EMI USA Policy Manual

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1. **ALCOHOL**
   The consumption of alcohol on the premises of EMI is strictly prohibited.

2. **COMPUTERS**
   EMI provides a computer for all employees. Employees must use and maintain these computers to the best of their abilities. EMI assigned computers should be used for the purposes of the ministry of EMI. Employees should not use the computers for personal, other professional, or recreations purposes that jeopardize or compromise the computers functionality.

3. **DRESS CODE**
   The office dress attire is Business Casual. The following items are prohibited: shorts, ragged jeans, t-shirts, flip-flops, open toed shoes for men, or teva type shoes. Ladies must dress modestly. The following items are prohibited: tight fitted outfits, translucent clothing, mini skirts or outfits that expose the mid-drift.

4. **OFFICE ETIQUETTE**
   The office of EMI Colorado Springs is an open work environment that often receives visitors. EMI employees should conduct themselves in a professional and Christ like manner at all times.

   Because we are in an open office environment our actions and habits do impact the work of others. At all times employees and interns of EMI should be aware that extended and loud conversations, listening to music (including loud music through earphones) tapping, hitting and whistling impact the ability of others to work effectively. Therefore refrain from such is polite and required.

5. **OFFICE HOURS**
   A. EMI’s business hours are Monday through Thursday 8:30 a.m. to 5:00 p.m. each week. We begin work on Friday’s with staff devotions at 8:30 a.m. We may occasionally close due to inclement weather or other emergencies. All employees and interns are expected to be in the office during this time unless they are on a specific assignment or prior approval has been obtained. These hours are not burdensome but are set to allow workers / ministers to balance the other aspects of their lives, such as family, church, support raising, etc.

   B. Full-time work is based on a minimum of 1800 productive hours / year for staff and 40 hours per week for paid employees. This amount takes into consideration adequate time for vacation, holidays, sickness, personal time, family time and extended family time / situations.
C. EMI hours include the following:
   1. Time at the office working on EMI assignments
   2. Project travel time: up to 8 hours/24-hr day
   3. Project time in foreign country: amount of time actually worked
   4. Approved special events travel time: up to 8 hours / 24-hr day
   5. Approved special events time: amount of time actually worked
   6. Up to 5% of time per year for personal support raising.
   7. Time spent ministering the gospel, including EMI assigned preaching and representing EMI at special approved events. Special events must be pre approved by your supervisor.
   8. Assigned Language and Cultural Training as approved by your supervisor.

D. Hours that should not be included on EMI timesheets:
   1. Time spent in personal prayer and bible study
   2. Lunch hour or exercise time
   3. Any time spent in outside work or consulting
   4. Any time involved in personal or family ministry, including teaching Sunday school, fellowships, church meetings and / or special events not approved by supervisors as being for the purpose of promoting EMI, etc.
   5. Non-approved language / culture study (for example stateside language study prior to employment or unapproved locations for such study).

E. HOLIDAYS. The EMI office will be closed on the following holidays. Part time employees get a prorated amount of holiday leave.

   1. New Year's Day
   2. Good Friday
   3. Memorial Day
   4. Independence Day
   5. Labor Day
   6. Thanksgiving Day
   7. Christmas Day

F. UNABLE TO REPORT, DELAYED ARRIVAL OR EARLY DEPARTURE. If an employee is unable to report for work, are delayed in arriving or must leave early due to weather related matters, they must notify their supervisor by 9 a.m. or prior to early departure.

G. OFFICE CLOSES EARLY. Should the office close during the workday; only those employees who reported for work will be paid for any hours remaining in their regularly scheduled day. This pay will not be deducted from their vacation or sick pay. All hourly employees affected by this adjustment must note their hours accordingly on their time card. Hours paid, as “Office Closure Pay” will not count
toward 40 hours worked per week for calculating overtime. Vacation or sick leave
days that fall on an office closure day will be paid as “Office Closure pay.”

H. OFFICES ARE CLOSED. If EMI must close during all or a portion of a regular work day,
all those scheduled to work will be paid for their regularly scheduled hours, as “Office
Closure Pay.” This pay will not be deducted from their vacation or sick pay.

I. OFFICE CLOSURE. Office closure follows District 11 and / or 20 School Closure.
1. If Colorado Springs School District 11 and / or 20 is closed the office is closed.
2. If either one of District 11 or District 20 has a two hour delay then staff meetings
   including Wednesday Morning staff meetings / events will also be delayed
   accordingly.
3. Morning prayer will always take place at 8:30 a.m. for those able to attend.

J. PERSONAL RESPONSIBILITY. In any of the above situations, it is ultimately the
employee responsibility to use wisdom and common sense when determining
whether or not it is safe for them to travel.

K. PERSONAL/SICK DAYS. Personal/sick days for paid employees will be 4 days per year
for full time employees and prorated for part time employees. Personal/sick days are
for use in a given calendar year and cannot be carried over. Notification for time
away due to sickness should be given by 9:00 a.m. on the day of sickness.

L. VACATIONS. Vacation time for paid employees will be 10 days per year for full time
employees and prorated for part time employees. Vacation time is for use in a given
calendar year and cannot be carried over. Vacations should be requested at least one
month in advance and are subject to approval by the employee’s supervisor. Within
the year, any time in addition to the 1800 hours required can be used by the
individual, with prior approval. This includes time for extended sickness, personal
affairs, support raising, vacations, etc.

