



# DYATECH

## PlanPrestige

### Explanation of Contents:

Please find items that need to be completed in order to setup your retirement program with Dyatech:

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- |   |  |
|---|--|
| <b>Section 1 -</b> Advisor information. Please enter broker dealer information that will be used when Dyatech establishes the investment options with each fund company.  | <b>Section 8 -</b> Distributions. This section defines what type of distributions will be allowed from the plan while an employee is still working.  |
| <b>Section 2 -</b> Company information. Please be advised this information will be used in Dyatech's main client database and to setup your program throughout our system.  | <b>Section 9 -</b> Investment Options. This is the section where the Core Fund options are selected for the plan.  |
| <b>Section 3 -</b> Employer information. This section requests information related to your retirement plan or one that is being started.  | <b>Section 10 -</b> Existing retirement plan information. If you have an existing plan, this section will need to be completed and items collected to begin the transfer process. If you do not have an existing plan, please skip this section. |
| <b>Section 4 -</b> Retirement plan information. This section defines eligibility of an employee and the compensation definition.  | <b>Section 11 -</b> Employer Banking Information. This section is for collecting banking information in order to setup the automated draft process for employee 401(k) contributions and the payment of Dyatech's administration fees.           |
| <b>Section 5 -</b> Employee contribution information. This section defines contribution limits and when they can be changed. The Roth deferral source is automatically added to the retirement plan as an option. | <b>Section 12 -</b> Recordkeeping & Service Agreement. This is Dyatech's service agreement with the client. This section details annual fees, duties, and authorized representatives.  |
| <b>Section 6 -</b> Employer contributions. This section defines the employer's contribution to the plan.  | <b>Section 13 -</b> Signatures. This section is the signature section for the Plan Design Kit. Dyatech requires an original signature.   |
| <b>Section 7 -</b> Forfeitures. This section defines how the plan will handle forfeitures, if applicable.   |  |

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Please contact the Marketing Department at 866-651-4222, ext. 500 with questions or comments or to schedule a conference call. Once you have completed the Plan Design Kit, please fax the completed pages to 601-510-9894 or email to [marketing@dyatech.com](mailto:marketing@dyatech.com).

Thank you for your business!

**Section 1 Advisor Information**

The Financial Advisor assigned to the plan completes this section of the kit.  Please print or type.				
	<b>Last name</b>		<b>First Name</b>	<b>Middle Initial</b>
	<b>Street address</b>		<b>City</b>	<b>State</b>
	<b>Email address</b>	<b>Phone number</b>	<b>Fax number</b>	<b>Zip</b>

\_\_\_\_\_  
Broker / Dealer Name

\_\_\_\_\_  
Branch Number

\_\_\_\_\_  
Rep Number

**Section 2 Company Information**

<b>Contact person and title</b>		<b>Tax ID #</b>	<b>Fiscal Year End</b>
<b>Company name</b>			<b>Phone Number</b>
<b>Street address</b>		<b>City</b>	<b>State</b>
<b>Email address</b>	<b>Fax number</b>	<b>Zip</b>	<b>IRS Plan #</b>

**Type of Entity**

a.  Corporation (including tax-exempt or non-profit)

b.  S Corporation

c.  Sole Proprietorship

d.  Partnership (including Limited Liability)

e.  Professional Service Corporation

f.  Limited Liability Company that is taxed as:

    1.  partnership or sole proprietorship

    2.  a corporation

    3.  an S corporation

**Section 3 Employer Information**

- Plan Name** \_\_\_\_\_
- Trustee of the Plan** \_\_\_\_\_
- Have you obtained Fidelity Bond Coverage for this Plan?**  
 Yes    No    Applied for
- Total number of employees** \_\_\_\_\_
- Number of eligible employees** \_\_\_\_\_
- Is the organization a member of a "controlled group" or an "affiliated service group" as defined by the Internal Revenue Service?**  
 Yes  
 No
- Effective date of Dyatech services**  
 This is a new plan and will be effective \_\_\_\_\_.  
 This is an existing plan that will be effective with Dyatech \_\_\_\_\_ and the original effective date of this plan was \_\_\_\_\_.
- Do you currently maintain another qualified retirement plan or do you have an existing retirement plan?**  
 Yes. (Please skip to Section 9)  
 No. (Please make additional selections, beginning with Section 4)

**Helpful Hints**

Please enter your existing plan name or if you are starting a plan, you may select a name and enter it in this section. The most common names follow something like "ABC Company 401(k) Plan"

This bond is required and typically provided by your property casualty insurance carrier. The guidelines are 10% of the plan assets not to exceed \$500,000.

An eligible employee is one that will meet the service requirements outlined in questions 9, 10, and 11 below.

A controlled group is defined as multiple companies with a common ownership percentage. An affiliated service group is defined as one type of group of related employers and refers to two or more organizations that have a service relationship and, in some cases, an ownership relationship.

Dyatech invoices based on the effective date listed in this section. Dyatech invoices from this date regardless of when the plan assets are transferred or the plan is officially live. Dyatech assumes responsibility for all items from this date related to government filings and compliance testing.

If you have an existing plan, we analyze your plan documents for benefits that must remain the same and advise you on those items that may be altered.

