

Great-West Retirement ServicesSM

401(k) Plan Loan Administration Policy

Rio Vista 401(k) Plan - 504310-01

Article I. Eligibility

Section 1.01 Only active employees who participate in a defined contribution plan that allows for participant loans may request a loan. The participant requesting a plan loan must have a minimum vested account balance of \$1,000 to be eligible.

Article II. Cost

Section 2.01 A loan setup and implementation fee may be assessed to the plan prior to loans being offered to participants. The loan setup fee may vary from plan to plan.

Section 2.02 A loan origination fee in the amount of \$75 shall be deducted from the loan amount approved.

Section 2.03 An administrative fee of \$50 per year/per loan, deducted quarterly at a rate of \$12.50, will be assessed to the participant's account until the loan is paid in full.

Section 2.04 If a participant requests their loan check to be sent express delivery, an additional \$25.00 charge will be assessed against the loan check amount.

Article III. Minimum and maximum loan amounts

Section 3.01 The minimum loan amount that a participant may request is \$500.

Section 3.02 The maximum loan amount that a participant may request is \$50,000 or 50% of the vested account balance, whichever is less. The \$50,000 maximum loan amount is reduced by the highest loan balance during the past 12 months minus the loan balance on the date a new loan is made.

Section 3.03 If a participant has an outstanding loan through another qualified plan, 403(b) plan or 457 plan maintained by the same employer, the maximum loan amount available must be reduced by the highest outstanding loan balance during the past 12 months. The participant is responsible for ensuring that the aggregated loan amount on all plans sponsored by the same employer is the lesser of \$50,000 or 50% of the vested account balance.

Article IV. Number of loans permitted

Section 4.01 The number of loans a participant may have outstanding at one time is one (1) as long as: (a) the loan repayments are submitted via payroll deduction

Article V. Loan Initiation

Section 5.01 Loans are initiated when the participant applies for a loan via paper application, the Web site or KeyTalk®. The Promissory Note and Loan Check are combined into one document, eliminating the need to return the signed Promissory Note prior to issuing the Loan Check. By endorsing the check, the participant agrees to the terms of the Note and the repayment obligation.

Section 5.02 Plans will be required to accept the Loan Administration Policy prior to loans being made available. The Loan Administration Policy will allow participants to initiate and complete a loan request electronically without the plan's signature. If a paper application is used, the plan must sign each loan application submitted by its participants or the plan must sign a letter of instruction authorizing the processing of loan applications without an authorized plan signature.

Article VI. Distribution of loan amount

Section 6.01 Loan distribution amounts will be prorated across all available money types as follows: 1. non-fixed fund(s); 2. guaranteed interest fund(s) excluding guaranteed certificate fund(s); 3. guaranteed certificate fund(s), liquidating the certificate(s) closest to maturity first.

Article VII. Types of loans available

Section 7.01 A General Purpose Loan has a term of twelve to sixty (12-60) months. No reason or documentation (other than a signed promissory note) is required when a participant requests a General Purpose Loan. The interest rate for this type of loan is fixed for the life of the loan. The interest rate is 2% over the Prime Rate published in the Wall Street Journal on the first business day of the month the loan is originated.

Section 7.02 A Principal Residence Loan has a term of sixty one to three hundred sixty (61-360) months. This type of loan must be utilized for the purchase of a primary residence ONLY. The interest rate is 2% over the Prime Rate published in the Wall Street Journal on the first business day of the month the loan is originated.

Article VIII. Interest

Section 8.01 Interest paid on loans is not income tax deductible.

Article IX. Payment Requirements

Section 9.01 Scheduled payments must be made by payroll deduction. Loan repayments will be allocated to the participant's account according to current allocation percentages on ISIS.

Section 9.02 Once a new loan has been initiated, the appropriate payroll department will be sent a paper amortization schedule or an electronic file to begin loan payments. Loan repayments must begin on time or the loan payments will be in arrears. If loan payments are not caught up in time, the loan may default. Loan default results in adverse tax consequences to the participant.