6. PARKING
Free parking provided at First Presbyterian Church. Located 2 blocks east of the office on
Weber Street.

7. PAYROLL
EMI employees are paid monthly on the last workday of the month. Employer portion of
Medicare and Social Security taxes will be paid out of the employee’s support account.
8. PRINTING & SUPPLY COSTS FOR PERSONAL USE
Color printing $0.20 per side (support cards are two sided, thus $0.40 per sheet)
B/W printing $0.10 per side
Return envelopes $0.10 per envelope
Blue brochures $0.10 per brochure (if taking for personal/support use... free for EMI corporate promotional use)
Photos $1.00 per 8.5 x 11 print
$1.50 per 11 x 17 print
Plotter $2.00 per sheet

All prices include the cost of the paper. Report total cost of items used to the Director of Finance via email. Director of Finance will deduct the amount out of the individual’s support account.

9. SOCIAL SECURITY
All Licensed or Ordained Workers of the Gospel (ministers) pay Social Security and Medicare taxes as self-employed individuals (SECA). For income tax purposes, they may request that EMI withhold and pay their taxes.

A. If Employees Opt Out Of Social Security
1. Employee does not have to pay Social Security.
2. Employee may opt to pay their income tax on their own by quarter, or they may opt to have it withheld from their paycheck. In order for the EMI employee to be exempt from Social Security / Medicare tax withholding on his / her paycheck, the employee must have all documentation required by the IRS / from the IRS showing exempt status. (see section 3.11). The employee should submit an approved IRS Form 4361, and a copy for file, to the Finance Department to verify exempt status. Inform the Director of Finance. (see section 2.2 F Ministers)

B. If Employees Do Not Opt Out Of Social Security
1. Employees may pay their Social Security quarterly on their own. The cost of paying your Social Security tax is reimbursable from the individual’s support account but is not exempt from income tax. Or they may request in writing to the Finance Department that their Federal withholding be increased to cover the amount of their Social Security / Medicare tax.
2. Employee may opt to pay their income tax on their own by quarter, or they may opt to have it withheld from their check. Inform the Director of Finance.

C. Housing allowances
Housing allowances for employees who are licensed or ordained ministers must be approved by the Board of Trustees and reflected in the minutes of the Board. It is the responsibility of the employee to report current housing allowance before the Board for annual review. The housing allowance is exempt from Federal & State taxes, but is not
exempt from Social Security and Medicare taxes. The licensed minister is responsible for the method by which they pay their taxes. This should be done in a timely and accurate manner.

Housing allowance should include all expenses for maintaining residence: house payment, utilities, improvements, insurance and furnishings: but not food or clothing. Each employee requesting housing allowance should submit, annually, a work sheet (ECFA approved) showing anticipated expenses and/or fair market rental value; selecting the lesser of the two. In the case of an audit the burden of proof lies with the employee to show receipts for the expenses.

This amount is set on an annual basis and therefore cannot be changed to account for unanticipated expenses. Plan ahead, be conservative, and do not ask for more than what is actually spent.

Housing allowances will be approved up to recast annual compensation times 40% divided by 12 months to determine a monthly maximum (housing allowance is based on 40% of surveyed total compensation for ministers in a role similar to the EMI employee requesting housing the allowance).

10. TELEPHONE
Each employee should use a calling card or cell phone for personal long distance calls. If not, employees should reimburse EMI $0.05 per minute used.

1. Remote Access
To access voice mail from outside the office, use the following procedure:
   a. Call EMI at 633-2078.
   b. When the main welcome greeting comes on, press 9, then the three-digit extension (example: 9108)
   c. The voice mail prompt will come on, enter your security code and then access voice mail as normal.

2. International Phone Calls
When making an international call from any office phone:
   a. Press 'Redial' button, then the numbers '01'. This will automatically dial the calling card and enter the PIN number.
   b. When prompted, enter the number you would like to call. For most countries (except Canada), you will have to dial 011, then the country code (3-digits), then the number.
   c. These instructions are stored in the EMI Contacts under 'EMI International Calling Card'
   d. Problems, contact the Administrator.
To dial internationally from outside the office:
   a. Dial the Access number: 1-800-460-5019
   b. Enter the Pin # 7839-167-6379
   c. Listen for the dial tone.
   d. Enter the phone number starting with international call code of: 011-
   e. The operator will inform you of how many minutes are left on the calling card for
      the number you dialed.

11. TIMESHEETS
A. Timesheets must be submitted before any wage is paid. The timesheet must include
   specifics of the project worked on and the number of hours served. If the work is not
   clearly understood by supervisors and management, an explanation needs to accompany
   the timesheet explaining the project or work that was accomplished. This work must be
   in keeping with the vision and mission of EMI as stated in the EMI International Policy
   Manual.

B. Less than full-time service will be paid on a pro-rated basis. In unusual cases, the Board of
   Trustees may allow for maximum compensation based upon the value of volunteer
   hours.

C. EMI uses electronic timesheets that are maintained by each overseas office director and
   consolidated at the end of each quarter and fiscal year. These timesheets are used to
   record the value of design services donated to missionaries. It also ensures employees
   meet required time commitment. Please make sure timesheets are accurate.

   1. Record hours spent on applicable categories for each day:
      a. Record all times in decimal form and round to the nearest quarter of an hour,
         i.e. if 1 hour and 10 minutes is spent on a project record 1.25 hours.

      b. Most time will be allotted to projects. Record all time working on projects to
         the respective project number.

      c. The Program / Ministry row is for general items that do not fit under the other
         rows. This will include such things as office prayer/chapel/devotion time, EMI
         group bible study, etc, and any other work that does not have a project number
         or fit in any other category. Do NOT break out these miscellaneous items on
         separate row - instead lump them together in the Program / Ministry Row.

      d. For time “overseas / on a project trip”, record each day in country (including
         Saturday and Sunday and travel days) on the project row, and write “In
         Country” along the “In” row.
f. Occasionally, time will be spent on general EMI administrative tasks such as fundraising, IT, administration, finance, and EMI publications.

g. The Support category is for staff or employees raising individual support only. Time spent speaking at home church networks is support raising time and not EMI program ministry time unless such events are specifically approved by your supervisor.