If you don't have an existing plan, please proceed to Section 4 to select items that will design your new plan.

**Section 4 Retirement Plan Information**

- Who is eligible to participate in your plan?**  
 a. No exclusions  
 b. Yes, there are exclusions. Please select exclusions below.  
 Union employees  
 Non-resident aliens  
 Salaried Employees  
 Highly compensated Employees  
 Leased employees  
 Other:
- What conditions have to be met in order to participate in the plan?**  
 Employees must satisfy the following conditions in order to participate:  
 a. No service requirement

**Helpful Hints**

If this is a new plan, this is the section where the rules are set for employees who may enter the plan.

- b. 6 months of service
- c. 1 year of service
- d. \_\_\_\_\_ (not to exceed 1,000) hours of service within \_\_\_\_\_ (not to exceed 12) months from employment date.
- e. Attainment of age \_\_\_\_\_ (may not exceed 21)
- f. "Window of Opportunity" The service and age requirements will be waived for each person who was employed on \_\_\_\_\_ and each employee may enter the plan as of such date.

Service requirement cannot be more restrictive than 1 year of service. Item (f) is an option used if you would like to allow anyone employed with the company a one-time opportunity to enter the plan. If they decline, they must meet the service requirements.

11. **Once the employee becomes eligible to participate, when may he/she enter the plan?**

- a. Daily  b. Monthly  c. Quarterly  d. Semi-Annually

Please be advised this is how often you would like to allow employees to enter the plan.

12. **How is compensation defined in the plan?**

- a. Wages, tips and other compensation on Form W-2. This refers to wages that are listed in Box 1 of an employee W2, including compensation that is not currently includible in gross income.
- b. Section 3401(a) wages. This is defined as all taxable wages associated with an employee. All gross taxable wages apply.
- c. 415 safe-harbor compensation. This refers to all wages including pre-tax deferrals and any contributions that have been made to a retirement program or section 125 programs. Restrictions on exclusions exist with this definition.

13. **Will there be any adjustments to your definition of compensation?**

- a. No adjustments
- b. Compensation will be adjusted by the items selected below:
  1.  including compensation with regards to a cafeteria plan, simplified employee pension plan, tax sheltered annuity, or deferred compensation plan.
  2.  excluding reimbursements or other expense allowances, fringe benefits, moving expenses, deferred compensation, and welfare benefits.
  3.  excluding compensation paid during period an employee was not eligible.
  4.  excluding overtime.
  5.  excluding bonuses.
  6.  excluding commissions.
  7.  other: \_\_\_\_\_

Excluded compensation is not matched or used to calculate profit sharing contributions.

**Section 5 Employee Contribution Information**

**Helpful Hints**

14. **How much may a participant defer into the plan?**

- a. From \_\_\_\_\_% to \_\_\_\_\_%.
- b. A participant may contribute up to maximum allowed by law.

15. **How often may a participant change their contribution percentage, once they are in the plan?**

- a. Daily  b. Monthly  c. Quarterly  d. Semiannually  e. Annually

The maximum allowed by law is defined as 100% of a person's compensation not to exceed \$16,500 (2010 Limit) in 401(k) deferrals for the year.

This must be offered at least once each calendar year.

**Section 6 Employer Contributions: Match, Profit Sharing, Safe Harbor Contribution**

**Helpful Hints**

16. **Will the company make a Safe Harbor employer contribution?**

- No. (Please skip to question 19)
- Yes. (Please answer questions 17-18)

17. **Which Safe Harbor employer contribution method will be used?**

- a. **Basic Matching Contribution.** The Employer will make Matching Contributions to the account of each "Eligible Participant" in an amount equal to the sum of 100% of the amount of the Participant's Elective Deferrals that do not exceed 3% of the Participant's Compensation, plus 50% of the amount of the Participant's Elective Deferrals that exceed 3% of the Participant's Compensation but do not exceed 5% of the Participant's Compensation.
- b. **Enhanced Matching Contribution.** The Employer will make Matching Contributions to the account of each "Eligible Participant" in an amount equal to the sum of 100% of the Participant's Elective Deferrals that do not exceed \_\_\_\_\_% of the Participant's Compensation.
- c. **Non-elective Safe Harbor Contributions.** The Employer will make a Safe Harbor Non-elective Contribution to the account of each "Eligible Participant" in an amount equal to 3% of the Employee's Compensation for the Plan Year.

For Non-elective Safe Harbor, please choose one of the following:

- Discretionary
- Non-discretionary

For startup or new plans this option must be chosen prior to Oct. 1 of each year. For existing plans, this option may only be elected 30 days before the beginning of a plan year.

If the matching option is selected, only employees who defer money are the only ones that receive an employer contribution.

This match is \$1 for \$1 up to 3%, then 50 cents on the dollar for the next 2%, up to 5%.

You may make an Enhanced Safe Harbor matching contribution \$1 for \$1 of 4, 5, or 6%.

This Safe Harbor contribution is 3% of an eligible employee's annual compensation, whether they defer money or not.

If Non-elective Safe Harbor is chosen and not made, plan will be subject to non-discrimination testing, which may result in refunds to participants.

