

This Addendum forms a part of the Solicitation documents and modifies the original Solicitation documents, as stated herein. All other provisions of the Solicitation documents remain unchanged. This Addendum is hereby made a part of the Solicitation documents to the same extent as those provisions contained in the original documents and all itemized listings thereof.

**GENERAL INFORMATION**

<b>To:</b>	All holders of Solicitation documents for the below-referenced Solicitation.
<b>Date:</b>	January 31, 2025
<b>Addendum No.:</b>	No. 1
<b>Solicitation No.:</b>	RFP25-39*
<b>Solicitation Title:</b>	Provider(s) of Pension Services
<b>Contact Name:</b>	Kat Brophy
<b>Contact Title:</b>	Management Analyst
<b>Contact Phone No.:</b>	505.662-8127
<b>Contact E-Mail:</b>	kat.brophy@lacnm.us

**ACKNOWLEDGEMENT**

Respondents are requested to acknowledge receipt of this Addendum by submitting a signed copy of page one (1) of this Addendum with Respondent's Bid or Proposal. Pursuant to NMSA 1978 §14-16-7, this acknowledgement may be signed by electronic signature.

**I hereby acknowledge receipt of this Addendum.**

<b>Name:</b>		<b>Date:</b>	
<b>Title:</b>		<b>Signature:</b>	
<b>Company:</b>			

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**MODIFICATIONS TO THE SOLICITATION AND/OR Q&A**

Please note the modifications to the Solicitation and/or questions received and County's answers.

<b>Ref. No.</b>	<b>Modification and/or Question</b>	<b>Answers</b>
1	Is the County's expectation that the Investment Advisor will attend on-site in-person each quarter or is there a "hybrid/virtual" approach utilized for some of these committee meetings on the part of the advisor?	A "hybrid/virtual" option is acceptable, but no more than twice a year.
2	What are the estimated annual disbursements from the plan?	The average estimated annual disbursements from the Plan over the last three years is \$5,142,738.
3	Should the recordkeeper propose onsite/virtual education and enrollment services or is that handled by another firm?	Education and enrollment services are provided by the Investment Advisor.
4	What is the amount of the Plan Administrative Fee deducted monthly from participant accounts?	The plan administrative fee for all participants is 0.25% of individual account assets per year.
5	Please provide the amount of assets in a managed accounts program, if any?	Managed accounts are not offered under this plan.
6	Please provide the latest Plan-level quarterly statement.	Please see Attachment B
7	Please confirm the due date is February 25, 2025. Page 2 of the RFP states that the due date is February 20, 2025	Closing date is February 25, 2025, at 2:00pm Mountain Time.
8	Please define what qualifies as 'marketing materials' under the 10-page limit	Sales flyers
9	Will an independent proposal for 'Exhibit A Trustee/Recordkeeping Services' be compliant, or must it include a complete submission for 'Exhibit B - Investment Advisor Services' for County approval?	An independent proposal for either Exhibit A or Exhibit B services will be compliant. Offerors may also submit a response that bundled the two scopes of services if applicable.
10	Are there any liquidity restrictions on any other investments within the current lineup? If so, please describe.	There are no liquidity restrictions.
11	Are there any liquidity restrictions on any other investments within the current lineup? If so, please describe.	Same as above
12	What is the current crediting rate of the PIMCO Stable Value?	2.40%
13	Are assets mappable at the plan level or via individual contract exchanges by the participants?	Assets are mappable at the Plan level with at least 30-day notice to Participants.

<b>Ref. No.</b>	<b>Modification and/or Question</b>	<b>Answers</b>
14	Please provide the number of eligible, active, and terminated plan participants.	The Plan currently has 693 active, 280 termed or QDRO recipients
15	What are the total annual distributions from the plan?	<ul style="list-style-type: none"> <li>o 07/01/21-06/30/22 \$6,076,480.43</li> <li>o 07/01/22-06/30/23 \$5,445,052.72</li> <li>o 07/01/23-06/30/24 \$3,906,682.50</li> </ul>
16	Are Managed Accounts used? If so, what are the total assets and number of participants associated with Managed Accounts?	Managed accounts are not offered under this Plan.
17	What are the current number of education meetings used by the County today?	The County currently has 12 education meetings per year.
18	What is the desired number of education meetings prospectively?	At least one monthly meeting.
19	<p>Are managed account services currently available under the plans? If yes, please provide the following:</p> <ul style="list-style-type: none"> <li>• The identity of the current advice provider (e.g., Financial Engines, Morningstar, etc.)</li> <li>• The number of participants enrolled in service</li> <li>• The amount of assets under the service.</li> <li>• In addition, please provide the fee schedule currently being assessed for this service.</li> </ul>	Managed Account Services are not offered under this Plan.
20	<p>Are self-directed brokerage accounts (also known as self-managed accounts) currently available under the plan(s)? If yes, please provide the following:</p> <ul style="list-style-type: none"> <li>• How many active accounts currently exist?</li> <li>• What is the total amount of plan assets held in such accounts?</li> </ul>	Self-Directed brokerage accounts are not offered under this Plan.
21	Can you provide the total amount of contributions per plan for each of the past three years (2022, 2023 and 2024)?	2022- \$\$4,464,960.56 2023- \$\$5,437,443.19 2024- \$6,115,223.64
22	Can you provide the total amount of distributions per plan for each of the past three years (2022, 2023 and 2024)?	Please see response to Question 15
23	Can you provide the plan documents?	Please see Attachment A
24	For the vendors selected to take part in interviews slated for March 25 <sup>th</sup> , will these interviews take place in person or virtually?	In person.

Ref. No.	Modification and/or Question	Answers
25	Please indicate the current process for submitting loan payments. Is it done through a payroll file or directly with a participant bank account (ACH)?	Loan payments are sent via payroll file.
26	Please provide the current service days provided by your recordkeepers. How many group meetings and how many individual meetings were held in 2024? How many days per year would the plan prefer going forward?	The recordkeeper is available on weekdays from 8:00-5:00 MST. They are closed for federal holidays. The recordkeeper had one group meeting, and no individual meetings in 2024. We prefer the recordkeeper attend quarterly meetings with the investment advisor.
27	Please confirm which requested items are included in the preferred 50 page limit.	The proposal and all marketing materials to include sample statements.
28	Can the County please provide a listing of the available investment options that includes the ticker symbols and/or CUSIPs for each fund?	Please see Attachment C
29	Does the County have a sample conflict of interest disclosure for review as referenced in Question D of Section 6: Compliance?	The County does not have a sample at this time.
30	Is the County currently paying separate fees for investment advisory and participant education services?	The County's current Investment Advisor provides participant education as part of their fees.
31	Is the County amenable to utilizing the bidder's form of agreement? Would the resulting agreement also need to incorporate the RFP?	The County's preference is to use the Services Agreement template included as Exhibit in the RFP document.
32	On page 14 of the RFP, question 3.h mentions that the transition will start on May 20, 2025, and is expected to be completed by July 1, 2025. Could you please confirm if these dates are accurate?	This serves as confirmation that these dates are accurate.

**Attachment A  
Addendum No. 1  
RFP25-39**

**Provider(s) of Pension Services for Incorporated County of Los Alamos**

**INCORPORATED COUNTY OF  
LOS ALAMOS, NEW MEXICO**

**PENSION PLAN AND TRUST**

*Adoption Agreement*

July 1, 2022

*Prepared by:*  
Modrall Sperling  
500 Fourth Street  
Suite 1000  
Albuquerque, NM 87102

**INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO  
PENSION PLAN AND TRUST  
TABLE OF CONTENTS**

EMPLOYER INFORMATION.....	1
PLAN INFORMATION.....	1
SECTION A. GENERAL INFORMATION.....	1
Plan Name/Effective Date.....	1
Plan Features.....	2
Compensation.....	3
Definitions.....	4
SECTION B. ELIGIBILITY.....	5
Exclusions.....	5
Eligibility Service Rules.....	5
Eligibility for All Contribution Types.....	6
Transfers/Rehires.....	7
SECTION C. CONTRIBUTIONS.....	8
Voluntary Contributions/Grandfathered 401(k) Contributions.....	8
Automatic Enrollment.....	8
Matching - Allocation Service.....	9
Matching Contribution- Formula.....	10
Non-Elective Contributions - Service.....	11
Non-Elective Contributions - Formula.....	12
Other Contributions.....	13
SECTION D. VESTING.....	14
Vesting Schedules.....	14
Vesting Service Rules.....	16
SECTION E. DISTRIBUTIONS.....	17
SECTION F. IN-SERVICE WITHDRAWALS.....	19
Retirement/Hardship/Age.....	19
Other Withdrawals.....	21
Grandfathered Roth 401(K) Contributions.....	21
SECTION G. PLAN OPERATIONS.....	22
SECTION H. MISCELLANEOUS.....	23
SECTION I. EXECUTION PAGE.....	24
CUSTOM LANGUAGE ADDENDUM.....	25
HARDSHIP DISTRIBUTION ADDENDUM.....	26
SECURE/CARES/CAA ADDENDUM.....	28

**ADOPTION AGREEMENT #001  
GOVERNMENTAL PROFIT SHARING NON-STANDARDIZED PLAN**

The undersigned adopting employer hereby adopts this Plan. The Plan is intended to qualify as a tax-exempt plan under Code section 401(a). The Plan is further intended to qualify as a governmental plan under Code section 414(d). The Plan shall consist of this Adoption Agreement, its related Basic Plan Document #02, and any Addendum to the Adoption Agreement. Unless otherwise indicated, all Section references are to Sections in the Basic Plan Document.

*NOTE: Code section 401(k)(4)(B)(ii) prohibits governmental employers from establishing new 401(k) plans. This provision does not apply to governmental 401(k) plans adopted before May 6, 1986.*

**EMPLOYER INFORMATION**

*NOTE: An amendment is not required to change the responses in items 1-10 below.*

*NOTE: The Plan Sponsor must be an entity that is eligible to adopt a governmental plan as defined in Code section 414(d).*

1. Name of adopting employer (Plan Sponsor): Incorporated County of Los Alamos, New Mexico
2. Address: 1000 Central Ave, Suite 230
3. City: Los Alamos
4. State: New Mexico
5. Zip: 87544
6. Phone number: 505-662-8045
7. Fax number: 505-662-8000
8. Plan Sponsor EIN: 85-6000679
9. Plan Sponsor fiscal year end: 06/30
10. State of organization of Plan Sponsor: New Mexico

**PLAN INFORMATION**

**SECTION A. GENERAL INFORMATION**

**Plan Name/Effective Date**

1. Plan Number: 001
2. Plan name:
  - a. Incorporated County of Los Alamos, New Mexico
  - b. Pension Plan and Trust

*NOTE: A.1 is optional.*
3. **Effective Date**
  - a. Original effective date of Plan: 10/01/1978
  - b.  This is a restatement of a previously-adopted plan. Effective date of Plan restatement: 07/01/2022

*NOTE: The dates specified above in A.3a or A.3b may not be earlier than the first day of the Plan Year during which the Plan is adopted or amended and restated by the Plan Sponsor.*
4. **Merger Information**
  - a. Other Plan name: \_\_\_\_\_
  - b. Merger effective date: \_\_\_\_\_
  - c. Additional merger information: \_\_\_\_\_
5. **Plan Year**
  - a. Plan Year means each consecutive 12-month period ending on 06/30 (e.g. December 31)

- b.  The Plan has a Short Plan Year. The Short Plan Year begins \_\_\_\_\_ and ends \_\_\_\_\_
- i. In the event of a Short Plan Year, service conditions will be pro-rated based on months for the following purposes:
- None
- All purposes (i.e., eligibility, allocation conditions, and vesting)
- Other: \_\_\_\_\_

*NOTE: The provisions of A.5b apply only in the event of an initial Plan Year. A Short Plan Year for reasons other than the initial Plan Year requires a Plan amendment.*

**6. Limitation Year means:**

- a.  Plan Year
- b.  calendar year
- c.  Other: \_\_\_\_\_

*NOTE: If "Other" is selected, the Limitation Year must be a consecutive 12-month period.*

**7. Frozen Plan**

- a.  The Plan is frozen as to eligibility effective: \_\_\_\_\_
- b.  The Plan is frozen as to benefit accruals effective: \_\_\_\_\_

**Plan Features**

**8. Employee Contributions (Section 4.01)**

- a. Mandatory Employee Contributions (pick-up contributions) are permitted under the Plan:

- i.  Yes, \_\_\_\_\_% of Plan Compensation
- ii.  Yes, salary schedule according to the chart below:  

<u>Salary Range</u>	<u>Mandatory Employee Contributions</u>
---------------------	---
- iii.  Yes, other fixed method: \_\_\_\_\_
- iv.  No

- b. Voluntary (After-Tax) Contributions are permitted under the Plan:

- i.  Yes
- ii.  No
- iii.  Formerly Allowed

- c. Mandatory After-Tax Employee Contributions are permitted under the Plan:

- i.  Yes, 1% of Plan Compensation
- ii.  Yes, salary schedule according to the chart below:  

<u>Salary Range</u>	<u>Mandatory After-Tax Employee Contributions</u>
---------------------	---
- iii.  Yes, other fixed method: \_\_\_\_\_
- iv.  No

- d.  Grandfathered 401(k) Contributions adopted by the governmental entity before May 6, 1986 are permitted under the Plan

- e.  Grandfathered Roth 401(k) Contributions are permitted under the Plan

*NOTE: If A.8a is "No", questions regarding Mandatory Employee Contributions are disregarded.*

*NOTE: If other method (A.8a.iii or A.8c.iii) is selected, the method must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

*NOTE: The governmental entity adopting the 401(k) feature must be the same Employer as the Plan Sponsor within the meaning of Treas. Reg. section 1.410(b)-9. Code section 401(k)(4)(B)(ii) prohibits governmental employers from establishing new 401(k) plans. This provision does not apply to any 401(k) plan adopted before May 6, 1986.*

*NOTE: A.8e only applies if A.8d is selected.*

**9. Matching Contributions**

Matching Contributions are permitted (Section 4.02):

- Yes  No

*NOTE: If A.9 is "No", questions regarding Matching Contributions are disregarded.*

**10. Non-Elective Contributions**

Non-Elective Contributions are permitted (Section 4.03):

- Yes  No

*NOTE: If "No", questions regarding Non-Elective Contributions are disregarded.*

**11. Plan Features Effective Dates**

- a.  There is a special effective date for one or more features specified in A.8 through A.10. The special effective date(s) which occur after the Effective Date specified in A.3 is/are: \_\_\_\_\_
- b.  A previous plan amendment eliminated one or more of the features specified in A.8 through A.10. Specify any provisions that apply to the eliminated Plan features: \_\_\_\_\_

*NOTE: Mandatory Employee Contributions cannot be effective earlier than the date the arrangement was adopted.*

**Compensation****12. Statutory Compensation**

- a. Definition of Statutory Compensation (as defined in Article 2 of the Basic Plan Document):
- i.  Section 415 Compensation
  - ii.  W-2 Compensation
  - iii.  Withholding Compensation
  - iv.  Section 415 Safe Harbor Option
- b.  Include deemed Code section 125 compensation in definition of Statutory Compensation.
- c.  Include Post Severance Compensation in definition of Statutory Compensation.
- d.  Include Post Year End Compensation in definition of Statutory Compensation.

**13. Plan Compensation**

- a. Definition of Plan Compensation (as defined in Article 2 of the Basic Plan Document) for purposes of allocations will be Statutory Compensation with the following exclusions:

	<b>Employee Contributions</b>	<b>Matching Contributions</b>	<b>Non-Elective Contributions</b>	<b>Grandfathered 401(k) Contributions</b>
i. No Exclusions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ii. Pay earned before participation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	n/a
iii. Amounts which are contributed by the Employer pursuant to a salary reduction agreement and not includible in the gross income of the Participant under Code sections 125, 402(e)(3), 402(h), 403(b), 132(f) or 457	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
iv. All of the following benefits (even if includable in gross income): reimbursements or other expense allowances, fringe benefits (cash and noncash), moving expenses, deferred compensation, and welfare benefits (Treas. Reg. section 1.414(s)-1(c)(3))	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
v. Differential military pay as defined in Code section 3401(h)(2)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
vi. Final Paycheck Pay	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
vii. Post Severance Compensation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- |   |       |     |       |     |
|---|-------|-----|-------|-----|
| viii. Post Year End Compensation  | [ X ] | [ ] | [ X ] | [ ] |
| ix. Other adjustments (e.g., commissions, bonuses, etc.): <u>Standby, training, overtime, extra hours worked by exempt employees, stability pay, cash-out of accrued leave upon separation from service, and any other premium pay as defined in County personnel rules for all plan purposes</u> | [ X ] | [ ] | [ X ] | [ ] |

*NOTE: If any exclusions are selected which do not meet the safe harbor exclusions as described under Section 414(s) Compensation, the definition of Plan Compensation will cause the Plan to fail to qualify for any contribution safe harbors, such as the permitted disparity allocation or safe harbor contributions.*

*NOTE: If "Other adjustments" is selected, the description must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

*NOTE: See Section 4.01(c) for rules regarding elections for bonuses or other special pay.*

- b. Plan Compensation is determined over the period specified below ending with or within the Plan Year:
- i. [ X ] Plan Year
  - ii. [ ] calendar year
  - iii. [ ] Plan Sponsor Fiscal Year
  - iv. [ ] Limitation Year
  - v. [ ] Other 12-month period beginning on: \_\_\_\_\_ (enter month and day)

## Definitions

### 14. Disability

#### Definition of Disability

- a. [ ] The Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. The permanence and degree of such impairment shall be supported by medical evidence.
- b. [ ] Under the Social Security Act. The determination by the Social Security Administration that the Participant is eligible to receive disability benefits under the Social Security Act.
- c. [ ] Inability to engage in comparable occupation. The Participant suffers from a physical or mental impairment that results in his inability to engage in any occupation comparable to that in which the Participant was engaged at the time of his disability. The permanence and degree of such impairment shall be supported by medical evidence.
- d. [ X ] Pursuant to other Employer Disability Plan. The Participant is eligible to receive benefits under an Employer-sponsored disability plan.
- e. [ ] Under uniform rules established by the Plan Administrator. The Participant is mentally or physically disabled under a written policy.
- f. [ ] Other: \_\_\_\_\_

*NOTE: If "Other" is selected, the definition provided must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

### 15. Choice of Law/State Law

- a. Name of state or commonwealth for choice of law (Section 12.05): New Mexico
- b. Enter any state law provisions that apply to the Plan: Any applicable State laws.

*NOTE: Only state law and regulations may be entered in A.15b. The Plan may not violate applicable state law.*

**SECTION B. ELIGIBILITY****Exclusions****1. The term "Eligible Employee" shall not include (Check items as appropriate):**

	<b>Employee Contributions</b>	<b>Matching Contributions</b>	<b>Non-Elective Contributions</b>	<b>Grandfathered 401(k) Contributions</b>
a. No Exclusions	[ ]	[ ]	[ ]	[ ]
b. Union Employees	[ ]	[ ]	[ ]	[ ]
c. Leased Employees	[ ]	[ ]	[ ]	[ ]
d. Non-Resident Alien	[ ]	[ ]	[ ]	[ ]
e. Other Employees (Section 3.06(a)): <u>All full-time regular employees or part-time employees are eligible to participate, except temporary employees who are appointed to a position not to exceed six (6) months; casual employees who work less than twenty hours a week; limited term employees who are hired for a term that does not exceed two (2) years; and elected officials are not eligible to participate in the Plan. If the Employer establishes other classes of employees, the members of these classes will not be eligible to participate in the Plan unless the Plan is specifically amended to include the class. This applies to Mandatory Employee Contributions and to Employer Non-Elective Contributions.</u>	[ X ]	[ ]	[ X ]	[ ]

*NOTE: If "Other Employees" is selected, the definition provided must be objectively determinable and may not name a specific individual or be specified in a manner that is subject to Employer discretion.*

**2. Opt-Out**

[ ] An Employee may irrevocably elect not to participate in the Plan.

*NOTE: If the Plan provides for Mandatory Employee Contributions (A.8a.iv is not selected), B.2 shall not apply to Mandatory Employee Contributions.*

**Eligibility Service Rules****3. Other Employer Service**

[ ] Count service with employers other than the Employer for eligibility purposes. List other employers and indicate for what purposes (e.g. Mandatory Employee Contributions, Matching, etc.) the service applies along with any limitations: \_\_\_\_\_

**4. Special Participation Date**

- a.  Allow immediate participation for all Eligible Employees employed on a specific date. All Eligible Employees employed on \_\_\_\_ shall become eligible to participate in the Plan as of \_\_\_\_
- b.  The Plan provides conditions or limitations on immediate participation: \_\_\_\_

*NOTE: Describe the conditions or limitations and indicate for what purposes (e.g. Mandatory Employee Contributions, Matching, etc.) the conditions or limitations apply. The conditions/limitations must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

**Eligibility for All Contribution Types****5. Age Requirement for Plan Participation**

	<b>Employee Contributions</b>	<b>Matching Contributions</b>	<b>Non-Elective Contributions</b>	<b>Grandfathered 401(k) Contributions</b>
a. Age Requirement	None	n/a	None	n/a

**6. Service Requirement for Plan Participation**

	<b>Employee Contributions</b>	<b>Matching Contributions</b>	<b>Non-Elective Contributions</b>	<b>Grandfathered 401(k) Contributions</b>
a. No Minimum Service	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Completion of ____ Year(s) of Eligibility Service - Elapsed Time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Completion of ____ Hours of Service (not to exceed 1,000) in a ____ month period (not to exceed 12; hours of service failsafe applies)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Completion of ____ Hours of Service (not to exceed 1,000) within a 12-month period. The service requirement shall be deemed met at the time the specified number of Hours of Service are completed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Completion of ____ month(s) of service - Elapsed Time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Completion of ____ day(s) of service - Elapsed Time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Other: ____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Additional Requirements: ____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*NOTE: If "Other" is selected, the service requirements provided must be definitely determinable and may not be specified in a manner that is subject to Employer discretion.*

*NOTE: Any "Additional Requirements" provided must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

**7. Entry Dates**

	<b>Employee Contributions</b>	<b>Matching Contributions</b>	<b>Non-Elective Contributions</b>	<b>Grandfathered 401(k) Contributions</b>
a. Immediate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

- |           |   |     |     |     |     |
|-----------|---|-----|-----|-----|-----|
| <b>b.</b> | First day of each payroll period                                | [ ] | [ ] | [ ] | [ ] |
| <b>c.</b> | First day of the calendar month                                 | [ ] | [ ] | [ ] | [ ] |
| <b>d.</b> | First day of each Plan quarter                                  | [ ] | [ ] | [ ] | [ ] |
| <b>e.</b> | First day of the first month and seventh month of the Plan Year | [ ] | [ ] | [ ] | [ ] |
| <b>f.</b> | First day of the Plan Year                                      | [ ] | [ ] | [ ] | [ ] |
| <b>g.</b> | Other:  | [ ] | [ ] | [ ] | [ ] |

*NOTE: If B.7g is selected, the other entry date must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

**8. Entry Timing for Plan Participation**

An Eligible Employee shall become a Participant on the entry date that is:

		<b>Employee Contributions</b>	<b>Matching Contributions</b>	<b>Non-Elective Contributions</b>	<b>Grandfathered 401(k) Contributions</b>
<b>a.</b>	Coincident with or next following the date the eligibility requirements are met	[ ]	[ ]	[ ]	[ ]
<b>b.</b>	Next following the date the eligibility requirements are met	[ ]	[ ]	[ ]	[ ]
<b>c.</b>	Coincident with or immediately preceding the date the eligibility requirements are met	n/a	[ ]	[ ]	n/a
<b>d.</b>	Immediately preceding the date the eligibility requirements are met	n/a	[ ]	[ ]	n/a
<b>e.</b>	Nearest to the date the eligibility requirements are met	n/a	[ ]	[ ]	n/a

*NOTE: If B.7a is selected, an Eligible Employee shall become a Participant eligible to make Mandatory Employee Contributions/Voluntary Contributions/Mandatory After-tax Employee Contributions/Grandfathered 401(k) Contributions immediately upon meeting the eligibility requirements.*

**Transfers/Rehires**

**9. Transfers/Rehires**

- a.** If an Employee either (1) upon rehire again qualifies as an Eligible Employee (2) or if not previously an Eligible Employee who due to a change in status becomes an Eligible Employee, he shall become a Participant with respect to the contributions for which the eligibility requirements have been satisfied (Section 3.05):
  - i.** [ **X** ] as of the later of the effective date of such subsequent change of status or the date the Employee meets the eligibility requirements of this Article 3
  - ii.** [ ] on the entry date as of the later of the effective date of such subsequent change of status or the date the Employee meets the eligibility requirements of this Article 3
- b.** An individual who has satisfied the applicable eligibility requirements set forth in Article 3 before his rehire date, and who is subsequently reemployed by the Employer as an Eligible Employee shall resume or become a Participant (Section 3.05):
  - i.** [ **X** ] immediately upon his rehire date with respect to the contributions for which the eligibility requirements of this Article 3 have been satisfied
  - ii.** [ ] on the entry date coincident with or next following his rehire date with respect to the contributions for which the eligibility requirements of this Article 3 have been satisfied

**SECTION C. CONTRIBUTIONS****Voluntary Contributions/Grandfathered 401(k) Contributions**

*NOTE: If A.8b is "Yes" or A.8d is selected (Voluntary Contributions or Grandfathered 401(k) Contributions are permitted), an Eligible Employee who has met the requirements of B.5 through B.7 shall be eligible to make Voluntary Contributions/Grandfathered 401(k) Contributions to the Plan as follows (Section 4.01):*

**1. Minimum and Maximum Employee Contributions****a. Voluntary Contributions**

- i. Minimum Voluntary Contribution: \_\_\_\_\_
- ii. Maximum Voluntary Contribution: \_\_\_\_\_
- iii. Other limits on Voluntary Contributions apply: \_\_\_\_\_

**b. Grandfathered 401(k) Contributions**

- i.  Minimum Grandfathered 401(k) Contribution: \_\_\_\_\_% of Plan Compensation
- ii.  Minimum Grandfathered 401(k) Contribution: \$\_\_\_\_\_ for the following period: \_\_\_\_\_
- iii.  Maximum Grandfathered 401(k) Contribution: \_\_\_\_\_ of Plan Compensation
- iv.  Other limitations on Grandfathered 401(k) Contributions (specify): \_\_\_\_\_

**c.  Allow Participants to make Catch-up Contributions in addition to Grandfathered 401(k) Contributions**

*NOTE: C.1a.i, C.1b.i, C.1a.ii and C.1b.iii may not be more than 100% of Plan Compensation.*

*NOTE: If C.1a.iii or C.1b.iv is selected the requirements provided must be objectively determinable and may not be specified in a manner that is subject to discretion.*

*NOTE: C.1b and C.1c shall not apply if A.8d is not selected (Grandfathered 401(k) Contributions are not permitted).*

**2. Modifications of Voluntary Contributions/Grandfathered 401(k) Contributions****a. Participants modify/start/stop Grandfathered 401(k) Contributions/Voluntary Contribution elections:**

- i.  Each pay period
- ii.  Monthly
- iii.  Quarterly
- iv.  Semiannual
- v.  Annual
- vi.  Pursuant to Plan Administrator procedures (at least once each calendar year)

**b.  Participants may stop an election to contribute at any time.****Automatic Enrollment****3. Grandfathered 401(k) - Automatic Enrollment****a. The Plan provides automatic enrollment (Section 4.01(g)) in the following manner:**

- i.  None
- ii.  Specified amount. The initial amount of the automatic enrollment (as a percentage of pay): \_\_\_\_\_
- iii.  Administrative policy. Automatic enrollment amounts shall be determined according to a written administrative policy which is timely communicated to Participants so they have an effective opportunity to elect to receive cash or complete an affirmative election deferring a different amount or no amount.