Section 9.03 Loans are in arrears and delinquent when any payment is missed. A late loan payment notice will be issued after the end of the calendar quarter in which the payment is delinquent. If the loan is not paid up-to-date by the end of the calendar quarter after the calendar quarter in which a payment is first delinquent, the loan will be in default. In that event, the entire outstanding loan balance, consisting of the missed payments, remaining principal and all accrued but unpaid interest, will be reported to the IRS as taxable income on a Form 1099-R for the year in which the loan default occurs.

Section 9.04 Despite any grace periods permitted with respect to late loan payments, if a loan has not been fully repaid by the end of its term, the outstanding balance will be treated as a "deemed distribution" and will be reported to the IRS as taxable income. Thereafter, no further efforts will be made to collect on the loan.

Section 9.05 If the participant has a loan that defaulted at any time in the past, the participant will be permitted to take a new loan(s) so long as the new loan is repaid via payroll deduction. Participants may not refinance a loan that has previously defaulted.

Section 9.06 If a participant does not elect to treat an outstanding loan as a taxable distribution when a distributable event occurs, any outstanding loan amount will reduce the amount available for partial distribution(s). An amount equal to the outstanding loan balance (principal and interest) must remain in the investment account until the loan is fully repaid. This restriction does not apply to distributions due to plan approved hardships.

Section 9.07 Participants who leave service prior to the end of the loan term will be required to pay off the loan at severance of employment as provided by the plan. A former participant may avoid treatment of an unpaid loan as a deemed distribution and reporting of income to the IRS by paying the loan balance by the end of the grace period via a cashier's check or money order. Non-payment will force a deemed distribution and reporting of taxable income for the year the deemed distribution occurs.

Section 9.08 The participant's outstanding loan balance will be offset upon receiving any type of distribution after severance of employment. As required by federal tax regulations, a participant's defaulted loan will remain on the books until a qualifying event occurs, even though income has been reported to the IRS.

Section 9.09 All outstanding loan principal and accrued interest shall be treated as a distribution from the plan when Great-West Retirement Services is notified of a participant's death. A deceased participant's loan may not be transferred or assumed by the participant's beneficiary(ies). If a participant's loan has not been repaid as of the date of the participant's death, any distributions made from the deceased participant's plan account will be made net of any outstanding loan obligations. The amount of the outstanding loan as of the participant's date of death will be tax reported as a distribution to the participant or to the participant's estate as applicable.

Section 9.10 Partial lump sum loan repayments, via a cashier's check or money order, are permitted to catch up on a past-due amount or to reduce the principal amount of the loan. If a participant remits a partial payment, the payment will be paid to principal and interest of any payment amount due and any future payment due within 30 days. Thereafter, any additional payment amount will be applied to principal. The scheduled payment amount will not change.

Section 9.11 When a participant takes a leave of absence of not longer than 1 year, either without pay from the employer or at a rate of pay that is less than the amount of the installment payments required under the terms of the loan, the plan should provide

leave of absence information for a leave start and stop dates. The loan may be reamortized when the participant returns from leave to pay the loan in full by the maturity date of the loan.

If the participant takes a military leave of absence, the interest rate on the loan may be reduced to 6%, if the interest rate on the loan is greater than 6%, during the leave period not to exceed 5 years. Upon the participant's return from military leave, the term of the loan may be extended by the term of the military leave, not to exceed 5 years, and the loan will be reamortized.

Article X. Early Loan Payoff

Section 10.01 A loan can be paid in full at any time in the form of a cashier's check or bank money order. The participant may obtain a loan payoff quote via KeyTalk®. The loan payoff quote is valid for 15 days from the date it is obtained.

Article XI. Changes in Law

Section 11.01 Future tax laws regarding plan loans will be incorporated into this Loan Administration Policy and the Promissory Note.

Article XII. Enforcement

Section 12.01 Great-West Retirement Services is required to enforce these rules. This Loan Administration Policy has been developed to comply with the requirements of Internal Revenue Code section 72(p) and the federal Treasury regulations thereunder, as amended from time to time.

