

# **AACS 403(b) Plan**

**EMPLOYER  
GUIDE TO  
PROCESSING  
CONTRIBUTIONS**



# Guide to Contribution Processing System

**PenServ**

**PenServ Plan Services, Inc.**

103 Trade Zone Drive  
West Columbia, SC 29170

Phone (803) 822-1835

[www.penserv.com](http://www.penserv.com)

## **Data Validation Center Conversion Packet**

**Prepared for: American Association of Christian Schools**

### **Table of Contents**

Processing Overview

Use and Importance of Participant Information

Creating the Payroll File in Excel Format

Quick-Steps to Payroll Upload

How Do I . . . ?

Questions and Answers

Appendix: Payroll Data File Formats



## **PROCESSING OVERVIEW**

---

The Contribution Processing System (CPS) program provides an easy, secure method for employers to meet IRS requirements for maintaining an employee tax-deferred retirement program. The system provides a confidential process designed to receive and validate data required by the Plan to ensure compliance with IRS rules and regulations.

This program is part of the Sponsor Web, an online resource to view and manage your plan. Using a text file or spreadsheet format customized for your payroll process, data can be uploaded directly to PenServ's secure information server. Data is automatically reviewed for errors and reported to the user before the file is transmitted.

When the process is complete, reports are posted to the Employer web for review and reconciliation. Electronic notification will advise you that reports have been posted to the system and available to access. This eliminates the insecurity and unreliability of transmitting confidential employee information between locations.

This Guide includes "Quick-Start" instructions that will serve as a reference for entering payroll and employee demographic information. A listing of the most frequently asked questions from Users is also provided. Notification is emailed to the designated individual as updates are made to your Plan.

If you need assistance, a member of the Data Automation Team will be available for questions between the hours of 7:30 am and 5:00 pm ET.

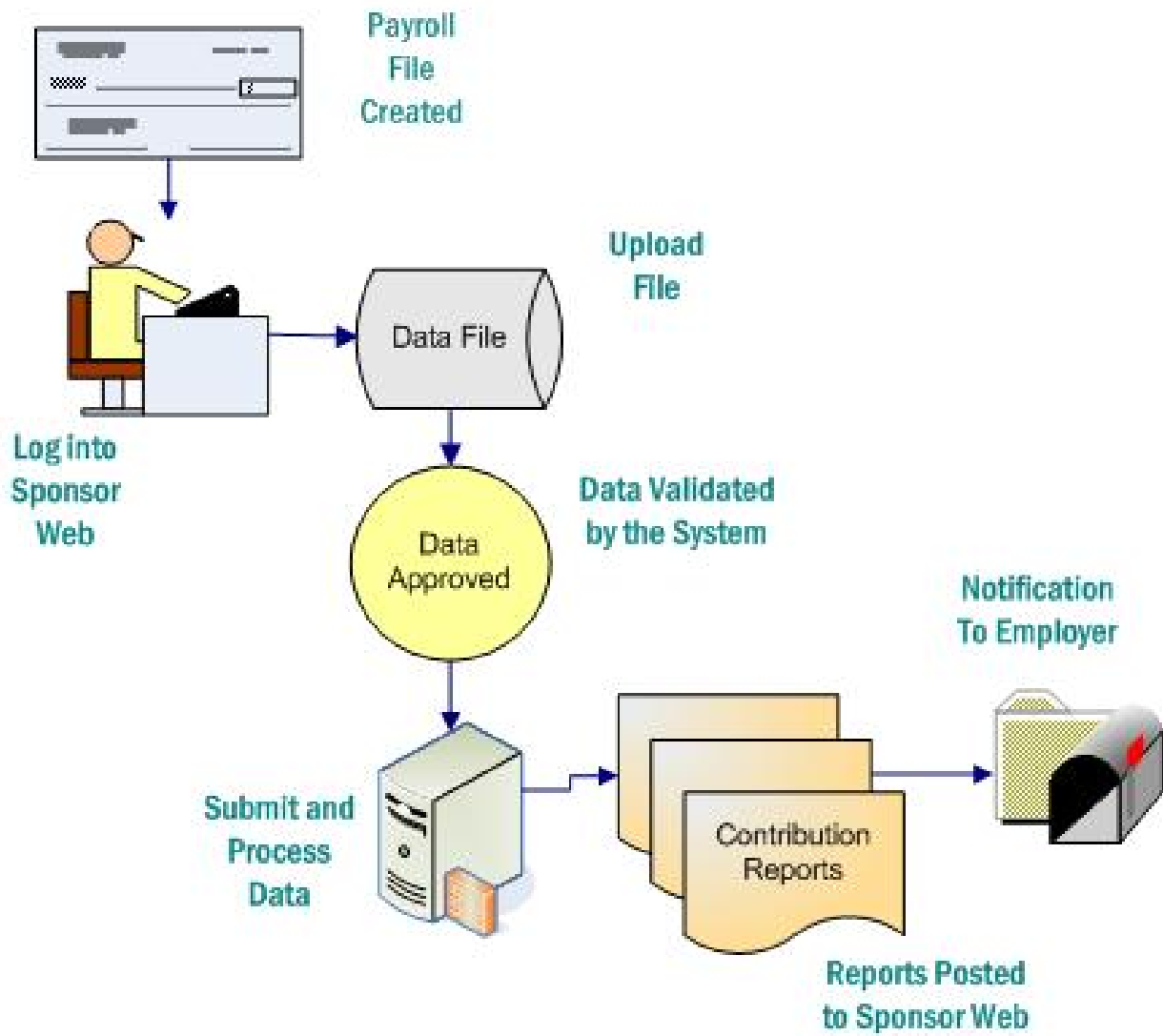
Data Automation Team Contact Information:

