

SOCIAL SECURITY NUMBER MUST BE COMPLETED.

_____-_____-_____

NACS 401(k) Plan Enrollment/Change Form

Transfer existing plan account balances use the toll free number, if applicable, or contact your plan administrator. You must designate a beneficiary by completing section 7 and submitting it to your plan administrator.

1. Employee Information - Please Print

Mr.
 Mrs.
 Ms.

_____ M.I. _____
 FIRST NAME LAST NAME

_____ APT. NO. _____
 STREET ADDRESS

_____ STATE _____ ZIP _____
 CITY

_____ / _____ / _____ DATE OF BIRTH (MM/DD/YYYY)
 _____ / _____ / _____ DATE OF HIRE (MM/DD/YYYY)

MARRIED
 NOT MARRIED

2. Reason for Form - Check One

- I am eligible and am enrolling in the plan. (Complete sections 1, 2, 3, 4, 5, 6*, 7, and 8)
- I am changing my current contribution levels. (Complete sections 1, 2, 3, and 5)
- I am changing my future investment mix. (Complete sections 1, 2, 5, and 6*)
- I am stopping my Catch-up Contributions. (Complete sections 1, 2, 4, and 5)
- I am stopping all of my contributions. (Complete sections 1, 2, and 5)
- I am changing my beneficiary designation. (Complete sections 1, 2, 5, 7, and 8)
- I elect not to make contributions to the plan at this time. (Complete sections 1, 2, and 5)

**If you elect to join the plan and fail to make an investment election, or your elections do not equal 100%, your contribution will be invested in the plan's default investment option. Please contact your plan administrator for specifics regarding your plan's default investment option.*

3. Contribution Amount

Your total before-tax and after-tax contribution percentage cannot exceed the plan's limit.

I wish to contribute the following percentage of my eligible pay:

- A. Traditional 401(k) Salary Deferral Percentage on a before-tax basis _____ %.
- B. Roth 401(k) Salary Deferral Percentage on an after-tax basis _____ %.
- Total Salary Deferral Percentage (A + B) _____ %.

Note: The IRS limits may affect the amount you can contribute to the plan each year.

4. Catch-up Contribution

You may elect or change your Catch-up Contribution at any time. The effective date of your election is based on your plan's provisions. Other factors may also affect your Catch-up Contributions. Therefore, please read the Important Notes below before making an election.

- I elect to contribute \$ _____, _____ .00 per pay period as a Catch-up Contribution.
- I elect a one-time deduction of \$ _____, _____ .00 as a Catch-up Contribution.
- I elect to stop making Catch-up Contributions (except as noted below).
- I do not wish to make Catch-up Contributions at this time.
- I will not be at least age 50 by the end of the year.

Important Notes

- If you exceed IRA/plan limits (limits apply to the sum of before-tax or after-tax 401(k) contributions), the excess will be automatically recharacterized as Catch-up Contributions, up to the limit for Catch-up Contributions for the year.
- With the exception of one-time deductions, your Catch-up Contribution election will carry over from year to year.
- The investment mix of Catch-up Contributions will be the same as your regular before-tax contributions. The IRS/plan limits may affect the amount you can contribute to the plan each year.
- If you are making Catch-up Contributions but do not satisfy both the age and contribution requirements, your Catch-up Contributions will be re-characterized as regular contributions at the end of the year.
- Catch-up Contributions will be allocated in the same proportion as your total elective contribution. For example, if you have elected to contribute 6% to your traditional 401(k) account and 4% to your Roth 401(k) account, 60% of your total elective contribution will be directed into your traditional 401(k) account and 40% will be directed into your Roth 401(k) account. If you make a Catch-up Contribution of \$5,000, \$3,000 (\$5,000 x .60) of your Catch-up Contribution will go into your Roth 401(k) account.

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5. Authorization and Signature

I hereby authorize payroll deduction of plan contributions in accordance with the level(s) I have indicated in Sections 3 and 4. I understand this constitutes a "cash or deferred arrangement" under section 401(k) of the Internal Revenue Code and that my contributions are subject to the withdrawal restrictions of the plan. By authorizing a payroll deduction, I understand I am electing to defer a portion of my salary to the NACS 401(k) Plan. I understand that certain limitations are imposed on my contributions by Federal law and that my contributions may be refunded to comply with these laws. I further agree that neither North Anoka Control Systems, Inc., the plan trustee, nor their affiliates will be liable for any loss when acting upon my instructions believed to be genuine.

EMPLOYEE SIGNATURE _____

DATE _____

PLAN ADMINISTRATOR SIGNATURE _____

DATE _____

6. Investment Mix

Please invest my *future* plan contributions as indicated below. I understand that my current account balance in the NACS 401(k) Plan will be invested based on the information in the Participant Notice I received from my plan administrator. I also understand that the information in the Participant Notice may have an impact on the manner in which my account balances are invested and that if I have not yet received a Participant Notice I can request one from my plan administrator.

Now that you know the importance of asset allocation and have identified a model portfolio that you are comfortable with, it is time to select your investments. You have two options: *Strategic Allocation Funds* and *Create Your Own Investment Portfolio*. First, review your investment options in "Investment Options Made Simple" located in the back pocket of this kit and refer to the Investment Option Profiles for more detailed information about any particular investment option. Then return here, and make your investment selection(s).