18. **What is the frequency for making the Safe Harbor contribution?**

- a. Each pay period  b. Monthly  c. Quarterly  d. Plan Year

If the Safe Harbor contribution is a match, we recommend each payroll period. If it is the non-

**Traditional Employer Matching Contribution Section Below**

19. Will the company make a traditional employer matching contribution? Please note this is Not a Safe Harbor matching contribution.

- No. (Please skip to question 24)
- Yes. (Please answer questions 20-23)
  - a.  The company may make a discretionary contribution to be determined by the Employer at the end of the year.
  - b.  The company will make matching contributions equal to \_\_\_\_\_% of participant's elective deferrals.

Please keep in mind this can be discretionary and determined at the end of each plan year.

**In addition to the selection made above, the following rules will apply to the matching contribution.**

- Limited to \_\_\_\_\_% of a participant's compensation
- Limited to a total \$ \_\_\_\_\_
- A discretionary percentage of a participant's compensation or a discretionary dollar amount to be determined by the employer on a uniform basis to all participants

The following rules place restrictions on how the employer match may be administered.

20. What is the frequency for making the employer matching contribution to the participant accounts?

- a. Each pay period  b. Monthly  c. Quarterly  d. Plan Year

If this selection is chosen, an employee has to be working on the last day of the plan year to receive a matching contribution.

21. Requirements for participants who are actively employed at the end of the plan year.

- No service requirement.
- A participant must complete at least \_\_\_\_\_ hours of service during the plan year.

22. Requirements for participants who are not actively employed at the end of the plan year.

- A participant must complete more than \_\_\_\_\_ hours of service or \_\_\_\_\_ months of service.
- A participant must complete a year of service.
- Participants will **NOT** share in such allocations, regardless of service.
- Participants will share in such allocations, regardless of service.

This can not be more than 500 hours or 3 months of service.

Please note, some of these options may cause the plan to violate coverage requirements. We perform compliance testing in order to determine this at the end of the plan year.

23. Vesting for employer matching contributions. Please select one option below.

- 100% upon entering plan.
- 3 Year Cliff:
 

0-2 years	0%
3 years	100%
- 6 Year Graded:
 

0-1 years	0%
2 years	20%
3 years	40%
4 years	60%
5 years	80%
6 years	100%
- Other 0-1 years \_\_\_\_\_
 

2 years	_____
3 years	_____
4 years	_____
5 years	_____
6 years	_____

Please note, vesting normally begins with an employee's date of hire.

If Other is chosen, it must vest at least 20% by year 2, increase by at least 20% each following year, and reach 100% by year 6.

**Profit Sharing Section Below**

24. Will the employer be making a discretionary profit sharing contribution?

- No. (Please skip to question 29)
- Yes. (Please answer questions 25-28)

We advise that you select "Yes" and allow this feature as a discretionary item in the plan.

25. What method would you like to use to allocate your Profit Sharing contribution?

- a. Non-Integrated.
- b. Integrated.
- c. Grouping method - commonly referred to as "Cross Tested" or "New Comparability". (Please specify groups below)

For each plan year, the employer may contribute to the plan on behalf of each of the following groups:

Group A shall consist of: \_\_\_\_\_

Please feel free to work with a Dyatech Compliance Specialist when creating groups.

Dyatech recommends placing each employee in an individual group to ensure maximum flexibility.

Group B shall consist of: \_\_\_\_\_

Group C shall consist of: \_\_\_\_\_

Group D shall consist of: \_\_\_\_\_

**26. Requirements for participants who are actively employed at the end of the plan year.**

- No service requirement.
- A participant must complete at least \_\_\_\_\_ hours of service during the plan year.

**27. Requirements for participants who are not actively employed at the end of the plan year.**

- A participant must complete more than \_\_\_\_\_ hours of service or \_\_\_\_\_ months of service.
- A participant must complete a year of service.
- Participants will **NOT** share in such allocations, regardless of service.
- Participants will share in such allocations, regardless of service.

**28. Vesting for profit sharing contribution. Please select one option below.**

- 100% upon entering plan.
- 3 Year Cliff:
  - 0-2 years     0%
  - 3 years     100%
- 6 Year Graded:
  - 0-1 years     0%
  - 2 years     20%
  - 3 years     40%
  - 4 years     60%
  - 5 years     80%
  - 6 years     100%
- Other 0-1 years \_\_\_\_\_
  - 2 years \_\_\_\_\_
  - 3 years \_\_\_\_\_
  - 4 years \_\_\_\_\_
  - 5 years \_\_\_\_\_
  - 6 years \_\_\_\_\_

Dyatech will provide illustrations for the different profit sharing methods.

The following items place restrictions on who may receive an employer profit sharing contribution.

If the person is not actively employed at the end of the plan year they may be excluded for the following reasons.

Please note, vesting normally begins with an employees date of hire.

If Other is chosen, it must vest at least 20% by year 2, increase by at least 20% each following year, and reach 100% by year 6.

**Section 7 Forfeitures For Employer Contributions**

**Helpful Hints**

**29. Will forfeitures first be used to pay any administrative expenses?**

- Yes.
- No.

**30. Forfeitures attributable to profit sharing contributions will be handled as follows:**

- Used to reduce the Employer discretionary contribution. *This may not be used if the grouping method is selected above.*
- Added to any employer discretionary contribution.
- Added to any employer matching contribution and allocated as an additional matching contribution.

