

Retirement Plans - 403(b) Plan Document
North Babylon Public Library

The following document is designed to insure that the North Babylon Public Library complies with the statutory and regulatory requirements of 403(b) which become effective on January 1, 2009.

Delegation of Administrative Responsibilities
Single Administrator, Library Director

Eligibility

All North Babylon Public Library paid employees are eligible to elect to have elective deferrals made on his or her behalf. "Universal availability" is provided whereby essentially all employees have the opportunity to make elective deferrals. New employees will be notified of eligibility upon hiring; employees will be notified of eligibility on an annual basis.

Information Provided by the Employee

Each employee enrolling in the plan should provide to the Administrator at the time of initial enrollment, and later if there are any changes, any information necessary or advisable for the Administrator to administer the plan, including any information required under the individual agreements.

Change in Elective Deferrals Election

An employee may at any time revise his or her elective deferrals, his or her investment direction and his or her designated beneficiary.

Contributions

Employees have the opportunity to make elective deferrals from their own compensation. Elective deferrals under the plan shall be transferred to the applicable funding vehicle within 15 business days following the end of the month in which the amount would otherwise have been paid to the participant. If an employee is absent from work by leave of absence, elective deferrals under the plan shall continue to the extent that compensation continues. This is a non-matching program; the employer does not match any deferrals. There are no post-severance compensation options.

Information Sharing Agreements

The required agreements documenting 403(b) provider status are appended to this document.

Plan Contribution Requirements and Limitations

The maximum amount of the elective deferral under the plan for any calendar year shall not exceed the amount designed by applicable laws and are defined in Section 415 of the Internal Revenue Code. For 2008: 402(g) limit - \$15,500, 415 limit - lesser of 100% compensation or \$46,000. 403(b) and 401(k) contributions must be aggregated. Excess elective deferrals must be refunded by April 15 of the following year by the investment plan provider.

Loans

Loans are not permitted.

Anticipated permitted distributions include

- Severance
- Death
- Disability
- Mandatory distribution
- Purchase government pension service credit
- Attainment of age 59 ½
- Rollover
- Required minimum distribution

Rollovers

Rollovers from other eligible plans into the North Babylon Public Library plan are permitted in the form of cash only. However in no event does the plan accept a rollover contribution from a Roth elective deferral account, as per IRS law. Rollovers from other eligible plans or to other eligible plans must adhere to the same level of restrictions to the participant or beneficiary.

Investment of Contributions

The employee is solely responsible for all 403(b) activities. The Library will deduct elective deferrals as directed and will forward funds to the 403(b) provider. Selection of a funding vehicle is made solely by the employee. Employees make elective deferrals at their own risk; the library makes no determination of reliability of any funding vehicle. The employee holds harmless and indemnifies the Library for any and all costs, royalties, fees, liabilities, obligations, damages, penalties, claims, costs and reasonable attorney's fees with regard to the aforementioned liability.

Amendment and Plan Termination

The employer has adopted the plan with the intention and expectation that contributions will be continued indefinitely. However, the employer has no obligation or liability whatsoever to maintain the plan for any length of time and may discontinue contributions under the plan at any time without any liability hereunder for any such discontinuance. The employer reserves the authority to amend or terminate this plan at any time.

Non-Assignability

The interests of each participant or beneficiary under the plan are not subject to the claims of the participants or beneficiary's creditors and neither the participant nor any beneficiary shall have any right to sell, assign, transfer, or otherwise convey the right to receive any payments hereunder or any interest under the plan, which payments and interest are expressly declared to be non-assignable and non-transferable.

Approved by the Board of Trustees
December 16, 2008