**b.  The amount specified in C.3a shall increase in the following manner (e.g., 1% per year to a maximum of 7% with increases occurring on the first day of each Plan Year): \_\_\_\_\_****c.  Delayed automatic enrollment. The traditional automatic enrollment will be deemed elected \_\_\_\_\_ after the initial satisfaction of the eligibility requirements of Article 3 with respect to Grandfathered 401(k) Contributions (and after effective date of the addition of an automatic enrollment feature for current Participants).****d. Indicate who will be eligible to receive automatic contributions:**

- i.  Eligible Employees who have not made a Grandfathered 401(k) Contribution election
- ii.  All Eligible Employees to the extent that no election was made or their Grandfathered 401(k) Contribution elections are less than the automatic enrollment amount
- iii.  Other: \_\_\_\_\_

**e. If the Plan provides for automatic enrollment and Grandfathered Roth 401(k) Contributions are allowed to the Plan, select whether automatic contributions will be pre- or post-tax:**

- i.  Pre-tax. All Grandfathered 401(k) Contributions made under Section 4.01(g) shall be designated as Pre-

tax Grandfathered 401(k) Contributions.

- ii.  Post-tax. All Grandfathered 401(k) Contributions made under Section 4.01(g) shall be designated as Grandfathered Roth 401(k) Contributions.

**NOTE:** For example, if the automatic enrollment amount is 3% for the first year and increases by 1% per year for five years, insert "3%" in the first blank (C.3a.i) and "increase by 1% in the second through sixth year to a maximum of 8%" in the second blank (C.3b).

**NOTE:** The Plan must provide that the initial default contribution is a uniform percentage of Plan Compensation; although the percentage may vary based on years of service.

**NOTE:** If the Plan is an EACA (C.4a is selected), the uniform percentage of Plan Compensation is determined after the aggregation/disaggregation rules in Treas. Reg. section 1.414(w)-1(b)(2)(iii), although the percentage may vary as permitted in Treas. Reg. section 1.414(w)-1(b)(2)(ii).

**NOTE:** C.3b is only applicable if C.3a.ii is selected.

**NOTE:** C.3c is only applicable if C.3a is selected. C.3c may contain a period of days (90 days, for example) or a specified date (first of the next calendar month, for example).

**NOTE:** C.3e only applies if A.8e is selected (Roth contributions are allowed to the Plan) and C.3a (automatic enrollment) is selected.

**NOTE:** If C.3d.iii is selected, the description must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.

#### 4. EACA

- a.  The Plan intends to be an eligible automatic contribution arrangement (EACA) (Section 4.01(g)(4)(B))
- b. "Covered Employee" means:
- i.  All Employees who make an affirmative election shall remain covered Employees within the meaning of Treas. Reg. section 1.414(w)-1(e)(3)
- ii.  Only Eligible Employees who have not made a Grandfathered Roth 401(k) Contribution election
- c.  Permissible withdrawals will be allowed, provided they are requested within \_\_\_\_\_ days after the date of the first contribution under an EACA (no fewer than 30 or more than 90)

**NOTE:** C.4 only applies if C.3 (automatic enrollment) is selected.

**NOTE:** C.4b only applies if C.3 (automatic enrollment) is selected and C.4a is selected.

**NOTE:** Covered Employees must receive the notice described in Section 4.01(g)(1).

#### Matching - Allocation Service

**NOTE:** If A.9 is "Yes" (Matching Contributions are permitted), an Eligible Employee who has met the requirements of B.5 through B.7 and who has satisfied the following requirements shall be eligible to receive an allocation of Matching Contributions during the applicable Plan Year:

#### 5. Allocation Service Requirements for Matching Contributions

- a.  None
- b.  In order to share in the allocation of Matching Contributions, a Participant is required to complete at least the following number of Hours of Service in the applicable Plan Year \_\_\_\_\_
- c.  In order to share in the allocation of Matching Contributions, a Participant is required to be employed by the Employer on the last day of Plan Year
- d.  In order to share in the allocation of Matching Contributions, a Participant is required to be employed by the Employer on the last day of Plan Year or complete at least \_\_\_\_\_ Hours of Service in the applicable Plan Year

**NOTE:** C.5b and C.5c are inapplicable if C.5a or C.5d is selected.

#### 6. Exceptions to Allocation Service Requirements for Matching Contributions

- a.  A Participant whose employment terminates on the last day of the Plan Year is treated as being employed by the Employer on the last day of the Plan Year.
- b. Modify Hour of Service requirement or last day requirement for a Participant who Terminates employment with the Employer during the Plan Year due to:
- i.  death
- ii.  Disability
- iii.  attainment of Normal Retirement Age
- iv.  attainment of Early Retirement Age

c. Any Hour of Service requirement and last day requirement shall be modified as follows:

- i.  Waive both the Hour of Service requirement and last day requirement
- ii.  Waive the Hour of Service requirement only
- iii.  Waive last day requirement only

d.  The following other modifications shall be made to the requirements specified in C.5-7c: \_\_\_\_\_

*NOTE: Other modifications must be specified in a manner that is objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

### Matching Contribution- Formula

#### 7. Matched Employee Contribution Inclusions

The following contributions are Matched Employee Contributions:

- a.  Grandfathered 401(k) Contributions shall be included in the definition of Matched Employee Contributions
- b.  Include a Participant's Catch-up Contributions in the definition of Matched Employee Contributions
- c.  Voluntary Contributions shall be included in the definition of Matched Employee Contributions
- d.  Mandatory Employee Contributions shall be included in the definition of Matched Employee Contributions
- e.  Mandatory After-tax Employee Contributions shall be included in the definition of Matched Employee Contributions
- f.  Contributions made under the following 403(b) or 457(b) plan(s) of the Employer shall be included in the definition of Matched Employee Contributions: \_\_\_\_\_

*NOTE: If A.8b.i is not selected (Voluntary Contributions are not permitted), C.7c is not applicable; if A.8a.iv is selected (no Mandatory Employee Contributions), C.7d is not applicable; if A.8c.iv is selected (no Mandatory After-tax Employee Contributions), C.7e is not applicable, and if A.8d (Grandfathered 401(k) Contributions are not permitted) C.7a and C.7b are not applicable.*

#### 8. Matching Contribution Formula

a.  A discretionary amount. The amount will be allocated:

- i.  as a uniform percentage of Matched Employee Contributions.
- ii.  as a flat dollar amount for each Participant.
- iii.  based on written instructions provided by the Employer to the Plan Administrator (or Trustee, if applicable) describing (1) how the discretionary Employer Matching Contribution formula will be allocated to Participants (e.g., a uniform percentage of Matched Employee Contributions or a flat dollar amount), (2) the computation period(s) to which the discretionary Employer Matching Contribution formula applies, and (3) if applicable, a description of each business location or business classification subject to separate discretionary Employer Matching Contribution allocation formulas. Such instructions must be provided no later than the date on which the discretionary Employer Matching Contribution is made to the Plan. A summary of these instructions must be communicated to Participants who receive discretionary Employer Matching Contributions. The summary must be communicated to Participants no later than 60 days following the date on which the last discretionary Employer Matching Contribution is made to the Plan for a Plan Year.

b.  Fixed rate. The Employer will contribute as a Matching Contribution an amount equal to i. \_\_\_\_\_% of the Participant's Matched Employee Contributions that are not in excess of ii. \_\_\_\_\_% of the Participant's Plan Compensation

c.  Years of service. See C.9 below

d.  Special schedule. Matching Contributions shall be made according to the following schedule: \_\_\_\_\_

*NOTE: If B.8d is selected, the other schedule must describe a formula from the options already available or a combination thereof (e.g., discretionary rate formula applies to Group A; fixed rate formula applies to Group B), be objectively determinable and may not be specified in a manner that is subject to discretion.*

#### 9. Years of Service

a. The Matching contribution will be made according to the schedule below:

- i. \_\_\_\_\_ Years of service \_\_\_\_\_% of Matched Employee Contributions
- ii. \_\_\_\_\_ Years of service \_\_\_\_\_% of Matched Employee Contributions
- iii. \_\_\_\_\_ Years of service \_\_\_\_\_% of Matched Employee Contributions
- iv. \_\_\_\_\_ Years of service \_\_\_\_\_% of Matched Employee Contributions

b.  Only Matched Employee Contributions that are not in excess of \_\_\_\_\_% of the Participant's Plan Compensation shall be matched.

c. In determining years of service in this C.9, the following service shall be used:

- i.  Years of Eligibility Service
- ii.  Years of Vesting Service
- d. Enter the number of Hours of Service necessary to earn a year of service described in C.9a: \_\_\_\_\_

**10. Maximum Allocations for Matching Contributions**

- a. Plan limits Matching Contributions to the following in each Plan Year:
  - i.  Maximum percentage of Plan Compensation: \_\_\_\_\_%
  - ii.  Maximum dollar amount: \$\_\_\_\_\_
  - iii.  Other: \_\_\_\_\_
  - iv.  No Maximum
- b. Apply the dollar limit in C.10:
  - i.  On a Plan Year basis only
  - ii.  Pro rata as of each period specified in C.11a

*NOTE: If "Other" is selected the requirements provided must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

*NOTE: C.10b shall only apply if a maximum dollar amount (C.10a.ii or C.10a.iii) is selected and End of Plan Year (C.11a.i) is not selected.*

**11. Allocation Times for Matching Contributions**

- a. Fixed Matching Contributions are allocated to Participant Accounts at the following time(s):
  - i.  End of Plan Year
  - ii.  Semi-annually
  - iii.  Quarterly
  - iv.  Each calendar month
  - v.  Each pay period
  - vi.  At such times as may be determined by the Employer

*NOTE: Any service requirements specified in C.5 through C.6 shall be applied pro rata to the period selected in this C.11. Any last day rule specified in C.5 through C.6 shall be applied as of the end of each period selected in this C.11.*

**Non-Elective Contributions - Service**

*NOTE: If A.10 is "Yes" (Non-Elective Contributions are permitted), an Eligible Employee who has met the requirements of B.5 through B.7 and who has satisfied the following requirements shall be eligible to receive an allocation of Non-Elective Contributions during the applicable Plan Year.*

**12. Allocation Service Requirements for Non-Elective Contributions**

- a.  None
- b.  In order to share in the allocation of Non-Elective Contributions, a Participant is required to complete at least the following number of Hours of Service in the applicable Plan Year \_\_\_\_\_
- c.  In order to share in the allocation of Non-Elective Contributions, a Participant is required to be employed by the Employer on the last day of Plan Year
- d.  In order to share in the allocation of Non-Elective Contributions, a Participant is required to be employed by the Employer on the last day of Plan Year or complete at least \_\_\_\_\_ Hours of Service in the applicable Plan Year

**13. Exceptions to Allocation Service Requirements for Non-Elective Contributions**

- a.  A Participant whose employment terminates on the last day of the Plan Year is treated as being employed by the Employer on the last day of the Plan Year.
- b. Modify Hour of Service requirement or last day requirement for a Participant who Terminates employment with the Employer during the Plan Year due to:
  - i.  death
  - ii.  Disability
  - iii.  attainment of Normal Retirement Date
  - iv.  attainment of Early Retirement date
- c. Any Hour of Service requirement and last day requirement shall be modified as follows:
  - i.  Waive both the Hour of Service requirement and last day requirement
  - ii.  Waive the Hour of Service requirement only
  - iii.  Waive last day requirement only
- d.  The following other modifications shall be made to the requirements specified in C.12-13b: \_\_\_\_\_

**NOTE:** Other modifications must be specified in a manner that is objectively determinable and may not be specified in a manner that is subject to Employer discretion.

### Non-Elective Contributions - Formula

#### 14. Amount of Non-Elective Contributions

- a.  Discretionary in an amount as determined by the Employer
- b.  \_\_\_\_\_% of total Participant Plan Compensation for the Plan Year
- c.  \$\_\_\_\_\_ for the Plan Year
- d.  Other: A 9% employer non-elective contribution consisting of a 4% Employer Supplemental Contribution and a 5% Basic Employer Contribution

#### 15. Non-Elective allocation formula. The Non-Elective Contribution shall be allocated to eligible Participants who have met the requirements of B.5 through B.7 and C.12 through C.13 (Section 4.03):

- a.  Pro rata. In the ratio that each Participant's Plan Compensation bears to the Plan Compensation of all eligible Participants.
- b.  Points. See C.16.
- c.  Fixed Amount. In an amount equal to the total Non-Elective Contribution divided by the number of Participants eligible to share in such contribution.
- d.  Defined Groups. See C.17
- e.  One Group per Participant. In an amount designated by the Employer to be allocated to each group. For purposes of this C.15e, there shall be one group created for each Participant eligible to receive allocations of Non-Elective Contributions. The contribution shall be allocated to each group in a manner determined by the Employer. The amount allocated to one group need not bear any relationship to amounts allocated to any other group. The Employer shall notify the Plan Administrator in writing of the amount of contributions allocated to each group.
- f.  Other fixed formula: \_\_\_\_\_

**NOTE:** If B.15f is selected, the other fixed formula must describe a formula from the options already available or a combination thereof (e.g., pro rata formula applies to Group A; fixed amount applies to Group B), be objectively determinable and may not be specified in a manner that is subject to Employer discretion.

#### 16. Non-Elective Contribution - Points

If C.15b is selected, the Non-Elective Contribution shall be allocated to eligible Participants who have met the requirements of B.5 through B.7 and C.12 through C.13 in the ratio that such Participant's points bears to the points of all eligible Participants.

Each Participant shall receive to the extent provided in C.16a: (a) the points described in C.16d for each year of age he has attained (as of his birthday during such Plan Year), (b) the points described in C.16c for each Plan Year, including the current Plan Year, during which he was eligible to participate in the Plan after meeting the requirements of Article 3 (regardless of any service or last day requirement in Article 4) applicable to Non-Elective Contributions, and (c) the points described in C.16b for each \$\_\_\_\_\_ of Plan Compensation he has earned for such Plan Year.

- a. Points will be computed on basis of:
  - i.  Age, Service and Plan Compensation
  - ii.  Age and Service
  - iii.  Age and Plan Compensation
  - iv.  Service and Plan Compensation
  - v.  Age Only
  - vi.  Service Only
- b. Points awarded for \$\_\_\_\_\_ of Plan Compensation: \_\_\_\_\_
- c. Points awarded for each year of participation: \_\_\_\_\_
- d. Points awarded for each year of age: \_\_\_\_\_

**NOTE:** C.16b, C.16c and C.16d apply to the extent that C.16a provides points for Plan Compensation, Years of Service or age; respectively.

#### 17. Non-Elective Contribution - Defined Groups

If C.15d is selected, the Non-Elective Contribution shall be allocated to eligible Participants who have met the requirements of B.5 through B.7 and C.12 through C.13 in an amount designated by the Employer to be allocated to each group described in C.17. The contribution for a group shall then be further allocated to the members of such group who are eligible to receive allocations of Non-Elective Contributions in the method as specified in C.17 for such group. The

amount allocated to one group need not bear any relationship to amounts allocated to any other group. The Employer shall notify the Plan Administrator in writing of the amount of contributions allocated to each group.

The groups and allocations shall be determined as follows:

- a. Group One: \_\_\_\_\_ An amount equal to:
- i.  A percentage of Plan Compensation \_\_\_\_\_
  - ii.  A fixed dollar amount \_\_\_\_\_
  - iii.  the greater of i. or ii.

*NOTE: Groups must be defined in a manner that is objectively determined with no Employer discretion. Groups may not be designed so that the permanency requirement of Treas. Reg. section 1.401-1(b)(2) is violated.*

*NOTE: See Section 3.06 for rules regarding eligibility requirements.*

#### 18. Determination Period for Non-Elective Contributions

- a. Non-Elective Contributions are determined at the following time(s):
- i.  End of Plan Year
  - ii.  Semi-annually
  - iii.  Quarterly
  - iv.  Each calendar month
  - v.  Each pay period
- b. Minimum and Maximum Non-Elective Contributions
- i.  Allocations of Non-Elective Contributions for a Participant shall be subject to a minimum amount: \_\_\_\_\_
  - ii.  Allocations of Non-Elective Contributions for a Participant shall be subject to a maximum amount: \_\_\_\_\_

*NOTE: Any service requirements specified in C.12 through C.13 shall be applied pro rata to the period selected in this C.18a. Any last day rule specified in C.12 through C.13 shall be applied as of the end of each period selected in this C.18a.*

#### 19. Paid Time Off

- a.  The Employer will contribute a Participant's unused paid time off (vacation or sick leave) as a Non-Elective Contribution to the Plan. Unused paid time off shall be contributed to the Plan:
- i.  Each Plan Year
  - ii.  Upon Termination
- b.  The following limitations/conditions shall apply: \_\_\_\_\_

*NOTE: Any unused paid time off where the Participant has the right to request cash payment is not eligible for contribution to the Plan under this C.19.*

*NOTE: The unused paid time off contributions must be contributed by multiplication of the Participant's current daily rate of pay against the amount of accrued unpaid leave.*

*NOTE: Paid time off contributions must conform with Revenue Rulings 2009-31 and 2009-32.*

#### 20. Non-Elective Contributions - Disability

Allocate Non-Elective Contributions to Disabled Participants who do not meet the allocation service requirements (Section 4.03(d)). Allocations to Disabled Participants end as of the earliest of: (i) the last day of the Plan Year in which occurs the \_\_\_\_\_ anniversary of the start of the Participant's Disability or (ii) such other time specified in Section 4.03(d).

#### 21. Collective Bargaining Agreement

- a.  In addition to the formula selected in C.15, an amount necessary to meet the Employer's requirements under an applicable collective bargaining agreement shall be allocated as follows: \_\_\_\_\_
- b. The collective bargaining allocations will offset other Employer contribution allocations that would otherwise be made to a Participant:
- i.  Yes - Non-Elective Contributions only
  - ii.  No
  - iii.  Other: \_\_\_\_\_

*NOTE: C.14-18 (amount, timing, maximum and minimum Non-Elective Contributions) will not apply to collectively bargained contributions. Collectively bargained contribution allocation timing, maximums and minimums will be determined under the collective bargaining agreement unless otherwise specified in C.21b.*

#### Other Contributions

#### 22. Prevailing Wage

- a.  The Employer will make a prevailing wage contribution for each Participant who performs an hour or more of

service under a public contract subject to the Davis-Bacon Act. The formula for allocating prevailing wage contributions shall be specified in the Prevailing Wage Addendum to the Adoption Agreement. The contribution allocated will be dependent on the Participant's job classification and the hourly rate established:

- i.  by the applicable federal, state, or municipal prevailing wage laws.
  - ii.  in the Prevailing Wage Addendum to the Adoption Agreement.
- b. Offset of other contributions:
- i.  Any other employer contribution allocations that would otherwise be made to a Participant
  - ii.  Other: \_\_\_\_\_

*NOTE: If C.22a.ii is selected, the Prevailing Wage Addendum entry should include job classifications and applicable hourly rates. To the extent the hourly rates established in the Prevailing Wage Addendum result in a smaller contribution than is required under the applicable federal, state, or municipal prevailing wage laws, the Plan Administrator retains the discretion to make the larger contribution as the prevailing wage contribution.*

**23. Rollovers**

Rollover Contributions are permitted (Section 4.04):

- a.  No
- b.  Yes - All Eligible Employees may make a Rollover Contribution even if not yet a Participant in the Plan
- c.  Yes - Only active Participants may make a Rollover Contribution
- d.  Yes - \_\_\_\_\_ Participants may make a Rollover Contribution

*NOTE: The Plan Administrator must use its discretion in a consistent and nondiscriminatory manner.*

**24. Deemed IRAs**

The Plan may accept voluntary contributions to deemed IRAs (Section 4.08)

**25. Death or Disability During Qualified Military Service**

For benefit accrual purposes, a Participant that dies or becomes Disabled while performing qualified military service will be treated as if he had been employed by the Employer on the day preceding death or Disability and terminated employment on the day of death or Disability pursuant to Code section 414(u)(9) (Section 6.02).

**26. 415 Additional Language**

Additional language necessary to satisfy Code section 415 because of the required aggregation of multiple plans: The Annual Additions when combined with the Annual Additions credited to a Participant's account under any other qualified defined contribution plans to which the Employer contributes on behalf of the Participant for the same Limitation Year will not exceed the maximum permissible amount specified in the Plan.

**SECTION D. VESTING**

**Vesting Schedules**

**1. Matching Contribution Account**

Vesting Schedule for Matching Contributions:

- a.  100%
- b.  \_\_\_\_\_ year cliff
- c.  Other:
  - i. Other Match Schedule - less than 1 year: \_\_\_\_\_%
  - ii. Other Match Schedule - 1 years but less than 2 years: \_\_\_\_\_%
  - iii. Other Match Schedule - 2 years but less than 3 years: \_\_\_\_\_%
  - iv. Other Match Schedule - 3 years but less than 4 years: \_\_\_\_\_%
  - v. Other Match Schedule - 4 years but less than 5 years: \_\_\_\_\_%
  - vi. Other Match Schedule - 5 years but less than 6 years: \_\_\_\_\_%
  - vii. Other Match Schedule - \_\_\_\_\_%
  - viii. Other Match Schedule - \_\_\_\_\_%
  - ix. Other Match Schedule - \_\_\_\_\_%
  - x. Other Match Schedule - \_\_\_\_\_%
  - xi. Other Match Schedule - \_\_\_\_\_%
  - xii. Other Match Schedule - 11 years but less than 12 years: \_\_\_\_\_%
  - xiii. Other Match Schedule - 12 years but less than 13 years: \_\_\_\_\_%
  - xiv. Other Match Schedule - 13 years but less than 14 years: \_\_\_\_\_%
  - xv. Other Match Schedule - 14 years but less than 15 years: \_\_\_\_\_%
  - xvi. Other Match Schedule - 15 years but less than 16 years: \_\_\_\_\_%
  - xvii. Other Match Schedule - 16 years but less than 17 years: \_\_\_\_\_%
  - xviii. Other Match Schedule - \_\_\_\_\_%

- |   |   |
|---|---|
| 6 years but less than 7 years: _____%   | 17 years but less than 18 years: _____% |
| viii. Other Match Schedule -            | xix. Other Match Schedule -             |
| 7 years but less than 8 years: _____%   | 18 years but less than 19 years: _____% |
| ix. Other Match Schedule -              | xx. Other Match Schedule -              |
| 8 years but less than 9 years: _____%   | 19 years but less than 20 years: _____% |
| x. Other Match Schedule -               | xxi. Other Match Schedule -             |
| 9 years but less than 10 years: _____%  | 20 years: <u>100%</u>                   |
| xi. Other Match Schedule -              |   |
| 10 years but less than 11 years: _____% |   |

**NOTE:** D.1 does not apply if the Plan does not provide for Matching Contributions (A.9 is "No").

**NOTE:** A cliff vesting schedule means no vesting is provided until the participant meets the number of Years of Vesting Service provided in D.1b.

