

Employee 403(b) Plan Eligibility Notice

ASHLAND IND BOE

(Name of Employer)

We are pleased to offer employees the opportunity to participate in the **ASHLAND IND BOE** 403(b) Plan (“the Plan”). The opportunity for eligible employees to participate is offered on a voluntary basis.

What is a 403(b) Plan?

A 403(b) Plan allows eligible employees the opportunity to save for retirement. Amounts contributed to the Plan are, in general, contributed on a tax-deferred basis. This means that the contribution is not subject to federal income tax or, in most cases, state income tax until distributed by the plan. This tax deferral also applies to any earnings on the contributions. Because the Plan is intended as a means of saving for retirement, distributions are limited to certain events.

Who is eligible to participate?

All employees are eligible to participate in the Plan unless specifically excluded by the written plan.

Any exclusion(s) in our Plan will be indicated below. If no exclusions are checked, all employees are eligible for Plan participation.

- Employees who participate in a 401(k) plan, 457(b) plan or another 403(b) plan of the employer.
- Students performing services at the Employer institution.
- Employees who normally work fewer than **20** hours per week.
- Employees who are non-resident aliens.

How much may be contributed to the Plan?

The amount that may be contributed to the Plan is set by federal tax law. The limit set is an annual contribution limit.

For the 2011 tax year, the contribution limits are:

- Basic salary deferral limit for all employees \$16,500
- Additional Contribution for age 50+ catch-up \$ 5,500

- An additional catch-up contribution will be permitted for employees with 15 years of service with the employer. This additional catch-up limit, if permitted, requires the completion of a worksheet to determine eligibility for the additional catch-up contribution.
(If not checked, NO additional catch-up contribution will be permitted.)
- After tax Roth 403(b) contributions are permitted under the Plan. If Roth 403(b) contributions are permitted, see your provider for more information.
(If not checked, After tax Roth 403(b) contributions are NOT permitted.)

When is a distribution allowed under the Plan?

The 403(b) Plan is intended as a source of retirement income so there are withdrawal restrictions on the funds, including earnings. A withdrawal or distribution may be taken only for the following reasons:

- Attainment of age 59 ½
- Severance from employment
- Total and permanent disability
- Death
- A "qualified reservist" distribution
- Financial hardship (if checked below)

Hardship distributions are available under the Plan from accounts with Investment Providers listed in Appendix I and in Appendix II-A (if applicable). Hardship Distributions are not allowed from accounts with Investment Providers listed in Appendix II-B (if applicable). If a hardship is taken, contributions to the Plan must cease for six (6) months following the distribution.
(If not checked, Hardship distributions are NOT permitted.)

Reasons for hardship distributions are limited to the following:

- Unpaid medical bills for participant or participant's spouse or dependents
- Expenses including tuition, room and board and any other related fees for the next 12 months of post secondary education for the participant or participant's spouse or dependents
- Purchase of a primary residence (excluding mortgage payments)
- Prevent eviction from or foreclosure of primary residence
- Funeral expenses for immediate family members
- Expenses to repair damage to a primary residence if those expenses qualify for deduction on the participant's income tax return

May I change investment options under the Plan?

Employees are permitted to move all or a portion of the value of one investment option under the plan for another approved investment option under the plan. This transaction is called an exchange. These exchanges may be subject to withdrawal or contingent deferred sales charges.
(If not checked, exchanges are NOT permitted.)

What other transactions are permitted under the Plan?

Other transactions may be permitted under the Plan. The following list will indicate what options are available:

- Transfers into the Plan from another employer's 403(b) Plan Yes No
- Rollovers into the Plan from another eligible qualified plan Yes No
- Roth 403(b) or 401(k) direct rollovers into the Plan Yes No
- Loans are available under the Plan subject to availability and any additional conditions that may apply under a Participant's 403(b) Individual Agreement(s)* Yes No

* Loans are available under the Plan from accounts with Investment Providers listed in Appendix I and in Appendix II-A (if applicable). Loans are not allowed from accounts with Investment Providers listed in Appendix II-B (if applicable).

Who are the approved investment option providers under the Plan?

The attached list, Appendix I, indicates the providers that are approved investment option providers under the Plan. If you are participating in the 403(b) Plan and your current provider is listed on the Appendix I, no action is required and your contributions will continue until changed by you. If your contributions were temporarily stopped, you must complete a new salary reduction agreement in order for your contributions to resume. If you are participating and your current provider is NOT listed on Appendix I, you must contact a provider on the list and complete the proper forms to continue 403(b) contributions. Deductions for accounts with providers who are not on Appendix I will be discontinued.

If you are not a current 403(b) Plan participant and you wish to participate in the Plan, you will need to contact a provider listed on Appendix I and complete the proper paperwork to establish an account with that entity. You must also complete a salary reduction agreement authorizing your employer to reduce your salary for the contribution amount.

If my current 403(b) provider is not on the list, am I required to move my account balance to an approved provider?

No. There is no requirement that you transfer any existing account balances to a provider on the list. In fact, you should be very careful about entering into any transaction that would transfer balances to another provider. No transaction should be entered into unless you have all of the information needed to determine if such a transaction is suitable for you and your retirement planning needs.

Is Plan approval required for transactions?

The Plan has contracted with AFPlanServ™ for selected plan administrative services. Among the services provided by AFPlanServ™ is approval of salary reduction agreements for beginning or changing amounts and/or providers. Salary reduction agreement forms can be found on the website listed below.

The regulations require Plan approval of plan distributions and loans. Forms for these transactions are available and can be downloaded from www.afplanserv.com, or may be requested by calling 1-866-560-6415 (toll-free). The proper form must be completed. Certain transactions may require additional documentation. You should follow the instructions on the form. The form with requested documentation should then be sent to AFPlanServ™. The mailing address is:

AFPlanServ
P.O. Box 269008
Oklahoma City, OK 73126-9008

If approval is granted for the transaction, this approval should be forwarded to the provider. The provider may or may not require that the provider's forms also be completed to effect the transaction.

Who do I contact if I have questions?

If you have questions concerning account balances, the status of approved transactions, or investment option details, contact your investment provider.

If you have questions on changing your contribution amount, contact your employer or investment provider.

If you have questions on transaction approval, contact AFPlanServ™ at:

Mailing Address: AFPlanServ
P.O. Box 269008
Oklahoma City, OK 73126-9008

Phone Number (toll free): 1-866-560-6415

Fax Number (toll free): 1-866-578-0962

APPENDIX I
Approved Investment Option Providers
Effective Date 9/1/2011
ASHLAND IND BOE

Providers authorized to receive Contributions, Exchanges, and Transfers:

<u>Provider Name</u>	<u>Provider Contact</u>	<u>Provider Telephone</u>
AMERICAN FIDELITY ASSURANCE	ANNUITIES	800-662-1106
AMERIPRISE FINANCIAL SERVICES	DAVE FORD	800-341-0902
ING RELIASTAR LIFE INSURANCE COMPANY	CUSTOMER SERVICE	877-884-5050

Important Notes:

1. As provided under the Plan, any authorized Vendor named in Appendix I has agreed to share information necessary for compliance purposes with Employer, an Administrator and/or with any other 403(b) provider as may be required to facilitate compliance with the Plan and all applicable laws and regulations.
2. Each Vendor named above is required to maintain records of the Funding Vehicles offered under the Plan to comply with the information sharing requirements of the Plan and applicable information sharing agreements.

This Appendix is dated: _____