**31. Forfeitures attributable to matching contributions will be handled as follows:**

- Used to reduce the employer's matching contribution.
- Added to any employer matching contribution and allocated as an additional matching contribution.
- Added to any employer discretionary profit sharing contribution.
- Allocated to all participants eligible to share in the matching allocations in proportion to each participant's compensation for the year.
- Allocated to all non-highly compensated employees eligible to share in the matching allocations in proportion to each participant's compensation for the year.

If a participant leaves the plan or is terminated by the employer and he/she is not 100% vested in employer contributions, we need to know how to allocate the money that is left, or forfeited.

**Section 8 Distributions: Loans, Hardships, Involuntary**

**Helpful Hints**

**32. Are loans allowed in the plan?**

- Loans are **not** permitted.
- Loans are permitted. *(Please complete the loan questions below)*

Please select all that apply:

- A participant may only have \_\_\_\_\_ loan(s) outstanding at any time.
- Loans will be permitted from the following accounts: *(Select all that apply)*
  - a. [ ] All accounts.
  - b. [ ] Participant's elective deferral account.
  - c. [ ] Qualified matching contribution account and/or portion of participant's account attributable to employer matching contributions.
  - d. [ ] Participant's account attributable to employer profit sharing contributions.
  - e. [ ] Qualified non-elective contribution account.
  - f. [ ] Participant's rollover account.

A participant may borrow 50% of their account balance, not to exceed \$50,000. The minimum loan amount is \$1,000.

Loan payments are payroll deducted each pay period and principal and interest is paid back into the participant's account. Loan payments are reinvested based on existing elections.

**33. Are hardship distributions allowed in the plan?**

- No. Hardship distributions are not permitted.
- Yes. Hardship distributions are permitted from the following accounts.

Hardship withdrawals are not allowed from Safe Harbor contributions or earnings and may not be

(Select all that apply)

- a.  All accounts.
- b.  Participant's elective deferral account.
- c.  Participant's account attributable to employer matching contributions.
- d.  Participant's account attributable to employer profit sharing contributions.
- e.  Participant's rollover account.

allowed from money that is not 100% vested.

**34. Will involuntary distributions of amounts less than \$5,000 be made if no distribution election is made by the terminated participant? (For existing retirement plans, Involuntary distributions will be handled according to the current plan document.)**

- Yes. (Make additional selection below)
  - a.  Automatic Rollover of balances under \$5,000 to IRA
  - b.  Mandatory Distribution of balances under \$1,000
- No.

If you select "Yes", when a participant terminates employment they are given 30 days to make an affirmative election with regards to their account balance. If they don't, their vested balance is transferred to an IRA account or cashed out (balances of less than \$1,000).

Selecting "Yes" eliminates the plan's responsibilities for the participant's account balance, and they are setup with an IRA account at Mid Atlantic Trust Company in an interest bearing investment.

**Section 9 Investment Options or Core Funds Offered in the Program**

**35. Investments or "Core Fund Options" for the Plan** **Share Class** **Ticker Symbol**

1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			

**Default Fund:** \_\_\_\_\_

Dyatech does not offer investment advice. We only supply the trading platform on which the funds are traded and held. Please check fund availability and minimum purchase requirement prior to investing. Mutual funds may close to new investors without warning. Please read a prospectus prior to investing in a fund and consult your investment advisor to select the right investment allocation for you. Dyatech or its affiliates could receive shareholder service fees and/or administrative service fees from selected funds as compensation for providing these services.

Please keep in mind, the default fund does not count as part of your 15 options.

**Section 10 Existing Plan Information**

**If you have an existing plan, please complete this section. (If you do not currently have a retirement plan, skip to Section 11)**

**36. Does your plan have any non-liquid assets that will not be in cash at the time of transfer to Dyatech? (i.e., company stock, limited partnerships, life insurance, etc.)**

- No.
- Yes. Please provide details below:

\_\_\_\_\_

**37. Do you have anyone receiving periodic distribution payments or checks each month?**

- No.
- Yes. Please provide details below:

\_\_\_\_\_

**38. Does the employer sponsor any other qualified pension plans? If yes, please list name and 3-digit plan number.**

- No.
- Yes. \_\_\_\_\_

**39. Dyatech needs to collect the following items in order to process the transfer of your plan:**

ITEM	COLLECTED
Basic Plan Document	<input type="checkbox"/>
Adoption Agreement with Any Amendments	<input type="checkbox"/>
Summary Plan Description	<input type="checkbox"/>
Form 5500 (most recent)	<input type="checkbox"/>

**Contribution Processing:**

Please complete the following ACH information. The information below will be used to automatically draft your company's payroll checking account for contributions which are part of the company's retirement plan contributions. The ACH Network is a highly reliable, efficient, nationwide, batch-oriented electronic funds transfer system governed by the NACHA OPERATING RULES, which provides interbank clearing of electronic payments for participating depository financial institutions. The Federal Reserve and Electronic Payments Network act as ACH Operators, central clearing facilities through which financial institutions transmit or receive ACH entries.

Bank Name \_\_\_\_\_

Routing Number \_\_\_\_\_

Account Number \_\_\_\_\_

Please be advised, Dyatech is able to process your contributions more timely and efficiently using the ACH system.