**NOTE:** D.1b and D1c may not be completed with a cliff vesting schedule of more than 15. However, if substantially all Participants are qualified public safety employees within the meaning of Code section 72(t)(10(B) the limit is increased to 20.

**NOTE:** D.1c may provide for a graded vesting schedule of up to 5 to 20 years.

## 2. Non-Elective

- |   |  |
|---|--|
| a. <input type="checkbox"/> 100%              |  |
| b. <input type="checkbox"/> _____ year cliff  |  |
| c. <input checked="" type="checkbox"/> Other: |  |
| i. Other Non-Elective Schedule -              | xii. Other Non-Elective Schedule -           |
| less than 1 year: <u>0%</u>                   | 11 years but less than 12 years: <u>100%</u> |
| ii. Other Non-Elective Schedule -             | xiii. Other Non-Elective Schedule -          |
| 1 years but less than 2 years: <u>0%</u>      | 12 years but less than 13 years: <u>100%</u> |
| iii. Other Non-Elective Schedule -            | xiv. Other Non-Elective Schedule -           |
| 2 years but less than 3 years: <u>0%</u>      | 13 years but less than 14 years: <u>100%</u> |
| iv. Other Non-Elective Schedule -             | xv. Other Non-Elective Schedule -            |
| 3 years but less than 4 years: <u>20%</u>     | 14 years but less than 15 years: <u>100%</u> |
| v. Other Non-Elective Schedule -              | xvi. Other Non-Elective Schedule -           |
| 4 years but less than 5 years: <u>40%</u>     | 15 years but less than 16 years: <u>100%</u> |
| vi. Other Non-Elective Schedule -             | xvii. Other Non-Elective Schedule -          |
| 5 years but less than 6 years: <u>60%</u>     | 16 years but less than 17 years: <u>100%</u> |
| vii. Other Non-Elective Schedule -            | xviii. Other Non-Elective Schedule -         |
| 6 years but less than 7 years: <u>80%</u>     | 17 years but less than 18 years: <u>100%</u> |
| viii. Other Non-Elective Schedule -           | xix. Other Non-Elective Schedule -           |
| 7 years but less than 8 years: <u>100%</u>    | 18 years but less than 19 years: <u>100%</u> |
| ix. Other Non-Elective Schedule -             | xx. Other Non-Elective Schedule -            |
| 8 years but less than 9 years: <u>100%</u>    | 19 years but less than 20 years: <u>100%</u> |
| x. Other Non-Elective Schedule -              | xxi. Other Non-Elective Schedule -           |
| 9 years but less than 10 years: <u>100%</u>   | 20 years: <u>100%</u>                        |
| xi. Other Non-Elective Schedule -             |  |
| 10 years but less than 11 years: <u>100%</u>  |  |

**NOTE:** D.2 does not apply if the Plan does not provide for Non-Elective Contributions (A.10 is "No").

**NOTE:** A cliff vesting schedule means no vesting is provided until the participant meets the number of Years of Vesting Service provided in D.2b.

**NOTE:** D.2b and D2c may not be completed with a cliff vesting schedule of more than 15. However, if substantially all Participants are qualified public safety employees within the meaning of Code section 72(t)(10(B) the limit is increased to 20.

**NOTE:** D.2c may provide for a graded vesting schedule of up to 5 to 20 years.

## 3. Other Vesting Schedule

The Plan has another vesting schedule: The Supplemental Employer Contribution Account is 100% vested

**NOTE:** The vesting schedule in D.3 is in addition to the vesting schedules in D.1. through D.2

*NOTE: The other vesting schedule must be definitely determinable and may not be specified in a manner that is subject to Employer discretion.*

### Vesting Service Rules

*NOTE: If D.1a and D.2a are selected (or D.1 or D.2 do not apply) and D.3 is not selected, the remaining options in section D.4-8 are inapplicable.*

#### 4. Vesting Computation Period

- a.  Calendar year
- b.  Plan Year
- c.  The consecutive 12-month period commencing on the date the Employee first performs an Hour of Service; each subsequent consecutive 12-month period shall commence on the anniversary of such date
- d.  Other: \_\_\_\_\_

*NOTE: D.4d must be based on creditable years of service.*

#### 5. Other Employer Service

Count service with employers other than the Employer for vesting purposes. List other employers for which the service applies along with any limitations: \_\_\_\_\_

#### 6. Vesting Exceptions (Section 6.02)

- a.  Death. Provide for full vesting for a Participant who Terminates employment with the Employer due to death while an Employee.
- b.  Disability. Provide for full vesting for a Participant who Terminates employment with the Employer due to Disability while an Employee.
- c.  Early Retirement. Provide for 100% vesting upon the attainment of Early Retirement Age while an Employee.

#### 7. Vesting Exclusions

- a.  Exclude Years of Vesting Service earned before age 18.
- b.  Exclude Years of Vesting Service earned before the Employer maintained this Plan or a predecessor plan.

#### 8. Vesting Forfeitures

- a. Upon termination, nonvested account balances shall be forfeited
  - i.  as soon as administratively feasible
  - ii.  other timeframe: The earlier of: 1) The last day of the Plan Year in which termination of service occurs; or 2) The date the Participant receives a distribution of the nonforfeitable portion of his account balances.
- b. Upon receiving a distribution, the nonvested portion of the account shall be forfeited
  - i.  as soon as administratively feasible
  - ii.  other timeframe: \_\_\_\_\_

*NOTE: The other timeframes must be definitely determinable and may not be specified in a manner that is subject to Employer discretion.*

#### 9. Forfeitures and Re-employment

- a.  forfeited account balances shall be restored and continue to vest (select any of the following if applicable)
  - i.  only if the period of severance was less than or equal to the following period \_\_\_\_\_
  - ii.  only to the extent the vested account balance was not distributed
  - iii.  only to the extent the vested distributed account balance is restored to the Plan
- b.  forfeited account balances shall not be restored

#### 10. Use of Forfeitures

Forfeitures will be used in the following manner (Articles 5 and 6):

- a.  Any permissible method described in Section 6.03(d)
- b.  Other: \_\_\_\_\_

*NOTE: If D.10a is selected, forfeitures may be allocated in any manner at the discretion of the Plan Administrator.*

*NOTE: D.10b is limited to one or a combination of the options described in D.10a, may be used to further restrict the uses of forfeitures, and must be applied in a consistent and nondiscriminatory manner.*

#### 11. Special Vesting Provisions

Provide for special vesting provisions (e.g., 100% vesting as of a certain date, or to set a different vesting schedule for employees based on division): For purposes of vesting, a re-hired Employee who incurred at least an 18-month break

in service prior to re-hire, and who received a distribution of his or her vested account balance, years of service shall mean the total number of years of elapsed service commencing on the Employee's re-employment commencement date and ending on the following severance from service date and shall not include any years of service prior to the Employee's re-employment commencement date. For purposes of vesting, a re-hired Employee who incurred at least an 18-month break in service prior to re-hire, but had not received a distribution of his or her vested account balance, years of service shall mean the total number of years of elapsed service commencing on the Employee's re-employment commencement date and ending on the following severance from service date plus the prior period of employment commencing on the Employee's employment commencement date and ending on the severance from service date. For any Employee who has multiple periods of service, rehire and termination, any years of service prior to a distribution of the Employee's vested account balance will not be counted. For purposes of vesting, for a re-hired Employee who has not incurred at least an 18-month break in service prior to re-hire, years of service shall mean the total number of years of elapsed service commencing on the Employee's re-employment commencement date and ending on following severance from service date plus any years of service the Employee had credited prior to his or her severance from service date.

*NOTE: The special vesting provisions must be definitely determinable and may not be specified in a manner that is subject to Employer discretion.*

## **SECTION E. DISTRIBUTIONS**

### **1. Normal Retirement**

Normal Retirement Age means:

- a.  Attainment of age (not to exceed 65): \_\_\_\_\_
- b.  Later of attainment of age 65 or the seventh anniversary of Plan participation.
- c.  Other: \_\_\_\_\_

*NOTE: Effective Plan Years beginning on or after the later of (1) January 1, 2015 or (2) the close of the first regular legislative session of the legislative body with the authority to amend the Plan that begins on or after the date that is 3 months after the final regulations are published in the Federal Register, the definition of Normal Retirement Age must satisfy Treas. Reg. section 1.401(a)-1(b) pursuant to IRS Notice 2012-29.*

### **2. Early Retirement**

Early Retirement Age means:

- a.  None. The Plan does not have an early retirement feature.
- b.  Attainment of age \_\_\_\_\_
- c.  Later of attainment of age \_\_\_\_\_ or \_\_\_\_\_ service.
- d.  Other: \_\_\_\_\_

### **3. Time of Payment (Other than Death)**

Distributions after Termination of Employment for reasons other than death shall commence (Section 7.02):

- a.  Immediate. As soon as administratively feasible with a final payment made consisting of any allocations occurring after such Termination of Employment.
- b.  End of Plan Year. As soon as administratively feasible after all contributions have been allocated relating to the Plan Year in which the Participant's Account balance becomes distributable.
- c.  Normal Retirement Age. When the Participant attains Normal Retirement Age.
- d.  Other: \_\_\_\_\_

*NOTE: Any entry in "Other" must comply with Code section 401(a)(9), Section 7.02(e) and other requirements of Article 7.*

### **4. Form of Payment (Other than Death)**

Medium of distribution from the Plan:

- a.  Cash only
- b.  Cash or in-kind
- c.  Other: \_\_\_\_\_

### **5. Default Form of Payment (Other than Death)**

a. Unless otherwise elected by the Participant, distributions shall be made in the form of:

- i.  Lump sum only
- ii.  Other: \_\_\_\_\_
- b. In addition to the form described in E.5a, distributions from the Plan after Termination for reasons other than death may be made in the following forms (select all that apply):

- i.  Lump sum only
- ii.  Lump sum payment or substantially equal annual, or more frequent installments over a period not to exceed the joint life expectancy of the Participant and his Beneficiary
- iii.  Partial withdrawals - a Participant may withdraw such amounts at such times as he shall elect
- iv.  Other: \_\_\_\_\_

*NOTE: Any entry in E.5a.ii or E.5b.iv must comply with Code section 401(a)(9), Section 7.02(e) and other requirements of Article 7.*

**6. Permit Distributions as an Annuity**

Permit distributions in the form of an annuity

*NOTE: If E.6 is selected, a Participant/Beneficiary may elect to have the Plan Administrator apply his entire vested Account toward the purchase of an annuity contract, which shall be distributed to the Participant/Beneficiary. The terms of such annuity contract shall comply with the provisions of this Plan and any annuity contract shall be nontransferable.*

**7. Payment upon Participant's Death**

Distributions on account of the death of the Participant shall be made in accordance with the following:

- a.  Pay entire Account balance by end of fifth year for all Beneficiaries in accordance with Sections 7.02(b)(1)(A) and 7.02(b)(2)(A) only
- b.  Pay entire Account balance no later than the 60th day following the end of Plan Year in which the Participant dies
- c.  Allow extended payments for all Beneficiaries in accordance with Sections 7.02(b)(1)(A), (B) and (C) and 7.02(b)(2)(A) and (B)
- d.  Pay entire Account balance by end of fifth year for Beneficiaries in accordance with Sections 7.02(b)(1)(A) and 7.02(b)(2)(A) and allow extended payments in accordance with Sections 7.02(b)(1)(B) and (C) and 7.02(b)(2)(B) only if the Participant's spouse is the Participant's sole primary Beneficiary
- e.  Other: \_\_\_\_\_

*NOTE: Any entry in "Other" must comply with Code section 401(a)(9), Section 7.02(b) and other requirements of Article 7.*

**8. Beneficiaries**

a. Death benefits when there is no designated beneficiary:

- i.  In accordance with Section 7.04(b)
- ii.  Other: \_\_\_\_\_

b.  A beneficiary designation to a spouse shall be automatically revoked upon the legal divorce of the Participant and the spouse.

*NOTE: If "Other" is selected, must be definitely determinable and may not be specified in a manner that is subject to Employer discretion.*

**9. Force-Out Provisions**

- a.  Maximum force-out amount for purposes of Section 7.03 (not to exceed \$5,000): \$1000
  - i.  Exclude amounts attributable to Rollover Contributions in determining the value of the Participant's nonforfeitable account balance
  - ii. Force-outs will be subject to the automatic rollover provisions of 7.06(c) if over: \$1000
- b. Force-out of a terminated Participant's Account balance is deferred under Section 7.03(b) until:
  - i.  Later of age 62 or Normal Retirement Age - payment made in a lump sum only
  - ii.  Required Beginning Date - Participant may elect payment in a lump sum or installments
  - iii.  Required Beginning Date - payment made in a lump sum only

*NOTE: If E.9a is less than \$1,000, E.9a.i may not be selected.*

**10. Required Beginning Date**

Required Beginning Date for a Participant:

- a.  Retirement. April 1 of the calendar year following the later of the calendar year in which the Participant attains age 70-1/2 or retires
- b.  Age 70-1/2. April 1 of the calendar year following the calendar year in which the Participant attains age 70-1/2
- c.  Election. The option provided in E.10a; provided that a Participant may elect to commence distributions pursuant to either E.10a or E.10b

**SECTION F. IN-SERVICE WITHDRAWALS**

*NOTE: See Section 8.05 for limits on in-service distributions.*

**Retirement/Hardship/Age****1. Normal/Early Retirement**

- a.  Allow in-service distributions after attainment of Normal Retirement Age (Section 7.01(b)) from the following Accounts: \_\_\_\_\_
- b.  Allow in-service distributions after attainment of Early Retirement Age (Section 7.01(a)) from the following Accounts: \_\_\_\_\_

*NOTE: If the Normal Retirement Age or Early Retirement Age is less than age 59-1/2 and in-service is selected, Grandfathered 401(k) Contributions shall not be eligible for withdrawal until the Participant attains age 59-1/2.*

**2. Hardship**

Hardship withdrawals are allowed as follows (Section 8.01):

- a.  None
- b.  All Accounts.
- c.  Selected Accounts
- i.  Mandatory Employee Contribution Account
- ii.  Mandatory After-tax Employee Contribution Account
- iii.  Matching Account
- iv.  Non-Elective Contribution Account
- v.  Grandfathered 401(k) Contribution Account
- vi.  Voluntary Contribution Account
- vii.  Rollover Contribution Account
- viii.  Transfer Account
- ix.  Other: \_\_\_\_\_
- d. The criteria used in determining whether a Participant is entitled to receive a Hardship withdrawal:
- i.  Safe Harbor criteria set forth in Section 8.01(b)
- ii.  Non Safe Harbor criteria set forth in Section 8.01(c)
- e.  More flexible Hardship criteria applies to permitted Account(s)
- i.  Use criteria specified in Section 8.01(c)
- ii.  Use criteria specified in Section 8.01(c) with the following additional criteria or modifications: \_\_\_\_\_
- f.  Expand the Hardship criteria to include the Beneficiary of the Participant
- g. If a Participant may receive a Hardship withdrawal from his Grandfathered 401(k) Contribution Account, permit Hardship withdrawals from the Participant's Grandfathered Roth 401(k) Contribution Account subject to the same terms and conditions as apply to the Participant's Grandfathered 401(k) Contribution Account:
- i.  Yes
- ii.  Yes - only if the withdrawal from the Grandfathered Roth 401(k) Contribution Account qualifies as a "qualified distribution" within the meaning of Code section 402A(d)(2)
- iii.  No
- h.  Other limitations on Hardship withdrawals: \_\_\_\_\_

*NOTE: If F.2a is selected, F.2b through F.2h do not apply.*

*NOTE: F.2e only applies if Hardship withdrawals are permitted from Accounts not subject to Treas. Reg. 1.401(k)-1(d) (Accounts specified in F.2cii-vi to the extent applicable and selected above). If F.2e is selected, the requirements of Section 8.01(b)(2) shall not apply, the amount of the hardship distribution may not exceed the Participant's vested interest under the applicable Account and the requirements of Revenue Ruling 71-224 and any superseding guidance shall apply.*

*NOTE: F.2f only applies if the Plan provides for in-service withdrawals on account of Hardship and uses the safe harbor criteria for Hardship determinations. If F.2f is selected, Hardship distributions may be made for a primary Beneficiary for expenses described in Treas. Reg. sections 1.401(k)-1(d)(3)(iii)(B)(1), (3), or (5) (relating to medical, tuition, and funeral expenses, respectively). A "primary Beneficiary" is an individual who is named as a Beneficiary under the Plan and has an unconditional right to all or a portion of the Participant's Account Balance upon the death of the Participant.*

*NOTE: F.2g only applies if A.8d or A.8e is selected, (Grandfathered Roth 401(k) Contributions are permitted).*

**NOTE:** Any limitations in F.2h (such as limits on the number of withdrawals per year or minimum amount of distributions) must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.

### 3. Specified Age and Service

- a. In-service withdrawals are allowed on attainment of age \_\_\_\_\_ and \_\_\_\_\_ service (Section 8.02):
- i.  None
  - ii.  All Accounts
  - iii.  Selected Accounts
- b. If Selected Accounts is selected, specified age and service withdrawals may be made from the following Accounts:
- i.  Mandatory Employee Contribution Account
  - ii.  Mandatory After-tax Employee Contribution Account
  - iii.  Matching Account
  - iv.  Non-Elective Contribution Account
  - v.  Grandfathered 401(k) Contribution Account
  - vi.  Voluntary Contribution Account
  - vii.  Rollover Contribution Account
  - viii.  Transfer Account
  - ix.  Other: \_\_\_\_\_
- c. If a Participant may receive a withdrawal upon the attainment of a specified age and service from his Grandfathered 401(k) Contribution Account, permit such withdrawals from the Participant's Grandfathered Roth 401(k) Contribution Account subject to the same terms and conditions as apply to the Participant's Grandfathered 401(k) Contribution Account:
- i.  Yes
  - ii.  Yes - only if the withdrawal from the Grandfathered Roth 401(k) Contribution Account qualifies as a "qualified distribution" within the meaning of Code section 402A(d)(2)
  - iii.  No

**NOTE:** F.3b only applies if F.3a.iii is selected.

**NOTE:** If F.3a is less than age 59-1/2, Grandfathered 401(k) Contributions shall not be eligible for withdrawal until the Participant attains age 59-1/2.

**NOTE:** F.3c only applies if A.8e is selected (Grandfathered Roth 401(k) Contributions are permitted) and F.3a.ii or F.3a.iii and F.3b.v is selected.

### 4. Specified Age

- a. In-service withdrawals are allowed on attainment of age \_\_\_\_\_ (Section 8.02):
- i.  None
  - ii.  All Accounts
  - iii.  Selected Accounts
- b. If Selected Accounts is selected, specified age withdrawals may be made from the following Accounts:
- i.  Mandatory Employee Contribution Account
  - ii.  Mandatory After-tax Employee Contribution Account
  - iii.  Matching Account
  - iv.  Non-Elective Contribution Account
  - v.  Grandfathered 401(k) Contribution Account
  - vi.  Voluntary Contribution Account
  - vii.  Rollover Contribution Account
  - viii.  Transfer Account
  - ix.  Other: \_\_\_\_\_
- c. If a Participant may receive a withdrawal upon the attainment of a specified age from his Grandfathered 401(k) Contribution Account, permit such withdrawals from the Participant's Grandfathered Roth 401(k) Contribution Account subject to the same terms and conditions as apply to the Participant's Grandfathered 401(k) Contribution Account:
- i.  Yes
  - ii.  Yes - only if the withdrawal from the Grandfathered Roth 401(k) Contribution Account qualifies as a "qualified distribution" within the meaning of Code section 402A(d)(2)
  - iii.  No

**NOTE:** F.4b only applies if F.4a.iii is selected.

*NOTE: If F.4a is less than age 59-1/2, Grandfathered 401(k) Contributions shall not be eligible for withdrawal until the Participant attains age 59-1/2.*

*NOTE: F.4c only applies if A.8e is selected (Grandfathered Roth 401(k) Contributions are permitted) and F.4a.ii or F.4a.iii and F.4b.v is selected.*

## Other Withdrawals

### 5. Withdrawals After Period of Participation

- a.  Matching Contributions (Section 8.03(a)). In-service withdrawals are allowed from a Participant's Matching Contribution Account after \_\_\_\_\_ years of Participation
- b.  Non-Elective Contributions (Section 8.03(a)). In-service withdrawals are allowed from a Participant's Non-Elective Contribution Account after \_\_\_\_\_ years of Participation

*NOTE: F.5a-b may not be less than five.*

### 6. Withdrawals After Period of Accumulation

- a.  Matching Contributions (Section 8.03(a)). In-service withdrawals are allowed from a Participant's Matching Contribution Account on funds held for \_\_\_\_\_ years.
- b.  Non-Elective Contributions (Section 8.03(a)). In-service withdrawals are allowed from a Participant's Non-Elective Contribution Account on funds held for \_\_\_\_\_ years.

*NOTE: F.6a-b may not be less than two.*

### 7. At Any Time (Section 8.03(b))

In-service withdrawals are allowed from the following Accounts at any time:

- a.  Voluntary Contribution Account
- b.  Rollover Contribution Account

### 8. Military Distributions

- Qualified Reservist Distributions are permitted (Section 8.03(c))
- Deemed Severance Distributions are permitted (Section 8.03(d))

*NOTE: F.8 only applies to Grandfathered 401(k) Contributions.*

### 9. Disability

Allow distributions upon Disability.

*NOTE: If distributions upon Disability is selected, the Grandfathered 401(k) Contribution Accounts may not be distributed unless a severe disability equivalent to A.14a. has occurred. A severe disability equivalent to A.14a is as follows: the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. The permanence and degree of such impairment shall be supported by medical evidence.*

### 10. Other (Section 8.03(e))

Other in-service distributions are permitted as follows: A participant who is on approved FMLA or disability leave who experiences realized lost wages; Rollovers to PERA for purchase of service; To pay the lump sum advance payment required for retiree health, if applicable, subject to Employer limitations.

*NOTE: The other in-service distributions described must be definitely determinable and may not be specified in a manner that is subject to Employer discretion.*

### 11. Vesting Status for In-service Withdrawals

In-service withdrawals otherwise permitted under Section F are allowed only if the distributing Account is fully vested.