2. Record daily office arrival time and departure time in the “In” and “Out” rows. In the “Lunch” row record any time between the “In” and “Out” time that was not spent on EMI work. Include in this any time for lunch, personal support raising, personal phone calls, etc. that take place throughout the day.

3. Supervisors review and approve timesheet.

12. WORKERS' COMPENSATION INSURANCE
EMI provides Workers' Compensation benefits for Colorado Springs employees in the event of job-related illness or injury.

If an employee is injured on the job or if they contract an occupational disease, they must immediately report the injury or condition to their supervisor. Also, it is the employee’s responsibility to report to the Human Resources Department any job related injury or illness and complete the required forms. Failure to report within 4 days after an injury or within 30 days after the first distinct manifestation of the occupational disease may result in reduced workers' compensation benefits.

In a memo dated, February 1, 2005, EMI has designated a medical provider for work-related injuries and illnesses. Effective immediately, all employees must obtain treatment of work-related injuries and illnesses from:

Dr. Richard DiAsio
625 N. Cascade, Suite 215, Colorado Springs, CO 80903
(719) 633-2181

In the event of a life or limb-threatening emergency, the insured employee will be sent to the nearest emergency facility. Follow-up care must be provided by the medical provider designated above.

In the event of a non-emergency, after hours injury, the provider should be called at Memorial Hospital After Hours Clinic at 365-2888 for access information or treatment instructions.
If an employee is treated by an unauthorized medical provider, the employee will be responsible for payment of said treatment.

13. LEAVE OF ABSENCE
In order to recognize the importance of The Family and Medical Leave Act (FMLA), EMI provides a leave of absence (LOA) benefit.

A. Requests
Full-time and part-time employees are eligible for leaves of absence. Employees must, whenever foreseeable, request a LOA for any circumstances that will require an absence longer than two weeks. Whenever reasonable, all requests for LOA must be in writing and must be approved by the employee’s supervisor and CEO.

B. Benefits
A LOA may be paid or unpaid, depending on the amount of vacation and sick leave available and the policy governing that particular type of leave.

C. Documentation Requirements
All leaves of absence must be documented on timesheets and personnel file of the employee. To the extent that the Family Medical Leave Act applies, if a leave of absence (paid or unpaid) is taken for any of the following reasons, it shall count as a FMLA Leave:

1. The need to care for a spouse, child or parent with a serious health condition,
2. The inability to work because of a serious health condition, and/or
3. The birth or adoption of a child.

Some of the leaves described in this section may be taken on an intermittent basis. In the case of the birth or adoption of a child, the approval of the CEO is required before intermittent leave may be taken. In the other two cases listed above, only proof of medical necessity is required and a reasonable effort to accommodate the employer's schedule requirements.

When an employee is taking a leave of absence or sick leave for any of the above reasons, whether taken on a continuous basis or an intermittent basis, the employee must alert the supervisor by noting "LOA" on the leave of absence request and/or the employee’s timesheet.

At any time during a Medical or Maternity Leave of Absence, EMI may require a physician’s verification of condition.
D. Return to Work
EMI may also require a physician’s verification of the employee’s ability to return to work after any leave of absence.

E. Medical/Maternity Leave
Medical / Maternity leave includes vacation time, followed by leave without pay, and may be granted to an employee who plans to return to work after an illness or injury or after the birth of a child, where the length of the leave is greater than 2 weeks.

Medical / Maternity leave that is used for maternity purposes may begin at any time during a pregnancy if recommended by the physician. The employee must notify their supervisor in writing as early as possible of the expected LOA dates. In maternity situations, Medical / Maternity leave may only be used for the period of physical disability associated with pregnancy or childbirth. After a woman is physically able to return to work, she may request Personal / Parental leave time, not to exceed 6 months.

The duration of leave is based on the physician’s advice and may be extended with additional physician statements; however it may not extend longer than 3 months. The employee is guaranteed return to the same or similar job for 3 months. After 1 month of leave, a doctor’s signed statement is required to continue the leave. A doctor’s signed statement is also required before the employee may return to work. EMI reserves the right to request periodic medical certifications during the leave.

F. Personal/Parental Leave
Personal / Parental leave of absence may be granted at the CEO’s discretion for essential personal business exceeding ten working days. The CEO may grant up to a 3 month job guarantee during a Personal / Parental leave unless the leave is requested because the employee has entered or is recalled to, active military duty, in which case EMI will comply with the provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA). The employee must use vacation and sick leave for the personal leave unless or until their vacation and sick leave bank is depleted, then unpaid time must be taken.

Personal / Parental leave may also be requested to care for a spouse, parent, or children of any age with a serious health condition, or to help a family adjust to the presence of a newborn or adopted child (including foster care). The employee is guaranteed return to the same or similar job for up to 1 month. This time must be scheduled with their immediate supervisor and CEO in advance.

G. Termination During Leave
Employees may be terminated from LOA status for the following reasons:

1. Failure to be present on the first day of work after the leave has expired,
2. Falsification of documents to gain LOA,
3. Failure to provide certification of medical condition from a designated medical provider when requested.
4. Any other reason for dismissal.