Dyatech Service Standards dictate that a client using our ACH processing system receives a guarantee their contributions will be invested within 3 business days.

**Invoice Processing:**

**Dyatech will automatically deduct your invoice from your chosen account 30 days after your invoice is issued.**

Please select one payment option listed below for your Dyatech invoice payment:

 **AUTHORIZATION AGREEMENT FOR DIRECT PAYMENT (ACH DEBIT):**

Complete this section if you wish to have all fees associated with the retirement plan administration services deducted from your company's bank account. I (we) hereby authorize Dyatech, hereinafter called COMPANY, to initiate debit entries to my (our) \_\_\_\_\_ Checking Account / \_\_\_\_\_ Savings Account (select one) indicated below at the depository financial institution named below, hereinafter called DEPOSITORY, and to debit the same to such account.

I (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. law.

Depository Name \_\_\_\_\_

Routing Number \_\_\_\_\_ Account Number \_\_\_\_\_

 **CREDIT CARD PAYMENT:**

Complete this section if you wish to have all fees associated with the retirement plan administration services charged to your company's credit card. Billing information must match credit card company information for transactions to process.

Type of Credit Card (select one): \_\_\_\_\_ American Express \_\_\_\_\_ Discover \_\_\_\_\_ MasterCard \_\_\_\_\_ Visa

Card Number \_\_\_\_\_ Verification# \_\_\_\_\_ Expiration Date \_\_\_\_\_

First Name \_\_\_\_\_ Last Name \_\_\_\_\_

Billing Address \_\_\_\_\_ City, State, Zip \_\_\_\_\_

**This is the Recordkeeping & Service Agreement which outlines responsibilities for all parties.**

This Agreement is between Employer listed in Section 2 of this agreement and Dyatech for the Retirement Plan listed in Section 3, will become effective on the date listed in Section 3, and shall remain in effect from plan year to plan year unless changed or terminated in writing with 60 days written notice by either party. In order for Dyatech to perform the services specified herein, the Employer shall provide Dyatech with a copy of the Employer's Board of Directors' Resolution adopting a 401(k) Plan, an executed Plan Document, and a copy of the most recent favorable Internal Revenue Service determination letter on the tax-qualified status of the Plan, if applicable. Dyatech shall provide a prototype plan document (the "Plan") for adoption by the Employer. It is further understood and agreed by the Employer that it is the responsibility of the Employer to provide Dyatech with accurate and timely information on all matters relating to the operation of the Plan.

**PLAN ADMINISTRATOR**

The Employer agrees to assume the duties and responsibilities as Plan Administrator or appoint a Plan Administrator other than Dyatech and to indemnify and hold Dyatech (and its affiliates) harmless from any claims arising out of the Plan Administrator's failure to perform its duties. The Plan Administrator's responsibilities include, but are not limited to, ensuring that any deferrals and contributions made to the Plan, when aggregated with any contributions to other qualified plans maintained by the Employer, are within the limitations permitted under Sections 401(a)(4), 402(g) and 415 of the Internal Revenue Code (the "Code"), as amended, relating to maximum contributions to tax-qualified retirement plans. It is the Plan Administrator's responsibility to make the necessary adjustments to employee contribution percentages so the Plan is in compliance with the requirements of the Code. Furthermore, it is the Plan Administrator's responsibility to ensure that the Plan is in compliance with Sections 416 Top Heavy, 404 deductibility, and 410(b) of the Code, relating to minimum participation and coverage requirements. In fulfilling these responsibilities, the Plan Administrator is entitled to rely upon compliance testing provided by Dyatech.

The Plan Administrator shall provide Dyatech with all information required by Dyatech to perform the services set forth in this Agreement in a format and within the time limits specified by Dyatech, and the Plan Administrator is exclusively responsible for the accuracy of this information. Dyatech will have no obligation to investigate the accuracy of such information or to perform its services for any period of time during which the Plan Administrator has not furnished all information requested by Dyatech in a timely manner.

The Plan Administrator agrees when a participant has not instructed Dyatech regarding the investment of his/her contributions or accounts their contributions or investment balance will be deposited in the default investment option, to provide Dyatech with information required by Dyatech to make investments, distributions, and payments, provided the information is within the possession of the Plan Administrator, and to notify Dyatech of expenses incurred by the Plan which are to be paid from the plan assets, including all information needed by Dyatech to make a payment or deduct monies.

The Plan Administrator shall notify Dyatech of any errors or omissions in any information provided to Dyatech by the Plan Administrator as soon as possible following discovery of such error or omission. The Plan Administrator's remedy and Dyatech's sole liability for any claims, notwithstanding the form of such claims (e.g., contract, negligence or otherwise), arising out of errors or omissions in the services provided by Dyatech shall be for Dyatech to use reasonable efforts to correct any resulting error in its own records or in any reports Dyatech has prepared for the Plan Administrator.

## **RECORDKEEPING AND REPORTING**

Dyatech agrees to function as the RECORDKEEPER for the Plan. The plan sponsor will trustee the plan. Dyatech is not the Plan Trustee. Mid Atlantic Capital Corporation will act as Custodian. Dyatech is not the Plan Administrator and does not act as legal advisor with regard to the Plan. Dyatech does not render tax or accounting advice in connection with the creation, adoption, or operation of the Plan. The Employer agrees to seek the advice of counsel, as the Employer deems necessary, as to matters that may arise regarding the adoption and/or operation of the plan.