### 12. Other Conditions/Limitations

The following limitations, conditions or special rules apply to in-service withdrawals: \_\_\_\_\_

*NOTE: Unless otherwise specified, the limitations will apply to all in-service withdrawals (F.1 through F.10).*

## Grandfathered Roth 401(k) Rollovers and Transfers

### 13. In-Plan Roth Rollovers

- a. If the Plan allows for Grandfathered Roth 401(k) Contributions, In-Plan Roth Rollovers are permitted (Section 4.04(b)):

- i.  No
- ii.  Yes - no limitations
- iii.  Yes - only if the Plan otherwise allows for the distribution/in-service withdrawal
- iv.  Yes - all distributions/in-service withdrawals permitted under the Code even if not otherwise provided under the Plan and upon the attainment of age: \_\_\_\_\_
- v.  Yes - limitations or conditions apply: \_\_\_\_\_
- b.  In-Plan Roth Rollovers are permitted from partially vested accounts
- c. Indicate method of preserving Code section 411(d)(6) protected benefits:
  - i.  Distributions from the In-Plan Roth Rollover Account are permitted at any time
  - ii.  Preserve existing distributions/in-service withdrawals rights for each Account
  - iii.  Other: \_\_\_\_\_

*NOTE: To prevent terminated Employees from taking an In-Plan Roth Rollover or to limit In-Plan Roth Rollovers to a nondiscriminatory class, choose "limitations or conditions apply" and describe the circumstances under which Participants can take an In-Plan Roth Rollover.*

*NOTE: In-Plan Roth Rollovers may only be permitted for eligible distributions that are also eligible rollover distributions (as defined in Code section 402(c)(4)).*

*NOTE: Grandfathered 401(k) Contributions shall not be eligible for withdrawal until the Participant attains age 59-1/2 irrespective of F.13a.iii, an age entered under F.13a.iv, or other limitation under F.13a.v.*

#### 14. In-Plan Roth Transfers

If the Plan allows for Roth contributions, In-Plan Roth Transfers are permitted (Section 4.04(c)):

- a.  No
- b.  Yes
- c.  Yes - limitations or conditions apply: \_\_\_\_\_

*NOTE: Assets included in an In-Plan Roth Transfer will retain the restrictions on distribution the assets had before such transfer.*

*NOTE: Any limitations or conditions in F.14c must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

### SECTION G. PLAN OPERATIONS

#### 1. Permitted Investments

- a.  Plan may invest in life insurance (Section 9.06)
- b.  Participants may invest in a Qualifying Longevity Annuity Contract (Section 9.07)

#### 2. Participant Self-Direction

- a. Specify the extent to which the Plan permits Participant self-direction (Section 9.02):
  - i.  All Accounts
  - ii.  Some Accounts
  - iii.  None
- b. If "Some Accounts" is selected, a Participant may self-direct the following Accounts:
  - i.  Mandatory Employee Contribution Account
  - ii.  Mandatory After-tax Employee Contribution Account
  - iii.  Matching Account
  - iv.  Non-Elective Contribution Account
  - v.  Grandfathered 401(k) Contribution Account
  - vi.  Voluntary Contribution Account
  - vii.  Rollover Contribution Account
  - viii.  Transfer Account
  - ix.  Other: \_\_\_\_\_
- c.  Participants may also establish individual brokerage accounts.
- d.  Participants may exercise voting rights with respect to investments (Section 9.05)

#### 3. Valuation Date

Enter Valuation Date:

- a.  Last day of Plan Year

- b.  Last day of each Plan quarter
- c.  Last day of each month
- d.  Each business day
- e.  Other: \_\_\_\_\_ (Must be at least annually).

#### 4. Plan Administration

- a. Designation of Plan Administrator (Section 10.01):
  - i.  Plan Sponsor
  - ii.  Committee appointed by Plan Sponsor
  - iii.  Other: \_\_\_\_\_
- b. Establishment of procedures for the Plan Administrator and the Investment Fiduciary (Sections 10.01(c) and 10.02(c)):
  - i.  Plan Administrator and Investment Fiduciary adopt own procedures
  - ii.  Governing body of the Plan Sponsor sets procedures for Plan Administrator and Investment Fiduciary
- c. The Trustee is also the Investment Fiduciary (Section 10.02):
  - i.  Yes
  - ii.  No. The Investment Fiduciary is: Incorporated County of Los Alamos
- d. Type of indemnification for the Plan Administrator and Investment Fiduciary:
  - i.  None - the Employer will not indemnify the Plan Administrator or the Investment Fiduciary
  - ii.  Standard according to Section 10.06
  - iii.  Provided pursuant to an outside agreement
- e.  The following modifications shall be made to the duties of the applicable parties: \_\_\_\_\_

#### SECTION H. MISCELLANEOUS

Failure to properly fill out the Adoption Agreement may result in disqualification of the Plan.

The Plan shall consist of this Adoption Agreement #001, its related Basic Plan Document #02, and any Addendum to the Adoption Agreement.

The adopting Employer may rely on an opinion letter issued by the Internal Revenue Service as evidence that the Plan is qualified under Code section 401 only to the extent provided in Revenue Procedure 2017-41 and any superseding guidance. The Employer may not rely on the opinion letter in certain other circumstances or with respect to certain qualification requirements, which are specified in the opinion letter issued with respect to the Plan and in Revenue Procedure 2017-41 and any superseding guidance. In order to have reliance in such circumstances or with respect to such qualification requirements, application for a determination letter must be made to Employee Plans Determinations of the Internal Revenue Service. The Pre-Approved Plan Provider will inform the adopting Employer of any amendments made to the Plan or of the discontinuance or abandonment of the Plan. The Pre-Approved Plan Provider, CCH Incorporated, DBA ftwilliam.com may be contacted at 1245 E. Washington Ave., Ste. 101 Madison, WI 53703; 414-226-2442.

**SECTION I. EXECUTION PAGE**

The undersigned agree to be bound by the terms of this Adoption Agreement and Basic Plan Document and acknowledge receipt of same. The parties have caused this Plan to be executed this 5th day of May, 2022.

INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO:

Signature: Steven Lynne

Print Name: Steven Lynne

Title/Position: County Manager

**CUSTOM LANGUAGE ADDENDUM**

If a 411(d)(6) protected benefit in the Plan or a plan merged into the Plan is not either: (i) available as a provision through the Pre-Approved Plan, or (ii) the subject of a prior determination, advisory, or opinion letter, the Employer cannot rely on the Pre-Approved Plan Provider's opinion letter for qualification with respect to such benefit. If a 411(d)(6) protected benefit in the plan or a plan being merged into the Plan is not permitted in a pre-approved plan, as described in Section 6.03 of Revenue Procedure 2017-41, such provision must be discontinued no later than the date the Employer adopts this Pre-Approved Plan, in the case of a merger, the merger date shall apply only to the extent required under Code Section 411(d)(6).

The Employer shall not indemnify and hold harmless the Trustee (and its delegates), the Plan Administrator, the Investment Fiduciary, nor any other service provider or party to the Plan from any claims, liabilities, losses, damages and expenses, including reasonable attorneys' fees and expenses, incurred by them in connection with their duties under the Plan.

Notwithstanding Section 3.06(a) of the Basic Plan Document, the Employer will not and may not waive any of the Eligibility requirements to participate in the Plan with respect to Employer Contributions for an Employee who does not otherwise satisfy such requirements.

Any Participant who, on July 1, 2015, was an active Employee and was eligible for and receiving retirement benefits under the Public Employees Retirement Association of New Mexico, established under the Public Employee Retirement Act, or is eligible and receiving Primary Retirement Benefits under Social Security, shall be considered to have met the requirements for Early Retirement and as such the Participant will be 100% vested in the Basic Employer Contribution Account. There is no Early Retirement Age for Employees who are not eligible for Early Retirement prior to July 1, 2015.

For purposes of the definition of compensation, incentive pay as defined in County personnel rules will be included in compensation for all plan purposes

**HARDSHIP DISTRIBUTION ADDENDUM**

This Addendum is intended as a good faith effort to comply with the requirements of the hardship distribution final regulations and is to be construed in accordance with same. Both the Addendum and the provisions of the hardship distribution final regulations will supersede any inconsistent Plan provisions.

For each item below, if the check boxes are empty, the *italicized* provision will apply.

**1. Safe Harbor Contributions/QNECs/QMACs**

*Effective on the first day of the first plan year after 12/31/2018, if available under the Plan, Qualified Non-Elective Contributions (QNECs), Qualified Matching Contributions (QMACs) or contributions used to satisfy the safe harbor requirements of Code sections 401(k)(12) or 401(k)(13), or 401(m)(11) or 401(m)(12), will be available for hardship distributions.*

- Effective \_\_\_\_\_, hardship distributions are permitted from Qualified Non-Elective Contributions, Qualified Matching Contributions or contributions used to satisfy the safe harbor requirements of Code sections 401(k)(12) or 401(k)(13), or 401(m)(11) or 401(m)(12), if available under the Plan.
- Hardship distributions continue to be prohibited from Qualified Non-Elective Contributions, Qualified Matching Contributions or contributions used to satisfy the safe harbor requirements of Code sections 401(k)(12) or 401(k)(13), or 401(m)(11) or 401(m)(12).

**2. Amount Necessary to Satisfy Need Requirement**

*Effective on the first day of the first plan year after 12/31/2018, a hardship distribution will be considered necessary to satisfy an immediate and heavy financial need of the Participant only if:*

- *The distribution is not in excess of the amount required to satisfy the financial need (including any amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution);*
- *The Participant has obtained all other currently available distributions, other than hardship distributions, under any deferred compensation plan, whether qualified or nonqualified, maintained by the Employer; and*
- *Effective for distributions made on or after 01/01/2020, the Participant has represented (in writing or by an electronic medium) that he has insufficient cash or other liquid assets to satisfy the financial need.*

- Effective \_\_\_\_\_, a distribution will be determined to satisfy an immediate and heavy financial need only if the three criteria listed above are met.
- The following provisions will be used for complying with the amount necessary to satisfy need requirement: \_\_\_\_\_

**3. Loan Requirement**

*If the Safe Harbor criteria are used for hardship distributions, effective on the first day of the first plan year after 12/31/2018, Participants are not required to take all nontaxable loans under all plans maintained by the Employer prior to applying for a hardship distribution.*

- Effective \_\_\_\_\_, Participants are not required to take all available nontaxable loans before applying for a hardship distribution.
- Participants must continue to take all nontaxable loans under all plans maintained by the Employer before applying for a hardship distribution.

**4. Safe Harbor Financial Needs**

*If the Safe Harbor criteria are used for hardship distributions, the following immediate and heavy financial needs are considered as safe harbor criteria for hardship distributions made on or after 01/01/2018:*

- *Expenses for the repair of damage to the Employee's principal residence that would qualify for the casualty*

*deduction under Code section 165 (determined without regard to section 165(h)(5) and whether the loss exceeds 10% of adjusted gross income).*

- *Expenses and losses (including loss of income) incurred by the Employee on account of a disaster declared by the Federal Emergency Management Agency (FEMA) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, provided that the Employee's principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster.*

**Effective \_\_\_\_\_, the immediate and heavy financial needs listed above are considered as safe harbor criteria for hardship distributions.**

**The immediate and heavy financial needs listed above are not considered as safe harbor criteria for hardship distributions.**

**SECURE/CARES/CAA ADDENDUM**

This Addendum is intended as a good faith effort to comply with the requirements of the Further Consolidated Appropriations Act, 2020, including the SECURE Act provisions, the Coronavirus, Aid, Relief and Economic Security (CARES) Act, and the Consolidated Appropriations Act, 2021 (CAA), and corresponding guidance (the "Applicable Law"). This Addendum is to be construed in accordance with the Applicable Law and both the Addendum and the Applicable Law will supersede any inconsistent Plan provisions.

**OPTIONAL PROVISIONS:**

For each item below, if the check boxes are empty, the *italicized* provision will apply.

**1. Qualified Birth or Adoption Distributions (see Section A. below)**

*The Plan does not permit qualified birth or adoption distributions as a separate distribution event.*

Effective \_\_\_\_ (no earlier than 01/01/2020), the Plan permits qualified birth or adoption distributions as a separate distribution event.

The following limitations and conditions apply: \_\_\_\_.

**2. Treatment of 2020 RMDs (see Section B. below)**

*Effective 01/01/2020, unless the Participant or beneficiary chooses otherwise, a Participant or beneficiary who would have been required to receive a 2020 RMD will not receive this distribution.*

Effective \_\_\_\_ (no earlier than 01/01/2020):

Unless the Participant or beneficiary chooses otherwise, a Participant or beneficiary who would have been required to receive a 2020 RMD will not receive this distribution.

Unless the Participant or beneficiary chooses otherwise, a Participant or beneficiary who would have been required to receive a 2020 RMD will receive this distribution.

**3. 2020 RMDs as Direct Rollovers (see Section B. below)**

*A direct rollover is not offered for 2020 RMDs or Extended 2020 RMDs.*

For purposes of the direct rollover provisions of the Plan, the following will be treated as eligible rollover distributions in 2020:

2020 RMDs.

2020 RMDs and Extended 2020 RMDs.

2020 RMDs, but only if paid with an additional amount that is an eligible rollover distribution without regard to Code section 401(a)(9)(I).

**4. Portability of Lifetime Income Options (see Section F. below)**

*The Plan does not permit "qualified distributions" or "qualified plan distribution annuity contracts" of lifetime income investment options.*

The Plan permits "qualified distributions" or "qualified plan distribution annuity contracts" of lifetime income investment options when such investment options are no longer authorized to be held as an investment option under the Plan effective: \_\_\_\_ (no earlier than the plan year beginning after 12/31/2019).

[ ] **The following limitations and conditions apply: \_\_\_\_\_.**

**STANDARD PROVISIONS:**

**A. Qualified Birth or Adoption Distributions**

To the extent provided above, a Participant may receive a distribution up to \$5,000 during the 1-year period beginning on the date on which the Participant's child is born or on which the legal adoption by the Participant of an eligible adoptee is finalized. An eligible adoptee is any individual (other than a child of the Participant's spouse) who has not attained age 18 or is physically or mentally incapable of self-support. The \$5,000 maximum is an aggregate amount of such distributions from all plans maintained by the Employer.

**B. Required Minimum Distributions**

In defining Required Beginning Date or determining required minimum distributions, any references to age 70-1/2 are replaced with: age 70-1/2 (for Participants born before 07/01/1949) or age 72 (for Participants born after 06/30/1949).

Notwithstanding other provisions of the Plan to the contrary and if selected above, a Participant or beneficiary who would have been required to receive required minimum distributions in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of 04/01/2021) but for the enactment of section 401(a)(9)(l) of the Code ("2020 RMDs"), and who would have satisfied that requirement by receiving distributions that are either: (1) equal to the 2020 RMDs, or (2) one or more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Participant's designated beneficiary, or for a period of at least 10 years ("Extended 2020 RMDs"), may receive those distributions.

**C. Distribution on Account of Death for Certain Eligible Retirement Plans**

Whether before or after distribution has begun, a Participant's entire interest will be distributed to the designated beneficiary by 12/31 of the calendar year containing the tenth anniversary of the Participant's death unless the designated beneficiary meets the requirements of an "eligible designated beneficiary". An "eligible designated beneficiary" may receive distributions over the life of such designated beneficiary. If there is no designated beneficiary as of 09/30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by 12/31 of the calendar year containing the fifth anniversary of the Participant's death.

An "eligible designated beneficiary" is defined as any designated beneficiary who is: (i) the surviving spouse of the Participant; (ii) a minor child of the Participant; (iii) disabled; (iv) a chronically ill individual; or (v) an individual who is not more than 10 years younger than the Participant. The determination of whether a designated beneficiary is an "eligible designated beneficiary" is made as of the date of death of the Participant. If an "eligible designated beneficiary" dies before the portion of the Participant's interest is entirely distributed, the remainder of such portion must be distributed within 10 years after the death of such "eligible designated beneficiary".

**D. Qualified Automatic Contribution Arrangement (QACA)**

If a Qualified Automatic Contribution Arrangement (QACA) feature is elected, the Plan Administrator has the discretion to increase automatic elections subsequent to the initial period up to a maximum limitation of 15% of Plan Compensation.

**E. Safe Harbor Notice**

If the non-elective contribution method is elected for safe harbor plan exemption (including under a Qualified Automatic Contribution Arrangement), effective for Plan years beginning on or after 01/01/2020, the safe harbor notice is not required for satisfying the conditions of Code sections 401(k)(12) or 401(k)(13).

**F. Portability of Lifetime Income Investments**

To the extent provided above, any amounts invested in a "lifetime income investment" may be distributed through either "qualified distributions" or "qualified plan distribution annuity contracts" no earlier than 90 days prior to the date that such "lifetime income investment" may no longer be held as an investment option under the Plan.

The following terms are used in this section:

"Qualified distribution" means a direct trustee-to-trustee transfer described in Code section 401(a)(31)(A) to an eligible retirement plan (as defined in Code section 402(c)(8)(B)).

"Qualified plan distribution annuity contract" means an annuity contract purchased for a Participant and distributed to the Participant by a plan or contract described in subparagraph (B) of Code section 402(c)(8) (without regard to clauses (i) and (ii) thereof).

"Lifetime income investment" means an investment option which is designed to provide an employee with election rights which: (a) are not uniformly available with respect to other investment options under the plan, and (b) are to a "lifetime income feature" available through a contract or other arrangement offered under the plan (or under another eligible retirement plan (as so defined), if paid by means of a direct trustee-to-trustee transfer described in Code section 401(a)(31)(A) to such other eligible retirement plan).

"Lifetime income feature" means: (a) a feature which guarantees a minimum level of income annually (or more frequently) for at least the remainder of the life of the employee or the joint lives of the employee and the employee's designated beneficiary, or (b) an annuity payable on behalf of the employee under which payments are made in substantially equal periodic payments (not less frequently than annually) over the life of the employee or the joint lives of the employee and the employee's designated beneficiary.

**G. Disaster or Coronavirus-Related Relief**

Notwithstanding any provision of the Plan to the contrary, the Plan may grant temporary disaster or coronavirus-related relief in compliance with Code sections 1400M and 1400Q, section 15345 of the Food, Conservation, and Energy Act of 2008, section 702 of the Heartland Disaster Tax Relief Act of 2008, section 502 of the Disaster Tax Relief and Airport and Airway Extension Act of 2017, section 11028 of the Tax Cuts and Jobs Act of 2017, section 20102 of the Bipartisan Budget Act of 2018, subtitle II of Division Q of the Further Consolidated Appropriations Act, 2020, section 2202 of the Coronavirus, Aid, Relief and Economic Security Act, and Title III of Division EE of the Consolidated Appropriations Act, 2021 ("Applicable Law"). This Section only applies to the extent the Plan has provided some or all of the relief listed below in compliance with Applicable Law.

**A. Qualified Distributions**

- I. "Qualified Distribution" means a distribution to a qualified individual within the applicable time periods as defined in the relevant sections of Applicable Law which may not exceed \$100,000 in aggregate from all plans maintained by the Employer.
- II. If the Plan permits rollover contributions, at any time during the 3-year period beginning on the day after the Qualified Distribution was received, an individual may contribute as a rollover to the Plan an aggregate amount that does not exceed the amount of the Qualified Distribution.
- III. If the Plan permits rollover contributions, an individual who received a withdrawal for the purchase of a home, but could not use the withdrawal amount due to the disaster, may contribute as a rollover to the Plan an aggregate amount that does not exceed the amount of the withdrawal amount within the applicable time periods as defined in the relevant sections of Applicable Law.

**B. Expanded Loan Provisions**

- I. The maximum loan limit under Code section 72(p)(2)(A) may be applied by substituting "\$100,000" for "\$50,000" and substituting "the present value" for "one-half the present value" under the Loan Procedures for a qualified individual within the applicable time periods as defined in the relevant sections of Applicable Law.
- II. The loan repayment may be delayed for 1 year for a qualified individual within the applicable time periods as defined in the relevant sections of Applicable Law.
- III. Subsequent repayments will be adjusted to reflect the 1-year delay and any interest accrued during such delay.
- IV. The 1-year delay will be disregarded in determining the 5-year maximum term of loans under Code section 72(p)(2)(B) and (C).

#### **H. Difficulty of Care Payments Included in Statutory Compensation**

In determining the contribution limitation, Statutory Compensation will be increased by qualified foster care payments. Qualified foster care payments are difficulty of care payments excluded from gross income under Code section 131. Any contribution by the Participant which is allowable due to such increase is treated as an after-tax contribution.

#### **I. Long-Term, Part-Time Employees**

Notwithstanding any provision of the Plan to the contrary, effective for Plan years beginning after 12/31/2020, any Employee working at least 500 hours of service during each of three consecutive 12-month periods ("LTPT Employee") becomes a Participant eligible to make Elective Deferrals on the date specified in the Plan provided that he or she is an Eligible Employee and has attained the applicable age requirement, if any, on such date. No 12-month period beginning before 01/01/2021 is taken into account. Each 12-month period for which an LTPT Employee has at least 500 hours of service is treated as a year of service for vesting purposes.

**Certificate Of Completion**

Envelope Id: 1CCCA0E4BC6D476D879CE1000912AF1C	Status: Completed
Subject: Please DocuSign: Adoption Agreement - Final.pdf	
Source Envelope:	
Document Pages: 33	Signatures: 1
Certificate Pages: 1	Initials: 0
AutoNav: Enabled	Envelope Originator: Kat Brophy kat.brophy@lacnm.us
Enveloped Stamping: Enabled	IP Address: 198.99.209.79
Time Zone: (UTC-07:00) Mountain Time (US & Canada)	

**Record Tracking**

Status: Original 5/5/2022 3:02:54 PM	Holder: Kat Brophy kat.brophy@lacnm.us	Location: DocuSign
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**Signer Events**

Signature	Timestamp
Steven Lynne steven.lynne@lacnm.us County Manager Security Level: Email, Account Authentication (None)	Sent: 5/5/2022 3:11:03 PM Viewed: 5/6/2022 8:01:44 AM Signed: 5/6/2022 8:01:57 AM
Signature Adoption: Pre-selected Style Signed by link sent to steven.lynne@lacnm.us Using IP Address: 198.99.209.78	

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

**In Person Signer Events**

**Signature**

**Timestamp**

**Editor Delivery Events**

**Status**

**Timestamp**

**Agent Delivery Events**

**Status**

**Timestamp**

**Intermediary Delivery Events**

**Status**

**Timestamp**

**Certified Delivery Events**

**Status**

**Timestamp**

**Carbon Copy Events**

**Status**

**Timestamp**

Kat Brophy kat.brophy@lacnm.us Benefits and Pension Manager Security Level: Email, Account Authentication (None)	<div style="border: 2px solid blue; padding: 5px; display: inline-block; font-weight: bold; color: blue; font-size: 1.2em;">COPIED</div>	Sent: 5/6/2022 8:02:00 AM Resent: 5/6/2022 8:02:01 AM Viewed: 5/6/2022 8:36:58 AM
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**Witness Events**

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**Timestamp**

**Notary Events**

**Signature**

**Timestamp**

**Envelope Summary Events**

**Status**

**Timestamps**

Envelope Sent	Hashed/Encrypted	5/5/2022 3:11:03 PM
Certified Delivered	Security Checked	5/6/2022 8:01:44 AM
Signing Complete	Security Checked	5/6/2022 8:01:57 AM
Completed	Security Checked	5/6/2022 8:02:00 AM

**Payment Events**

**Status**

**Timestamps**

**INCORPORATED COUNTY OF  
LOS ALAMOS, NEW MEXICO**

**PENSION PLAN AND TRUST**

Basic Plan Document

July 1, 2022

*Prepared by:*  
Modrall Sperling  
500 Fourth Street  
Suite 1000  
Albuquerque, NM 87102

**INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO  
PENSION PLAN AND TRUST  
TABLE OF CONTENTS**

ARTICLE 1. INTRODUCTION .....	1
Section 1.01 Plan.....	1
Section 1.02 Application of Plan.....	1
ARTICLE 2. DEFINITIONS .....	2
ARTICLE 3. PARTICIPATION .....	12
Section 3.01 Mandatory Employee Contributions, Voluntary Contributions and Grandfathered 401(K) Contributions .....	12
Section 3.02 Matching Contributions.....	12
Section 3.03 Employer Contributions .....	12
Section 3.04 Transfers.....	12
Section 3.05 Termination and Rehires .....	12
Section 3.06 Limitations on Exclusions .....	12
Section 3.07 Procedures for Admission .....	13
Section 3.08 Participants Receiving Differential Military Pay.....	13
ARTICLE 4. CONTRIBUTIONS .....	14
Section 4.01 Mandatory Employee Contributions, Voluntary Contributions and Grandfathered 401(K) Contributions .....	14
Section 4.02 Matching Contributions.....	16
Section 4.03 Employer Contributions .....	16
Section 4.04 Rollover Contributions .....	17
Section 4.05 Transfers.....	18
Section 4.06 Military Service.....	19
Section 4.07 Arrangements Adopted by More Than One Employer.....	19
Section 4.08 Deemed IRAs .....	21
ARTICLE 5. LIMITATIONS ON CONTRIBUTIONS.....	22
Section 5.01 Maximum Amount of Annual Additions.....	22
Section 5.02 Annual Limitation on Grandfathered 401(k) Contributions .....	22
ARTICLE 6. VESTING .....	24
Section 6.01 Participant Contributions .....	24
Section 6.02 Employer Contributions .....	24
Section 6.03 Forfeitures .....	24
ARTICLE 7. DISTRIBUTIONS .....	26
Section 7.01 Commencement of Distributions.....	26
Section 7.02 Timing and Form of Distributions .....	26
Section 7.03 Force-Out of Small Balances.....	27
Section 7.04 Beneficiary .....	28
Section 7.05 Minimum Distribution Requirements.....	28
Section 7.06 Direct Rollovers.....	29
Section 7.07 Minor or Legally Incompetent Payee .....	30
Section 7.08 Missing Payee.....	30
Section 7.09 Distributions Upon Termination of Plan .....	31
Section 7.10 Qualified Health Insurance Premiums for Retired Public Safety Officers .....	31
Section 7.11 Service Credit Transfers .....	31
ARTICLE 8. IN-SERVICE DISTRIBUTIONS AND LOANS .....	32
Section 8.01 Hardship .....	32
Section 8.02 Specified Age, Specified Age and Service .....	33
Section 8.03 Other Withdrawals.....	33
Section 8.04 Transfer Account .....	34
Section 8.05 Rules Regarding In-Service Distributions .....	34
Section 8.06 Loans .....	35
ARTICLE 9. INVESTMENT AND TRUST VALUATION .....	36

Section 9.01 Investment of Assets.....	36
Section 9.02 Participant Self-Direction .....	36
Section 9.03 Individual Accounts.....	36
Section 9.04 Allocation of Earnings and Losses .....	36
Section 9.05 Voting Rights.....	37
Section 9.06 Life Insurance .....	37
Section 9.07 Qualifying Longevity Annuity Contract (QLAC) .....	38
<b>ARTICLE 10. PLAN ADMINISTRATION .....</b>	<b>40</b>
Section 10.01 Plan Administrator.....	40
Section 10.02 Investment Fiduciary .....	41
Section 10.03 Compensation of Plan Administrator and Investment Fiduciary .....	41
Section 10.04 Plan Expenses .....	42
Section 10.05 Allocation of Fiduciary Responsibility.....	42
Section 10.06 Indemnification.....	42
Section 10.07 Claims Procedure.....	42
Section 10.08 Written Communication .....	42
<b>ARTICLE 11. AMENDMENT, MERGER AND TERMINATION.....</b>	<b>43</b>
Section 11.01 Amendment .....	43
Section 11.02 Merger and Transfer .....	43
Section 11.03 Termination .....	44
<b>ARTICLE 12. MISCELLANEOUS .....</b>	<b>45</b>
Section 12.01 Nonalienation of Benefits .....	45
Section 12.02 Rights of Alternate Payees .....	45
Section 12.03 No Right to Employment.....	46
Section 12.04 No Right to Trust Assets .....	46
Section 12.05 Governing Law .....	46
Section 12.06 Severability of Provisions.....	46
Section 12.07 Headings and Captions .....	46
Section 12.08 Gender and Number.....	46
Section 12.09 Disaster Relief .....	47
Section 12.10 Exclusive Benefit.....	47
Section 12.11 Exclusive Benefit.....	47
<b>GOVERNMENTAL PLANS' DISASTER RELIEF INTERIM AMENDMENT .....</b>	<b>49</b>

**ARTICLE 1 INTRODUCTION**

**Section 1.01**      **PLAN**

This document ("Basic Plan Document") and its related Adoption Agreement are intended to qualify as a tax-exempt "Plan" under Code section 401(a). The Plan is further intended to qualify as a governmental plan under Code section 414(d). The Employee Retirement Income Security Act (ERISA) shall not be applicable to this Plan, even if a prior version of this Plan inadvertently incorporated ERISA provisions.