14. PENSION PLAN

A. Definition of Terms Used. The following words and terms, when used in the Plan, have the meaning set forth below.
   (a) "Account": The account or accumulation maintained for the benefit of any Participant or Beneficiary under a Custodial Account.
   (b) "Account Balance": The bookkeeping account maintained for each Participant which reflects the aggregate amount credited to the Participant’s Account under all Accounts, including the Participant’s Elective Deferrals, the earnings or loss of a Custodial Account (net of expenses) allocable to the Participant, any transfers for the Participant’s benefit, and any distribution made to the Participant or the Participant’s Beneficiary. The Account Balance includes any account established under Section 6 for rollover contributions and plan-to-plan transfers made for a Participant, the account established for a Beneficiary after a Participant’s death, and any account or accounts established for an alternate payee (as defined in section 414(p)(8) of the Code).
   (c) "Administrator": Appointed by EMI’s CEO
   (d) "Beneficiary": The designated person who is entitled to receive benefits under the Plan after the death of a Participant, subject to such additional rules as may be set forth in the Individual Agreements.
   (e) "Custodial Account": The group or individual custodial account or accounts, as defined in section 403(b)(7) of the Code, established for each Participant by the Employer, or by each Participant individually, to hold assets of the Plan.
   (f) "Code": The Internal Revenue Code of 1986, as now in effect or as hereafter amended. All citations to sections of the Code are to such sections as they may from time to time be amended or renumbered.
   (g) "Compensation": All cash compensation for services to the Employer, including salary, wages, fees, commissions, bonuses, and overtime pay, that is includible in the Employee's gross income for the calendar year, plus amounts that would be cash compensation for services to the Employer includible in the Employee's gross income for the calendar year but for a compensation reduction election under section 125, 132(f), 401(k), 403(b), or 457(b) of the Code (including an election under Section 2 made to reduce compensation in order to have Elective Deferrals under the Plan).
   (h) "Employee": Each individual, whether appointed or elected, who is a common law employee of the Employer performing services for a public school as an employee of the Employer. This definition is not applicable unless the employee’s compensation for performing services is paid by the Employer.
(i) "Employer": Engineering Ministries International (EMI)
(j) "Funding Vehicles ": The Custodial Accounts issued for funding amounts held under the Plan and specifically approved by Employer for use under the Plan.
(k) "Includible Compensation": An Employee’s actual wages in box 1 of Form W-2 for a year for services to the Employer, but subject to a maximum of $200,000 (or such higher maximum as may apply under section 401(a)(17) of the Code) and increased (up to the dollar maximum) by any compensation reduction election under section 125, 132(f), 401(k), 403(b), or 457(b) of the Code (including any Elective Deferral under the Plan). The amount of Includible Compensation is determined without regard to any community property laws.
(l) "Individual Agreement": The agreements between a Vendor and the Employer or a Participant that constitutes or governs a Custodial Account or an Annuity Contract.
(m) "Participant": An individual for whom Elective Deferrals are currently being made, or for whom Elective Deferrals have previously been made, under the Plan and who has not received a distribution of his or her entire benefit under the Plan.
(n) "Plan": EMI Retirement Plan.
(o) “Plan year”: The calendar year.
(p) “Severance from Employment”: For purpose of the Plan, Severance from Employment means Severance from Employment with the Employer.
(q) “Vendor": The provider of a Custodial Account.
(r) "Valuation Date": Each December 31.

B. Participation and Contributions
(a) Eligibility. Each Employee shall be eligible to participate in the Plan and elect to have Elective Deferrals made on his or her behalf hereunder immediately upon becoming employed by the Employer. However, an Employee works fewer than 20 hours per week is not eligible to participate in the Plan. An Employee normally works fewer than 20 hours per week if, for the 12-month period beginning on the date the employee’s employment commenced, the Employer reasonably expects the Employee to work fewer than 1,000 hours of service (as defined under section 410(a)(3)(C) of the Code) and, for each plan year ending after the close of that 12-month period, the Employee has worked fewer than 1,000 hours of service.
(b) Compensation Reduction Election. An Employee elects to become a Participant by executing an election to reduce his or her Compensation (and have that amount contributed as an Elective Deferral on his or her behalf) and filing it with the Administrator. This Compensation reduction election shall be made on the agreement provided by the Administrator under which the Employee agrees to be bound by all the terms and conditions of the Plan. The Administrator may establish an annual minimum deferral amount and may change such minimum to a lower amount from time to time. The participation election shall also include designation of the Funding Vehicles and Accounts therein to which Elective Deferrals are to be made and a designation of Beneficiary. Any such election shall remain in effect until a new
election is filed. Only an individual who performs services for the Employer as an Employee may reduce his or her Compensation under the Plan. Each Employee will become a Participant in accordance with the terms and conditions of the Individual Agreements. All Elective Deferrals shall be made on a pre-tax basis. An Employee shall become a Participant as soon as administratively practicable following the date applicable under the employee’s election.

(c) Information Provided by the Employee. Each Employee enrolling in the Plan should provide to the Administrator at the time of initial enrollment, and later if there are any changes, any information necessary or advisable for the Administrator to administer the Plan, including any information required under the Individual Agreements.

(d) Change in Elective Deferrals Election. Subject to the provisions of the applicable Individual Agreements, an Employee may at any time revise his or her participation election, including a change of the amount of his or her Elective Deferrals, his or her investment direction, and his or her designated Beneficiary. A change in the investment direction shall take effect as of the date provided by the Administrator on a uniform basis for all Employees. A change in the Beneficiary designation shall take effect when the election is accepted by the Vendor.

(e) Contributions Made Promptly. Elective Deferrals under the Plan shall be transferred to the applicable Funding Vehicle within 15 business days following the end of the month in which the amount would otherwise have been paid to the Participant.