As RECORDKEEPER, Dyatech agrees to provide the following:

### **A. Installation or Conversion.**

1. Enrollment forms. Dyatech will provide a comprehensive enrollment package to each eligible employee.
2. Installation of account. Dyatech will setup accounts using the census data provided by the Plan Administrator. To insure the installation is done properly, Dyatech requests the data be provided in a pre-approved format.
3. Conversion of existing assets. Conversion of existing plan assets are completed as liquidation or transfer in-kind of funds. Dyatech does not determine avenue of conversion and receives assets as processed by former recordkeeper. Mapping of funds is not standard, will not be considered without the completion of Mapping Form, and must be discussed extensively with Conversions personnel responsible for receipt of plan assets. Dyatech does not provide financial advice or accept responsibility for such decisions, and the Financial Advisor should assist the plan in determining the best option for plan asset conversion.
4. Fifteen core investment options. The retirement program selects 15 core investment options from a pre-approved list of funds.

### **B. Plan Documents.**

1. Adoption agreement and board resolution.
2. Summary plan description.
3. Safe Harbor notice, if applicable.
4. Basic plan document

### **C. Annual Recordkeeping - \$15 per year per eligible participant fee billed on effective date.**

1. Allocation of employee and/or Employer Contributions and Loan Payments to the investment accounts in accordance with the employee's investment election in effect at the time such contributions are made.
2. Performance of the Actual Deferral Percentage (ADP) Test to determine whether the average deferral rate for highly compensated employees is within the prescribed proportions to the average deferral rate for non-highly compensated employees.
3. Dyatech will notify the Plan Administrator of the amount of excess contributions and income allocable to excess contributions to be distributed to each participant for the plan to pass the ADP test for a plan year, in time so the distribution may be made by March 15 of the next year. This can only be done if Dyatech receives a plan census by a predetermined date.
4. Performance of the Actual Contribution Percentage Test (the "ACP Test") to determine whether the average contribution rate for the highly compensated employees is within the prescribed proportions to the average contribution rate for the non-highly compensated employees.
5. Dyatech will notify the Plan Administrator of the amount of any excess contributions and income allocable to excess contributions to be distributed or forfeited to or by each participant for the plan to pass the ACP test.
6. Calculate any vested percentage of each participant's account and process forfeitures annually.
7. Maintain records for each participant's account of the amount eligible for hardship withdrawals.
8. At the written request of the Employer, Dyatech will perform additional testing. This may result in an hourly charge.
9. Contribution processing. Employer shall calculate participant and employer contributions and shall transmit the contribution data to Dyatech; Dyatech shall verify the contributions to the custodian. Wire transfers made in good order upon request of a Dyatech representative shall be invested as of the next investment purchase opportunity or within 5 business days. Our service standards include the following: contributions processed using ACH will be allocated within 3 business days; contributions processed using a check, or any other means except ACH, will be processed within 5 business days.
10. Participant recordkeeping with daily earnings allocations.
11. Daily investment election changes for future contributions and daily exchanges between funds.
12. Distribution processing. Our service standards include the following: distribution check processing will be done within 7-10 business days or as soon as administratively feasible, once a properly completed distribution form is received. Dyatech prints and mails distribution checks on Friday of each week, unless it is a holiday. If a Friday is a holiday, checks are processed the preceding business day.
13. Daily toll-free telephone access for participant balance inquiries and transaction processing.
14. Daily online access for participant balance inquiry and transaction processing.
15. Daily online access for the Plan Administrator to fund balance of each investment fund and participant's accounts.
16. Testing for Internal Revenue Code section 402(g) (annual deferral limit), section 415 (annual additions), and section 416 (top heavy test) on basis of this Plan alone, unless otherwise agreed to. Dyatech will notify the Plan Administrator of the amounts and income to be distributed to participants to comply with sections 402(g) and 415.
17. Completion of IRS Form 5500.
18. Participant enrollment material at time of conversion and as needed in future.
19. Quarterly reports to each active participant that has an account balance through Dyatech's mutual fund selection, reflecting the participant's balance in each investment account and the total value of the entire plan accounts. Our service standards include the following: quarterly participant statements will be mailed within three weeks after the end of the calendar quarter. Please note: Dyatech is not responsible for reporting on self-directed accounts or assets not traded through Dyatech. Dyatech does not provide quarterly statements to terminated employees who continue to hold a balance in the plan.
20. 1099-R reporting.

#### **D. Custodian/Investment Services.**

1. Custody and safeguard plan assets and those monies in transit.
2. Open and maintain mutual fund accounts with fund families.

#### **E. Supplemental Services & Fees – billed when service is rendered.**

1. \$125 Loan Processing Fee. Amount is deducted from participant's loan proceeds.
2. \$55 Distribution Check Fee. Amount is deducted from participant's distribution proceeds.
3. \$150 Recordkeeping of non-liquid assets (i.e., life insurance, annuities, limited partnerships, etc.) and Self Directed Plans will incur this minimum fee, per account, for the period specified.
4. \$500 Termination Fee. This is a minimum fee. See Deconversion Certification Form for additional detail and fees.
5. \$300 Plan amendments or restatements of prototype document 30 days after the document is signed.
6. \$100 Hourly Rate. Research and time spent on special projects or additional services beyond the scope of this agreement will be billed at this hourly rate.