**Section 1.02**      **APPLICATION OF PLAN**

Except as otherwise specifically provided herein, the provisions of this Plan shall apply to those individuals who are Eligible Employees of the Employer on or after the Effective Date. Except as otherwise specifically provided for herein, the rights and benefits, if any, of former Eligible Employees of the Employer whose employment terminated prior to the Effective Date, shall be determined under the provisions of the Plan, as in effect from time to time prior to that date.

**ARTICLE 2 DEFINITIONS**

"Account" means the balance of a Participant's interest in the Trust as of the applicable date as adjusted pursuant to Article 9. "Account" or "Accounts" shall include, to the extent provided in the Adoption Agreement, a Mandatory Employee Contribution Account, Mandatory After-tax Employee Contribution Account, Matching Contribution Account, Employer Contribution Account, Pension Contribution Account, Voluntary Contribution Account, Grandfathered 401(k) Contribution Account, Grandfathered Roth 401(k) Contribution Account, Rollover Contribution Account, Transfer Account and such other Account(s) or subaccount(s) as the Plan Administrator, in its discretion, deems appropriate.

"Adoption Agreement" means the document executed in conjunction with this Basic Plan Document that contains the optional features selected by the Plan Sponsor.

"Alternate Payee" means the person entitled to receive payment of benefits under the Plan pursuant to a Qualified Domestic Relations Order.

"Annual Addition" means the sum of the following amounts credited to a Participant's Account for the Limitation Year:

- (a) Employer contributions allocated to a Participant's Account, including Mandatory Employee Contributions, Matching Contributions, Employer Contributions, and Pension Contributions;
- (b) Voluntary Contributions and Grandfathered 401(k) Contributions;
- (c) forfeitures;
- (d) amounts allocated to an individual medical account, as defined in Code section 415(l)(2), which is part of a pension or annuity plan maintained by the Employer;
- (e) amounts derived from contributions paid or accrued, which are attributable to post-retirement medical benefits, allocated to the separate Account of a key employee, as defined in Code section 419A(d)(3), under a welfare benefit fund, as defined in Code section 419(e), maintained by the Employer; and
- (f) allocations under a simplified employee pension plan.

Notwithstanding the foregoing, an Annual Addition shall not include a restorative payment within the meaning of IRS Revenue Ruling 2002-45 and any superseding guidance.

"Beneficiary" means the person(s) entitled to receive benefits, under Section 7.04 of the Plan, upon the Participant's death.

"Catch-up Contribution" means the contribution described in Section 5.02(d).

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Committee" means the committee that may be appointed by the Plan Sponsor pursuant to Section 10.01 to serve as Plan Administrator.

"Disabled" or "Disability" shall have the meaning specified in the Adoption Agreement. The determination of Disability shall be made by the Plan Administrator.

"Early Retirement Age" shall have the meaning set forth in the Adoption Agreement.

"Effective Date" shall have the meaning set forth in Section A.3 of the Adoption Agreement except as otherwise specified in the Plan or Adoption Agreement.

"Elapsed Time Method" means a service crediting method whereby an Employee is credited for an aggregate of all time periods (without regard to hours worked) beginning on the Employee's date of hire (or rehire, as applicable) and ending on the date that a break in service begins in accordance with Treas. Reg. section 1.410(a)-7. Under the Elapsed Time Method, an Employee's service is credited for any period of severance that is less than 12 consecutive months.

"Eligible Employee" means any Employee employed by the Employer, subject to the modifications and exclusions described in the Adoption Agreement.

"Employee" means any individual who is employed by the Employer. The term "Employee" includes any Leased Employee of the Employer. No Leased Employee may become a Participant hereunder unless he becomes an Eligible Employee. The term "Employee" shall not include a person who is classified by the Employer as an independent contractor or a person who is not treated as an employee for purposes of withholding federal employment taxes.

"Employer" means the Plan Sponsor and any other entity that has adopted the Plan with the approval of the Plan Sponsor, or any other entity required to be aggregated with the Employer under Code sections 414(b), (c), (m) or (o) and the regulations thereunder. In identifying "Employer" for purposes of Section 5.01, the definition in Code sections 414(b) and (c) shall be modified as provided in Code section 415(h).

"Employer Contribution" means a contribution made by the Employer that is allocated to a Participant's Employer Contribution Account pursuant to Article 4.

"Employer Contribution Account" means so much of a Participant's Account as consists of Employer Contributions (and corresponding earnings) made to the Plan.

"Employment Commencement Date" means the first date on which the Eligible Employee performs an Hour of Service.

"Final Paycheck Pay" means compensation paid by the later of: (a) 2-1/2 months after an Employee's severance from employment with the Employer or (b) the end of the Limitation Year that includes the date of the Employee's severance from employment with the Employer if: (1) the payment is regular compensation for services during the Participant's regular working hours, or compensation for services outside the Participant's regular working hours (e.g., overtime or shift differential), commissions, bonuses, or other similar payments; and (2) the payment would have been paid to the Participant prior to a severance from employment if the Participant had continued in employment with the Employer.

"Grandfathered 401(k) Contribution" means an employee contribution made to the Plan as a Pre-tax Grandfathered 401(k) Contribution or as a Grandfathered Roth 401(k) Contribution pursuant to Article 4 of the Plan.

**NOTE:** Code section 401(k)(4)(B)(ii) prohibits governmental employers from establishing new 401(k) plans. This provision does not apply to governmental 401(k) plans adopted before May 6, 1986.

"Grandfathered 401(k) Contribution Account" means so much of a Participant's Account as consists of a Participant's Grandfathered 401(k) Contributions (and corresponding earnings) made to the Plan. The Grandfathered 401(k) Contribution Account shall also include Catch-up Contributions described in Section 5.02(d) of the Plan.

"Grandfathered Roth 401(k) Contribution" means a Grandfathered 401(k) Contribution that is: (a) designated irrevocably by the Participant at the time of the cash or deferred election as a Grandfathered Roth 401(k) Contribution that is being made in lieu of all or a portion of the Pre-tax Grandfathered 401(k) Contributions the Participant is otherwise eligible to make under the Plan; and (b) treated by the Employer as includible in the Participant's income at the time the Participant would have received that amount in cash if the Participant had not made a cash or deferred election. Except as otherwise provided, Grandfathered Roth 401(k) Contributions shall be subject to the same conditions and limitations as apply to Grandfathered 401(k) Contributions.

"Grandfathered Roth 401(k) Contribution Account" means so much of a Participant's Account as consists of a Participant's Grandfathered Roth 401(k) Contributions (and corresponding earnings) made to the Plan. The Plan will maintain

a record of the amount of Grandfathered Roth 401(k) Contributions in each Participant's Grandfathered Roth 401(k) Contribution Account.

"Hour of Service" means each hour for which an Employee is paid, or entitled to payment, for the performance of duties for the Employer. If the Employer maintains the plan of a predecessor employer, service with such employer will be treated as service for the Employer if elected in the Adoption Agreement.

Service with respect to Qualified Military Service shall be credited in accordance with Code section 414(u) and service shall also be determined to the extent required by the Family and Medical Leave Act of 1993.

"Investment Fiduciary" means the person(s) designated as such in the Adoption Agreement.

"Investment Funds" means the funds in which the Trust is invested.

"Investment Manager" means the person(s) designated as such in the Adoption Agreement.

"In-Plan Roth Rollover Account" means so much of a Participant's Account as consists of a Participant's In-Plan Roth Rollover Contributions (and corresponding earnings) made to the Plan.

"In-Plan Roth Rollover Contribution" means an Employee contribution made to the Plan as a rollover from another Account in the Plan pursuant to Section 8.07.

"Leased Employee" means any person (other than an Employee of the Employer) who, pursuant to an agreement between the Employer and any other person ("leasing organization"), has performed services for the Employer (or for the Employer and related persons determined in accordance with Code section 414(n)(6)) on a substantially full time basis for a period of at least one year, and such services are performed under primary direction or control by the Employer. Contributions or benefits provided to a Leased Employee by the leasing organization which are attributable to services performed for the Employer shall be treated as provided by the Employer. A person shall not be considered a Leased Employee if: such person is covered by a money purchase pension plan providing: (1) a nonintegrated employer contribution rate of at least 10% of compensation, as defined in Code section 415(c)(3), but including amounts contributed pursuant to a salary reduction agreement which are excludable from the employee's gross income under Code sections 125, 402(e)(3), 402(h), 403(b), 132(f) or 457; (2) immediate participation; and (3) full and immediate vesting.

"Limitation Year" means the year specified in the Adoption Agreement for purposes of determining Annual Additions limits pursuant to Article 5. All qualified plans maintained by the Employer must use the same Limitation Year. If the Limitation Year is amended to a different consecutive 12-month period, the new Limitation Year must begin on a date within the Limitation Year in which the amendment is made.

"Mandatory After-tax Employee Contribution" means a mandatory Employee contribution made to the Plan on an after-tax basis. The term Mandatory After-tax Employee Contribution shall not include Grandfathered Roth 401(k) Contributions.

"Mandatory After-tax Employee Contribution Account" means so much of a Participant's Account as consists of Mandatory After-tax Employee Contributions (and corresponding earnings) made to the Plan.

"Mandatory Employee Contribution" means contributions picked up by the Employer as described in Code section 414(h), Revenue Rulings 81-35, 81-36, 87-10 and 2006-43.

(a) The Mandatory Employee Contributions are paid by the Employer in lieu of contributions by the Participant. The employing unit must take formal action to provide that the contributions on behalf of a specific class of employees of the employing unit, although designated as employee contributions, will be paid by the employing unit in lieu of employee contributions. A person duly authorized to take such action with respect to the employing unit must take such action. The action must apply only prospectively and be evidenced by a contemporaneous written document (e.g., minutes of a meeting, a resolution, or an ordinance).

(b) The Participant may not receive the contributed amounts directly instead of having them paid to the Plan and may not opt out of the Mandatory Employee Contributions. No cash or deferred election right (within the meaning of Code section 1.401(k)-1(a)(3)) with respect to designated Mandatory Employee Contributions applies.

"Mandatory Employee Contribution Account" means so much of a Participant's Account as consists of Mandatory Employee Contributions (and corresponding earnings) made to the Plan.

"Matched Employee Contribution" means Employee contributions specified in the Adoption Agreement.

"Matching Contribution" means an Employer Matching Contribution made to the Plan on behalf of the Participant pursuant to Article 4 of the Plan.

"Matching Contribution Account" means so much of a Participant's Account as consists of Matching Contributions (and corresponding earnings) made to the Plan.

"Non-Elective Contribution" means a contribution made by the Employer that is allocated to a Participant's Non-Elective Contribution Account pursuant to Article 4.

"Non-Elective Contribution Account" means so much of a Participant's Account as consists of Non-Elective Contributions (and corresponding earnings) made to the Plan.

"Non-Resident Alien" means any Employee who received no earned income (within the meaning of Code section 911(d)(2)) which constitutes income from services performed within the United States (within the meaning of Code section 861(a)(3)).

"Normal Retirement Age" shall have the meaning set forth in the Adoption Agreement.

"Participant" means an Employee who participates in the Plan in accordance with Article 3. A Participant also includes any Employee (or former Employee) with an Account balance, including an Account balance that is a result of a rollover contribution or a transfer from an IRA or a qualified plan.

"Pension Contribution" means a contribution made by the Employer that is allocated to a Participant's Pension Contribution Account pursuant to Article 4.

"Pension Contribution Account" means so much of a Participant's Account as consists of Pension Contributions (and corresponding earnings) made to the Plan.

"Plan Administrator" means the person(s) designated pursuant to the Adoption Agreement and Section 10.01.

"Plan Compensation" means Statutory Compensation as adjusted to the extent specified in the Adoption Agreement.

Plan Compensation must be determined without regard to any rules under Code section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code section 3401(a)(2)). For any Self-Employed Individual covered under the Plan, Plan Compensation shall mean Earned Income.

For any Plan Year, the annual compensation of each Participant taken into account in determining allocations for any Plan Year beginning after December 31, 2001, shall not exceed \$200,000, as adjusted for cost-of-living increases in accordance with Code section 401(a)(17)(B). Annual compensation means Plan Compensation during the Plan Year or such other consecutive 12-month period over which Plan Compensation is otherwise determined under the Plan (the determination period). The cost-of-living adjustment in effect for a calendar year applies to annual compensation for the determination period that begins with or within such calendar year.

If a determination period consists of fewer than 12 months, the annual compensation limit is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is 12.

"Plan Sponsor" means the entity described in the Adoption Agreement.

"Plan Year" means the consecutive 12-month period described in the Adoption Agreement.

"Post Severance Compensation" means amounts paid by the later of: (a) 2-1/2 months after an Employee's severance from employment with the Employer or (b) the end of the applicable Limitation Year/Plan Year that includes the date of severance from employment with the Employer; and those amounts would have been included in the definition of compensation if they were paid prior to the Participant's severance from employment with the Employer. However, the payment must be for (a) unused accrued bona fide sick, vacation, or other leave, but only if the Participant would have been able to use the leave if the Employee had continued in employment; or (b) received by a Participant pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid to the Participant at the same time if the Participant had continued in employment with the Employer and only to the extent that the payment is includible in the Participant's gross income.

"Post Year End Compensation" means amounts earned during a year but not paid during that year solely because of the timing of pay periods and pay dates if: (a) these amounts are paid during the first few weeks of the next year; (b) the amounts are included on a uniform and consistent basis with respect to all similarly situated Employees; and (c) no compensation is included in more than one year.

"Qualified Domestic Relations Order" means any judgment, decree, or order (including approval of a property settlement agreement) that constitutes a "qualified domestic relations order" according to Plan Administrator procedures.

"Qualified Military Service" means qualified military service as defined in Code section 414(u).

"Qualifying Longevity Annuity Contract (QLAC)" means an annuity contract, purchased from an insurance company on or after July 2, 2014, for the benefit of a Participant under the plan, as defined in Treas. Reg. section 1.401(a)(9)-6, Q&A 17.

"Required Beginning Date" means April 1 of the calendar year following the later of the calendar year in which the Participant attains age 70-1/2 or the calendar year in which the Participant retires. The Adoption Agreement may provide that for all Participants: (a) the Required Beginning Date is April 1 of the calendar year following the calendar year in which the Participant attains age 70-1/2; or (b) the Participant may elect to begin receiving distributions at the date specified in the preceding sentence or the date specified in clause (a) of this sentence.

"Rollover Contribution" means an Employee contribution made to the Plan as a rollover from another eligible retirement plan or individual retirement account pursuant to Article 4 of the Plan.

"Rollover Contribution Account" means so much of a Participant's Account as consists of a Participant's Rollover Contributions (and corresponding earnings) made to the Plan.

"Section 414(s) Compensation" means Section 415 Compensation. Notwithstanding the preceding sentence, the Plan Administrator retains the discretion to define Section 414(s) Compensation in accordance with Code section 414(s) and Treas. Reg. section 1.414(s)-1. The Plan Administrator has the discretion to determine Section 414(s) Compensation regardless of election made in defining Statutory Compensation or Plan Compensation. Any exclusion of the following compensation items will qualify as a safe harbor definition of Section 414(s) Compensation: (i) reimbursements or other expense allowances, fringe benefits (cash and noncash), moving expenses, deferred compensation, and welfare benefits; (ii) any portion of the compensation of some or all Highly Compensated Employees; (iii) all compensation in excess of a specified dollar amount. The period used to determine an Employee's compensation for a Plan Year must be either the Plan Year or the calendar year ending within the Plan Year. Whichever period is selected by the Plan Administrator must be applied uniformly to determine the compensation of every Eligible Employee under the Plan for that Plan Year. The Plan Administrator may, however, limit the period taken into account under either method to that portion of the Plan Year or

calendar year in which the Employee was an Eligible Employee, provided that this limit is applied uniformly to all Eligible Employees under the Plan for the Plan Year. In the case of a Highly Compensated Employee whose Actual Deferral Ratio is determined under Treas. Reg. section 1.401(k)-2(a)(3)(ii), period of participation includes periods under another plan for which Elective Deferrals are aggregated under Treas. Reg. section 1.401(k)-2(a)(3)(ii). Section 414(s) Compensation shall be limited by any dollar limits described in Code section 401(a)(17). The Plan Administrator may include Post Severance Compensation or determine Section 414(s) Compensation using Post Year End Compensation.

"Section 415 Compensation" means a definition of Statutory Compensation that:

(a) Includes all of the following:

(1) The Employee's wages, salaries, fees for professional services, and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer maintaining the Plan, to the extent that the amounts are includible in gross income (or to the extent amounts would have been received and includible in gross income but for an election under Code section 125(a), 132(f)(4), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b)). These amounts include, but are not limited to, commissions paid to salespersons, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, fringe benefits, and reimbursements or other expense allowances under a nonaccountable plan as described in Treas. Reg. section 1.62-2(c).

(2) Amounts described in Code section 104(a)(3), 105(a), or 105(h), but only to the extent that these amounts are includible in the gross income of the Employee.

(3) Amounts paid or reimbursed by the Employer for moving expenses incurred by an Employee, but only to the extent that at the time of the payment it is reasonable to believe that these amounts are not deductible by the Employee under Code section 217.

(4) The value of a nonstatutory option (which is an option other than a statutory option as defined in Treas. Reg. section 1.421-1(b)) granted to an Employee by the Employer, but only to the extent that the value of the option is includible in the gross income of the Employee for the taxable year in which granted.

(5) The amount includible in the gross income of an Employee upon making the election described in Code section 83(b).

(6) Amounts that are includible in the gross income of an Employee under the rules of Code section 409A or 457(f)(1)(A) or because the amounts are constructively received by the Employee.

(b) Excludes all of the following:

(1) Contributions (other than elective contributions described in Code section 402(e)(3), 408(k)(6), 408(p)(2)(A)(i), or 457(b)) made by the Employer to a plan of deferred compensation (including a simplified employee pension plan described in Code section 408(k) or a simple retirement account described in Code section 408(p), and whether or not qualified) to the extent that the contributions are not includible in the gross income of the Employee for the taxable year in which contributed. In addition, any distributions from a plan of deferred compensation (whether or not qualified) are not considered as compensation for Code section 415 purposes, regardless of whether such amounts are includible in the gross income of the Employee when distributed.

(2) Amounts realized from the exercise of a nonstatutory option (which is an option other than a statutory option as defined in Treas. Reg. section 1.421-1(b)), or when restricted stock or other property held by an Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture (see Code section 83 and regulations promulgated thereunder).

(3) Amounts realized from the sale, exchange, or other disposition of stock acquired under a statutory stock option (as defined in Treas. Reg. section 1.421-1(b)).

(4) Other amounts that receive special tax benefits, such as premiums for group-term life insurance (but only to the extent that the premiums are not includible in the gross income of the Employee and are not salary reduction amounts that are described in Code section 125).

(5) Other items of remuneration that are similar to any of the items listed in paragraphs (b)(1) through (b)(4) of this Section.

"Section 415 Safe Harbor Option" means Section 415 Compensation which excludes all of the following:

(a) Amounts described in Code section 104(a)(3), 105(a), or 105(h), but only to the extent that these amounts are includible in the gross income of the Employee.

(b) Amounts paid or reimbursed by the Employer for moving expenses incurred by an Employee, but only to the extent that at the time of the payment it is reasonable to believe that these amounts are not deductible by the Employee under Code section 217.

(c) The value of a nonstatutory option (which is an option other than a statutory option as defined in Treas. Reg. section 1.421-1(b)) granted to an Employee by the Employer, but only to the extent that the value of the option is includible in the gross income of the Employee for the taxable year in which granted.

(d) The amount includible in the gross income of an Employee upon making the election described in Code section 83(b).

(e) Amounts that are includible in the gross income of an Employee under the rules of Code section 409A or 457(f)(1)(A) or because the amounts are constructively received by the Employee.

"Short Plan Year" means any Plan Year that is not a full 12-month period due to either a plan amendment, or a plan effective date for a new plan that is fewer than 12 months before the plan year end. Unless otherwise selected in the Adoption Agreement, the following provisions shall apply:

(a) If the Short Plan Year is the Plan's initial Plan Year, for eligibility and vesting (if service prior to the adoption of the Plan is counted) where the Computation Period is based on the Plan Year, the applicable Computation Period will be the normal Plan Year, regardless of the initial Short Plan Year. However, for vesting purposes only, if the Plan Sponsor elects to exclude service prior to the adoption of the Plan, the Computation Period shall begin on the first day of the Short Plan Year and end on the date that is 12 months following the first day of the Short Plan Year.

(b) If the Plan is amended to create the Short Plan Year, and eligibility and vesting service are based on the Plan Year, the applicable Computation Period shall begin on the first day of the Short Plan Year and end on the date that is 12 months following the first day of the Short Plan Year. This will apply only for an Employee who has at least one (1) hour of service during the Short Plan Year.

(c) The compensation limit for a Short Plan Year is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the numerator of which is the number of months in the Short Plan Year, and the denominator of which is 12.

(d) Where an Employer contribution is allocated for a Short Plan Year, an allocation condition set forth in the Adoption Agreement that requires a set number of hours of service will not be prorated as a result of the Short Plan Year.

In all other respects, the Plan shall be operated for a Short Plan Year in the same manner as for a normal 12-month Plan Year.

"Statutory Compensation" shall have the meaning set forth in the Adoption Agreement and described below.

Statutory Compensation must be determined without regard to any rules under Code section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code section 3401(a)(2)).

Statutory Compensation shall include the following:

- (a) Any amount which is contributed by the Employer pursuant to a salary reduction agreement and which is not includible in the gross income of the Participant under Code sections 125, 402(e)(3), 402(h), 403(b), 132(f) or 457;
- (b) Differential military pay (as defined in Code section 3401(h)(2)), to the extent applicable;
- (c) Final Paycheck Pay;
- (d) Compensation paid to a Participant who is permanently and totally disabled, to the extent applicable; and
- (e) Back pay, as defined in Treas. Reg. section 1.415(c)-2(g)(8), will be treated as Statutory Compensation for the Limitation Year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under this definition.

The exclusions from Statutory Compensation for payments after severance from employment do not apply to payments to a Participant who does not currently perform services for the Employer by reason of Qualified Military Service to the extent those payments do not exceed the amounts the Participant would have received if the individual had continued to perform services for the Employer rather than entering Qualified Military Service.

