

LINCOLN PUBLIC SCHOOLS

HR Bulletin #11 (Revised March 3, 2009)

To: All Employees
From: Kyla Jensby, Employee Benefits Specialist
Date: March 3, 2009
RE: DIRECTIVE ON DISTRIBUTIONS FROM THE LINCOLN PUBLIC SCHOOLS ELECTIVE 403(b) RETIREMENT PLAN FOR EMPLOYEES TERMINATING EMPLOYMENT BEFORE ATTAINING AGE 59-1/2

The Lincoln Public Schools Elective 403(b) Retirement Plan (Elective 403(b) Plan) effective January 1, 2009 in Section 5.1, Benefit Distributions at Severance From Employment or Other Distribution Event, provides that distributions from a participant's account may not be made earlier than the earliest of the date on which the participant has a severance from employment, dies, becomes disabled or attains age 59-1/2. Exceptions are permitted for withdrawals of amounts rolled over into the Plan under Section 5.6 Rollover Distributions, or Section 5.5 Hardship Withdrawals. Under and pursuant to Section 5.1 with regards to "severance from employment", the District hereby decides, determines and declares that an employee terminating employment with the District before attaining age 59-1/2 may reapply for employment with the District subject to the following rules.

Rule #1 – Former employee is also a participant in the Lincoln Public Schools Nonelective 403(b) Retirement Plan

- If the former employee is also a participant in the Lincoln Public Schools Nonelective 403(b) Retirement Plan, the requirements contained within Human Resources Bulletin #10 apply and the Rules 2-4 below do not apply.

Rule #2 – No Elective 403(b) Plan Distribution Received By Former Employee

- If a former employee has not received a distribution from the Elective 403(b) Plan following termination of employment with the District, the employee may reapply for employment.

Rule #3 - Elective 403(b) Plan Distribution Received by Former Employee Within Ninety Day Period Following Termination of Employment

- If a former employee received a distribution from the Elective 403(b) Plan within the ninety day period following the former employee's termination of employment; the former employee may reapply for employment; if, a period of at least ninety days has elapsed since the former employee's last distribution from the Elective 403(b) Plan within the ninety day period.

Rule #4 – Elective 403(b) Plan Distribution Received by Former Employee After Ninety Day Period Following Termination of Employment

- If a former employee did not receive a distribution from the Elective 403(b) Plan within the ninety day period following the former employee's termination of employment; and, the former employee received a distribution from the Elective 403(b) Plan after the ninety day period following the former employee's termination of employment with the District; the former employee may reapply for employment.