Grace to Go

403(b)(7) Non Church Plan Summary Plan Description

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SUMMARY PLAN DESCRIPTION

This Summary Plan Description will tell you about the Grace to Go Section 403(b)(7) Retirement Plan and the plan design elements that are specific to Grace to Go. It is a summary of the Plan in simple language and does not give you all the details on all aspects of the Plan. The actual terms of the Plan are contained in the Plan Document, the legal document that governs your rights and benefits under the Plan. **In the event of any conflict between the terms of the Plan Document and the Summary Plan Description, the terms of the Plan Document will control.** The Plan Document and other legal documents relating to the Plan are available for inspection by participants and their beneficiaries upon request to the plan administrator.

You should read this Summary Plan Description ("SPD") carefully. We want you to understand the way the Grace to Go 403(b)(7) Retirement Plan works. If you have a specific question about how the plan applies to you, you should consult the plan administrator.

INTRODUCTION

Saving for retirement. We all know it's important, but it's not easy with today's high living expenses and taxes. To help you save for your retirement, the Grace to Go has established this Section 403(b)(7) Retirement Plan. The plan can help you save in two important ways.

First, there are tax incentives. This may enable you to save a greater amount toward retirement than you could otherwise. The tax incentives differ based on the type of account chosen, Traditional or Roth. Both investment choices are discussed in detail later in this SPD.

Second, earnings on your elective contributions, matching contributions and basic contributions may also be tax deferred. If so, you pay no income taxes until the funds are distributed to you. In the meantime, earnings on the funds compound tax-free. This means that your effective rate of return on contributions under the plan will be greater than with a taxable investment outside the plan earning at the same rate.

DIRECTORY

Employer	Grace to Go 939 South Edward Tempe, AZ 85281 (480) 834-1500
Federal Employer Identification Number	95-3731505
Plan Administrator	Grace to Go is the plan administrator.
The person to contact	Sheila Girard
Agent for service of legal process	The agent for service of legal process is the plan administrator.
Plan Number	001
Plan Year	July 1 to June 30

1.0 PARTICIPATION

1.1 Eligibility rules. All employees are eligible to participate in the plan on an Elective Deferral (Voluntary Contributions) basis upon hire except those staff who normally work less than 20 hours per week.

You will enter the employer contribution portion of the plan on the first entry date after you complete one year of service. This is for those staff who work 20 or more hours per week and who have attained the age of 21.

The plan provides for monthly entry dates.

1.2 Normal retirement age. Your Normal Retirement Age (NRA) is the day you reach age 65.

1.3 Normal retirement date. Your Normal Retirement Date is the first day of the month coinciding with or next following NRA.

1.4 Service rules for participation. Your years of service are used to determine when you are eligible to participate in the plan and the amount of your vested interest in the plan if you terminate employment before retirement. You earn a year of service for participation if you are credited with 1,000 or more hours of service in an "employment period ". An employment year is the 12-month period starting on your date of hire or on an anniversary of your date of hire. A year of service is not completed before the end of your employment year

regardless of when during the 12-month period you complete 1,000 hours.

Hours of service include all hours for which you are paid for working. Paid nonworking hours (such as vacation, illness or back pay awards), and non-paid time on authorized leave of absence or leave for required military service, also count as hours of service.

2.0 403(b) ELECTIVE CONTRIBUTIONS

2.1 Amount. You decide how much you want to save in the plan. You can choose any whole percentage of your pay, up to 100% of your compensation, but not more than $16,500 in any calendar year. (This amount increases annually. You should check with your plan administrator to ascertain the correct limit each year. This amount also may be reduced to the extent that Grace to Go makes basic or matching contributions on your behalf.) Each pay period, the percentage or amount you have chosen is taken from your pay and deposited into your 403(b) plan account.

Participants who have reached age 50, veterans returning from the service in the uniformed services, and employees of churches, conventions or associations of churches, educational institutions (schools, colleges, and universities), hospitals, home health service agencies, and health and welfare service agencies may choose to save additional amounts. Check with your plan administrator to learn more about these rules.

In addition, the amount of elective contributions that you make to other plans (e.g., §401(k) plans), including plans maintained by other employers, will reduce the limit on the amount of your elective contributions to this plan. Normally, total contributions to the plan may not exceed your compensation for the current year. There are also special rules that may limit §403(b) contributions by highly paid employees in certain circumstances. The plan administrator will notify you if these rules affect you.

2.2 Tax incentives. Another important taxation distinction as it relates to retirement savings is when money is taxed. There are three potential times of taxation: when money is invested, as it grows, and finally when it is withdrawn.