Phone 1-803-822-1835

Email: [DataAutomation@penserv.com](mailto:DataAutomation@penserv.com)

## PROCESSING OVERVIEW

---



## Use and Importance of Employee Information

---

Accurate plan information requires more than the amount an employee contributes to the Plan. Demographic information is necessary for deferral testing and processing, annual notification of eligibility and maintaining investment provider data. Information such as date of birth is the basis for calculation of distributions upon attainment of a specific age, such as 59½ or 70½. Hours of credited service are used to assist participants in determining employer contributions, eligibility and vesting service.

New regulations under IRC Section 403(b) also require the Employer to notify employees of their right to participate in the Plan. This notification can be generated from the system and an electronic version of each notification retained to ensure evidence of compliance with this rule.

Benefits of providing complete information to PenServ:

- When payroll files are processed, PenServ verifies that all employees credited with a contribution have met the eligibility requirements and any catch-up contributions is applied accurately.
- Payrolls are processed quicker when accurate and complete demographic information is provided. There are no delays due to missing dates of birth, hire, or other criteria required to post the incoming payroll.
- Plan projections can be provided if all data is included in the PenServ system.
- Year end processing is quicker due to fewer census corrections and adjustments.

Employee demographic information includes: Social Security Number, first name, middle initial, last name, date of birth, date of hire, termination date, date of rehire, and address. Additional payroll information necessary for testing includes salary and hours of service.

Timely and accurate demographic information for your employees is essential in maximizing the benefits of the service we provide. There are several options for communicating this information. Please contact your plan manager if you would like to review these options or have additional questions.

## Creating a Payroll File in Excel Format

---

The following options are available for creating and submitting a payroll:

- Access an existing report in the payroll system that contains the necessary fields and that can be saved in an Excel file format.
- Contact your payroll department or vendor to request a report from the payroll system that matches the Contribution System's payroll file layout and can be saved as an Excel file.
- Create an Excel spreadsheet that can be used as a template for each pay period and apply any necessary changes to the data.

Special considerations when creating your Excel file:

- ✓ The Excel file should include only employee information. Before submitting your file, check the format to ensure that all titles, column headings, and totals have been removed.
- ✓ If the report is created by a payroll service, we recommend reviewing your data file before submission. Delete titles, column headings, and totals at this time if applicable.
- ✓ Columns with formulas may not import correctly. Copy the column, select "paste special", select "values" prior to submitting your file.

**!** The file format included in Appendix A at the end of this document has been specifically designed for your Plan. It should not be modified without first contacting the PenServ Data Automation Team. This Group is available for your questions or assistance with all processing questions.

## Creating the File using Excel

---

- 1** Create a file and save the data to an Excel Worksheet
- 2** Confirm the file is for the correct pay date
- 3** Verify that data fields are in the correct format and sequence
- 4** Remove any column headings, report titles and column totals
- 5** Remove any formulas from the spreadsheet; be certain only absolute values are included in the spreadsheet. Use the Copy, Paste Special command to remove formulas
- 6** Name the file and save it to a location where it can be accessed during the uploading process.

The payroll is now ready for transfer to the Contribution Processing Center.

## Quick Steps – Payroll Import

---

Your payroll file is now formatted and stored and you are ready to transfer the data to the PenServ system.

- Logon to the Sponsor Web at: <http://www.reportlinkplus.com>
- Select “VALIDATION CENTER”

### Step 1 – Select the Payroll Period

- Select the process PAYROLL
- Choose the PAYROLL PERIOD you are entering
- Select Next Step



### Step 2 – Select the Process

- Verify the appropriate PAYROLL ROUTINE for this file has been selected
- Select “BROWSE” to locate your saved data file
- Select the FILE AND OPEN from its location on your system and confirm the file matches your Payroll File Format (See Appendix A). You will be given 3 records from your file to verify.
- If the data is correct, Select Next Step



If the format does not match, or if you see error messages such as “TOO MANY CELLS” or “INVALID FORMAT”, minimize the Validation Center window, then open and review the file in Excel to locate the problem. Make the necessary adjustments, save and close the file, then reopen the Validation Center. Select PREVIEW FILE. If you continue to experience an error, review the Frequently Asked Questions in this Guide, or contact the Data Automation Team for assistance.