#### **FEES**

The schedule of fees included in this document reflects charges for the services specified in this Agreement. Dyatech agrees it will maintain the fees for one year from the effective date of this Agreement. Dyatech reserves the right to increase processing fees and supplemental service fees at any time. Future Technological or Service enhancements may change this schedule. Transactions for conversions, distributions, or deconversions may result in float revenue retained by Dyatech. All such transactions are completed according to Dyatech Service Standards which are outlined in this Recordkeeping and Service Agreement. Dyatech does not control the amount of funds that constitute "float", or the float interest rate earned. However, float compensation can be affected by how, and in some cases how long, the funds are invested pending allocation, payout, or a check clearing the bank.

If Dyatech receives inaccurate information from the Employer which requires reprocessing or correction of any allocations, valuations, distributions, participant statements or other reports, Dyatech reserves the right to charge the Employer its prevailing rates as contained in the supplemental services & fees section for the additional recordkeeping services necessary to correct such errors. Dyatech will not be responsible for any such added costs incurred as a result of inaccurate or untimely information provided by the Employer. The Schedule of Fees does not include investment-related fees or direct expenses associated with the services provided by Dyatech, e.g. travel expenses, special printing, shipping, or special delivery charges (if requested).

**Nonpayment of Fees.** In the event that the Employer fails to pay recordkeeping service fees in accordance with the invoice payment provisions, it will hold Dyatech harmless in the event that such failure results in the suspension or cessation of recordkeeping services. Dyatech reserves the right to collect past due recordkeeping fees directly from the plan assets if payment is not received within 30 days. Employer and/or Plan Administrator are/is responsible for the prudent and timely activities associated with the ongoing administration of the Plan.

#### **TERMINATION OF SERVICES**

Employer and/or Plan Administrator must give Dyatech written notice at least 60 days prior to the effective date of termination to terminate this Agreement. This Agreement may be terminated by Dyatech upon the occurrence of an "Event of Default" by Employer, provided at least 60 days prior written notice has been given to the Plan Administrator and such default has not been incurred within such period. For purposes of this paragraph, an Event of Default under this Agreement shall mean: (i) non-payment of any amounts due hereunder to Dyatech by Employer; (ii) non-performance of Employer's and/or Plan Administrator's material obligations hereunder; (iii) any representation of Employer and/or Plan Administrator is materially breached; (iv) Employer files a petition for bankruptcy or becomes the subject of an involuntary bankruptcy petition which is not vacated within 60 days of filing or becomes insolvent; or (v) a substantial part of Employer property becomes subject to any levy, seizure, assignment, application or sale for or by any creditor or governmental agency. Upon a termination of the Agreement by Employer, such notice must include the name and address of the new recordkeeper and, if appropriate, the name and address of the successor trustee. Upon a termination by Dyatech, Dyatech may declare all amounts due and to become due hereunder immediately due and payable. On termination of this agreement Dyatech shall cooperate with the Employer and successor recordkeeper in the transmission, in usable form, of plan records and participant account data to the successor recordkeeper.

**A. Initial and Renewal Terms.** The initial term of this Agreement commences on the effective date first stated above and will end on the two (2) year anniversary date from the effective date, unless terminated earlier as provided in Termination of Services section. Upon the expiration of the initial or any renewal term, this Agreement shall automatically renew for successive terms equal in length to the initial term applicable to ongoing Services unless either party provides the second party a written termination notice ("Termination Notice") at least sixty (60) days prior to the end of the initial term or any renewal term.

**B. Termination for Convenience.** Either party may terminate this Agreement (or all or any portion of the Services) at any time, without cause and for its convenience, by giving the other party at least one sixty (60) days prior written notice of such termination.

**C. General.** Upon a termination of the Agreement by Employer, the Employer must complete a Deconversion Certification Form. Such notice must include the name and address of the new recordkeeper and, if appropriate, the name and address of the successor trustee. On termination of this agreement Dyatech shall cooperate with the Employer and successor recordkeeper in the transmission, in usable form, of plan records and participant account data to the successor recordkeeper.

#### **ERRORS AND OMISSIONS**

The Plan Administrator shall notify Dyatech of any errors or omissions in any information provided to Dyatech by the Plan Administrator as soon as possible following discovery of such error or omission. The Plan Administrator's remedy and Dyatech's sole liability for any claims, notwithstanding the form of such claims (e.g., contract, negligence or otherwise), arising out of errors or omissions in the services provided by Dyatech shall be for Dyatech to use reasonable and practical efforts to correct any resulting error in its own records or in any reports Dyatech has prepared for the Plan Administrator. To the extent Dyatech does not comply with the terms of this Agreement, and such non-compliance is attributable to the Employer's or the Employer's third party's failure to perform (including providing inaccurate or incomplete data or other information or instructions and/or providing such data, information or instructions to Dyatech on an untimely basis), then Dyatech's corrections or re-performance of any Services shall be treated as additional Services.