When money is invested, it can either reduce your total income (pre-tax contributions) or it can be counted as income (after-tax contributions). The division is determined by whether the contributions are coded as Traditional contributions (pre-tax contributions) or Roth contributions (after-tax contributions).

In a Traditional account, the money being contributed reduces your income and thus reduces the taxes paid on your income. In a Roth account, the money invested is still considered income. The contributions are made with after-tax income.

In both the Traditional account and the Roth account, monies grow tax-deferred. In other words, no taxes are collected while the funds are invested.

The advantage of a Roth account is in the distribution phase. Distributions are not taxed, as long as certain conditions are met. In Traditional accounts, as monies are distributed, they will be taxed as ordinary income. The following table summarizes the differences between Roth and Traditional contributions:

Account Type	Contributions	Growth	Distributions
Roth 403(b)	Taxed (Reported on W2)*	Not Taxed	Not Taxed
Traditional 403(b)	Not Taxed (Excluded from W2)	Not Taxed	Taxed

2.3 Changing your elective contribution. You can increase or decrease a previous contribution election. If you choose to do so, your new §403(b) deposit will go into effect with the first payroll period that is not more than thirty days after you notify the plan administrator.

You may stop making §403(b) deposits for any reason. Your elective contributions will stop with the first payroll period that is not more than thirty days after you notify the plan administrator.

3.0 MATCHING CONTRIBUTIONS

3.1 Matching percentage. To encourage you to save for retirement under the plan, Grace to Go will match your savings.

The amount of this matching contribution will be $0.25 for each dollar you save up to 4% of your compensation. This is for those staff members who have been with Grace to Go for up to two years of service. For example, if the staff member contributes 4% of their compensation into the retirement plan, Grace to Go will contribute 1%.

For those staff members who have been with Grace to Go greater than two years, this matching rate increases to $0.50 on the dollar you save up to 2% of your compensation. For example, if the staff member contributes 4% of their compensation into the retirement plan, Grace to Go will contribute 2%.0

4.0 BASIC CONTRIBUTIONS

4.1 Amount. For each plan year, Grace to Go may contribute an amount determined as a "basic contribution," usually a percentage of your compensation. Grace to Go is not required to make a basic contribution for any particular year and the amount contributed may vary from year to year.

4.2 Who shares in basic contributions. You are entitled to a share of Grace to Go's basic contribution for a plan year if you are a participant at anytime during the plan year.

Compensation means your total compensation from Grace to Go received during the plan year, excluding overtime pay and bonuses. If you became a participant during a plan year, compensation before you became a participant does not count when figuring your share.

The plan will not consider compensation above $230,000 (indexed for inflation) when calculating any participant's share of the basic contributions.

5.0 DIRECT ROLLOVER/TRANSFERS FROM OTHER EMPLOYER PLANS

5.1 Direct rollover/transfers from other plans. You may roll over or transfer amounts tax-free to this plan directly from another qualified retirement plan or §403(b) plan or funding vehicle, or an individual retirement arrangement ("IRA"). By taking advantage of this opportunity, you can defer paying taxes on the amount you transfer into the plan and continue to accumulate tax-sheltered earnings.

A rollover or transfer is subject to special IRS requirements. Please consult the plan administrator for more information on making a direct rollover or transfer.

6.0 YOUR ACCOUNTS

6.1 Participant accounts. Contributions to the plan on your behalf are credited to a participant account in your name.

6.2 Investments. The accounts of all participants in this plan are held in mutual fund accounts maintained on behalf of the plan by Nationwide Trust Company. You direct the investment of your plan account among the investment choices available under the program. Please contact the plan administrator for information describing your investment choices.

7.0 IN-SERVICE WITHDRAWALS

7.1 Withdrawals before age 59½. Withdrawals from your elective contribution account or §403(b)(7) custodial account are prohibited prior to attaining age 59½ except in the case of death, disability, separation from service, or financial hardship. Except for your pre-1989 account balance (if any), distributions on account of financial hardship are limited to your elective contributions. Investment earnings on elective contributions are not eligible for hardship withdrawal after 1988.

7.2 Withdrawals after age 59½. You may make a withdrawal for any reason from the following account(s) after age 59½; financial hardship is not necessary:

• Your elective contribution account

• Your employer matching contribution account

• Your employer basic contribution agreement

If you wish to make a withdrawal, contact the plan administrator.