### Step 3 – Verifying

- Your information will be automatically checked for layout, format, and data verification. If validation completes successfully, the system will automatically advance to Step 5.

### Step 4 – Error Correction

- During the validation process, the system provides a list of errors and/or warnings indicating possible discrepancies in the data.
- Click on an EMPLOYEE’S NAME to select.
- File information appears in the shaded box. Error details are listed in the box below. It may be necessary to scroll the error details box to view all records.
- Corrections are made by entering the correct information in the shaded box.
- After making all necessary corrections, click on SAVE, then LOAD to refresh.
- Verify that each participant’s status is valid.



Critical errors must be corrected to process the payroll; a warning identifies a possible error which should be reviewed but does not halt processing.

## Quick Steps – Payroll Import (Continued)

---

### Step 5 – Submit for Processing

- Reconfirm the payroll period and verify the totals displayed on the screen.
- Select PRINT within the Validation Center window to save a copy for your records.
- Select SUBMIT FOR FINAL PROCESSING
- Select COMPLETE PAYROLL



### Step 6 – Print Confirmation

- Print the confirmation and retain for your records.



This screen may not print with certain versions of Java. If you encounter this problem, record the information and retain for your records.

### **Modify a Payroll when on Step 5?**

Click on Previous Step.

### **Delete a payroll before it is submitted for final processing?**

Go to step 1. Select the pay period and click on “delete file”. Check the box next to “all records for the payroll period”, then click on CONTINUE.

### **Print a Report?**

In the sponsor web, click on Reports in the left menu bar. Click on the report you would like to see or save. You will be given the option to open or save the report. \*\*Note: Most reports are saved in Acrobat Reader format. Download the free Acrobat Reader program here: <http://www.adobe.com/products/acrobat/readstep2.html>

### **Know the file has been transmitted?**

After submitting for final processing, a confirmation number will be generated. Print and retain for your records. Recently completed payrolls are listed in Step 1. If the payroll status is displayed as “Completed”, it has been transmitted for processing.

### **Correct a payroll after it has been submitted?**

Contact your plan manager or Customer Support immediately. Staff will assist by stopping the processing or creating adjustment transactions to correct the error.

## Frequently Asked Questions

The following questions and answers are provided to assist with the processing of your plan contributions. To assist in locating answers, the information is provided in the same order as the steps for processing contributions.

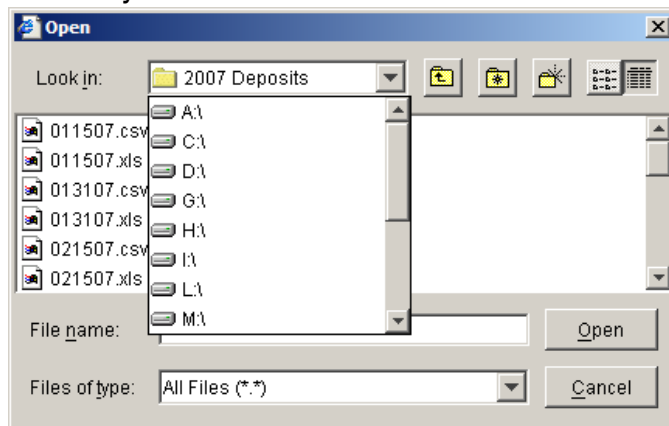
---

### Step 1. Select Payroll

- Q. How are special payrolls handled?**
- A.** If this is a special payroll such as a year end contribution or bonus payroll, the appropriate period may not be enabled. Please contact Customer Support or your Plan Manager for assistance.
- Q. Why do the pay period dates not match my pay periods?**
- A.** Your plan information is reported based on the actual pay date, rather than the pay period beginning and end date. When communicating pay dates to PenServ, be certain we receive the date employees will be paid.

### Step 2 – Select Process for Entering Payroll Data

- Q. I saved the Excel file in the “My Documents” folder. I can’t locate the My Documents folder to select my file.**
- A.** Depending on the version of Java you are using, you may see the following window to select your file:



The “My Documents” folder can generally be found in C:\My Documents where Windows 95, Windows 98, or Windows ME is the operating system. In Windows 2000 and Windows XP, the “My Documents” folder is located at c:\Documents and Settings\[Your User Name]\My Documents

- Q. What is an “entry routine name”?**
- A.** An entry routine (also called DER for data entry routine) defines the information required for your payroll file, the sequence of the data, and the format. One entry routine is generally used for normal payrolls, while a different routine used for year end contributions.

