elective deferrals as normal pre-tax contributions.

The sum of your Roth Contributions and regular pre-tax 403(b) contributions may not exceed the annual limit on regular 403(b) contributions mentioned above.

As was mentioned above, a "qualified distribution" of your Roth Contributions (and earnings) is not taxable. A "qualified distribution" must be made more than five years after the first Roth Contribution is made and must meet at least one the following requirements:

- (i) the distribution must be made after you attain age 59-1/2;
- (ii) the distribution must be made to your beneficiary after your death; or
- (iii) the distribution must be made on account of your disability.

Please note that Roth Contributions are not suitable for everyone. Please consult with your tax advisor before making any Roth Contributions to the Plan.

Saver's Credit

If your adjusted gross income is below certain levels, you may be eligible for a nonrefundable income tax credit of up to \$1,000 (the "Saver's Credit"). The Saver's Credit is equal to a specified percentage of your contributions to certain employer-sponsored plans and to certain IRAs. You are eligible for the credit only if you are age 18 or over, are not a full-time student, and are not claimed as a dependent on another person's tax return. The Saver's Credit is subject to other restrictions. Please consult your tax advisor for more information.

Rollovers

The Plan may accept a Rollover Contribution made on behalf of any Eligible Employee, regardless of whether such Employee has met the age and service requirements of the Plan. The Plan Administrator or the investment vehicle you have chosen may establish procedures that regulate the method by which Rollovers will be accepted. An Eligible Employee who has not yet met any of the eligibility requirements of the Plan will be deemed a Participant only with

respect to amounts, if any, in his or her Rollover Contribution Account. Please contact your investment vendor and the Company for more information.

Military Service

If you serve in the United States armed forces and must miss work as a result of such service, you may be eligible to receive contributions, benefits and service credit with respect to any qualified military service.

Limits on Contributions

The amount that may be contributed to the Plan on your behalf in any year is limited to a fixed dollar amount (\$49,000 in 2010). In addition, contributions cannot exceed 100% of your total compensation.

Compensation

"Compensation" means wages that are shown as taxable wages on your IRS Form W-2, plus amounts that would be cash compensation for services to the Employer includible in your gross income for the calendar year but for a compensation reduction election under Code sections 125, 132(f), 401(k), 403(b), or 457(b) (including an election made to reduce compensation in order to have Elective Deferrals under the Plan). For any self-employed individual, Compensation will mean earned income.

No more than \$245,000 (in 2010) of Compensation may be taken into account in determining your benefits under the Plan.

VESTING

Participant Contributions

You will have a fully vested and nonforfeitable interest in your Elective Deferral Account.

DISTRIBUTIONS

Commencement of Distributions

Termination of Employment. You are entitled to receive a distribution from your Account after you terminate employment. The distribution will start at the time specified in the section titled "Timing and Form of Payment" below.

Age 59 - 1/2. If allowed by the terms of the investment vehicle you have chosen, you may be entitled to receive a distribution from your Account after you attain age 59 - 1/2. The distribution will start at the time specified in the section titled "Timing and Form of Payment" below.

Death. If you die, your Beneficiary will become entitled to receive your vested Account balance. The distribution will start at the time specified in the section titled "Timing and Form of Payment" below.

Timing and Form of Payment

Distribution for Reasons Other Than Death. If you become entitled to receive your benefit for any reason other than death, payment will begin in accordance with the terms of the investment vehicle you have chosen. In any event distributions must begin no later than April 1 of the calendar year following the later of: 1) the calendar year in which you attain age 70 - 1/2, or 2) the calendar year in which you retire. Please contact your investment vendor and the Company for more information.

Distribution on Account of Death. If you die before distribution of your Account begins, distribution of your entire Account must be completed by December 31 of the calendar year containing the fifth anniversary of your death unless an election is made by your Beneficiary to receive distributions in accordance with (1) and (2) below and these options are permitted by the investment vehicle you have chosen:

(1) Distributions may be made over the life or over a period certain not greater than the life expectancy of the Beneficiary commencing on or before December 31 of the calendar year immediately following the calendar year in which you die;

(2) If the Beneficiary is your surviving spouse, the date distributions are required to begin in accordance with item (1) above will not be earlier than the later of (A) December 31 of the calendar year immediately following the calendar year in which you die, or (B) December 31 of the calendar year in which you would have attained age 70-1/2.

If you die after distribution of your Account has begun, the remaining portion of your Account will continue to be distributed under the method of distribution being used prior to your death. If your Account was not being distributed in the form of an annuity at the time of your death, your Beneficiary may elect to receive your remaining vested Account balance in a lump sum distribution.

Notwithstanding anything to the contrary, distributions will also be subject to the following limitations/conditions: Distributions can only be made in cases of separation of service, death or disability of the participant. Distributions can be lump sum only in the form of cash..

Beneficiary

You have the right to designate one or more primary and one or more secondary Beneficiaries to receive any benefit becoming payable upon your death. Your spouse must be your sole primary beneficiary unless he or she consents to the designation of another beneficiary.

You may change your Beneficiaries at any time and from time to time by filing written notice of such change with the Plan Administrator.

If you fail to designate a Beneficiary, or in the event that all designated primary and secondary Beneficiaries die before you, the death benefit will be payable to your spouse or, if there is no spouse, to your estate.

INSERVICE DISTRIBUTIONS AND LOANS

Hardship Withdrawals

General Rule. You may receive a distribution on account of hardship from all of your Accounts, except earnings on your Elective Deferral Account credited after the later of December 31, 1988, and the end of the last Plan Year ending before July 1, 1989.