**Calculation of Errors.** Notwithstanding any provision contained in this agreement to the contrary, the term "Losses" shall take into account and be reduced by, and Dyatech shall be credited with, the amount of any financial gains experienced by the Plans, Participants or the Employer during the term of this Agreement that result from any errors or omissions committed by Dyatech under this agreement. If such gains during any agreement year exceed losses to be funded or indemnified by Dyatech, then the balance of such gains shall be carried over and applied against future Losses. In no event will Dyatech be liable for incidental, consequential, punitive, or special damages (including loss of profits, data,

business or goodwill or government fines, penalties, taxes or filing fees) regardless of whether such liability is based on breach of contract, tort, strict liability, breach of warranties, failure of essential purpose or otherwise.

**LIMITATION OF LIABILITY**

Employer and Plan Administrator are responsible for correcting any errors or omissions resulting from inaccurate or incomplete information provided to Dyatech or resulting from a failure to provide such information on a timely basis. In the event an overpayment is made to a Plan participant, Employer and/or Plan Administrator will promptly take all reasonable steps to recover such overpayment.

Dyatech's sole liability and the Employer's sole remedy for those errors resulting solely from Dyatech's negligence in the performance of its services hereunder shall be at Dyatech's own expense to use all necessary efforts to correct such error. Employer and Plan Administrator and Participant will notify Dyatech of any error or omission promptly upon discovery by Employer and/or Plan Administrator and/or Participant, but in no event shall it be more than one hundred twenty days from the previous calendar quarter ending date. Once a participant receives a quarterly participant statement and does not contact Dyatech with corrections or updates, they acknowledge the statement information is correct and a true reflection of their retirement account intentions. In no event will Dyatech be responsible for special, indirect, incidental, consequential or similar damages of any kind, which Employer or any third party may incur, arising from or relating to this agreement.

The Employer agrees to indemnify and hold Dyatech and its directors, officers, and employees harmless from and against any liability, loss, cost, and expense whatsoever (including, without limitation, reasonable attorney fees and related disbursements) incurred by Dyatech as a result of the Employer's or the Plan Administrator's negligent or wrongful performance or nonperformance of any of its or their obligations under this agreement.

**AUTHORIZED EMPLOYER CONTACTS**

The following persons are authorized to act and sign on behalf of the retirement plan and have access through Dyatech's website. By granting administrative level access, the person(s) will be able to view plan level and participant level activity and make changes.

**Please fill in the Relationship column with one of the following:**

Advisor/ Administrator / Company Contact / Trustee.

_____	_____	_____
Print Name and Title	Relationship	Signature
_____	_____	_____
Print Name and Title	Relationship	Signature
_____	_____	_____
Print Name and Title	Relationship	Signature

**AUTHORIZATION FOR DIRECT CONTRIBUTION DEBITS**

As the Employer, we hereby authorize Dyatech to initiate debit entries to the company checking account at the depository financial institution named in the ACH Section 11 of this kit. I acknowledge that the origination of ACH transactions to our account must comply with the provisions of U.S. law. This authorization is to remain in full force and effect until terminated by a representative of our company and Dyatech have received written notification to cancel the agreement.

**GENERAL**

This Agreement shall be binding upon and inure to the benefit of each of the parties hereto, their heirs, successors, and assigns. This Agreement is intended as a final expression of the agreements between the parties. This agreement can only be modified in writing signed by both parties. Employer acknowledges that it has consulted, to the extent Employer deems necessary, with legal and tax advisors. The actions of Dyatech will be governed solely by the provisions of this Agreement. Dyatech shall not be required to review any action taken by Employer or the Plan Administrator and shall be fully protected in taking, permitting, or omitting any actions on the basis of the Employer's action. Dyatech shall incur no liability or responsibility for acting at the directions of the Plan Administrator.

We authorize Dyatech to accept orders regarding the purchase and redemption of mutual fund shares and other related information, including disbursement and distribution information (the "Instructions"), from Mid Atlantic Capital Corporation ("MACC") on behalf of the accounts registered in the name of the plan identified in Section 3 of this kit. The Instructions will be communicated Dyatech via the National Securities Clearing Corporation (NSCC) via SunGard Transaction Network (STN Funds), the proprietary trade routing system operated and maintained by SunGard Institutional Brokerage Inc. You are authorized and directed to rely upon this agreement in recognizing MACC as the settlement agent on behalf of such Accounts, and to deal directly with MACC in connection with NSCC settlement issues involving the Accounts until such authority is revoked in writing by the undersigned. We hereby authorize MACC to collect Fund Fees generated from purchase and redemption orders of the Fund and remit such fees to the Broker Dealer listed in Section 1.

**Section 13 Signatures**

**This is the Authorized Signature section for the plan. Please have a trustee or officer of the company complete the section below. Please be advised Dyatech will use the information contained in this kit to open mutual fund accounts for the Core Fund Options listed in Section 9 of this kit. Please fax a completed copy of this kit to: Marketing Department 601-510-9894 and mail originals to Dyatech Marketing Department, 805 S. Wheatley Street, Suite 600, Ridgeland, MS, 39157.**

**Signature:** \_\_\_\_\_

**Print Name:** \_\_\_\_\_ **Date:** \_\_\_\_\_