- Q. I can only view three names when the file is previewed? Did the complete file transfer into the system?**
- A. The system displays only a small part of the file to permit verification that the information is in the correct format and column. All employees are still included in the file and will be uploaded in Step 3.

### **Step 3 – Uploading the File**

- Q. I received the message “Row #1, invalid # of fields, Row #2, invalid # of fields, etc. What do I do?”**
- A. Check your file. Does it follow the entry routine? Are the correct columns included? Verify that the columns in the file match the entry routine. To verify the entry routine layout, exit the validation center and select DER layout from the menu. Select the appropriate entry routine, and click on submit. The columns and their order are listed on the right hand side of the screen. Make the necessary corrections to the payroll file and open the Processing System. Import the corrected file. If you continue to experience problems, contact the Data Automation Team

### **Step 4 – Display Records / Error Corrections**

Please see the Error Resolution Table

### **Step 5 – Payroll Totals**

- Q. The screen will not permit me to select “Submit for Final Processing”. It’s grayed out.**
- A. Click on Previous Step and return to Step 4. Below the pay period date, you may see “There are X errors and X warnings”. Errors must be corrected prior to submitting the file for processing. Warnings should be reviewed and corrected if applicable.

### **General Questions**

- Q. Help! I submitted the payroll but I just realized there was a mistake! What do I do?**
- A. Contact your plan manager or Customer Support immediately. Staff will assist by halting the processing or creating adjustment transactions to correct the error.
- Q. Can I delete a payroll file and start over again?**
- A. If the payroll status column displays “In Progress” in Step 1, it can be deleted. Select the pay period and click on “Delete File”. Select “All Records for the Payroll Period” which will select all boxes. Click on Continue. The payroll has been deleted and will now display “Not Started”.
- Q. Can I start importing a file and complete it later?**
- A. Click on “Exit Validation Center” to exit. When you log back into the validation center, select the payroll period, which should now display “In Progress”. Click on Next Step. Select “Manually Enter/Edit Employee Information” and click on Next Step. The system will return to the “Display Records Screen” (Step 4).

**Q. I can't open the Validation Center! It's only a gray box.**

A. The Validation Center is a special software utility known as "Java". Your system is equipped with this utility, but may need to be updated. This update is available in the first Validation Center window. Scroll to the bottom of the page and select "Download the Latest Java Plug-in". Internet Explorer may display a warning message such as "to help protect your security, Internet Explorer blocked this". Select "Downloading Java Plug-in" and select "Run". Follow the steps to complete the installation.

**!** **Note:** We recommend consulting with your IT department before upgrading.

**Q. I can see some buttons, but not others.**

A. Your version of Java may not be compatible with the Data Validation Center if you are using Internet Explorer version 6 and Java version 1.5, Update 11. Open the Validation Center. In Step 1, scroll to the bottom and select "Download the Latest Java Plug-in". Internet Explorer may display a warning message. Click on "Downloading Java Plug-in", then "Run". Follow the steps to complete the installation.

**!** **Note:** We recommend consulting with your IT department before upgrading.

**Q. How do I know which version of Java is currently on my system?**

A. Open Internet Explorer. Select Tools, Internet Options, Advanced. Scroll down the screen to the section "Java(Sun)". The version is displayed after "Java 2". Example: Use Java 2 1.3.1\_01 identifies the version as 1.3.1\_01. Click on Cancel to close this window.

**Q. Why is a Java Plug-in Security Warning displayed?**

A. The Validation Center is a Java program provided by the software vendor. If this is the first time you have opened the Validation Center, Internet Explorer may require approval off the program. Click on "Grant Always" to approve the Validation Center.

## Error Resolution

---

ERROR MESSAGE	RESOLUTION
<b>Invalid Social Security Number</b>	Social Security number cannot be blank. Enter the correct number.
<b>DOB Missing from import file</b>	The Date of Birth is a required field and is missing from the import file. Enter the Date of Birth
<b>Hire Date is Missing from import file</b>	The Date of Hire is a required field and is missing from the import file. Enter the correct hire date
<b>Last name [Name] does not match the current system name of [Name]</b>	Verify the last name of the individual in your file is correct. This is generally a warning and the process will continue. The last name will be updated in the PSMI system. If this is incorrect, you will need to contact Customer Service to apply a change.
<b>Could not merge SSN because records are different</b>	If two records for the same Social Security Number are included in your file, the system may merge the two records together. However, if key fields are different in your file – Date of Hire for example, the records will not merge. Verify the records are for the same person and correct the demographic information (date of birth, date of hire, etc.) so that both records match.