C. Limitations on Amounts Deferred

(a) Basic Annual Limitation. Except as provided in Sections 3.2 and 3.3, the maximum amount of the Elective Deferral under the Plan for any calendar year shall not exceed the lesser of (a) the applicable dollar amount or (b) the Participant’s Includible Compensation for the calendar year. The applicable dollar amount is the amount established under section 402(g)(1)(B) of the Code, which is $15,500 for 2007, and is adjusted for cost-of-living after 2007 to the extent provided under section 415(d) of the Code.

(b) Age 50 Catch-up Elective Deferral Contributions. An Employee who is a Participant who will attain age 50 or more by the end of the calendar year is permitted to elect an additional amount of Elective Deferrals, up to the maximum age 50 catch-up Elective Deferrals for the year. The maximum dollar amount of the age 50 catch-up Elective Deferrals for a year is $5,000 for 2007, and is adjusted for cost-of-living after 2007 to the extent provided under the Code.

(c) Coordination. Amounts in excess of the limitation set forth in Section 3.1 shall be allocated first to the special 403(b) catch-up under Section 3.2 and next as an age 50 catch-up contribution under Section 3.3. However, in no event can the amount of the Elective Deferrals for a year be more than the Participant’s Compensation for the year.
(d) Special Rule for a Participant Covered by Another Section 403(b) Plan. For purposes of this Section 3, if the Participant is or has been a participant in one or more other plans under section 403(b) of the Code (and any other plan that permits elective deferrals under section 402(g) of the Code), then this Plan and all such other plans shall be considered as one plan for purposes of applying the foregoing limitations of this Section 3. For this purpose, the Administrator shall take into account any other such plan maintained by any Related Employer and shall also take into account any other such plan for which the Administrator receives from the Participant sufficient information concerning his or her participation in such other plan. Notwithstanding the foregoing, another plan maintained by a Related Entity shall be taken into account for purposes of Section 3.2 only if the other plan is a § 403(b) plan.

(e) Correction of Excess Elective Deferrals. If the Elective Deferral on behalf of a Participant for any calendar year exceeds the limitations described above, or the elective Deferral on behalf of a Participant for any calendar year exceeds the limitations described above when combined with other amounts deferred by the Participant under another plan of the employer under section 403(b) of the Code (and any other plan that permits elective deferrals under section 402(g) of the Code for which the Participant provides information that is accepted by the Administrator), then the Elective Deferral, to the extent in excess of the applicable limitation (adjusted for any income or loss in value, if any, allocable thereto), shall be distributed to the Participant.

D. Loans

(a) Loans. Loans shall be permitted under the Plan to the extent permitted by the Individual Agreements controlling the Account assets from which the loan is made and by which the loan will be secured.

(b) Information Coordination Concerning Loans. Each Vendor is responsible for all information reporting and tax withholding required by applicable federal and state law in connection with distributions and loans.

E. Benefit Distributions

(a) Benefit Distributions At Severance from Employment or Other Distribution Event. Except as permitted under Section 3.6 (relating to excess Elective Deferrals), Section 5.4 (relating to withdrawals of amounts rolled over into the Plan), Section 5.5 (relating to hardship), or Section 8.3 (relating to termination of the Plan), distributions from a Participant’s Account may not be made earlier than the earliest of the date on which the Participation has a Severance from Employment, dies, becomes Disabled, or attains age 59½. Distributions shall otherwise be made in accordance with the terms of the Individual Agreements.

(b) Minimum Distributions. Each Individual Agreement shall comply with the minimum distribution requirements of section 401(a)(9) of the Code and the regulations thereunder. For purposes of applying the distribution rules of section 401(a)(9) of the Code, each Individual Agreement is treated as an individual
retirement account (IRA) and distributions shall be made in accordance with the provisions of § 1.408-8 of the Income Tax Regulations, except as provided in § 1.403(b)-6(e) of the Income Tax Regulations.

(c) Hardship Withdrawals. Hardship withdrawals shall be permitted under the Plan to the extent permitted by the Individual Agreements controlling the Account assets to be withdrawn to satisfy the hardship. The Individual Agreements shall provide for the exchange of information among the Employer and the Vendors to the extent necessary to implement the Individual Agreements, including, in the case of a hardship withdrawal that is automatically deemed to be necessary to satisfy the Participant's financial need (pursuant to § 1.401(k)-1(d)(3)(iv)(E) of the Income Tax Regulations), the Vendor notifying the Employer of the withdrawal in order for the Employer to implement the resulting 6-month suspension of the Participant's right to make Elective Deferrals under the Plan. In addition, in the case of a hardship withdrawal that is not automatically deemed to be necessary to satisfy the financial need (pursuant to § 1.401(k)-1(d)(3)(iii)(B) of the Income Tax Regulations), the Vendor shall obtain information from the Employer or other Vendors to determine the amount of any plan loans and rollover accounts that are available to the Participant under the Plan to satisfy the financial need.

(d) Rollover Distributions. (a) A Participant or the Beneficiary of a deceased Participant (or a Participant’s spouse or former spouse who is an alternate payee under a domestic relations order, as defined in section 414(p) of the Code) who is entitled to an eligible rollover distribution may elect to have any portion of an eligible rollover distribution (as defined in section 402(c)(4) of the Code) from the Plan paid directly to an eligible retirement plan (as defined in section 402(c)(8)(B) of the Code) specified by the Participant in a direct rollover. In the case of a distribution to a Beneficiary who at the time of the Participant’s death was neither the spouse of the Participant nor the spouse or former spouse of the participant who is an alternate payee under a domestic relations order, a direct rollover is payable only to an individual retirement account or individual retirement annuity (IRA) that has been established on behalf of the Beneficiary as an inherited IRA (within the meaning of section 408(d)(3)(C) of the Code). (b) Each Vendor shall be separately responsible for providing, within a reasonable time period before making an initial eligible rollover distribution, an explanation to the Participant of his or her right to elect a direct rollover and the income tax withholding consequences of not electing a direct rollover.