Your Roth Contributions may be withdrawn on account of financial hardship in the same manner as your regular 403(b) contributions. Please note however, that the income on the Roth contributions may be taxable (and subject to penalties for early withdrawal) if the withdrawal is not a "qualified distribution."

Immediate and Heavy Financial Need. You may receive a hardship distribution only if the Plan Administrator finds that you have an immediate and heavy financial need where you lack other available resources. The following are the only financial needs considered immediate and heavy:

- (1) Expenses incurred or necessary for medical care, described in Code section 213(d), for you or your spouse, children, or dependents;
- (2) The purchase (excluding mortgage payments) of your principal residence;
- (3) Payment of tuition and related educational fees for the next 12 months of post-secondary education for you or your spouse, Beneficiary, children or dependents;
- (4) The need to prevent the eviction of you from your principal residence (or a foreclosure on the mortgage on your principal residence);
- (5) Payments for burial or funeral expenses for your deceased parent, spouse, Beneficiary, children or dependents; or
- (6) Expenses for the repair of damage to your principal residence that would qualify for the casualty deduction.

Amount Necessary to Satisfy Need. A distribution will be considered as necessary to satisfy your immediate and heavy financial need only if:

(1) You have obtained all distributions, other than hardship distributions, and all nontaxable loans under all plans maintained by the Company;

(2) Your Elective Deferrals (and Voluntary Contributions, if any) will be suspended for six months after the receipt of the hardship distribution; and

(3) The distribution is not in excess of the amount of an immediate and heavy financial need (including amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution).

Reservist Distributions

If you were a military reservist called to active duty for a period in excess of 179 days or for an indefinite period, you may receive a distribution from the plan while still employed from amounts attributable to elective deferrals and catch-up contributions. You must make the distribution during the period beginning on the date of your call-up and ending at the close of the active duty period. In addition, you must have been called to active duty after September 11, 2001, and before December 31, 2007.

Rules Regarding Inservice Distributions

The Plan Administrator or the investment vehicle you have chosen may establish uniform procedures that include, but are not limited to, prescribing limitations on the frequency and minimum amount of withdrawals. All distributions will be made in the form of a single sum as soon as practicable following the Valuation Date as of which such withdrawal is made. Such distributions will be paid in cash. Only Employees are eligible to receive inservice distributions.

Loans

If you are an active Employee you may apply for a loan from the Plan. Loans will only be made to persons who the Plan Administrator determines have the ability to repay the loan. You may not receive a loan if the sum of your new loan and the outstanding balance of all of your other loans would exceed the lesser of:

(1) \$50,000, reduced by the greater of the outstanding balance on any loan from the Plan to you on the date the loan is made or the highest outstanding balance on loans from the Plan to you during the one-year period ending on the day before the date the loan is approved by the Administrator (not taking into account any payments made during such one-year period); or

(2) one half of the value of your Account Balance (as of the valuation date immediately preceding the date on which such loan is approved by the Administrator).

The minimum loan amount is 1000 and the maximum number of loans outstanding at any one time is 1.

Loan fees may be charged against the Account of the Participant to whom the loan is granted and the Plan Administrator may adopt any administrative rules or procedures that it deems necessary or appropriate with respect to the granting and administering of loans.

MISCELLANEOUS

Domestic Relations Orders

Your benefits under the Plan may be assigned to other people in accordance with a qualified domestic relations order. You may obtain, without charge, a copy of the Plan's procedures regarding qualified domestic relations orders from the Plan Administrator or the investment vehicle you have chosen. Please contact your investment vendor and the Company for more information.

Loss of Benefit

Except as provided below, your account is not subject to any form of attachment, garnishment, sequestration or other actions of collection afforded creditors and your benefits are free from attachment, garnishment, account's process, or any other legal or equitable process. You may not alienate, anticipate, commute, pledge, encumber or assign any of the benefits or payments which you may expect to receive, contingently or otherwise, under the Plan, except that you may designate a Beneficiary.

However, you may lose all or part of your balance:

Under the terms of a qualified domestic relations order.

To comply with any federal tax levy.

To comply with the provisions and conditions of a judgment, order, decree or settlement agreement between you and the Secretary of Labor or the Pension Benefit Guaranty Corporation relating to your violation (or alleged violation) of part 4 of subtitle B of title I of ERISA.

Amendment and Termination

The Company may amend, terminate or merge the Plan at any time. However, no such action may permit any part of Plan assets to be used for any purpose other than the exclusive benefit of participants and beneficiaries or cause any reduction in the amount credited to your account.

Fees

Your account may be charged for some or all of the costs and expenses of operating the Plan. Such expenses include, but are not limited to, investment expenses and costs to process loans, plan distributions and domestic relations orders.

Insurance

Your account is not insured by the PBGC because the Plan is not a defined benefit pension plan.

ADMINISTRATIVE INFORMATION

1. The Plan Sponsor and Plan Administrator is Elgin Public School.
Its address is Box 399, 101 N 4th St, Elgin, NE 68636.
Its telephone number is 402-843-2455.
Its Employer Identification Number is 47-6001056.
2. The Plan is a 403(b) plan which has been designated by the sponsor as its plan number 001.
3. The Plan's designated agent for service of legal process is the chief officer of the entity named in paragraph 1. Any legal papers should be delivered to him or her at the address listed in paragraph 1. However, service may also be made upon the Plan Administrator.
4. The Plan's assets are held in insurance contracts and/or custodial accounts created under the terms of the Plan.
5. The Vendor(s) approved under the Plan are: MG Trust Company, LLC/403basp.
6. The Company's fiscal year ends on August 31 and the plan year ends on December 31.

V4.02-4.02