**APPENDIX A. Payroll File Format (Deferral Only Employers)**

---

**Plan Name: American Association of Christian Schools**  
**Pay Schedule: Daily**  
**Entry Routine Name: DVC AACS Daily Payroll**  
**File Type: Excel (xls)**

**The columns of the import file must be in the following format:**

Column	Description	Format	Example	Comments
1	Social Security Number	999-99-9999	123-45-6789	
2	First Name	Alpha/Numeric	Tom	
3	Middle Name	Alpha/Numeric	J	
4	Last Name	Alpha/Numeric	Smith	
5	Current Salary	99999.99	1221.79	
6	Current Deferral	9999999	12.21	
7	Current Credited Hours	9999.99	80.00	
8	Date of Birth	m/d/yyyy	1/7/1968	
9	Date of Hire	m/d/yyyy	12/10/1994	
10	Date of Termination	m/d/yyyy	11/24/2005	Leave blank if N/A
11	Date of Rehire	m/d/yyyy	2/01/2007	Leave blank if N/A
12	Street 1	Alpha/Numeric	12 Main St	
13	Street 2	Alpha/Numeric	Apt 12	
14	City	Alpha/Numeric	Philadelphia	
15	State	Alpha/Numeric	PA	
16	Zip	99999 or 9999999999	10115	Zip + 4 format without the dash (1011501220) is also acceptable

**APPENDIX A. Payroll File Format (Including Employer Contributions)**

---

Plan Name: American Association of Christian Schools  
 Pay Schedule: Daily  
 Entry Routine Name: DVC AACS Daily Payroll  
 File Type: Excel (xls)

The columns of the import file must be in the following format:

Column	Description	Format	Example	Comments
1	Social Security Number	999-99-9999	123-45-6789	
2	First Name	Alpha/Numeric	Tom	
3	Middle Name	Alpha/Numeric	J	
4	Last Name	Alpha/Numeric	Smith	
5	Current Salary	99999.99	1221.79	
6	Current Deferral	99999.99	12.21	
7	Current Non-Elective	99999.99	151.23	
8	Current Trad Match	99999.99	12.21	
9	Current Safe-Harbor Match	99999.99	98.42	
10	Current Non-Elective Safe Harbor	99999.99	88.57	
11	Current Credited Hours	9999.99	80.00	
12	Date of Birth	m/d/yyyy	1/7/1968	
13	Date of Hire	m/d/yyyy	12/10/1994	
14	Date of Termination	m/d/yyyy	11/24/2005	Leave blank if N/A
15	Date of Rehire	m/d/yyyy	2/01/2007	Leave blank if N/A
16	Street 1	Alpha/Numeric	12 Main St	
17	Street 2	Alpha/Numeric	Apt 12	
18	City	Alpha/Numeric	Philadelphia	
19	State	Alpha/Numeric	PA	
20	Zip	99999 or 9999999999	10115	Zip + 4 format without the dash (1011501220) is also acceptable



**PenServ Plan Services**  
**103 Trade Zone Drive**  
**West Columbia, SC 29170**  
Phone (803) 791-4923  
Fax (803) 791-5925

Please use the following information to submit monies by check or wire including, regular contributions and rollovers.

**It is very important to include the TPA number on all payments.** Providing this information as specified below allows for prompt and accurate identification of your deposits.

#### **CHECK DEPOSITS**

Make checks payable to:	<b>MG Trust Company</b>
Reference on check memo line:	<b>TPA 000312, AACS 403(b) Plan</b>
Mail to (Regular mail):	<b>MG Trust Company</b> <b>Attn: TPA 000312</b> <b>P.O. Box 46546, Denver, CO 80201</b>
Overnight/Special Delivery:	<b>MG Trust Company</b> <b>Attn: TPA 000312</b> <b>700 17<sup>th</sup> Street, Suite 100, Denver, CO 80202</b>

#### **WIRES FOR CONTRIBUTIONS AND ROLLOVERS \***

Bank Name:	<b>United Western Bank</b> <b>700 17<sup>th</sup> Street, Denver, CO 80202</b>
Routing / ABA #:	<b>102089534</b>
Beneficiary Account Number:	<b>2700000017</b>
Account Name:	<b>MG Trust Co., LLC</b>
Beneficiary Name:	<b>TPA 000312 &amp; AACS 403(b) Plan</b>

**\* NOTE: All rollovers and contributions must be approved by PenServ before funds can be accepted into this account. Please contact a PenServ representative for assistance.**

#### **ACH DEPOSITS**

Please contact PenServ for details on using ACH for payroll contributions.