7.3 Taxes on withdrawals. A withdrawal is taxable as ordinary income unless it is rolled over to another §403(b) plan or IRA. You do not pay income taxes when the money is contributed to the plan: instead, you pay taxes on the money that you take out.

In addition to income tax, a withdrawal or distribution before age 59½ may be subject to a 10% penalty tax unless:

- Payment is made as a result of total disability or death;
- Payment is made to you, beginning after your separation from service, in substantially equal installments over your life expectancy or the combined life expectancy of you and your designated beneficiary;
- You separate from service after age 55;
- The amount of the withdrawal does not exceed your deductible medical expenses (determined without regard to the "floor" of 7.5% of adjusted gross income or whether you itemize your deductions) in the year of withdrawal; or
- The distribution is made to an alternate payee under a qualified domestic relations order.

7.4 Withdrawals for financial hardship. The purpose of this plan is to help you accumulate financial resources for retirement needs. (However, in the event of an unforeseen emergency, you may generally withdraw all or part of your elective account balance.) However, for plan years beginning after 1988, a distribution for financial hardship from your §403(b) elective contributions account is limited to your elective contributions for all plan years and any income allocable to that account as of December 31, 1988. Amounts held in mutual fund custodial accounts may not be withdrawn on account of financial hardship.

An unforeseen emergency is an immediate and heavy financial need for which you do not have other reasonably available resources to meet the need. Usually medical costs, next year's college tuition for you or your dependents, payment of rent or mortgage payments to prevent eviction or foreclosure on your primary residence, or the initial purchase of your primary residence satisfy these requirements, provided you do not have other reasonably available resources. If you wish to apply for a hardship withdrawal, please see the plan administrator.

8.0 LOANS

8.1 Loans. In order to assist you in the event of a financial hardship, the plan lets you borrow from your plan accounts. Loans are available to all participants.

You do not pay federal income taxes on the loan, even though you are receiving the use of money that has not yet been federally taxed. From this standpoint, a loan is better than a withdrawal. However, you do pay interest on the loan, but the interest you pay goes back into your account (less any administrative charges). The interest rate for loans will be set by the provider in accordance with current rules, regulations, and policy.

The amount that you may borrow cannot exceed the lesser of 50% of your vested account balance or $50,000.00. (However, loans cannot be made from any part of your account balance that is held in a "custodial account" invested in "regulated investment company" (mutual fund) stock.) If you obtain a loan, your account balances will be used as security. If you are currently employed, you will have to repay the loan with interest. This withholding may be accomplished by ACH OR paycheck withholding, depending on the applicable procedures of the custodian. The loan term may not exceed 5 years unless the loan is used to acquire your principal residence (in which case your loan term may not exceed 30 years). If you are not currently employed, you must make regular payments to the plan administrator at least monthly, or quarterly, depending on the policy of the custodian.

The minimum amount you may borrow is $1,000. Specific rules for loans, including length of the loan, the maximum amount you are permitted to borrow and procedures for applying for a loan, are available from the plan administrator.

DEFAULT WILL OCCUR IF YOU, THE BORROWER, FAIL TO PAY ON THE PRINCIPAL AND/OR INTEREST IN ANY PERIOD. IF YOU DEFAULT ON YOUR LOAN, YOU WILL BE SUBJECT TO FEDERAL INCOME TAXES ON THE AMOUNT IN DEFAULT AND MAY BE SUBJECT TO THE ADDITIONAL 10% FEDERAL INCOME TAX.

9.0 DISTRIBUTIONS

9.1 Distributions. You are eligible to receive the vested amount in your participant account when your employment terminates. At your election, payment will be made as soon as reasonably possible after the next valuation date following your termination of employment unless you make an election to postpone payment to a later date but generally no later than April 1 following the year in which you attain age 70-1/2.

9.2 Direct transfers. You have the right to ask the plan administrator to transfer the amount of any non-annuity type distribution directly to an IRA, a qualified plan, or another §403(b) plan. This avoids a mandatory 20% income tax withholding requirement.

10.0 VESTING AND PAYMENTS UPON DEATH

10.1 Vesting. You are always fully vested in your rollover/direct transfer account and your elective contributions account.

10.2 Forms of payment. You may elect the form of payment in which your account is paid to you. Payment may be in one of the following methods:

- One or more payments within one year;
- Installment payments over a period you select, which generally may not be longer than your life expectancy or the combined life expectancies of you and your designated beneficiary; other limits may apply in certain cases; or
- An annuity providing payments over your lifetime or the lifetimes of you and your designated beneficiary.