Notwithstanding any other provision hereof to the contrary, the annual Statutory Compensation of each Employee taken into account under the Plan for any Plan Year shall not exceed \$200,000, (as adjusted under Code section 401(a)(17) for such year). If a Plan Year consists of fewer than 12 months, the applicable limitation under Code section 401(a)(17) will be multiplied by a fraction, the numerator of which is the number of months in such year, and the denominator of which is 12.

"Termination" and "Termination of Employment" means any absence from service that ends the employment of the Employee with the Employer.

"Transfer Account" means so much of a Participant's Account as consists of amounts transferred from another eligible retirement plan (and corresponding earnings) pursuant to Article 4 in a transaction that was not an eligible rollover distribution within the meaning of Code section 402.

"Trust" means the funding vehicle of the Plan to which the terms of a separate trust agreement shall apply. In the event of any conflict between the terms of this Plan and any conflicting provision contained in any associated trust, custodial account document, or any document that is incorporated by reference, the terms of this Plan will govern.

"Trustee" means the person or persons designated by the Plan Sponsor in a separate trust agreement to serve as the Trustee to the extent the assets of the Plan are not held solely by an insurance company.

"Union Employee" means any Employee who is included in a unit of Employees covered by a collective bargaining agreement, if retirement benefits were the subject of good faith bargaining, and if the collective bargaining agreement does not provide for participation in this Plan.

"Valuation Date" has the meaning specified in the Adoption Agreement. Notwithstanding anything in the Adoption Agreement to the contrary and in the event that there is to be a distribution, transfer of assets or division of assets from the Plan, the Plan Administrator may in its sole discretion declare a special Valuation Date for that portion of the Plan that is not daily-valued to protect the interests of Participants in the Plan or the Participant receiving the distribution.

"Voluntary Contribution" means an Employee contribution made to the Plan on an after-tax basis. The term Voluntary Contribution shall not include Grandfathered Roth 401(k) Contributions.

"Voluntary Contribution Account" means so much of a Participant's Account as consists of a Participant's Voluntary Contributions (and corresponding earnings) made to the Plan.

"W-2 Compensation" means wages, within the meaning of Code section 3401(a), and all other payments of compensation to an Employee by the Employer (in the course of the Employer's trade or business) for which the Employer is required to furnish the Employee a written statement under Code sections 6041(d), 6051(a)(3), and 6052. W-2 Compensation shall be determined without regard to any rules under Code section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code section 3401(a)(2)).

"Withholding Compensation" means wages within the meaning of Code section 3401(a) for the purposes of income tax withholding at the source, but determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code section 3401(a)(2)).

"Year of Eligibility Service" means, with respect to any Employee, an Eligibility Computation Period during which he completes at least the service specified in the Adoption Agreement. If the Plan uses the Elapsed Time Method: (a) "Year of Eligibility Service" means a 12-month period of time beginning on an Employee's Employment Commencement Date and ending on the date on which eligibility service is being determined; (b) in order to determine the number of whole Years of Eligibility Service under the Elapsed Time Method, nonsuccessive periods of service and less than whole year periods of service shall be aggregated on the basis that 12 months of service (30 days are deemed to be a month in the case of the aggregation of fractional months) or 365 days of service are equal to a whole year of service; (c) an Employee will also receive credit for any Period of Severance of less than 12 consecutive months; and (d) if less than one Year of Eligibility Service is required in Article 3, such service shall be determined by substituting such period for "12-month" and "Year" where they appear in this paragraph.

All eligibility service with the Employer is taken into account except that if permitted in the Adoption Agreement, the following service shall be disregarded in determining Years of Eligibility Service:

(a) **One-Year Holdout.** If an Employee has a One-Year Break in Service (One-Year Period of Severance to the extent the Plan uses the Elapsed Time Method), Years of Eligibility Service before such period will not be taken into account until the Employee has completed a Year of Eligibility Service after returning to employment with the Employer.

Where a Plan's service requirement is two years of service, if an Employee experiences a one-year break in service prior to satisfying the two years of service eligibility requirement, any service prior to the break in service will not be taken into account.

(b) **Rule of Parity.** If an Employee does not have any nonforfeitable right to the Account balance derived from Employer contributions, Years of Eligibility Service before a period of five (5) consecutive One-Year Breaks in Service (One-Year Periods of Severance to the extent the Plan uses the Elapsed Time Method) will not be taken into account in computing eligibility service. Elective Deferrals are taken into account for purposes of determining whether a Participant is a nonvested Participant for purposes of Code section 411(a)(6)(D)(iii).

If a Participant's Years of Eligibility Service are disregarded pursuant to the foregoing, such Participant will be treated as a new Employee for eligibility purposes. If a Participant's Years of Eligibility Service may not be disregarded pursuant to the foregoing, such Participant shall participate in the Plan pursuant to the terms of Article 3.

To the extent provided in the Adoption Agreement, eligibility service may also include service with employers other than the Employer.

"Year of Vesting Service" means a Vesting Computation Period during which the Employee completes at least the number of hours specified in the Adoption Agreement. If the Plan uses the Elapsed Time Method: (a) "Year of Vesting Service" means a 12-month period of time beginning on an Employee's Employment Commencement Date and ending on the date on which vesting service is being determined; (b) in order to determine the number of whole Years of Vesting Service

under the Elapsed Time Method, nonsuccessive periods of service and less than whole year periods of service shall be aggregated on the basis that 12 months of service (30 days are deemed to be a month in the case of the aggregation of fractional months) or 365 days of service are equal to a whole year of service; and (c) an Employee will also receive credit for any Period of Severance of less than 12 consecutive months.

All Years of Vesting Service with the Employer are taken into account except that for an Employee who has five consecutive One-Year Breaks in Service (One-Year Periods of Severance to the extent the Plan uses the Elapsed Time Method) all periods of service after such breaks in service/periods of severance shall be disregarded for the purpose of vesting the Employee's Employer-derived Account balance that accrued before such breaks in service/periods of severance, but except as otherwise expressly provided, both the service before and after such breaks in service/periods of severance shall count for purposes of vesting the Employee's Employer-derived Account balance that accrues after such breaks in service/periods of severance pursuant to Article 6.

In addition, if permitted in the Adoption Agreement, the following service shall be disregarded in determining Years of Vesting Service:

(a) One-Year Holdout. If an Employee has a One-Year Break in Service (One-Year Period of Severance to the extent the Plan uses the Elapsed Time Method), Years of Vesting Service before such period will not be taken into account until the Employee has completed a Year of Vesting Service after returning to employment with the Employer.

(b) Rule of Parity. If an Employee does not have any nonforfeitable right to the Account balance derived from Employer contributions, Years of Vesting Service before a period of five (5) consecutive One-Year Breaks in Service (One-Year Periods of Severance to the extent the Plan uses the Elapsed Time Method) will not be taken into account in computing vesting service. Elective Deferrals are taken into account for purposes of determining whether a Participant is a nonvested Participant for purposes of Code section 411(a)(6)(D)(iii).

(c) Years of Vesting Service before age 18 or Years of Vesting Service before the Employer maintained this Plan or a predecessor plan will not be taken into account in computing vesting service to the extent provided in the Adoption Agreement.

To the extent provided in the Adoption Agreement, vesting service may also include service with employers other than the Employer.

**ARTICLE 3 PARTICIPATION****Section 3.01 MANDATORY EMPLOYEE CONTRIBUTIONS, VOLUNTARY CONTRIBUTIONS AND GRANDFATHERED 401(K) CONTRIBUTIONS**

Each Eligible Employee shall become a Participant eligible to make Mandatory Employee Contributions, Voluntary Contributions and Grandfathered 401(k) Contributions on the date specified in the Adoption Agreement provided that he is an Eligible Employee on such date. Notwithstanding the foregoing, a Participant shall be eligible to make Mandatory Employee Contributions, Voluntary Contributions and Grandfathered 401(k) Contributions only to the extent such contributions are permitted in the Adoption Agreement.

***NOTE:** Code section 401(k)(4)(B)(ii) prohibits governmental employers from establishing new 401(k) plans. This provision does not apply to governmental 401(k) plans adopted before May 6, 1986.*

**Section 3.02 MATCHING CONTRIBUTIONS**

Each Eligible Employee shall become a Participant eligible to receive Matching Contributions on the date specified in the Adoption Agreement provided that he is an Eligible Employee on such date. Notwithstanding the foregoing, a Participant shall be eligible to receive Matching Contributions only to the extent such contributions are permitted in the Adoption Agreement.

**Section 3.03 EMPLOYER CONTRIBUTIONS**

(a) Non-Elective Contributions. Each Eligible Employee shall become a Participant eligible to receive Non-Elective Contributions on the date specified in the Adoption Agreement provided that he is an Eligible Employee on such date. Notwithstanding the foregoing, a Participant shall be eligible to receive Non-Elective Contributions only to the extent such contributions are permitted in the Adoption Agreement.

(b) Pension Contributions. Each Eligible Employee shall become a Participant eligible to receive Pension Contributions on the date specified in the Adoption Agreement provided that he is an Eligible Employee on such date. Notwithstanding the foregoing, a Participant shall be eligible to receive Pension Contributions only to the extent such contributions are permitted in the Adoption Agreement.

**Section 3.04 TRANSFERS**

If a change in job classification or a transfer results in an individual no longer qualifying as an Eligible Employee, such Employee shall cease to be a Participant for purposes of Article 4 (or shall not become eligible to become a Participant) as of the effective date of such change of job classification or transfer.

**Section 3.05 TERMINATION AND REHIRES**

If an Employee has a Termination of Employment, such Employee shall cease to be a Participant for purposes of Article 4 (or shall not become eligible to become a Participant; except as provided in Article 4) as of his Termination of Employment. An individual who has satisfied the applicable eligibility requirements set forth in Article 3, including passing an entry date, before his Termination date, and who is subsequently reemployed by the Employer as an Eligible Employee, shall resume or become a Participant immediately upon his rehire date with respect to the contributions for which the eligibility requirements of this Article 3 have been satisfied to the extent provided by the Adoption Agreement. An individual who has not so qualified for participation on his Termination date, and who is subsequently reemployed by the Employer as an Eligible Employee, shall be eligible to participate as of the later of the effective date of such reemployment or the date the individual meets the eligibility requirements of this Article 3.

**Section 3.06 LIMITATIONS ON EXCLUSIONS**

(a) Eligibility Waiver. The Employer may waive any of the Eligibility requirements to participate in the Plan with respect to Employer Contributions for an Employee who does not otherwise satisfy such requirements.

(b) Modifications. The completion of a 'fill-in' blank in the Adoption Agreement shall not be considered to be a modification to the Pre-Approved Plan document unless the language used to complete the 'fill-in' blank is contrary to the notes and guidelines that accompany the option. If a completed 'fill-in' blank violates/is contrary to the notes and guidelines that accompany the option, the language is a modification to the Pre-Approved Plan document.

Section 3.07      PROCEDURES FOR ADMISSION

The Plan Administrator shall prescribe such forms and may require such data from Participants as are reasonably required to enroll a Participant in the Plan or to effectuate any Participant elections made pursuant to this Article 3.

Section 3.08      PARTICIPANTS RECEIVING DIFFERENTIAL MILITARY PAY

To the extent selected in the Adoption Agreement and pursuant to Code section 414(u)(12), IRS Notice 2010-15 and any superseding guidance, a Participant receiving differential wage payments (as defined in Code section 3401(h)(2)) shall be treated as an Employee of the Employer making the payment and the differential wage payments may be treated as Plan Compensation under the Plan to the extent selected in the Adoption Agreement.

**ARTICLE 4 CONTRIBUTIONS****Section 4.01 MANDATORY EMPLOYEE CONTRIBUTIONS, VOLUNTARY CONTRIBUTIONS AND GRANDFATHERED 401(K) CONTRIBUTIONS**

*NOTE: Code section 401(k)(4)(B)(ii) prohibits governmental employers from establishing new 401(k) plans. This provision does not apply to governmental 401(k) plans adopted before May 6, 1986.*

(a) Contributions. Subject to the limitations described in Article 5 and as provided in the Adoption Agreement, each Participant shall contribute to the Plan the amount of Mandatory After-tax Employee Contributions required by the Employer and may contribute Voluntary Contributions or Grandfathered 401(k) Contributions. Grandfathered 401(k) Contributions must be made pursuant to this Section 4.01 in the form and manner prescribed by the Plan Administrator.

(b) Modifications. As of the date a Participant first meets the eligibility requirements of Section 3.01, he may elect to contribute to the Plan. Subsequent to that date, a Participant may elect to start, increase, reduce or totally suspend his elections pursuant to this Section 4.01, effective as of the dates specified in the Adoption Agreement.

(c) Procedures. A Participant shall make an election described in Subsection (b) in such form and manner as may be prescribed by procedures established by the Plan Administrator. Such procedures may include, but not be limited to: specifying that elections be made at such time in advance as the Plan Administrator may require, allowing a Participant to make a separate election as to any bonuses or other special pay, or requiring elections be made in a dollar amount or percentage of pay. A Participant's election regarding Grandfathered 401(k) Contributions may be made only with respect to an amount which the Participant could otherwise elect to receive in cash and which is not currently available to the Participant. The Plan Administrator may allow Participants to defer on Plan Compensation actually received after Termination of Employment.

(d) Reduction in Elections. The Plan Administrator may reduce or totally suspend a Participant's election if the Plan Administrator determines that such election may cause the Plan to fail to satisfy any of the requirements of Article 5.

(e) Catch-up Contributions. If elected in the Adoption Agreement, all Participants who are eligible to make Grandfathered 401(k) Contributions under this Plan shall be eligible to make Catch-up Contributions pursuant to Section 5.02(d).

(f) Grandfathered Roth 401(k) Contributions. To the extent provided in the Adoption Agreement, Participants shall be eligible to irrevocably designate some or all of their Grandfathered 401(k) Contributions as either Pre-tax Grandfathered 401(k) Contributions or Grandfathered Roth 401(k) Contributions. However, the Plan Administrator may require a Participant to elect all of their Grandfathered 401(k) Contributions as either Pre-tax Grandfathered 401(k) Contributions or Grandfathered Roth 401(k) Contributions. All elections shall be subject to the same election procedures, limits on modifications and other terms and conditions on elections as specified in the Plan. If Grandfathered Roth 401(k) Contributions are not permitted, all Grandfathered 401(k) Contributions shall be designated as Pre-tax Grandfathered 401(k) Contributions.

(g) Automatic Enrollment. To the extent provided in the Adoption Agreement, upon the initial satisfaction of the eligibility requirements of Article 3 with respect to Grandfathered 401(k) Contributions (and at the effective date of the addition of an automatic enrollment feature for current Participants), an Eligible Employee described in the Adoption Agreement shall be deemed to have made a Grandfathered 401(k) Contribution election in the amount provided in the Adoption Agreement provided that:

(1) In a reasonable period of time before the deemed election takes place the Eligible Employee shall receive a notice that explains the automatic Grandfathered 401(k) Contribution election, his Plan Compensation reduction percentage and the individual's right to elect to have no such Grandfathered 401(k) Contributions made to the Plan or to alter the amount of those contributions, including the procedure for exercising that right and the timing for implementation of any such election. The Eligible Employee must have a reasonable opportunity to file an election to receive cash in lieu of Grandfathered 401(k) Contributions before such deemed election is made. If the Adoption Agreement indicates the Plan

intends to be an eligible automatic contribution arrangement (EACA), the notice must meet the additional requirements below:

(A) The notice must be provided within a reasonable period before the beginning of each Plan Year or, in the Plan Year the Employee is first eligible to make a cash or deferred election (or first becomes covered under the automatic contribution arrangement as a result of a change in employment status), within a reasonable period before the Employee becomes a covered Employee. A notice satisfies the timing requirements of this paragraph only if it is provided sufficiently early so that the Employee has a reasonable period of time after receipt of the notice in order to make the election described under Treas. Reg. section 1.414(w)-1(e)(2).

(B) The notice must describe how contributions made under the arrangement will be invested in the absence of any investment election.

(C) The notice must describe the right to make a permissible withdrawal (as described in Section 4.01(g)(4)(B)), if applicable, and the procedures to elect such a withdrawal.

(2) Unless otherwise selected in the Adoption Agreement, if the Plan provides for Grandfathered Roth 401(k) Contributions, all Grandfathered 401(k) Contributions made under Subsection (g) shall be designated as Pre-tax Grandfathered 401(k) Contributions.

(3) Administrator Discretion. The Plan Administrator may, on a uniform basis, provide that a new initial period shall begin for an Employee who is terminated for a full Plan Year and is rehired in a subsequent Plan Year. The Plan Administrator may also, on a uniform basis, provide that an affirmative election expires at the end of each Plan Year and that the Employee must make a new affirmative election if he or she wants the prior rate of Grandfathered 401(k) Contribution to continue.

(4) Elections to End or Reduce Automatic Enrollment

(A) If the Adoption Agreement indicates the Plan is not an Eligible Automatic Contribution Arrangement (EACA) and the Plan Administrator elects to allow withdrawals, the Eligible Employee may file an election to receive cash in lieu of Grandfathered 401(k) Contributions at the time such deemed election is made or within the 60-day period thereafter. Upon an election to receive cash in lieu of Grandfathered 401(k) Contributions, the Participant shall not receive a refund of any Grandfathered 401(k) Contribution made. The Eligible Employee may make a subsequent affirmative election to make Grandfathered 401(k) Contributions at a later date that is effective as provided in Section 4.01(b).

(B) Eligible Automatic Contribution Arrangement (EACA). To the extent the Adoption Agreement indicates the Plan intends to be an eligible automatic contribution arrangement (EACA), if the Adoption Agreement allows for permissible withdrawals, an Employee for whom Grandfathered 401(k) Contributions have been automatically made may elect to withdraw all of the contributions made on his or her behalf including earnings thereon to the date of the withdrawal. This withdrawal right is available only if the withdrawal election is made within the earlier of 90 or the number of days specified in the Adoption Agreement after the date the first contribution is made under an EACA. Any Matching Contribution made with respect to the amount withdrawn (adjusted for allocable gains and losses) shall be forfeited. A withdrawal request will be treated as an affirmative election to stop having Grandfathered 401(k) Contributions made unless the Employee affirmatively elects otherwise.

(i) Election Period. The Plan Administrator may, on a uniform basis and non-discriminatory basis, require an election period shorter than 90 days, provided that such election period must be at least 30 days.

(ii) Treatment of Refunds. Grandfathered 401(k) Contributions refunded pursuant to this Subsection and any related Matching Contributions forfeited, shall be disregarded in determining limitations under Code section 402(g). Any amounts refunded under this Paragraph are not eligible rollover contributions.

(iii) Rehires. The Plan Administrator may, on a uniform basis, for an Employee who is terminated for a full Plan Year and is rehired in a subsequent Plan Year provide that such Employee be treated as a new hire.

(iv) Fees. The amount distributed may be reduced by fees pursuant to Treas. Reg. section 1.414(w)-1(c)(3)(ii).

(v) The provisions of this Subsection are subject to any requirements under Code section 414(w), the final Treasury Regulations issued February 24, 2009 and any corresponding guidance or regulations issued thereunder.

(h) Contribution and Allocation of Grandfathered 401(k) Contributions and Voluntary Contributions. The Employer shall contribute to the Plan with respect to each pay period an amount equal to the Grandfathered 401(k) Contributions and Voluntary Contributions of Participants for such pay period, as determined pursuant to the elections in force pursuant to this Section. There shall be directly and promptly allocated to the Grandfathered 401(k) Contribution Account, Grandfathered 401(k) Roth Contribution Account and Voluntary Contribution Account of each Participant the Grandfathered 401(k) Contributions and Voluntary Contributions, respectively, contributed by the Employer to the Plan by reason of any election in force with respect to that Participant.

(i) Participant. For purposes of this Section, "Participant" shall mean an Eligible Employee who has met the eligibility requirements of Article 3 with respect to Mandatory Employee Contributions, Voluntary Contributions or Grandfathered 401(k) Contributions.

Section 4.02      MATCHING CONTRIBUTIONS

(a) Amount of Matching Contributions. Subject to the limitations described in Article 5, the Employer shall contribute to the Plan an amount specified in the Adoption Agreement on behalf of each Participant who made a Matched Employee Contribution and who has completed any service requirements specified in the Adoption Agreement. Notwithstanding the foregoing, a Participant shall be eligible to receive an allocation of Matching Contributions only to the extent such contributions are permitted in the Adoption Agreement.

(b) Contribution and Allocation of Matching Contributions. Matching Contributions shall be made to the Plan and promptly allocated to the Matching Contribution Accounts of Participants who meet the requirements of Subsection (a) and in the amount determined pursuant to Subsection (a) as soon as administratively feasible after the end of the periods described in the Adoption Agreement. If the Employer funds Matching Contributions more frequently than the determination period indicated in the Adoption Agreement, a true-up contribution will be made to any Participant who did not receive a Matching Contribution based on Matched Employee Contributions or Plan Compensation for the entire determination period indicated in the Adoption Agreement.

(c) Participant. For purposes of this Section, "Participant" shall mean an Eligible Employee who has met the eligibility requirements of Article 3 with respect to Matching Contributions.

Section 4.03      EMPLOYER CONTRIBUTIONS

(a) Amount.

(1) Non-Elective Contributions. Subject to the limitations described in Article 5, the Employer shall, to the extent specified in the Adoption Agreement, make Non-Elective Contributions to the Plan on behalf of each Participant who has completed any service requirements specified in the Adoption Agreement. Notwithstanding the foregoing, a Participant shall be eligible to receive an allocation of Non-Elective Contributions only to the extent such contributions are permitted in the Adoption Agreement.

(2) Pension Contributions. Subject to the limitations described in Article 5, the Employer shall make Pension Contributions to the Plan on behalf of each Participant who has completed any service requirements specified in the Adoption Agreement (to the extent not funded by forfeitures). Notwithstanding the foregoing, a Participant shall be eligible

to receive an allocation of Pension Contributions only to the extent such contributions are permitted in the Adoption Agreement.

(b) Allocation of Employer Contributions.

(1) Allocation of Employer Contributions. Employer Contributions shall be allocated to the Employer Contribution Accounts of each Participant eligible to share in such allocations pursuant to Subsection (a)(1) in the manner described in the Adoption Agreement.

(2) Allocation of Pension Contributions. Pension Contributions shall be allocated to the Pension Contribution Accounts of each Participant eligible to share in such allocations pursuant to Subsection (a)(2) in the manner described in the Adoption Agreement.

(c) Participant. For purposes of this Section, "Participant" shall mean an Eligible Employee who has met the eligibility requirements of Article 3 with respect to Employer Contributions or Pension Contributions, as applicable.

(d) Disability. In addition to the foregoing, if the Adoption Agreement specifies that contributions described in this Section shall be allocated to Disabled Participants, a Participant who does not meet the requirements of Subsection (a) due to Disability shall be eligible to share in such contributions (including Disabled Participants that have Terminated Employment); provided that such Disability would also constitute a disability pursuant to Code section 22(e). The Employer shall allocate the applicable contributions on behalf of each such Disabled Participant on the basis of the Plan Compensation each such Participant would have received for the Limitation Year if the Participant had been paid at the rate of Plan Compensation paid immediately before suffering a Disability. Contributions allocated to Participants suffering a Disability pursuant to this Subsection shall be fully (100%) vested when made. Such allocations shall cease on the first to occur of the following:

(1) the last day of the Plan Year in which occurs the anniversary specified in the Adoption Agreement of the date the Plan Administrator determines that the Participant's Disability commenced;

(2) the date the Participant ceases to suffer from a Disability;

(3) the date the Participant refuses to submit to a periodic examination by the Employer or its agent to determine the existence of a Disability; or

(4) the date the Participant dies.

Section 4.04 ROLLOVER CONTRIBUTIONS

(a) To the extent provided in the Adoption Agreement, the Plan Administrator may direct the Trustee to accept Rollover Contributions made in cash or other form acceptable to the Trustee. Rollover Contributions shall be allocated to the Participant's/Eligible Employee's (to the extent elected in the Adoption Agreement) Rollover Contribution Account. The Plan may accept the following Rollover Contributions to the extent allowed by the Plan Administrator in its sole discretion:

(1) A rollover from a plan qualified under Code section 401(a) or 403(a) if the contribution qualifies as a tax-free rollover as defined in Code section 402(c). If it is later determined that the amount received does not qualify as a tax-free rollover, the amount shall be refunded to the Eligible Employee.

(2) A rollover from a "Conduit Individual Retirement Account", as determined in accordance with procedures established by the Plan Administrator and only if the contribution qualifies as a tax-free rollover as defined in Code section 402(c). If it is later determined that the amount received does not qualify as a tax-free rollover, the amount shall be refunded to the Eligible Employee.