# **AACS 403(b) Plan**

**EMPLOYEE  
ENROLLMENT  
MATERIALS**

**PLEASE PRINT CAREFULLY. IF WE ARE UNABLE TO READ ANY INFORMATION, THE FORM WILL BE RETURNED FOR MODIFICATION**

Employer Name			
Participant Name			Social Security No.
Address		City	State Zip
Email Address	Date of Birth	Date of Employment	Position Title
Daytime Phone	Evening Phone	<input type="checkbox"/> Full Time <input type="checkbox"/> Part Time	<input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Married <input type="checkbox"/> Unmarried
Broker Name			

**ACCOUNT INFORMATION**

- My initial investment is a salary reduction contribution to be forwarded by my employer
  - My initial investment is a transfer of funds from another 403(b) account and my transfer approval is attached.
  - This is a change of Custodian for an approved provider. (Approval required if the transfer is made as a single transfer.)
  - Other (Describe): \_\_\_\_\_
  - Rollover/Direct Rollover from another Plan and the Rollover Acceptance Form is attached.
- Catch-up Contribution (Amount should be included in the boxes above):
    - I elect to contribute \$ \_\_\_\_\_ under the 15-Year Service Election.
    - I elect to contribute \$ \_\_\_\_\_ under the Age-50 (or Older) Catch-Up Election.

**BENEFICIARY(IES) DESIGNATION**

<input type="checkbox"/> Primary <input type="checkbox"/> Contingent Relationship <input type="checkbox"/> Spouse <input type="checkbox"/> Non-Spouse	Beneficiary Full Name	Social Security No.	Share %
	Address	City	State Zip
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent Relationship <input type="checkbox"/> Spouse <input type="checkbox"/> Non-Spouse	Beneficiary Full Name	Social Security No.	Share %
	Address	City	State Zip
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent Relationship <input type="checkbox"/> Spouse <input type="checkbox"/> Non-Spouse	Beneficiary Full Name	Social Security No.	Share %
	Address	City	State Zip

In the event of my death, the balance in the account shall be paid to the Primary Beneficiaries who survive me in equal shares (or in the specified shares, if indicated). If the Primary or Contingent Beneficiary box is not checked for a beneficiary, the beneficiary will be deemed to be a Primary Beneficiary. If none of the Primary Beneficiaries survive me, the balance in the account shall be paid to the Contingent Beneficiaries who survive me in equal shares (or in the specified shares, if indicated). If any Primary or Contingent Beneficiary does not survive me, such Beneficiary's interest and the interest of such Beneficiary's heirs shall terminate completely, and the share for any remaining Primary or Contingent Beneficiary shall be increased on a pro-rata basis. If a Trust is named as Beneficiary, the Trust Beneficiary Certification Form must be completed.

## INVESTMENT ELECTIONS

I direct my new money to be invested in the funds selected below. I understand these investment directions will remain in effect until I direct new elections through the Plan's web site or voice response system.

	Fund Name	Fund Category	Quote Symbol	Investment Direction
Investment Elections				%
				%
				%
				%
				%
				%
				%
				%
				%
		(FUND ELECTIONS MUST EQUAL 100%)		

## AGREEMENT

By signing this Agreement, Employee agrees to modify his/her salary as indicated above and Employer agrees to contribute this amount on Employee's behalf into the 403(b) annuity(ies) or custodial account(s) selected by Employee and authorized by the Employer. It is intended that the requirements of all applicable state and federal tax rules and regulations (Applicable Law) will be met. Employee understands and agrees that this Agreement:

1. Is legally binding and irrevocable with respect to amounts paid or available while it is in effect; however, is effective only for amounts not yet earned or made available.
2. May be terminated at any time for amounts not yet paid or available, and that a termination request is permanent and remains in effect until a new salary reduction agreement is submitted;

Employee further agrees that:

- In conjunction with his/her Employer, he/she is responsible for determining that his/her salary reduction amount does not exceed the limits of the Applicable Law;
- He/she is responsible for the accuracy of information provided by Employee, which is used in determining Employee's maximum annual contribution limit;
- Employer has no liability for any losses suffered by Employee that result from his/her participation in the 403(b) plan;
- He/she acknowledges that Employer has made no representation to Employee regarding the advisability, appropriateness or tax consequences of the purchase of the 403(b) plan. Nothing herein shall affect the terms of employment between Employer and Employee;
- This agreement supersedes all prior 403(b) salary reduction and/or deduction agreements and shall automatically terminate if employment with Employer is terminated.

### Important Information

- Although Employer must authorize Service Providers, Employer does not choose the annuity contract(s) or custodial account(s) in which 403(b) contributions are invested.
- Employees are responsible for setting up and signing the legal documents to establish the annuity contract or custodial account, except for certain group annuity contracts under which Employer may be required to establish the contract.
- In order to receive the expected tax results, Employees are responsible for investing in annuity contracts or custodial accounts that meet the requirements of Section 403(b) of the Internal Revenue Code.
- Employees are responsible for naming a death beneficiary under the 403(b) plan. This is normally done at the time the annuity contract or custodial account is established. Beneficiary designations should be reviewed periodically.
- Employers are responsible for all distributions and any other transactions with the Service Provider. All rights under the annuity contracts or custodial accounts are enforceable solely by Employee, Employee's beneficiary or Employee's authorized representative. However Employer has certain responsibilities under the 403(b) Plan with respect to the integrity of the transactions for the Plan and may require an authorized representative from the Employer (or their Designee) to approve any requested transaction by Employees. Employee must cooperate directly with Service Provider, Employer, or their Designee, as directed by Employer to transfer contract(s) or custodial account(s) to another Service Provider, begin distributions, make loans, exchanges or otherwise access 403(b) plan assets.
- Employees are responsible for determining that salary reductions do not exceed the allowable contribution limits under Applicable Law. References herein to elective deferral limits are based on the 2008 limits. In subsequent years, the basic limit and the age 50+ catch up option are indexed in \$500 increments and will increase over time.