Before you select Investment Options, please note that certain options contain trading restrictions. Additional information regarding trading restrictions can be found in your Investment Options Made Simple. Please carefully read this information prior to making your final investment option selection.

You must designate a beneficiary by completing section 7 and submitting it to your plan administrator.

Option I: Strategic Allocation Funds

The Transamerica Strategic Allocation Funds are designed for you to allocate 100% of your contribution to the one investment option that most closely matches your investment risk profile. These investment options offer an investment mix reflective of your selected time horizon, with shorter time horizon investment options tending to be more conservative. *You may also choose to spread your contributions over more than one investment option by creating your own investment portfolio under Option II.*

- | | | | |
|----|---|--------------------------|-------------|
| | | | (check one) |
| I8 | TA IDEX Asset Allocation - Conservative Ret Opt
(Short Intermediate Horizon 5 - 12 years) | <input type="checkbox"/> | 100% |
| I9 | TA IDEX Asset Allocation - Moderate Ret Opt
(Intermediate Horizon 8 - 15 years) | <input type="checkbox"/> | 100% |
| J0 | TA IDEX Asset Allocation - Moderate Growth Ret Opt
(Intermediate/Long Horizon 14 - 20 years) | <input type="checkbox"/> | 100% |
| J1 | TA IDEX Asset Allocation - Growth Ret Opt
(Long Horizon 20 or more years) | <input type="checkbox"/> | 100% |

Please note: If you scored a 7 or below on your Risk Tolerance Questionnaire, the Transamerica Strategic Allocation Funds may not be conservative enough for you. By selecting Option II you can design a more conservative portfolio for your shorter time horizon (2-7 years).

If you selected Option I above, go to the Beneficiary Designation Form. Otherwise, proceed to Option II.

Option II: Create Your Own Investment Portfolio

If you prefer to create your own investment portfolio, your plan provides that choice - just select from the following available investment options:

All elections must be in whole percentages and total 100%.

NACS 401(k) Plan Investment Options

	% of Contribution
Cash Equivalents	
1 Transamerica Stable Value Option	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> %
Bond	
30 JPMorgan Government Securities Ret Opt	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> %
28 Loomis Sayles Bond Ret Opt	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> %

- | | | | |
|----|--|--|--|
| | | | |
| A8 | High Yield Bond | Diversified Investors High Yield Opportunities Ret Opt | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % |
| | Hybrid | | |
| | Balanced | | |
| G1 | American Funds Balanced Inv Opt | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % | |
| | Strategic Allocation Series | | |
| I8 | TA IDEX Asset Allocation - Conservative Ret Opt | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % | |
| I9 | TA IDEX Asset Allocation - Moderate Ret Opt | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % | |
| J0 | TA IDEX Asset Allocation - Moderate Growth Ret Opt | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % | |
| J1 | TA IDEX Asset Allocation - Growth Ret Opt | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> % | |

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6. Investment Mix (continued)

NACS 401(k) Plan Investment Options (continued)

	% of Contribution			% of Contribution
Large/Mid Value Equity				
Large Cap				
E4 American Funds Fundamental Investors Inv Opt	□ □ □ %	G5 Columbia Marsico 21st Century Inv Opt		□ □ □ %
47 Fidelity Advisor Equity Income Inv Opt	□ □ □ %	6 Transamerica Equity Ret Opt		□ □ □ %
Mid Cap				
95 Columbia Mid Cap Value Inv Opt	□ □ □ %	M4 Munder Mid-Cap Core Growth Ret Opt		□ □ □ %
A1 Diversified Investors Mid-Cap Value Ret Opt	□ □ □ %	N1 Thornburg Core Growth Ret Opt		□ □ □ %
Large/Mid Blend Equity				
Large Cap				
C3 Diversified Investors Stock Index Ret Opt	□ □ □ %	Small Company Equity		
F2 Mutual Shares Inv Opt	□ □ □ %	Value		
P5 Vanguard Total Stock Market Index Ret Opt	□ □ □ %	I2 SSgA Dow Jones Small Cap Value Index Ret Opt		□ □ □ %
Mid Cap				
J3 Dreyfus Premier Structured Midcap Inv Opt	□ □ □ %	Blend		
K8 Fidelity Advisor Leveraged Company Stock Inv Opt	□ □ □ %	N7 Vanguard Small-Cap Index Ret Opt		□ □ □ %
Large/Mid Growth Equity				
Large Cap				
F0 American Funds Growth Fund of America Inv Opt	□ □ □ %	Growth		
		L2 First American Small Cap Select Ret Opt		□ □ □ %
		Global Equity		
		F8 American Funds New Perspective Inv Opt		□ □ □ %
		74 Oppenheimer Global Ret Opt		□ □ □ %
		International Equity		
		K3 AllianceBernstein International Value Inv Opt		□ □ □ %
		Specialty		
		N5 Vanguard REIT Index Ret Opt		□ □ □ %
Total For All Investment Options (Sum of elections must total 100%)				1 0 0 %

