

BLOOMINGTON PUBLIC SCHOOLS 403(B) RETIREMENT PLAN

UNIVERSAL AVAILABILITY NOTICE

Date: 1/1/2010

This notice provides important information about your rights to defer compensation in the Bloomington Public Schools 403(b) Retirement Plan (the "Plan").

This notice summarizes some of the Plan requirements related to Elective Deferrals. You may also be eligible to make or receive Matching Contributions. See the Summary Plan Description for more detailed information about the Plan. Contact the plan administrator if you need a copy of the Summary Plan Description (contact information is at the end of this notice).

Who is eligible to make Elective Deferral contributions?

You are eligible to make elective deferrals if you are employed by Bloomington Public Schools or any affiliate who has adopted the Plan. However, you are not an "Eligible Employee" if you are a member of any of the following classes of employee:

Employees whose maximum Elective Deferrals would not exceed \$200.

Employees who normally work fewer than 20 hours per week (as defined in Treas. Reg. section 1.403(b)-5(b)(4)(iii)(B)).

What are Elective Deferrals?

Elective deferrals are contributions you may make out of your compensation to the Plan. You may contribute to the Plan on a pre-tax or after-tax basis.

Pre-Tax contributions are made to the Plan out of your compensation before taxes. Your contributions are only taxed as compensation once you receive a distribution from the Plan.

After-Tax contributions are known as Roth Contributions and are very much like a contribution to a Roth IRA. Like a Roth IRA, the Roth Contribution to the Plan is made by you on an after-tax basis, but if certain requirements are met, a "qualified distribution" from your Roth Contribution Account in the Plan will not be taxed (see the Summary Plan Description for more information). However, unlike a Roth IRA, there are no income limitations on who may make a Roth Contribution.

Roth Contributions are made in the same manner as pre tax Elective Deferrals. You must designate how much you would like to contribute on a pre-tax basis (normal 403(b) contribution) and how much you would like to contribute as an after-tax Roth Contribution. You are not required to make any Roth Contributions. You may designate all of your elective deferrals as normal pre-tax contributions.

The sum of your Roth Contributions and regular pre-tax 403(b) contributions may not exceed the annual limit on regular 403(b) contributions mentioned below.

Please note that Roth Contributions are not suitable for everyone. Please consult with your tax advisor before making any Roth Contributions to the Plan.

What are the limits on Elective Deferrals?

Federal law limits the amount you may elect to defer under this Plan and any other retirement plan permitting Elective Deferrals during any calendar year (\$16,500 in 2010). However, if you are age 50 or over, you may defer an additional amount up to \$5,500 (in 2010).

In addition, if you have fifteen years of service (disregarding any period during which you are not an Employee of an eligible employer) you may be entitled to make a special Code section 403(b) catch-up contribution (a maximum of \$3,000). Contact your employer for more information about this special catch-up contribution.

The total amount that may be contributed to the Plan on your behalf in any year may not exceed the lesser of 75% of your compensation or a fixed dollar amount (\$49,000 in 2010).

How do I make or change an elective deferral contribution to the Plan?

You can make or change your contributions by turning in a new contribution form to the Plan Administrator at the address listed at the end of this notice. You may elect to start, increase, reduce or totally suspend your elections to contribute to the Plan effective as of the dates established pursuant to Plan Administrator procedures. Notwithstanding the foregoing, you may totally suspend your elections at any time.

The Plan Administrator may establish rules regarding the manner in which your elections are made. The rules may also require that certain advance notice be given of any election. Your election regarding Elective Deferrals is only effective for Compensation you will receive in the future. The Plan Administrator may also reduce or totally suspend your election if the Plan Administrator determines that your election may cause the Plan to fail to satisfy any of the requirements of the Internal Revenue Code.

How will my Elective Deferral contributions be invested?

Your Plan account will be invested in accounts selected by the Plan.

For More Information

For more information about 403(b) plans, you may find the IRS publication 571 useful. You can find this publication at <http://www.irs.gov> by searching for "publication 571".

Note: This notice is intended to be a very concise overview of plan features. For a detailed description of plan features, please review the Summary Plan Description or contact the Plan Administrator for more information. The plan features described in this notice are subject to change and in the event of a discrepancy between the legal plan document and this notice (or any other summary of plan features), the plan document shall control.

If you have any questions about how the Plan works or your rights and obligations under the Plan, or if you would like a copy of the Plan's Summary Plan Description or other Plan documents, please contact the Plan Administrator at:

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V4.02-4.02