**DISCLOSURE OF APPLICABLE FEES**

As the sponsor of the Group Custodial Agreement, a copy of which is attached to this Application, we hereby advise the Applicant that certain fees will be applied to investments held under this Agreement by MG Trust, Custodian of the Plan assets. Such fees and expenses may include trading and settlement costs applied to the purchase and or sale of mutual fund shares and fees applied for expenses related to the costs associated with the management and administration of the Custodial Account. Such fees may range from .0004 to .0010 of the account assets and certain transaction fees will apply to specific activities such as loans and distributions. Fees are generally calculated on a quarterly basis and applied to the contributions or balances in the account. Specific transaction fees include: Initial Loan Fees \$50.00; Monthly Administration of Loans \$8.00 per quarter All fees are detailed in the Participant's account on the Plan web site and on the Participant statement provided on a quarterly basis. A full statement of all costs will also be provided upon request. Requests should be addressed to: Accounting Department, PenServ Plan Services, Inc., 103 Trade Zone Drive, West Columbia, SC 29170. Statements will be provided within 5 business days.

I have read the above disclosure and agree to the application of fees to my account.  
\_\_\_\_\_ Participant Initials

**EMPLOYEE SIGNATURE**

Under penalties of perjury, I certify that the above information (including my social security number) is correct and I am an employee of the Employer. I also: (1) acknowledge receipt of the current prospectus; (2) agree to promptly give Instructions to the Sponsor necessary to enable the Custodian to carry out its duties under the Group Custodial Agreement; (3) represent that whenever information as to any taxable year is required to be filed with the Internal Revenue Service, the individual will file such information with Internal Revenue Service unless filed by the Custodian; (4) accept responsibility for computing the annual Exclusion Allowance and the limitations on Elective Deferrals under the Internal Revenue Code; and (5) acknowledge that this Group Custodial Agreement operates in conjunction with the Employer's 403(b) Plan document. I hereby agree to participate in the 403(b)(7) Group Custodial Account offered by the Custodian. I acknowledge receipt of a copy of the custodial account document under which this 403(b)(7) Group Custodial Account is established, and a copy of this Participation Agreement. I direct that my contribution be invested as indicated on my enrollment form, and I direct that all benefits upon my death be paid as indicated above. In the event that this is a rollover contribution, the undersigned hereby irrevocably elects, pursuant to the requirements of Section 1.402(a)(5)-1T of the IRS regulations, to treat this contribution as a rollover contribution.

I certify that I have read this complete Agreement and that my salary reductions do not exceed contribution limits as determined by Applicable Law. I also certify that I am eligible for the catch up election(s), if selected, under Part 2 above. I understand my responsibilities as an Employee under the 403(b) plan, and I request Employer to take the action specified in this Agreement. I understand that there may be an excess contribution to my 403(b) if I also own more than 50% ("control") of another business. In such event, the maximum contribution to all plans that I control and my 403(b) accounts or annuities for 2008 may not exceed \$46,000 (if I am under age 50) and \$51,000 (if I am 50 or older by the end of 2008). I understand that my Employer is responsible for knowing that I may control another business and I understand that I must notify my Employer that I have control of another business to ensure that I have not exceeded this maximum amount of contribution.

Check here if you control another consulting or other business or company.

I understand that all rights under the annuity(s) or custodial accounts established by me under the 403(b) plan are enforceable solely by me, my beneficiary or my authorized representative. I also understand that no later than January 1, 2009, my Employer will have a 403(b) Plan in place that will require my Employer, or their designee to authorize certain distributions and loans, and that it will not be solely my responsibility to authorize such transactions. By signing this Agreement, I authorize any Service Provider, or their delegee to provide information on my Account to Employer or another Service Provider if such information is necessary for compliance purposes or to effectuate such transactions as I may request.

Participant Signature	Date
-----------------------	------

**EMPLOYER SIGNATURE**

Employer hereby agrees to this Salary Reduction Agreement, agrees that the Employee's salary reductions and deductions, based on all information available, do not exceed contribution limits as determined by Applicable Law and further agrees to identify both the pre-tax contributions and the after-tax contributions at the time of remittance to the selected Service Provider(s).

Print Name Signer	Signature	Date
-------------------	-----------	------

Sponsor: PenServ Plan Services, Inc.

