

ADOPTION AGREEMENT

Prairie-Hills Elementary School District 144 hereby adopts the 403(b) Plan Document for Public Education Organizations plan document (the "Plan") as modified by this Adoption Agreement and agrees that the following provisions shall be incorporated as part of the Plan document.

EMPLOYER INFORMATION

Name of Employer: Prairie-Hills Elementary School District 144

Federal Tax ID: _____

Employer's Address:

3015 W. 163rd Street

Markham, IL 60428

Telephone Number: _____ Fax: _____

Contact Person: _____

Telephone/Extension: _____ E-mail _____

Type of Organization:

K-12 Public School Community College Public College/University

Note: If Employer is not a public education organization, this document may not be used.

PLAN INFORMATION

1. Name of Plan: Prairie-Hills Elementary School District 144's 403(b) Plan

2. Effective Date: This Adoption Agreement:

Establishes a Plan effective as of January 1, 2009 (the "Effective Date") and is the first 403(b) plan document established by the Employer.

Amends and restates a previously established 403(b) Plan document of the Employer. The effective date of this amended Plan is _____ (the "Effective Date").

Default Construction Rule: If no box is checked, that feature is NOT included in the Plan.

3. Eligibility: Under the Plan document, ALL common law employees except student teachers are immediately eligible to make contributions under the Plan, unless an exception is indicated below. Eligibility for Employer Contributions is based on applicable employment agreements or collective bargaining agreements to which an employee is subject, or as determined by the Employer from year to year.

Employers that participate in External Plans may have additional eligibility requirements established by the plan(s). See Appendix 3 for additional conditions, if any, applicable for ORP contribution. Employees that participate in the Supplemental 403(b) Program will have different eligibility requirements which are described in the plan document that establishes the Supplemental 403(b) Plan.

The following employees are excluded from participating in the Plan:

Employees who normally work fewer than ___ hours per week (must be 20 or less and generally equivalent to 1,000 hours or less in a working year except as otherwise provided under applicable 403(b) regulations.

Employees who are participants in another plan sponsored by the Employer that permits salary reduction contributions described under Section 403(b)(12)(A) of the Code.

Note: Excluding any employees will greatly increase the risk of violating the "universal availability" requirements of Section 403(b)(A)(ii) of the Code which may result in complete Plan failure.

4. Contributions:

Employee Contributions (in addition to pre-tax Elective Deferrals):

- Roth 403(b) Contributions are NOT permitted under the Plan.
- Roth 403(b) Contributions to the Plan are permitted beginning on _____. If Roth 403(b) Contributions are permitted to the Plan, direct rollovers from other Roth 403(b) or 401(k) plans are are not accepted into the Plan.

Employer Contributions, if any:

- No Employer Contributions will be made.
- Employer Contributions will be made in accordance with applicable employment agreements and collective bargaining agreements, or as may be determined from year to year by the Employer.
- Other (Describe) _____
- External Plan Contributions will be made as indicated below (See Section 2.2(d)):
 - ORP (Optional Retirement Plan) contributions will be made under the Plan. By checking this box, Employer understands that the provisions of Section 11 of the Plan apply. Appendix 3 must be completed.
 - Supplemental 403(b) Program contributions will be made under the Plan. By checking this box, Employer understands that the provisions of Section 12 of the Plan apply. The Supplemental 403(b) Program is described in the document entitled _____ Plan

5. 15 Years of Service Catch Up Contributions: The Plan will or will not permit employees with 15 years of service with the Employer that satisfy the conditions for the Special Section 403(b) Catch-up Limitation for Employees With 15 Years of Service (Section 3.2 of the Plan) to increase their Elective Deferrals limitation.

6. Investment Options: Any Annuity Contracts and/or Custodial Accounts that meet the requirements of Section 403(b) of the Code offered by the organizations listed on Appendix 1 are authorized as Vendors under the Plan.

7. Exchanges Within the Plan: The Plan will or will not permit Participants to make Exchanges. If permitted, Exchanges may occur between:

- Those Vendors listed on Appendix 1 only (Vendors authorized to maintain current payroll slots).
- Those Vendors listed on Appendix 1 and from Vendors not listed on Appendix 1 to Vendors listed on Appendix 1. Exchanges to Vendors not listed on Appendix 1 are not permitted.
- Those Vendors listed on Appendix 1 and any other Vendor offering annuity contracts and/or custodial accounts that satisfy the requirements of Section 403(b) of the Code and execute the information sharing agreement provided by Employer for purposes of satisfying applicable compliance requirements. Administrator will maintain a list of Vendors that have executed information sharing agreements and will make this list available to Vendors (Appendix 2).

8. Transfers Into the Plan: The Plan will or will not accept Transfers from another employer's 403(b) plan.

9. Transfers From the Plan: The Plan will or will not permit Transfers from the Plan to another employer's 403(b) plan, if requested by a former Participant.

10. Financial Hardship Distributions: Hardship Distributions are or are not available under the Plan.

11. Loans: Loans are or are not available under the Plan subject to availability and any additional conditions that may apply under a Participant's 403(b) Individual Agreement(s).

Note: The Plan prohibits loans to any Participant who has previously defaulted on a loan from any retirement or deferred compensation plan sponsored by the Employer.

12. Beneficiary Rights. A Beneficiary of a deceased Participant's Account may, or may not designate his/her own Beneficiary.

APPENDIX 1

Authorized Vendors under the Plan Are:

ING
AIG
Lincoln Investment
AXA (Grandfathered Employees only)

Important Note:

As provided under the Plan, any authorized Vendor named above agrees to share information necessary for compliance purposes with Employer, an Administrator and/or with any other 403(b) provider as may be required or desirable to facilitate compliance with the Plan and all applicable laws and regulations.

This Appendix is dated: _____