10.3 Spousal consent. If you are married, your spouse must consent in writing to any form of payment other than an annuity providing your spouse with a survivor benefit equal to 50% of the amount of the benefit paid during your lifetime. Spousal consent is required by law.

10.4 Taxes on distributions. A distribution to you (or an in-service withdrawal for financial hardship) that is not rolled over is taxable as income. Since you did not pay taxes on employer contributions and elective deferrals to your account when they were made, you must pay taxes on the money when it is distributed to you. In addition to a regular income tax, a distribution before age *59½* may be subject to a 10% penalty tax.

You will receive more information about the taxes on a distribution, including information on deferring taxes by rolling the information over to an IRA or another employer's 403(b) plan shortly before you receive your distribution.

10.5 Postponed payment. If you account balance is greater than $5,000, you can postpone the payment of benefits until the April 1 following the later of (1) the year in which you reach age 70½ or (2) the year in which you terminate employment with Grace to Go. The actual required beginning date for payments is prescribed by the minimum distribution rules under 401(a)(9) of the Internal Revenue Code.

10.6 Death. If you die during your employment with Grace to Go, and if you are married, your spouse will receive a survivor annuity unless your spouse previously signed a notarized consent waiving the right to such an annuity. If you are not married, or your spouse has waived the annuity, your beneficiary will receive your full remaining account balance. If you die after your employment with Grace to Go, your spouse or other beneficiary will receive your remaining account balance.

10.7 Designating your beneficiary. You should designate your beneficiary or beneficiaries in writing on a form filed with the plan administrator. If you are married, your spouse is automatically your sole beneficiary unless your spouse consents in writing to the designation of another beneficiary. Your spouse is entitled to a joint and 50% survivor annuity, unless your spouse agrees to another form of distribution or beneficiary.

11.0 ADDITIONAL INFORMATION

11.1 Non-Assignment of benefits. Your benefits under this plan may not be assigned, sold, or used as collateral, nor in most cases may a creditor attach your account as a means of collecting a debt owed by you. This protects your participant account from the claims of most creditors you may have. However, a court may issue an order requiring that all or part of your account be paid to your former spouse or a dependent as alimony or support. The plan would have to obey a proper order.

11.2 Claims review procedure. If you or your beneficiary do not receive a distribution when due, or you have another claim under the plan, you should file a written claim with the plan administrator. The plan administrator will then check the validity of the claim and take the necessary steps to resolve the problem. If additional information is necessary to process your claim, you will be told what is needed.

If your claim is denied in whole or in part, you will be notified in writing within a reasonable period of time after receipt of your claim. The notice of denial will include the specific reasons for denial and references to the plan provisions on which the denial was based.

Within 60 days after receiving a denial, you or your authorized representatives may appeal the decision by filing a written request for review with the plan administrator. In connection with your appeal, you may review pertinent plan documents and submit issues and comments in writing.

The plan administrator will give a written decision on your appeal after giving it full consideration.

11.3 Plan insurance. Your account under this plan is not insured by the Pension Benefit Guaranty Corporation ("PBGC") if the plan should terminate. The PBGC insures only defined benefit plans. This plan is a defined contribution plan that is not covered by the PBGC.

11.4 Future of the plan. Grace to Go expects to continue the plan indefinitely. However, since future conditions cannot be foreseen, Grace to Go reserves the right to amend or discontinue the plan. If the plan is ever terminated, you will be fully vested in all amounts credited to your account.

11.5 Your rights under Federal law. Congress passed the Employee Retirement

Income Security Act of 1974 ("ERISA") to make sure that plans are managed in the interest of participants and their beneficiaries. As a participant in this plan, you are entitled to certain rights and protections under ERISA.

(a) Information about your plan and benefits.

(1) You are entitled to examine without charge, at the plan administrator's office and at other specified locations, such as worksites and union halls, all documents covering the plan, including insurance, contracts and collective bargaining agreement, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.

(2) You are entitled to obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.

(3) You are entitled to receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

(4) You are entitled to obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The plan must provide the statement free of charge.

(b) Prudent actions by plan fiduciaries. In addition to creating rights for plan participants ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

(c) Enforce your rights. If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce your rights. For instance, if you request a copy of plan document or the latest annual report from the plan and do not receive it within 30 days, you may file suit in a Federal court. In such a case, the court may require the

plan administrator to provide the materials and pay you up to $110 a day until you review the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits that is denied or ignored, in whole in part, you may file suit in a state or federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of domestic relations order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan's money, of if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

(d) Assistance with your questions. If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration, or through its website, http://www.dol.gov/dol/pwba.