F. Rollovers to the Plan and Transfers
(a) Eligible Rollover Contributions to the Plan.
   a. Eligible Rollover Contributions. To the extent provided in the Individual Agreements, an Employee who is a Participant who is entitled to receive an eligible rollover distribution from another eligible retirement plan may request to have all or a portion of the eligible rollover distribution paid to the Plan. Such rollover contributions shall be made in the form of cash only. The Vendor may require such documentation from the distributing plan as it deems
necessary to effectuate the rollover in accordance with section 402 of the Code and to confirm that such plan is an eligible retirement plan within the meaning of section 402(c)(8)(B) of the Code.

b. Eligible Rollover Distribution. For purposes of Section 6.1(a), an eligible rollover distribution means any distribution of all or any portion of a Participant’s benefit under another eligible retirement plan, except that an eligible rollover distribution does not include (1) any installment payment for a period of 10 years or more, (2) any distribution made as a result of an unforeseeable emergency or other distribution which is made upon hardship of the employee, or (3) for any other distribution, the portion, if any, of the distribution that is a required minimum distribution under section 401(a)(9) of the Code. In addition, an eligible retirement plan means an individual retirement account described in section 408(a) of the Code, an individual retirement annuity described in section 408(b) of the Code, a qualified trust described in section 401(a) of the Code, an annuity plan described in section 403(a) or 403(b) of the Code, or an eligible governmental plan described in section 457(b) of the Code, that accepts the eligible rollover distribution.

G. Investment of Contributions
(a) Manner of Investment. All Elective Deferrals or other amounts contributed to the Plan, all property and rights purchased with such amounts under the Funding Vehicles, and all income attributable to such amounts, property, or rights shall be held and invested in one or more Custodial Accounts. Each Custodial Account shall provide for it to be impossible, prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries, for any part of the assets and income of the Custodial Account to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries.
(b) Investment of Contributions. Each Participant or Beneficiary shall direct the investment of his or her Account among the investment options available under the Custodial Account in accordance with the terms of the Individual Agreements. Transfers among Annuity Contracts and Custodial Accounts may be made to the extent provided in the Individual Agreements and permitted under applicable Income Tax Regulations.
(c) Current and Former Vendors. The Administrator shall maintain a list of all Vendors under the Plan. Such list is hereby incorporated as part of the Plan. Each Vendor and the Administrator shall exchange such information as may be necessary to satisfy section 403(b) of the Code or other requirements of applicable law. In the case of a Vendor which is not eligible to receive Elective Deferrals under the Plan (including a Vendor which has ceased to be a Vendor eligible to receive Elective Deferrals under the Plan and a Vendor holding assets under the Plan in accordance with Section 6.2 or 6.4), the Employer shall keep the Vendor informed of the name and contact information of the Administrator in order to coordinate information necessary to satisfy section 403(b) of the Code or other requirements of applicable law.
H. Amendment and Plan Termination
(a) Termination of Contributions. The Employer has adopted the Plan with the intention and expectation that contributions will be continued indefinitely. However, the Employer has no obligation or liability whatsoever to maintain the Plan for any length of time and may discontinue contributions under the Plan at any time without any liability hereunder for any such discontinuance.
(b) Amendment and Termination. The Employer reserves the authority to amend or terminate this Plan at any time.
(c) Distribution upon Termination of the Plan. The Employer may provide that, in connection with a termination of the Plan and subject to any restrictions contained in the Individual Agreements, all Accounts will be distributed, provided that the Employer and any Related Employer on the date of termination do not make contributions to an alternative section 403(b) contract that is not part of the Plan during the period beginning on the date of plan termination and ending 12 months after the distribution of all assets from the Plan, except as permitted by the Income Tax Regulations.

I. Miscellaneous
(a) Non-Assignability. Except as provided in Section 9.2 and 9.3, the interests of each Participant or Beneficiary under the Plan are not subject to the claims of the Participant's or Beneficiary’s creditors; and neither the Participant nor any Beneficiary shall have any right to sell, assign, transfer, or otherwise convey the right to receive any payments hereunder or any interest under the Plan, which payments and interest are expressly declared to be non-assignable and non-transferable.

J. (b) Domestic Relation Orders. Notwithstanding Section 9.1, if a judgment, decree or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or the marital property rights of a spouse or former spouse, child, or other dependent of a Participant is made pursuant to the domestic relations law of any State (“domestic relations order”), then the amount of the Participant’s Account Balance shall be paid in the manner and to the person or persons so directed in the domestic relations order. Such payment shall be made without regard to whether the Participant is eligible for a distribution of benefits under the Plan. The Administrator shall establish reasonable procedures for determining the status of any such decree or order and for effectuating distribution pursuant to the domestic relations order.
(c) IRS Levy. Notwithstanding Section 9.1, the Administrator may pay from a Participant's or Beneficiary's Account Balance the amount that the Administrator finds is lawfully demanded under a levy issued by the Internal Revenue Service with respect to that Participant or Beneficiary or is sought to be collected by the United States Government under a judgment resulting from an unpaid tax assessment against the Participant or Beneficiary.
(d) Tax Withholding. Contributions to the Plan are subject to applicable employment taxes (including, if applicable, Federal Insurance Contributions Act (FICA) taxes with respect to Elective Deferrals, which constitute wages under section 3121 of the Code).
Any benefit payment made under the Plan is subject to applicable income tax withholding requirements (including section 3401 of the Code and the Employment Tax Regulations thereunder). A payee shall provide such information as the Administrator may need to satisfy income tax withholding obligations, and any other information that may be required by guidance issued under the Code.

