

SERVICE AGREEMENT

This Service Agreement (“Agreement”) is entered into this «servicedate» by and between «Company» (“Employer”) and NH Hicks with respect to the «Planname» (“Plan”). For all purposes of the Agreement, the “Employer” is the “Plan Sponsor”, and the Plan Sponsor is deemed to be the Plan Administrator unless specified otherwise.

1. NH HICKS Administrative Functions. In consideration for the fees to be paid to NH Hicks pursuant to NH Hicks fee schedule as in effect from time to time, NH Hicks agrees to perform the following administrative functions for the Plan Administrator:

- 1.1 Preparation of Plan Documents (including Summary Plan Description) for approval by the Employer;
- 1.2 Preparation of materials containing information required to be communicated to employee/participants;
- 1.3 Application of the rules for determining eligibility for participation in or benefits under the Plan;
- 1.4 Maintenance of the service and employment records of the Plan's participants based upon information supplied annually by the Employer;
- 1.5 Preparation of reports required by Federal and State governmental agencies for review, execution and filing by the designated officers of the Employer;
- 1.6 Calculation of Plan benefits for the review and ultimate approval of the Employer;
- 1.7 Preparation of reports concerning the benefits of Plan participants;
- 1.8 Orientation and education of new Plan participants as to their benefits and options under the Plan, provided that such discussion and instructions shall not include the rendering of any legal advice or opinions in regard to either the Employer's obligation or plan participants' rights under the Plan;
- 1.9 Correspondence work with the IRS, DOL or other governmental agencies regarding plan audits or inquiries. Any time spent over two hours will be charged at current hourly rate of \$200.00.

2. NH Hicks Obligations. In performing the services described in Section 1 above and in consideration for the fees paid, it is understood and acknowledged by and among NH Hicks, the Plan Administrator and Employer that:

- 2.1 Neither this nor any other agreement shall relieve employer, the Plan Administrator, the Trustees of the Employer's Retirement Trust, other designated Fiduciaries or other responsible persons providing services to the Plan of any of the responsibilities or liabilities imposed by the Employee Retirement Income Security Act of 1974 ("ERISA") and the Internal Revenue Code of 1954, as amended from time to time.
- 2.2 NH Hicks will act in all matters only upon the express written direction of the Plan Administrator or the Trustees of the Retirement Trust and will at no time exercise any discretion or independent authority with respect to the performance of the Administrative services described in this Agreement, no such independent authority or discretionary rights having been granted to NH Hicks by the Employer, the Plan Administrator, or the Trustees of the Retirement Trust under this or any other agreement.
- 2.3 NH Hicks shall not at any time under this Agreement or otherwise act in any capacity that is or may be construed as that of a fiduciary or investment counselor to the Employer's Retirement Plan or Trust.
- 2.4 The Employer and the Plan Administrator, and each of them, agree to indemnify, defend and hold NH Hicks harmless from all liability for any Federal, State or other taxes which may be imposed upon Employer, any participant under the Plan or upon any third party acting in any capacity in connection with the Employer's Retirement Plan. Furthermore, it is agreed that NH Hicks shall not have any duty to question any action or direction of the Employer, the Trustees of Employer's Retirement Trust, the Plan Administrator or any agent or employee of these parties. Notwithstanding the preceding sentence, if any party to this Agreement or any governmental agency attempts to impose liability upon NH Hicks based upon a duty to question such actions, the Employer, the Plan Administrator and the Trustees of Employer's Retirement Trust, and each of them, agree to indemnify, defend and hold NH Hicks harmless from all liability from any loss or damage (including any attorneys' fees), and any additional taxes in any manner, directly or indirectly, arising out of or incident to the failure of NH Hicks to question any action of the Employer, the Plan Administrator, the Trustees of the Employer's Retirement Trust or any agents or employees of these parties.
- 2.5 NH Hicks will rely solely upon the information submitted by fiduciaries of the Plan. NH Hicks is not responsible for any penalties, plan disqualification or any other liability due to the failure of the Plan fiduciaries to submit said information on a timely basis or due to said fiduciaries' failure to submit accurate information. The Employer, the Plan Administrator, the Trustees of the Employer's Retirement Trust and each of the above designated parties and fiduciaries agrees to indemnify, hold harmless and defend NH Hicks from all liability, loss and damage (including attorney's fees) and any additional taxes in any manner, directly or indirectly, arising out of or incident to any actions of the Employer, the Plan Administrator, the Trustee of the Employer's Retirement Trust or any other designated fiduciaries of the Plan.

- 2.6. Employer recognizes that if NH Hicks has (or is) taken over as Contract Administrator of this retirement plan as of the date of this Agreement and NH Hicks is not responsible, nor will Employer hold NH Hicks responsible, for any prior administration of this Plan or any other plans Employer may have maintained. NH Hicks is not responsible for any plan disqualification, prohibited transaction determinations, penalties, or any other liabilities associated with documents that were not drawn up by NH Hicks Employer further recognizes that NH Hicks can only endeavor to provide administration services based on the information provided and cannot guarantee or advise on the current or future qualification status of this or any prior plans maintained by the Employer. Should Employer's current plan subsequently be deemed as a non-qualified plan by the IRS because of administration of this or other plans maintained by the Employer prior to the effective date of this Agreement, Employer agrees that he will not hold NH Hicks responsible. Further, if Employer maintains other qualified plans not being administered by NH Hicks Employer recognizes that NH Hicks cannot be responsible for any combined limitations or top heavy requirements that may effect the qualified plan status of plan being administered by NH Hicks.
- 2.7 NH Hicks, through the Written Information Security Program, has a set of comprehensive guidelines and policies to safeguard all sensitive data maintained by NH Hicks, and to comply with applicable laws and regulations on the protection of Personal Information found on records and in systems owned by NH Hicks. The program can be viewed in it's entirely on our website.

3. Employer's Responsibility with regard to Record Retention. Employee Retirement Income Security Act of 1974 (ERISA) details how long the Employer must retain plan documents and records that support their obligations. ERISA requires the retention of the following documents.

- 3.1 All Plan documents and all amendments signed and dates and a copy of the plan's most recent IRS approval letter.
- 3.2 Form 5500 and all records that support the form and its accompanying disclosure requirements. These records should be kept for a period of at least six years after the filing date of the form 5500.
- 3.3 Records should be kept in a manner that they can be readily retrieved. Electronic media may be used to comply with the record retention requirement.

4. Fees and Terms of Payment

- 4.1 Prior to each annual administration, NH Hicks will submit an invoice showing the amount of fees for the period, payable within sixty (60) days. Once the annual administration is complete, NH Hicks will submit a final invoice/credit memo if additional payment/credit is due, payable within thirty (30) days.

5. Terms of this Agreement

- 5.1 Either NH Hicks or Employer shall have the right to terminate the Agreement for these services at any time without cause upon thirty (30) days prior written notice.
- 5.2 NH Hicks may modify the terms of this Agreement upon thirty (30) days' prior notice to Employer. Employer shall be bound by any such modification unless Employer terminates this Agreement in accordance with its terms.
- 5.3 The rights and obligations of the Employer under this agreement shall insure to the benefit of, and shall be binding upon, the successors and assigns of the Employer.
- 5.4 This Agreement shall be construed in accordance with, and governed by, the laws of the State of California.

This Agreement is executed at Chico, California.

EMPLOYER:

«Company»

By: _____

Print Name: _____

Title: _____

NH HICKS:

NH Hicks

By: _____

Tom K. Hicks, President