(3) A direct rollover of an eligible rollover distribution of after-tax employee contributions from a qualified plan described in Code section 401(a) or 403(a). The Plan shall separately account for amounts so transferred,

including separately accounting for the portion of such contribution which is includible in gross income and the portion of such contribution which is not so includible.

(4) Any rollover of an eligible rollover distribution from an annuity contract described in Code section 403(b). The Plan shall separately account for after-tax amounts so transferred, including separately accounting for the portion of such contribution which is includible in gross income and the portion of such contribution which is not so includible.

(5) Any rollover of an eligible rollover distribution from an eligible plan under Code section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state.

(6) Any rollover contribution of the portion of a distribution from an individual retirement account or annuity described in Code sections 408(a) or 408(b) that is eligible to be rolled over and would otherwise be includible in gross income.

(7) Any additional rollover contribution as may be permitted by applicable law.

(b) **In-Plan Roth Rollovers.** To the extent provided in the Adoption Agreement, and to the extent permitted by Code section 402A(c), Notice 2010-84 and any superseding guidance, a distribution from the Plan other than from a Grandfathered Roth 401(k) Account that is an eligible rollover distribution (as defined in Code section 408A(e)) may be rolled over to a designated Roth Account maintained under this Plan for the benefit of the individual to whom the distribution is made. The Plan will maintain such records as are necessary for the proper reporting of In-Plan Roth Rollovers. A Participant is required to include the taxable amount of an In-Plan Roth Rollover in their gross income. The taxable amount of the In-Plan Roth Rollover is deemed to be the fair market value of the distribution less any basis in the amounts rolled over. If In-Plan Roth Rollovers are permitted for all distributions permitted under the Code and to the extent provided in the Adoption Agreement, In-Plan Roth Rollovers are permitted at the following times:

(1) Upon the attainment of the age specified in the Adoption Agreement except Grandfathered 401(k) Contributions shall not be eligible for withdrawal until the Participant attains age 59-1/2.

(2) Mandatory Employee Contributions, Mandatory After-tax Employee Contributions and Voluntary Contributions can be converted to an In-Plan Roth Rollover Account at any time.

(3) From a Participant's Matching Contribution Account or Non-Elective Contribution Account after 5 years of Participation. In-service withdrawals are allowed from a Participant's Matching Contribution Account or Non-Elective Contribution Account on funds held for at least 2 years.

(4) Immediately after Termination of Employment.

(c) **In-Plan Roth Transfers.** To the extent provided in the Adoption Agreement, the Plan shall allow Participants to elect to transfer any amount not otherwise distributable under the Plan to a designated Roth Account (or sub-Account) maintained for the Participant within the Plan. The Plan shall not be treated as violating the provisions of Code section 401(k)(2)(B)(i) solely by reason of such transfer. Amounts transferred will retain the restrictions on distribution the account had before such transfer.

(d) **Plan Administrator Procedures.** The Plan Administrator may establish uniform procedures that include, but are not limited to, prescribing limitations on the frequency and minimum amount of rollovers; provided, that no procedures involving minimum amounts shall prescribe a minimum withdrawal greater than \$1,000.

#### Section 4.05 TRANSFERS

The Trustee may be directed to accept a direct transfer of assets, made without the consent of the affected Employees, from the trustee of any other qualified plan described in Code section 401(a) to the extent permitted by the Code and the regulations and rulings thereunder. In the event assets are transferred to the Plan pursuant to the foregoing sentence, the transferred assets shall be accounted for separately in the Transfer Account of the affected Employees to the extent

necessary to preserve a more favorable vesting schedule or any other legally-protected benefits available to such Employees under the transferor plan. The Plan Administrator shall establish a vesting schedule for the Transfer Account; provided that such schedule is not less favorable than the vesting schedule under the transferor plan.

Section 4.06      MILITARY SERVICE

(a)      In General. Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to Qualified Military Service shall be provided in accordance with Code section 414(u).

(b)      Death or Disability During Qualified Military Service. To the extent provided in the Adoption Agreement, pursuant to Code section 414(u)(9), IRS Notice 2010-15 and any superseding guidance; a Participant who dies or becomes Disabled while performing Qualified Military Service will be treated as if he had been employed by the Employer on the day preceding death or Disability and terminated employment on the day of death or Disability and receive benefit accruals related to the period of Qualified Military Service as provided under Code section 414(u)(8), except as provided below:

(1)      All Participants eligible for benefits under the Plan by reason of this Section shall be provided benefits on reasonably equivalent terms.

(2)      For the purposes of applying Code section 414(u)(8)(C), a Participant's Grandfathered 401(k) Contributions shall be determined based on the Participant's average actual contributions for:

(A)      the 12-month period of service with the Employer immediately prior to Qualified Military Service, or

(B)      if service with the Employer is less than such 12-month period, the actual length of continuous service with the Employer.

Section 4.07      ARRANGEMENTS ADOPTED BY MORE THAN ONE EMPLOYER

In General. This Section applies to arrangements adopted by two or more employers that are not aggregated under Code sections 414(b), (c), (m), or (o). Other employers that are not aggregated with the Employer under Code sections 414(b), (c), (m), or (o) may participate in the Plan as described below as a multiple employer plan within the meaning of ERISA section 3(2) and Code section 413(c) ("Multiple Employer Plan") only to the extent the unrelated entities are entities eligible to adopt a governmental plan as defined in Code section 414(d).

(a)      Method of Adoption. The Plan Sponsor shall execute a Master Adoption Agreement and each Adopting Entity shall execute a joinder/participation agreement which contains only those Adoption Agreement provisions, if any, which may be overridden by an entity other than the Plan Sponsor. The execution of the joinder/participation agreement by an Adopting Entity shall constitute the adoption of the same plan as the Plan Sponsor and not the adoption of a separate plan for the Adopting Entity. An Adopting Entity may amend its joinder/participation agreement at any time with the approval of the Plan Sponsor. However, an Adopting Entity may not modify the definition of Plan Administrator, Limitation Year or Plan Sponsor. The Plan Sponsor and all Adopting Entities acknowledge that the Plan is a Multiple Employer Plan subject to the rules of Code section 413(c) and the regulations thereunder which are herein incorporated by reference. The Plan Sponsor and all Adopting Entities also acknowledge the specific annual reporting requirements, and different procedures for obtaining determination letters from the Internal Revenue Service regarding the qualified status of the Plan.

(b)      Definitions. The following terms are modified as used in the Plan:

(1)      "Adopting Entity" means an entity who executes a joinder/participation agreement.

(2)      "Adoption Agreement" means the Adoption Agreement for the Plan Sponsor. For any Adopting Entity, Adoption Agreement means the Adoption Agreement as amended in that entity's joinder/participation agreement (as provided in Section 4.07(a)).

(3) "Plan Sponsor" means the executor of the Master Adoption Agreement described in Section 4.07(a).

(c) Application of Code section 413(c). The provisions of Code section 413(c) shall apply to the Plan and this Section shall be interpreted consistent with Code section 413(c) and any applicable guidance.

(1) Eligibility Service. Code section 410(a) shall be applied as if all Employees of each Employer who maintains the Plan were employed by a single Employer. An Employee who transfers employment between Adopting Entities or the Plan Sponsor shall not be considered to have a Termination of Employment.

(2) Exclusive Benefit. For purposes of Code section 401(a), in determining whether the Plan of an Employer is for the exclusive benefit of its Employees and their Beneficiaries all Participants shall be considered to be its Employees.

(3) Vesting. Code section 411 shall be applied as if all Employers who maintain the Plan constituted a single Employer, except that the application of any rules with respect to breaks in service shall be made under regulations prescribed by the Secretary of Labor.

(4) Funding. To the extent the Plan is subject to Code section 412, the provisions of Code sections 413(c)(4) and 413(c)(5) shall apply.

(d) Other Rules.

(1) Contributions and forfeitures arising hereunder must be restricted to Participants who are employed by the entity under which the forfeitures arose.

(2) Maximum Annual Additions. Except as provided in Treas. Reg. section 1.415(f)-1(g)(2)(i) (regarding aggregation of multiemployer plans with plans other than multiemployer plans), for purposes of applying Section 5.01, Annual Additions attributable to a Participant from all of the Employers maintaining the Plan must be taken into account. Furthermore, in applying the limitations of Section 5.01 with respect to a Participant, the total Statutory Compensation received by the Participant from all of the Employers maintaining the Plan is taken into account under the Plan, unless Treas. Reg. section 1.415-1(e) and any superseding guidance specifies otherwise.

(e) No Modification to Pre-Approved Language. The execution of a joinder/participation agreement shall not be considered a modification to the IRS pre-approved language of the Plan.

(f) Cessation of Participation. Plan participation of an Adopting Entity may be ended by the Plan Administrator or by the Adopting Entity itself. Cessation of participation will be treated in accordance with Code Section 414(l).

(1) Cessation by the Plan Administrator. In the event that the Plan Administrator ends the Adopting Entity's participation in the Plan, the Plan Administrator will direct that Plan assets attributable to employees of the terminating Adopting Entity be transferred to a defined contribution plan maintained by the terminating Adopting Entity. If the terminating Adopting Entity does not maintain a separate plan which can receive assets, or refuses to set-up such a plan, the Plan Administrator may establish a plan for the terminating Adopting Entity and may direct that Plan assets attributable to employees of the terminating employer be transferred to the plan. Distribution of employee assets will not be made available as a result of the cessation of plan participation.

(2) Withdrawal by the Adopting Entity. In the event that the Adopting Entity withdraws from Plan participation, the Plan Administrator will direct that Plan assets attributable to employees of the terminating employer be transferred to another plan sponsored by the terminating Adopting Entity which is eligible to receive a transfer of assets. Distribution of employee assets will not be made available as a result of the withdrawal by an Adopting Entity.

(g) Fiduciary Act to Join the Plan. By executing a joinder/participation agreement, each Adopting Entity, acting as a fiduciary with respect to its current and future Employees, thereby ratifies and confirms the appointment of all

parties to the Plan and all action taken to establish and maintain the Plan. The term parties to the Plan in the preceding sentence shall include, but not be limited to, the Plan Administrator, Trustee and Investment Fiduciary.

(h) Each Adopting Entity shall be jointly and severally liable for Plan expenses.

(i) Each Adopting Entity shall indemnify and hold harmless the Plan Administrator (and their delegates), any other Adopting Entities, any person serving as the Trustee or Investment Fiduciary from all claims, liabilities, losses, damages and expenses, including reasonable attorneys' fees and expenses for its failure to operate in accordance with the Plan or any intentional or negligent act or omission with respect to the Plan including but not limited to failure of oversight and or appointment. The Plan Administrator may in its discretion utilize any IRS or DOL correction program and any fees or costs associated with such program are the responsibility of the offending Adopting Entity.

Section 4.08      DEEMED IRAs

(a) **Applicability.** This Section 4.08 shall apply only if the Adoption Agreement provides that Deemed IRAs are permitted. The Plan Administrator may permit a Participant to make Employee contributions to a traditional IRA established under Code section 408 or a Roth IRA established under Code section 408A. The Plan shall establish a separate Account or annuity for the designated IRA contributions of each Participant and any earnings properly allocable to the contributions and maintain separate recordkeeping with respect to each such IRA.

(b) **Reporting Duties.** The Plan Administrator shall cause the trustee of a trust established pursuant to Subsection (d) or annuity contract issuer to comply with the reporting requirements of Code section 408(i) with respect to all IRAs that are established and maintained under the Plan.

(c) **Voluntary Employee Contributions.** For purposes of this Section, a voluntary Employee contribution means any contribution that is made by the Participant and which the Participant has designated, at or prior to the time of making the contribution, as a contribution to which this Section applies.

(d) IRAs established pursuant to this Section shall be held in a trust or an annuity separate from the Trust established under the Plan to hold contributions other than deemed IRA contributions and shall satisfy the applicable requirements of Code sections 408 and 408A.

**ARTICLE 5 LIMITATIONS ON CONTRIBUTIONS**

**Section 5.01 MAXIMUM AMOUNT OF ANNUAL ADDITIONS**

(a) General Rule.

(1) One Plan. If the Participant does not participate in, and has never participated in another qualified plan maintained by the Employer or a welfare benefit fund, as defined in Code section 419(e), maintained by the Employer, or an individual medical account, as defined in Code section 415(1)(2), maintained by the Employer, or a simplified employee pension plan, as defined in Code section 408(k), maintained by the Employer, which provides an Annual Addition, the amount of Annual Additions which may be credited to the Participant's Account for any Limitation Year will not exceed the lesser of the maximum permissible amount specified in Section 5.01(b) or any other limitation contained in this Plan. If the Employer contribution that would otherwise be contributed or allocated to the Participant's Account would cause the Annual Additions for the Limitation Year to exceed such maximum permissible amount, the amount contributed or allocated will be reduced so that the Annual Additions for the Limitation Year will equal the maximum permissible amount.

(2) Multiple Plans. This Subsection 5.01(a)(2) applies if, in addition to this Plan, the Participant is covered under another qualified defined contribution plan maintained by the Employer, a welfare benefit fund maintained by the Employer, an individual medical account maintained by the Employer, or a simplified employee pension plan maintained by the Employer, that provides an Annual Addition during any Limitation Year. The Annual Additions which may be credited to a Participant's Account under this Plan for any such Limitation Year will not exceed the maximum permissible amount specified in Section 5.01(b) reduced by the Annual Additions credited to a Participant's account under the other qualified defined contribution plans, welfare benefit funds, individual medical accounts, and simplified employee pension plans for the same Limitation Year.

(b) Maximum Permissible Amount. The maximum permissible amount is the lesser of:

(1) \$40,000, as adjusted for increases in the cost-of-living under Code section 415(d); or

(2) 100% of the Participant's Statutory Compensation for the Limitation Year. The compensation limit referred to in this Subsection (b)(2) shall not apply to any contribution for medical benefits after separation from service (within the meaning of Code sections 401(h) or 419A(f)(2)) which is otherwise treated as an Annual Addition. Notwithstanding the preceding sentence, Statutory Compensation for purposes of Section 5.01 for a Participant in a defined contribution plan who is permanently and totally disabled (as defined in Code section 22(e)(3)) is the compensation such Participant would have received for the Limitation Year if the Participant had been paid at the rate of compensation paid immediately before becoming permanently and totally disabled.

Prior to determining the Participant's actual Statutory Compensation for the Limitation Year, the Employer may determine the maximum permissible amount for a Participant on the basis of a reasonable estimation of the Participant's Statutory Compensation for the Limitation Year, uniformly determined for all Participants similarly situated. As soon as is administratively feasible after the end of the Limitation Year, the maximum permissible amount for the Limitation Year will be determined on the basis of the Participant's actual Statutory Compensation for the Limitation Year.

(c) Correction of Excess. If there is an allocation in excess of the Maximum Permissible Amount, the Plan Administrator shall correct such excess pursuant to the procedures outlined under Employee Plans Compliance Resolution System as described in Rev. Proc. 2016-51 and any superseding guidance.

**Section 5.02 ANNUAL LIMITATION ON GRANDFATHERED 401(K) CONTRIBUTIONS**

(a) Amount. Notwithstanding anything herein to the contrary, Grandfathered 401(k) Contributions made under this Plan, or elective deferrals made under any other qualified plan maintained by the Employer may not exceed, during any taxable year, the dollar limitation contained in Code section 402(g) in effect at the beginning of such taxable year. For purposes of this Section 5.02, elective deferrals shall mean qualified cash or deferred arrangements described in Code section 401(k), any salary reduction simplified employee pension plan described in Code section 408(k)(6), any SIMPLE IRA plan described in Code section 408(p) and any plan described under Code section 501(c)(18), and any employer contributions

made on the behalf of a participant for the purchase of an annuity contract under Code section 403(b) pursuant to a salary reduction agreement.

(b) Refund of Excess Grandfathered 401(k) Contributions. In the event that Grandfathered 401(k) Contributions under this Plan when added to a Participant's other elective deferrals under any other plan or arrangement (whether or not maintained by the employer) exceed the limit described in the preceding Subsection, the Plan Administrator shall distribute, by April 15 of the following calendar year, the excess amount of Grandfathered 401(k) Contributions adjusted for income/loss thereon. The Plan Administrator may use any reasonable method for computing the income allocable to Excess Grandfathered 401(k) Contributions, provided that the method does not violate Code section 401(a)(4), is used consistently for all Participants and for all corrective distributions under the Plan for the Plan Year, and is used by the Plan for allocating income to Participant's Accounts. The Plan will not fail to use a reasonable method for computing the income allocable to Excess Grandfathered 401(k) Contributions merely because the income allocable to Excess Grandfathered 401(k) Contributions is determined on a date that is no more than 7 days before the actual distribution. In addition, the Plan Administrator may allocate income in any manner permitted under Treas. Reg. section 1.401(k)-2(b)(2)(iv).

A Participant's claim that the excess was caused by elective deferrals made under a plan or arrangement not maintained by the Employer shall be made in writing and shall be submitted to the Plan Administrator no later than the date specified by the Plan Administrator following the calendar year in which such deferrals occurred. If the Plan permits Grandfathered Roth 401(k) Contributions, the Participant may elect to have refunds made either from his Pre-tax Grandfathered 401(k) Contributions or Grandfathered Roth 401(k) Contributions or any combination thereof. Absent direction from the Participant, a distribution of Excess Grandfathered 401(k) Contributions for a year shall be made first from the Participant's pre-tax Elective Deferral account, to the extent such deferrals were made for the year.

(c) Forfeiture of Matching Contributions Related to Excess Grandfathered 401(k) Contributions. In the event a Participant receives a distribution of excess Grandfathered 401(k) Contributions pursuant to Subsection (b), the Participant shall forfeit any Matching Contributions allocated to the Participant by reason of the distributed Grandfathered 401(k) Contributions. Grandfathered 401(k) Contributions not taken into account in determining Matching Contributions under Section 4.02 shall be treated as being reduced first. Amounts forfeited shall be used pursuant to Section 6.03(d).

(d) Catch-up Contributions. If elected in the Adoption Agreement, all Participants who are eligible to make Grandfathered 401(k) Contributions under this Plan shall be eligible to make Catch-up Contributions in accordance with, and subject to the limitations of, Code section 414(v). "Catch-up Contributions" are Grandfathered 401(k) Contributions made to the Plan that are in excess of an otherwise applicable plan limit and that are made by Participants who are aged 50 or over by the end of their taxable years. An otherwise applicable plan limit is a limit in the Plan that applies to Grandfathered 401(k) Contributions without regard to Catch-up Contributions, such as the limits on Annual Additions and the dollar limitation on Grandfathered 401(k) Contributions under Code section 402(g) (not counting Catch-up Contributions). Catch-up Contributions for a Participant for a taxable year may not exceed the dollar limit on Catch-up Contributions under Code section 414(v)(2)(B)(i) for the taxable year as adjusted for cost-of-living increases. Catch-up Contributions are not subject to the limits on Annual Additions.

**ARTICLE 6 VESTING****Section 6.01 PARTICIPANT CONTRIBUTIONS**

A Participant shall have a fully (100%) vested and nonforfeitable interest in his Voluntary Contribution Account, Mandatory Employee Contribution Account, Mandatory After-tax Employee Contribution Account, Grandfathered 401(k) Contribution Account, Grandfathered Roth 401(k) Contribution Account and Rollover Contribution Account.

**Section 6.02 EMPLOYER CONTRIBUTIONS**

The Participant's interest in his Matching Contribution Account, Employer Contribution Account and Pension Contribution Account shall vest based on his Years of Vesting Service in accordance with the terms of the Adoption Agreement.

Notwithstanding the foregoing, a Participant shall become fully (100%) vested upon his attainment of Normal Retirement Age while an Employee. In addition, the Adoption Agreement may provide that a Participant will become fully (100%) vested upon (a) his death while an Employee, (b) his suffering a Disability while an Employee, or (c) attaining his Early Retirement Age while an Employee. If a Participant dies while performing Qualified Military Service, the survivors of the Participant are entitled to any additional benefits provided under the Plan as if the Participant had resumed and then terminated employment on account of death pursuant to Code section 401(a)(37). If Participants become fully (100%) vested upon death while an Employee, Participants shall also become fully (100%) vested upon death while performing Qualified Military Service.

A Participant's Transfer Account, if any, shall remain subject to the vesting schedule that applied to the Account immediately prior to the transfer.

**Section 6.03 FORFEITURES**

(a) **Participants Receiving a Distribution.** A Participant who receives a distribution of the value of the entire vested portion of his Account shall forfeit the nonvested portion of such Account according to the timeframes specified in the Adoption Agreement. For purposes of this Section, if the value of a Participant's vested Account balance is zero upon Termination, the Participant shall be deemed to have received a distribution of such vested Account.

(b) **Participants Not Receiving a Distribution.** The nonvested portion of the Account balance of a Participant who has a Termination of Employment and does not receive a complete distribution of the vested portion of his Account shall be forfeited according to the timeframes specified in the Adoption Agreement.

(c) **Reemployment.** A Participant that is reemployed after a period of severance may have nonvested Account balances restored to the extent specified in the Adoption Agreement.

(d) **Disposition of Forfeitures.** Amounts forfeited from a Participant's Account shall be used to restore forfeitures or reduce Employer contributions (or reallocate as Employer contributions) made pursuant to Article 4, or to pay reasonable Plan expenses to the extent specified in the Adoption Agreement.

(e) **Vesting Following In-Service Withdrawals or Payment in Installments.** If a distribution is made at a time when a Participant has a nonforfeitable right to less than 100% of his Account derived from Employer contributions and the Participant may increase the nonforfeitable percentage in the Account:

(1) A separate Account will be established for the Participant's interest in the Plan as of the time of the distribution, and

(2) At any relevant time the Participant's nonforfeitable portion of the separate Account will be equal to an amount ("X") determined by the formula:

$$X = P(AB + (R \times D)) - (R \times D)$$

For purposes of applying the formula: P is the nonforfeitable percentage at the relevant time; AB is the Account balance at the relevant time; D is the amount of the distribution; and R is the ratio of the Account balance at the relevant time to the Account balance after distribution.

**ARTICLE 7 DISTRIBUTIONS****Section 7.01 COMMENCEMENT OF DISTRIBUTIONS**

(a) Early and Normal Retirement. A Participant, upon attainment of his Normal Retirement Age, shall be entitled to retire and to receive his Account as his benefit hereunder pursuant to Section 7.02. To the extent permitted in the Adoption Agreement, a Participant may, at any time after reaching his Early Retirement Age but before Termination, elect to have the Plan Administrator commence the distribution of his benefit pursuant to Section 7.02 by providing the Plan Administrator with a written election to that effect. Any such written election shall state the date upon which distribution of benefits is to commence and shall be effective upon delivery to the Plan Administrator.

(b) Late Retirement. If a Participant continues in the employ of the Employer beyond his Normal Retirement Age, his participation under the Plan shall continue, and his benefits under the Plan shall commence following his actual Termination of Employment pursuant to Section 7.02. To the extent permitted in the Adoption Agreement, a Participant may, at any time after reaching his Normal Retirement Age but before actual retirement, elect to have the Plan Administrator commence the distribution of his benefit pursuant to Section 7.02 by providing the Plan Administrator with a written election to that effect. Any such written election shall state the date upon which distribution of benefits is to commence and shall be effective upon delivery to the Plan Administrator.

(c) Disability Retirement. Except as may be otherwise provided in the Adoption Agreement, if a Participant becomes Disabled, he shall become entitled to receive his vested Account pursuant to Section 7.02 following the date he has a Termination of Employment.

(d) Death. If a Participant dies, either before or after his Termination of Employment, his Beneficiary designated pursuant to Section 7.04 shall become entitled to receive the Participant's vested Account pursuant to Section 7.02.

(e) Termination of Employment. A Participant shall become entitled to receive his vested Account pursuant to Section 7.02 following the date he has a Termination of Employment.

**Section 7.02 TIMING AND FORM OF DISTRIBUTIONS**

(a) Distribution for Reasons Other Than Death. Payment of a Participant's vested Account shall commence at such times and shall be payable in the form and at such times as specified in the Adoption Agreement. To the extent permitted in the Adoption Agreement, a Participant may elect to have the Plan Administrator apply his entire Account toward the purchase of an annuity contract. The terms of such annuity contract shall comply with the provisions of this Plan and any annuity contract shall be nontransferable and shall be distributed to the Participant.

The method of distribution shall be selected by the Participant on a form prescribed by the Plan Administrator. If no such selection is made by the Participant, payment shall be made in the form of a lump sum distribution unless the Adoption Agreement provides for different normal form of payment. No distribution shall be made if the Participant is rehired by the Employer before payments commence.

(b) Distribution on Account of Death.