Participant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Application Accepted \_\_\_\_\_ PenServ Plan Services, Inc. \_\_\_\_\_ Name \_\_\_\_\_ Date \_\_\_\_\_

# **AACS 403(b) Plan**

**ON-LINE  
ENROLLMENT  
MATERIALS**

**AACS 403(b)  
Retirement Plan**



<p><b>The AACS 403(b) Program</b></p>	<p>The AACS Program provides a broad range of quality mutual funds that permits employees of AACS Member Schools an opportunity build a diversified portfolio to supplement other retirement programs through your Employer.</p>
<p><b>Plan Features</b></p>	<ul style="list-style-type: none"> <li>• On-line web enrollment, view account balances, review transaction history, and download administrative forms</li> <li>• Update personal information, perform transactions or exchange monies between mutual funds</li> <li>• Rebalance the account on a specified schedule or upon request</li> <li>• Rollover funds from another account</li> </ul>
<p><b>Plan Enrollment</b></p>	<p>Employees can enroll in the Plan using a Plan Access Code provided by the District Benefits Representative or the Plan's Financial Advisor listed below. Any employee who is employed by a Member School may participate in the Plan. Salary Deferral information will be received into the payroll system within 10 business days following the date you complete the online application.</p> <p>For further information on the enrollment process, you may the Plan's Financial Advisor listed below.</p>
<p><b>On-Line Plan Access</b></p>	<p>Once you have enrolled in the Plan, you can access your plan balances, modify your investment elections, monitor contributions and initiate investment transactions.</p> <p>Web Access: <a href="http://www.penserv.com">http://www.penserv.com</a></p>
<p><b>Contribution Amounts</b></p>	<p>Generally, employees are able to defer the maximum deferral limit established by IRS from year to year. In 2009, the limit was \$16,500. Employees may also defer an additional catch-up amount in any year during which the individual has attained at least 50 years of age.</p>
<p><b>Participant Loans</b></p>	<p>If an employee meets certain requirements, the program offers the option to receive a loan from the Plan. Loans must be repaid or the outstanding balance may become taxable upon default.</p>
<p><b>Distributable Events</b></p>	<p>If the employee becomes eligible from a distribution from the Plan, an application is submitted to the Plan Administrator for approval. Distributions that meet IRS requirements for payment are generally processed within 5 business days from receipt of an approved application.</p>
<p><b>For Further Information</b></p>	<p>Contact a Financial Advisor:</p> <p>Jeff Greenway UBS Phone Email</p>

## **AACS 403(b) Retirement Plan Easy On-Line Enrollment**

---



Thank you for choosing the AACS as the Investment Option for your 403(b) Plan. To enroll in the plan, you will simply need to follow the instructions prompted on the web page and enter your choice of investments for your account. All fields recognize upper and lower case characters; therefore, if you enter capital letters in your User Name or Password, the same upper or lowercase will be required each time you enter the information.

### **Enrollment Process**

Plan Website Address: <http://www.penserv.com> and select: [First Time Visitor?](#)

Enter: [Your Social Security Number](#)

Enter the Plan Access Code: aacs01400



#### **Step 1 of 5 - Enter your Personal Information**

Items marked with an asterick (\*) must be completed before you can proceed to the next step.

Username Information. This information is used to access your account, direct transactions and invest your contributions. The system is designed to protect your person information; the codes you enter here should not be shared to another individual.



#### **Step 2 of 5 - Designate your Beneficiaries**

This designation can have important tax and legal effects. You should consult your tax advisor before naming a beneficiary for your account.

Be certain a relationship is designated for each beneficiary. If this information is not provided, you may be required to complete an additional form.



#### **Step 3 of 5 - Contribution Limits**

This window provides limitation information for your Plan.

Check the  Box to indicate you are entering a deferral amount. Enter the Pre-Tax Contribution amount to be applied to each paycheck.



#### **Step 4 of 5 - Select Investments for Your New Contributions**

The investment election percentages you enter will be applied to the Money Source you selected. Please note that once you have completed the enrollment process, you can always change your investment election percentages.



#### **Step 5 of 5 - Review and Confirm Your Entries**

Please review the information you provided for the Plan. Be certain you check the entries carefully; the data will be used to establish permanent plan records and access to your account.

---

### **Congratulations! Your Enrollment is Complete**

You may access your account through the Plan's website (displayed above) at any time using your Username and Password. If you elected to receive email confirmations, you will receive confirmation of your enrollment at the email address entered during the Enrollment process.

**The following investments are available to your account:**

<b>FUND OPTION LISTING</b>				
<b>Seq No.</b>	<b>Fund Name</b>	<b>Fund Category</b>	<b>Risk Classification</b>	<b>Quote Symbol</b>
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
16.				
17.				
18.				
19.				
20.				
21.				
22.				
23.				
24.				
25.				
26.				
27.				
28.				
29.				
30.				
31.				
32.				
33.				
34.				