(e) Payments to Minors and Incompetents. If a Participant or Beneficiary entitled to receive any benefits hereunder is a minor or is adjudged to be legally incapable of giving valid receipt and discharge for such benefits, or is deemed so by the Administrator, benefits will be paid to such person as the Administrator may designate for the benefit of such Participant or Beneficiary. Such payments shall be considered a payment to such Participant or Beneficiary and shall, to the extent made, be deemed a complete discharge of any liability for such payments under the Plan.

(f) Mistaken Contributions. If any contribution (or any portion of a contribution) is made to the Plan by a good faith mistake of fact, then within one year after the payment of the contribution, and upon receipt in good order of a proper request approved by the Administrator, the amount of the mistaken contribution (adjusted for any income or loss in value, if any, allocable thereto) shall be returned directly to the Participant or, to the extent required or permitted by the Administrator, to the Employer.

(g) Procedure When Distributee Cannot Be Located. The Administrator shall make all reasonable attempts to determine the identity and address of a Participant or a Participant's Beneficiary entitled to benefits under the Plan. For this purpose, a reasonable attempt means (a) the mailing by certified mail of a notice to the last known address shown on EMI's or the Administrator's records, (b) notification sent to the Social Security Administration or the Pension Benefit Guaranty Corporation (under their program to identify payees under retirement plans), and (c) the payee has not responded within 6 months. If the Administrator is unable to locate such a person entitled to benefits hereunder, or if there has been no claim made for such benefits, the funding vehicle shall continue to hold the benefits due such person.

(h) Incorporation of Individual Agreements. The Plan, together with the Individual Agreements, is intended to satisfy the requirements of section 403(b) of the Code and the Income Tax Regulations thereunder. Terms and conditions of the Individual Agreements are hereby incorporated by reference into the Plan, excluding those terms that are inconsistent with the Plan or section 403(b) of the Code.

(i) Governing Law. The Plan will be construed, administered and enforced according to the Code and the laws of the State of Colorado in which the Employer has its principal place of business.

(j) Headings. Headings of the Plan have been inserted for convenience of reference only and are to be ignored in any construction of the provisions hereof.

(k) Gender. Pronouns used in the Plan in the masculine or feminine gender include both genders unless the context clearly indicates otherwise.
14. RECORD RETENTION AND DESTRUCTION POLICY

1) Policy

This Policy represents Engineering Ministries International’s (EMI) policy regarding the retention and disposal of records and the retention and disposal of electronic documents.

2) Administration

Attached as Appendix A is a Record Retention Schedule that is approved as the initial maintenance, retention and disposal schedule for physical records of EMI and the retention and disposal of electronic documents. The administrator is in charge of the administration of this Policy and the implementation of processes and procedures to ensure that the Record Retention Schedule is followed. The administrator is also authorized to: make modifications to the Record Retention Schedule from time to time to ensure that it is in compliance with local, state and federal laws and includes the appropriate document and record categories for EMI; monitor local, state and federal laws affecting record retention; annually review the record retention and disposal program; and monitor compliance with this policy.

3) Suspension of Record Disposal In Event of Litigation or Claims

In the event EMI is served with any subpoena or request for documents or any employee becomes aware of a governmental investigation or audit concerning EMI or the commencement of any litigation against or concerning EMI, such employee shall inform the administrator and any further disposal of documents shall be suspended until shall time as the administrator, with the advice of counsel, determines otherwise. The administrator shall take such steps as is necessary to promptly inform all staff of any suspension in the further disposal of documents.

4) Applicability

This policy applies to all physical records generated in the course of EMI’s operation, including both original documents and reproductions. It also applies to the electronic documents described above.
Appendix A – Record Retention Schedule

The Record Retention Schedule is organized as follows:

SECTION TOPIC
A. Accounting and Finance
B. Contracts
C. Corporate Records
D. Electronic Documents
E. Payroll Documents
F. Personnel Records
G. Property Records
H. Tax Records
I. Contribution Records

The following retention periods apply to both physical and electronic documents. If no physical copy of an electronic document is retained, the means to ‘read’ the electronic document must also be retained.

A. ACCOUNTING AND FINANCE

<table>
<thead>
<tr>
<th>Record Type</th>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable &amp; Accounts Receivable ledgers and schedules</td>
<td>7 years</td>
</tr>
<tr>
<td>Annual Audit Reports and Financial Statements</td>
<td>Permanent</td>
</tr>
<tr>
<td>Annual Audit Records, including work papers and other documents that relate to the audit</td>
<td>7 years after completion of audit</td>
</tr>
<tr>
<td>Bank Statements and Canceled Checks</td>
<td>7 years</td>
</tr>
<tr>
<td>Employee Expense Reports</td>
<td>7 years</td>
</tr>
<tr>
<td>General Ledgers</td>
<td>Permanent</td>
</tr>
<tr>
<td>Notes Receivable ledgers and schedules</td>
<td>7 years</td>
</tr>
<tr>
<td>Investment Records</td>
<td>7 years after sale of investment</td>
</tr>
</tbody>
</table>
B. CONTRACTS

<table>
<thead>
<tr>
<th>Record Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracts and Related Correspondence (including any proposal that resulted in the contract and all other supportive documentation)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 years after expiration or termination</td>
</tr>
</tbody>
</table>

C. CORPORATE RECORDS

<table>
<thead>
<tr>
<th>Record Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Records (minute books, signed minutes of the Board and all committees, corporate seals, articles of incorporation, bylaws, annual corporate reports)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Record Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Licenses and Permits</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent</td>
</tr>
</tbody>
</table>

D. ELECTRONIC DOCUMENTS

- All EMI business-related email and e-documents should be saved in an appropriate location on the server or email folder.

