



Before-Tax Contributions Election for the Horizon 401(k) Plan

Part 1 – Participant Information

Participant name _____ Social Security # _____
Name of employer _____ Address of employer _____
Employer # _____

Part 2 – Nature of Election

The before-tax contribution election is a request by a participant to his or her employer to reduce the participant's compensation or allow the participant to forgo an increase in compensation. The employer contributes the amount of such reduction or waived increase to the Horizon 401(k) Plan, administered by the General Board of Pension and Health Benefits (General Board) on behalf of the participant as before-tax contributions.

The participant agrees to contribute no more than is allowed in accordance with the limit on contributions under Internal Revenue Code (Code) section 415(c) (i.e., employer plus participant contributions may not exceed the lesser of: \$50,000 or 100% of the participant's 415 compensation for 2012). The participant also agrees to defer no more than is allowed in accordance with the limit on elective deferrals under Code section 402(g) (i.e., \$17,000 before-tax contributions in 2012, plus an added \$5,500 for participants age 50 and older).

Part 3 – Terms of Election

Beginning date of this election (specify month, day and year): _____

Note: The beginning date must be on or after the date on which this election form is signed.

The participant's *annual* eligible compensation on the beginning date of this election will be reduced by (enter a dollar amount or a percentage): \$ _____ or _____ %

Special option for participants age 50 or older by December 31 of the year in which contributions are made:

The participant's *annual* eligible compensation on the beginning date of this agreement will be further reduced by (not to exceed \$5,500 for calendar year 2012): \$ _____

Part 4 – Information About the Contributions Election

This election will remain in effect until the participant changes or terminates it by completing a new form. It may be terminated at any time by the participant's written notice of election to terminate before-tax contributions. Before-tax contribution elections may be entered into or changed at any time for compensation not yet earned. This change will become effective as soon as administratively feasible, but no earlier than the beginning of the next payroll period.

(continued)

The employer will forward the amounts of the before-tax contributions to the General Board as soon as possible after each payroll period, but in no event later than the 15th of the month following the month the contributions are withheld. If an employer delays forwarding the amounts of the before-tax contribution to the General Board until after the 15th of the month following the month the contributions are withheld, the employer will be subject to imputed earnings on the delayed contribution until the day the amount of the before-tax contribution is forwarded to the General Board.

The election is irrevocable with respect to amounts earned while it is in effect, except that if it terminates because of the participant's death or termination of employment, any amounts accrued before such termination and not forwarded to the General Board will be paid by the employer to the participant or to the participant's estate. This election applies only to compensation earned after this election becomes effective. This election does not alter the terms of the participant's employment as to tenure or compensation. The right of the employer or the participant to terminate the employment relation or to vary the amount or basis of the participant's compensation that existed without this election will continue to the same extent as though this election had not been made.

The participant understands that once funds have been contributed to the plan, the funds are available for withdrawal by the participant only after one of the following events, subject to any revisions or amendments to the plan (IRS penalties for early withdrawal may apply to some distributions):

- retirement;
- termination of employment;
- disability as defined in the Horizon 401(k) Plan Document;
- participant incurs a financial hardship (principal amounts only); or
- attainment of age 59½.

Part 5 – Acceptance by the Employer and the Participant

Employer authorized signature _____ Date _____

Participant signature _____ Date _____

Please do not return this form to the General Board. The participant should make a copy for his or her records and return the original form to the employer. To inform the General Board of a change in the before-tax amount, the employer should complete the *Horizon 401(k) Plan Compensation/Before-Tax Contribution Change Form*. This election is designed to set forth the terms of making before-tax contributions to the Horizon 401(k) Plan, a profit sharing plan that includes a cash or deferred arrangement qualified under Internal Revenue Code section 401(k), and administered by the General Board.