- Staff will not store or transfer EMI-related e-mail or electronic documents on non-work-related computers except as necessary or appropriate for EMI purposes.

- Staff will take care not to send confidential/proprietary EMI information to outside sources.

- Any e-mail or electronic documents that staff deems vital to the performance of their job should be saved in appropriate location or server or email folder and/or printed and stored in the employee’s workspace.

1. Electronic Mail: Not all email needs to be retained, depending on the subject matter.

   - Staff will strive to keep all but an insignificant minority of their e-mail related to business issues.

   - EMI will archive e-mail for six months after the staff has deleted it, after which time the e-mail will be permanently deleted.

2. Electronic Documents: including Microsoft Office Suite and PDF files. Retention also depends on the subject matter.
3. Web Page Files: Internet Cookies

- All workstations: Internet Explorer should be scheduled to delete Internet cookies once per month.

In certain cases a document will be maintained in both paper and electronic form. In such cases the official document will be the paper document.

E. PAYROLL DOCUMENTS

<table>
<thead>
<tr>
<th>Record Type</th>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Deduction Authorizations</td>
<td>4 years after termination</td>
</tr>
<tr>
<td>Payroll Deductions</td>
<td>Termination + 7 years</td>
</tr>
<tr>
<td>W-2 and W-4 Forms</td>
<td>Termination + 7 years</td>
</tr>
<tr>
<td>Garnishments, Assignments, Attachments</td>
<td>Termination + 7 years</td>
</tr>
<tr>
<td>Payroll Registers (gross and net)</td>
<td>7 years</td>
</tr>
<tr>
<td>Time Cards/Sheets</td>
<td>2 years</td>
</tr>
<tr>
<td>Unclaimed Wage Records</td>
<td>6 years</td>
</tr>
</tbody>
</table>

F. PERSONNEL RECORDS

<table>
<thead>
<tr>
<th>Record Type</th>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commissions/Bonuses/Incentives/Awards</td>
<td>7 years</td>
</tr>
<tr>
<td>Employee Earnings Records</td>
<td>Separation + 7 years</td>
</tr>
<tr>
<td>Employee Handbooks</td>
<td>1 copy kept permanently</td>
</tr>
<tr>
<td>Employee Personnel Records (including individual attendance records, job or</td>
<td>6 years after separation</td>
</tr>
<tr>
<td>status change records, performance evaluations, termination papers,</td>
<td></td>
</tr>
<tr>
<td>withholding information, garnishments, test results, training and</td>
<td></td>
</tr>
<tr>
<td>qualification records)</td>
<td></td>
</tr>
<tr>
<td>Employment Contracts – Individual</td>
<td>7 years after separation</td>
</tr>
<tr>
<td>Record Type</td>
<td>Retention Period</td>
</tr>
<tr>
<td>-------------</td>
<td>------------------</td>
</tr>
<tr>
<td>Employment Records - Correspondence with Employment Agencies and Advertisements for Job Openings</td>
<td>3 years from date of hiring decision</td>
</tr>
<tr>
<td>Employment Records - All Non-Hired Applicants (including all applications and resumes - whether solicited or unsolicited, results of post-offer, pre-employment physicals, results of background investigations, if any, related correspondence)</td>
<td>2-4 years (4 years if file contains any correspondence which might be construed as an offer)</td>
</tr>
<tr>
<td>Job Descriptions</td>
<td>3 years after superseded</td>
</tr>
<tr>
<td>Personnel Count Records</td>
<td>3 years</td>
</tr>
<tr>
<td>Forms I-9</td>
<td>3 years after hiring, or 1 year after separation if later</td>
</tr>
</tbody>
</table>

**G. PROPERTY RECORDS**

<table>
<thead>
<tr>
<th>Record Type</th>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Correspondence, Property Deeds, Assessments, Licenses, Rights of Way</td>
<td>Permanent</td>
</tr>
<tr>
<td>Property Insurance Policies</td>
<td>Permanent</td>
</tr>
</tbody>
</table>

**H. TAX RECORDS**

<table>
<thead>
<tr>
<th>Record Type</th>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax-Exemption Documents and Related Correspondence</td>
<td>Permanent</td>
</tr>
<tr>
<td>IRS Rulings</td>
<td>Permanent</td>
</tr>
<tr>
<td>Excise Tax Records</td>
<td>7 years</td>
</tr>
<tr>
<td>Payroll Tax Records</td>
<td>7 years</td>
</tr>
<tr>
<td>Tax Bills, Receipts, Statements</td>
<td>7 years</td>
</tr>
<tr>
<td>Tax Returns - Income, Franchise, Property</td>
<td>Permanent</td>
</tr>
<tr>
<td>Tax Workpaper Packages – Originals</td>
<td>7 years</td>
</tr>
<tr>
<td><strong>Record Type</strong></td>
<td><strong>Retention Period</strong></td>
</tr>
<tr>
<td>-----------------------------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>Sales/Use Tax Records</td>
<td>7 years</td>
</tr>
<tr>
<td>Annual Information Returns - Federal and State</td>
<td>Permanent</td>
</tr>
<tr>
<td>IRS or other Government Audit Records</td>
<td>Permanent</td>
</tr>
</tbody>
</table>

I. **CONTRIBUTION RECORDS**

<table>
<thead>
<tr>
<th><strong>Record Type</strong></th>
<th><strong>Retention Period</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Records of Contributions</td>
<td>Permanent</td>
</tr>
<tr>
<td>Documents evidencing terms, conditions or restrictions on gifts</td>
<td>Permanent</td>
</tr>
</tbody>
</table>