(1) Before Distribution Has Begun. If the Participant dies before distribution of his Account begins, distribution of the Participant's entire Account, including any amounts attributable to an investment in a deferred annuity contract, shall be completed by the time and in the manner specified in the Adoption Agreement. To the extent permitted in the Adoption Agreement, payments may be made at least as rapidly as over the following periods:

(A) A complete distribution shall be made by December 31 of the calendar year containing the fifth anniversary of the Participant's death;

(B) Distributions may be made over the life or over a period certain not greater than the life expectancy of the Beneficiary commencing on or before December 31 of the calendar year immediately following the calendar year in which the Participant died; or

(C) If the Beneficiary is the Participant's surviving spouse, the date distributions are required to begin in accordance with Subparagraph (B) above shall not be earlier than the later of (i) December 31 of the calendar year immediately following the calendar year in which the Participant died and (ii) December 31 of the calendar year in which the Participant would have attained age 70-1/2.

If the Plan permits Participant elections under this Subsection (b)(1) and the Participant has not made an election as to form of payment by the time of his death, the Participant's Beneficiary must elect the method of distribution no later than the earlier of (1) December 31 of the calendar year in which distributions would be required to begin under this Section, or (2) December 31 of the calendar year which contains the fifth anniversary of the date of death of the Participant. If the Participant has no designated beneficiary, pursuant to applicable Treasury Regulations, or if the designated Beneficiary does not elect a method of distribution, distribution of the Participant's entire interest must be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

If the surviving spouse dies after the Participant, the provisions of this Subsection (b)(1), with the exception of Subparagraph (C) therein, shall be applied as if the surviving spouse were the Participant.

(2) After Distribution Has Begun. If the Participant dies after distribution of his Account has begun, the remaining portion of such Account will continue to be distributed at least as rapidly as the method of distribution being used prior to the Participant's death. If the Participant's Account was not being distributed in the form of an annuity at the time of his death: (i) distribution of the Participant's entire Account, including any amounts attributable to an investment in a deferred annuity contract, shall be completed by the time and in the manner specified in the Adoption Agreement; and (ii) the Beneficiary may elect to receive the Participant's remaining vested Account balance in a lump sum distribution. To the extent permitted in the Adoption Agreement, payments may be made at least as rapidly as over the following periods:

(A) A complete distribution shall be made by December 31 of the calendar year containing the fifth anniversary of the Participant's death; or

(B) Distributions shall continue to be distributed at least as rapidly as the method of distribution being used prior to the Participant's death.

The Beneficiary shall provide the Plan Administrator with the death notice or other sufficient documentation before any payments are made pursuant to this Subsection.

(c) Valuation Date. The distributable amount of a Participant's Account is the vested portion of his Account as of the Valuation Date coincident with or next preceding the date distribution is made to the Participant or Beneficiary as reduced by any subsequent distributions, withdrawals or loans.

(d) Ordering Rule. The Plan Administrator shall determine the ordering rule for distributions. Such ordering rule may provide that the Participant or Beneficiary may elect to have payments made first or last from his Grandfathered Roth 401(k) Contribution Account or Voluntary Contribution Account or in any combination of such Accounts and any other Account.

(e) Minimum Distribution Requirements. Distributions shall be made in a method that is in conformance with the requirements set forth in Section 7.05. Section 7.05 shall not be deemed to create a type of benefit (e.g., installment payments, lump sum within five years or immediate lump sum payment) to any class of Participants and Beneficiaries that is not otherwise permitted by the Plan.

Section 7.03      FORCE-OUT OF SMALL BALANCES

(a) Vested Account Balance Does Not Exceed \$5,000. Notwithstanding the foregoing, if involuntary force-out is selected in the Adoption Agreement and the vested amount of an Account payable to a Participant or Beneficiary does not

exceed \$5,000 (or such lesser amount specified in the Adoption Agreement) at the time such individual becomes entitled to a distribution hereunder (or at any subsequent time established by the Plan Administrator to the extent provided in applicable Treasury Regulations), such vested Account shall be paid in a lump sum to the extent it is not subject to the automatic rollover provisions of Section 7.06(c) below.

(b) **Vested Account Balance Exceeds \$5,000.** If the value of a Participant's vested Account balance exceeds \$5,000 or such lesser amount as specified in the Adoption Agreement and the Account balance is immediately distributable, the Participant must consent to any distribution of such Account balance. Notwithstanding the foregoing and unless otherwise specified in the Adoption Agreement, payments shall commence as of the Participant's Required Beginning Date in the form of a lump sum or installment payments. The Participant's consent shall be obtained in writing within the 180-day period ending on the first day of the first period for which an amount is paid as an annuity or any other form. The Plan Administrator shall notify the Participant of the right to defer any distribution until the date specified in the Adoption Agreement. Such notification shall include a general description of the material features, and an explanation of the relative values of, the optional forms of benefit available under the Plan, and shall be provided no less than 30 days and no more than 180-days prior to the first day of the first period for which an amount is paid as an annuity or any other form. Distribution may commence less than 30 days after the notice described in the preceding sentence is given, provided the Plan Administrator clearly informs the Participant that he has a right to a period of at least 30 days after receiving the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option), and the Participant, after receiving the notice, affirmatively elects a distribution. In the event a Participant's vested Account balance becomes distributable without consent pursuant to this Subsection (b), and the Participant fails to elect a form of distribution, the vested Account balance of such Participant shall be paid in a single sum.

(c) For purposes of this Section 7.03, the Participant's vested Account balance shall not include amounts attributable to accumulated deductible Employee contributions within the meaning of Code section 72(o)(5)(B).

(d) **Required Distributions and Plan Termination.** Consent of the Participant shall not be required to the extent that a distribution is required to satisfy Code sections 401(a)(9) or 415. In addition, upon termination of this Plan the Participant's Account balance shall be distributed to the Participant in a lump sum distribution. However, if the Employer maintains another defined contribution plan, then the Participant's Account balance will be transferred, without the Participant's consent, to the other plan if the Participant does not consent to an immediate distribution.

(e) **Treatment of Rollovers.** If elected in the Adoption Agreement, Rollovers shall be disregarded in determining the value of the Account balance for involuntary distributions. For purposes of this Section 7.03, the Participant's vested Account balance shall not include that portion of the Account balance that is attributable to Rollover Contributions (and earnings allocable thereto) within the meaning of Code sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), and 457(e)(16).

#### Section 7.04      BENEFICIARY

(a) **Beneficiary Designation Right.** Beneficiaries may be designated according to the policies and procedures of the Plan Administrator or Employer and applicable law.

(b) **No Designated Beneficiary.** Unless otherwise provided in an Addendum to the Adoption Agreement, in the event that the Participant fails to designate a Beneficiary, or in the event that the Participant is predeceased by all designated primary and secondary Beneficiaries, the death benefit shall be payable to the Participant's spouse or, if there is no spouse, to the Participant's children in equal shares or, if there are no children to the Participant's estate.

#### Section 7.05      MINIMUM DISTRIBUTION REQUIREMENTS

No distribution option may be selected by a Participant or Beneficiary under this Plan unless it satisfies a reasonable, good faith interpretation of the requirements of Code section 401(a)(9).

Section 7.06      DIRECT ROLLOVERS

(a) In General. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this part, a distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution that is equal to at least \$500 (or such lesser amount as determined by the Plan Administrator) paid directly to an eligible retirement plan specified by the distributee in a direct rollover. If an eligible rollover distribution is less than \$500 (or such lesser amount as determined by the Plan Administrator), a distributee may not make the election described in the preceding sentence to roll over a portion of the eligible rollover distribution. This Paragraph shall be subject to Code sections 401(a)(31) and 402(f); Treas. Reg. sections 1.401(a)(31)-1, 1.402(c)-2 and 1.401(k)-1(f); and IRS Notices 2005-5, 2008-30, 2009-69, and 2009-75.

A non-spouse Beneficiary who is a designated Beneficiary within the meaning of Code section 401(a)(9)(E) may, after the death of the Participant, make a direct rollover of a distribution to an IRA established on behalf of the designated Beneficiary; provided the distributed amount satisfies all of the requirements to be an eligible rollover distribution other than the requirement that the distribution be made to the Participant or the Participant's spouse. Such direct rollovers shall be subject to the terms and conditions of IRS Notice 2007-7 and superseding guidance, including but not limited to the provision in Q&A-17 regarding required minimum distributions. The distributions described in this Paragraph shall be subject to Code sections 401(a)(31), 402(f) and 3405(c).

## (b) Definitions.

(1) Eligible Rollover Distribution. An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated Beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Code section 401(a)(9); any hardship distribution; the portion of any other distribution(s) that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); and any other distribution(s) that is reasonably expected to total less than \$200 (or such lesser amount as determined by the Plan Administrator) during a year. For purposes of the \$200 rule in the preceding sentence, a distribution from a Grandfathered Roth 401(k) Contribution Account and a distribution from other Accounts under the Plan are treated as made under separate plans.

A portion of a distribution shall not fail to be an eligible rollover distribution merely because the portion consists of after-tax Employee contributions which are not includible in gross income. However, such portion may be transferred only to an individual retirement account or annuity described in Code section 408(a) or (b), an annuity contract described in Code section 403(b), or to a qualified defined contribution plan described in Code section 401(a) or 403(a) that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

(2) Eligible Retirement Plan. An eligible retirement plan is an eligible plan under Code section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan, an individual retirement account described in Code section 408(a), individual retirement annuity described in Code section 408(b), an annuity plan described in Code section 403(a), an annuity contract described in Code section 403(b), or a qualified plan described in Code section 401(a), that accepts the distributee's eligible rollover distribution. The definition of eligible retirement plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the Alternate Payee under a Qualified Domestic Relations Order.

If any portion of an eligible rollover distribution is attributable to payments or distributions from a Grandfathered Roth 401(k) Contribution Account, an eligible retirement plan shall only include another Roth elective deferral account under an applicable retirement plan described in Code section 402A(e)(1) or to a Roth IRA described in Code section 408A and only to the extent the rollover is permitted under the rules of Code section 402(c). The Plan will not provide for a direct rollover (including an automatic rollover) for distributions from a Participant's Grandfathered Roth 401(k) Contribution Account if the amount of the distributions that are eligible rollover distributions are reasonably expected

to total less than \$200 (or such lesser amount as determined by the Plan Administrator) during a year. In addition, if elected by the Plan Administrator, any distribution from a Participant's Grandfathered Roth 401(k) Contribution Account is not taken into account in determining whether distributions from a Participant's other Accounts are reasonably expected to total less than \$200 during a year. The provisions of this Section that allow a Participant to elect a direct rollover of only a portion of an eligible rollover distribution but only if the amount rolled over is at least \$500 are applied by treating any amount distributed from the Participant's Grandfathered Roth 401(k) Contribution Account as a separate distribution from any amount distributed from the Participant's other Accounts in the Plan, even if the amounts are distributed at the same time.

(3) **Distributee.** A distributee includes an Employee or former Employee. In addition, the Employee's or former Employee's surviving spouse and the Employee's or former Employee's spouse or former spouse who is the Alternate Payee under a Qualified Domestic Relations Order are distributees with regard to the interest of the spouse or former spouse.

(4) **Direct Rollover.** A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.

(c) **Automatic Rollovers.** In the event of a force-out distribution greater than \$1,000 (or such lesser amount as determined by the Plan Administrator) in accordance with the provisions of Section 7.03(a), if the Participant does not elect to have such distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover or to receive the distribution directly in accordance with Section 7.02, then the Plan Administrator will pay the distribution in a direct rollover to an individual retirement plan designated by the Plan Administrator. Unless otherwise elected in the Adoption Agreement, the portion of the Participant's distribution attributable to any Rollover Contribution is included in determining whether the total amount of the Participant's Account balances under the Plan exceeds \$1,000 for purposes of mandatory distributions from the Plan. Eligible rollover distributions from a Participant's Grandfathered Roth 401(k) Contribution Account are separately taken into account in determining whether the total amount of the Participant's Account balances under the Plan exceeds \$1,000 for purposes of mandatory distributions from the Plan.

#### Section 7.07      MINOR OR LEGALLY INCOMPETENT PAYEE

If a distribution is to be made to an individual who is either a minor or legally incompetent, the Plan Administrator may direct that such distribution be paid to the legal guardian. If a distribution is to be made to such person and there is no legal guardian, the Plan Administrator may direct that payment be made to: (a) a parent of a minor, (b) a person holding a power of attorney; (c) a person authorized to act on behalf of such person under state law, or (d) the custodian for such person under the Uniform Transfer to Minors Act, if such is permitted by the laws of the state in which such minor resides. Such payment shall fully discharge the Trustee, Plan Administrator, Trust, and the Employer from further liability on account thereof.

#### Section 7.08      MISSING PAYEE

If all or any portion of the distribution payable to a Participant or Beneficiary remains unpaid because the Plan Administrator has been unable to ascertain the whereabouts of the Participant or Beneficiary after making reasonable efforts to contact the Participant or Beneficiary (which may include, but not be limited to, using certified mail, checking related plan and employer records, checking with a designated Beneficiary, and using free electronic search tools) the Plan Administrator may use a reasonable method to remove the assets from the Plan that is consistent with the Code. Such methods may include, but not be limited to, (a) creating an individual retirement plan designated by the Plan Administrator; or (b) if, for a period of more than five years after such distribution becomes payable or six months after all attempts to locate the Participant or Beneficiary, the Plan Administrator is still unable to ascertain the whereabouts of the Participant or Beneficiary, the amount so distributable may be treated as a forfeiture under Article 6 hereof. Notwithstanding the foregoing, if a claim is subsequently made by the Participant or Beneficiary for the forfeited benefit pursuant to clause (b) of the preceding sentence, such benefit shall be reinstated without any credit or deduction for earnings and losses. Amounts may be forfeited from a Participant's Account under this Section only in the case of a continuing plan (see Section 7.09 for distribution options to missing payees in the event of Plan termination). Amounts forfeited under this Section shall be used pursuant to Section 6.03.

Section 7.09      DISTRIBUTIONS UPON TERMINATION OF PLAN

Except as provided in Section 11.03, a Participant shall receive the balance of his Account in a lump sum payment upon termination of the Plan without the establishment of an alternative defined contribution plan (as described in Treas. Reg. section 1.401(k)-1(d)(4)) other than an employee stock ownership plan (as defined in Code section 4975(e) or Code section 409), a simplified employee pension plan (as defined in Code section 408(k)), a SIMPLE IRA Plan (defined in Code section 408(p)), a plan or contract that satisfies the requirements of Code section 403(b), or a plan that is described in Code section 457(b) or (f). If, after a diligent search as described in 7.08, the Plan Administrator is unable to locate any Participant entitled to a distribution, the Plan Administrator will create an individual retirement account in the name of the missing payee as the sole means of distributing the owed balance. For distributions under this Section 7.09 only, the Plan Administrator may take action, including the creation of an individual retirement plan if needed, without regard to the value of a Participant's vested balance.

Section 7.10      QUALIFIED HEALTH INSURANCE PREMIUMS FOR RETIRED PUBLIC SAFETY OFFICERS

The Plan Administrator may allow retired public safety officers to elect to have distributions used to pay for qualified health insurance premiums as provided in Code section 402(l). Such distributions shall be subject to the terms and conditions of IRS Notice 2007-7 and any superseding guidance.

Section 7.11      SERVICE CREDIT TRANSFERS

If permitted by the Plan Administrator, a Participant may elect to have any portion of the Participant's Account transferred to a defined benefit governmental plan provided the Participant is also a participant in the tax-qualified defined benefit governmental plan (as defined in Code section 414(d)) that provides for the acceptance of plan-to-plan transfers with respect to the Participant. A transfer under this Section may be made before the Participant has Terminated. A transfer may be made under this Section only if the transfer is either for the purchase of permissive service credit (as defined in Code section 415(n)(3)(A)) under the receiving defined benefit governmental plan or a repayment to which Code section 415 does not apply by reason of Code section 415(k)(3).

**ARTICLE 8 IN-SERVICE DISTRIBUTIONS AND LOANS****Section 8.01**     **HARDSHIP**

(a)     **Hardship.** A Participant may receive a distribution on account of hardship from the Accounts specified in the Adoption Agreement. Notwithstanding anything in the Plan to the contrary, if the Adoption Agreement permits a hardship distribution from an Account, the amount available for a hardship distribution from such Account shall include any amounts grandfathered under Treas. Reg. section 1.401(k)-1(d)(3)(ii)(B).

(b)     **Hardship - Safe Harbor.** If the Adoption Agreement provides that the Plan has adopted safe harbor criteria for hardship withdrawal, the following shall apply:

(1)     **Immediate and Heavy Financial Need.** A hardship distribution shall only be made upon the finding by the Plan Administrator of an immediate and heavy financial need where such Participant lacks other available resources. The following are the only financial needs considered immediate and heavy:

(A)     Expenses for (or necessary to obtain) medical care that would be deductible under Code section 213(d) (determined without regard to whether the expenses exceed 7.5% of adjusted gross income) for the Employee, or the Employee's spouse, children, or dependents (as defined in Code section 152 without regard to Code section 152(b)(1), (b)(2) and (d)(1)(B));

(B)     Costs directly related to the purchase of a principal residence for the Employee (excluding mortgage payments);

(C)     Payment of tuition, related educational fees, and room and board expenses, for up to the next 12 months of post-secondary education for the Employee, or the Employee's spouse, children, or dependents (as defined in Code section 152 without regard to Code sections 152(b)(1), (b)(2) and (d)(1)(B));

(D)     Payments necessary to prevent the eviction of the Employee from the Employee's principal residence or foreclosure on the mortgage on that residence;

(E)     Payments for burial or funeral expenses for the Employee's deceased parent, spouse, children or dependents (as defined in Code section 152 without regard to Code section 152(d)(1)(B));

(F)     Expenses for the repair of damage to the Employee's principal residence that would qualify for the casualty deduction under Code section 165 (determined without regard to whether the loss exceeds 10% of adjusted gross income); and

(G)     Other expenses as provided by the Commissioner as specified in Treas. Reg. section 1.401(k)-1(d)(3)(v).

(2)     **Amount Necessary to Satisfy Need.** A distribution will be considered as necessary to satisfy an immediate and heavy financial need of the Participant only if:

(A)     The distribution is not in excess of the amount of the immediate and heavy financial need (including amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution);

(B)     The Participant has obtained all distributions, other than hardship distributions, and all nontaxable loans under all plans maintained by the Employer; and

(C)     All plans maintained by the Employer provide that the Participant's Grandfathered 401(k) Contributions (and after tax contributions) will be suspended for 6 months after the receipt of the hardship distribution.

(c) **Hardship - Non Safe Harbor.** If the Adoption Agreement provides that the Plan has adopted the non-safe harbor criteria for hardship for permitted Accounts, the following shall apply:

(1) **Immediate and Heavy Financial Need.** A hardship distribution shall only be made upon the finding by the Plan Administrator of an immediate and heavy financial need where such Participant lacks other available resources. Whether a Participant has an immediate and heavy financial need is to be determined based on all relevant facts and circumstances. The need to pay the funeral expenses of a family member would constitute an immediate and heavy financial need and a distribution made to a Participant for the purchase of a boat or television would not constitute a distribution made on account of an immediate and heavy financial need. A financial need may be immediate and heavy even if it was reasonably foreseeable or voluntarily incurred by the Participant.

(2) **Amount Necessary to Satisfy Need.** A distribution is not treated as necessary to satisfy an immediate and heavy financial need of a Participant to the extent the amount of the distribution is in excess of the amount required to relieve the financial need or to the extent the need may be satisfied from other resources that are reasonably available to the Participant. This determination generally is to be made on the basis of all relevant facts and circumstances. For purposes of this Subsection, the Participant's resources are deemed to include those assets of the Participant's spouse and minor children that are reasonably available to the Participant. A vacation home jointly owned (regardless of the nature of legal title) by the Participant and the Participant's spouse will be deemed a resource of the Participant. However, property held for the Participant's child under an irrevocable trust or under the Uniform Gifts to Minors Act is not treated as a resource of the Participant. The amount of an immediate and heavy financial need may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution. A distribution generally may be treated as necessary to satisfy a financial need if the Employer relies upon the Participant's written representation, unless the Employer has actual knowledge to the contrary, that the need cannot reasonably be relieved:

(A) Through reimbursement or compensation by insurance or otherwise;

(B) By liquidation of the Participant's assets;

(C) By cessation of all Participant contributions under the Plan;

(D) By other currently available distributions (including distribution of ESOP dividends under Code section 404(k)) and nontaxable (at the time of the loan) loans, under plans maintained by the Employer or by any other employer; or

(E) By borrowing from commercial sources on reasonable commercial terms in an amount sufficient to satisfy the need.

For purposes of this Subsection, a need cannot reasonably be relieved by one of the actions listed above if the effect would be to increase the amount of the need. For example, the need for funds to purchase a principal residence cannot reasonably be relieved by a Plan loan if the loan would disqualify the Employee from obtaining other necessary financing.

**Section 8.02      SPECIFIED AGE; SPECIFIED AGE AND SERVICE**

(a) A Participant may receive a distribution on attainment of a specified age from the Accounts specified in the Adoption Agreement.

(b) A Participant may receive a distribution on attainment of a specified age and service from the Accounts specified in the Adoption Agreement.

**Section 8.03      OTHER WITHDRAWALS**

(a) **After a Period Certain.** To the extent provided in the Adoption Agreement, a Participant may receive a distribution from his Matching Contribution Account and his Non-Elective Contribution Account which has accumulated for at least twenty-four (24) months; and an individual who has been a Participant for five (5) or more Plan Years shall be

entitled to receive a distribution of his Matching Contribution Account and Non-Elective Contribution Account regardless of the length of time the funds have accumulated.

(b) **At Any Time.** To the extent provided in the Adoption Agreement, a Participant may receive a distribution from his Voluntary Contribution Account and his Rollover Contribution Account at any time.

(c) **Qualified Reservist Distributions.** To the extent Qualified Reservist Distributions are provided for in the Adoption Agreement, as provided in Code section 72(t)(2)(G)(iii), Notice 2010-15 and any superseding guidance, the following shall apply:

(1) For purposes of Code section 401(k)(2)(B)(i) (distributions of Elective Deferrals), a Participant who is a member of the reserves who has been ordered or called to active duty for a period of more than 179 days or for an indefinite period may receive a distribution during such active duty period.

(d) **Deemed Severance Distributions.** To the extent Deemed Severance Distributions are provided for in the Adoption Agreement, as provided in Code section 414(u)(12)(B), Notice 2010-15 and any superseding guidance, the following shall apply:

(1) For purposes of Code section 401(k)(2)(B)(i)(I) (distributions of Elective Deferrals), a Participant performing service in the uniformed services while on active duty for a period of more than 30 days will be treated as having terminated from employment during any period the Participant is performing services described in Code section 3401(h)(2)(A).

(2) If a Participant elects to receive a distribution by reason of Subsection (d), the Participant may not make a Grandfathered 401(k) Contribution or Voluntary Contribution during the 6-month period beginning on the date of distribution.

(e) **Other.** To the extent provided in the Adoption Agreement and permitted under applicable law, other in-service distributions are permitted.

Section 8.04      TRANSFER ACCOUNT

In addition to the foregoing a Participant may receive a distribution from his Transfer Account, to the extent applicable, as permitted under the terms of any plan from which funds in such Account were transferred to the extent that such optional forms of benefit must be preserved pursuant to Code section 411(d)(6) and to the extent permitted in the Adoption Agreement.

Section 8.05      RULES REGARDING IN-SERVICE DISTRIBUTIONS

(a) **In General.** This Section shall apply only to the extent that in-service withdrawals are otherwise permitted pursuant to this Article 8.

(b) **Form, Frequency, and Amount of Withdrawal.** Unless otherwise provided in the Adoption Agreement, all distributions of amounts withdrawn pursuant to this Article 8 may be made in any form permitted by the Plan Administrator. The Plan Administrator may establish uniform procedures that include, but are not limited to, prescribing limitations on the frequency and minimum amount of withdrawals.

(c) **Ordering Rule.** The Plan Administrator shall determine the ordering rule for in-service distributions. Such ordering rule may provide that the Participant may elect to have payments made first or last from his Voluntary Contribution Account or in any combination of such Accounts and any other Account, to the extent permitted by the Adoption Agreement.

(d) **Transfer Account.** A Participant may receive a distribution from the vested portion of his Transfer Account only to the extent such Account was not transferred from a qualified plan subject to Code section 412, to the extent Section 8.02 applies.

Section 8.06      LOANS

The Plan Administrator, in its discretion, may permit Participants to apply for a loan from the Plan. The provisions of Code section 72(p) and Treas. Reg. section 1.72(p)-1 shall apply to the Plan and are hereby incorporated by reference. The Plan Administrator is authorized to adopt any administrative rules or procedures that it deems necessary or appropriate with respect to the granting and administering of loans or may use the default provisions under this Section.

(a)      **Eligible Participants.** The Plan Administrator may provide that a loan may only be granted for the purpose of enabling the Participant to meet a financial hardship or an unusual or special situation in his financial affairs. Loans shall only be granted pursuant to the terms of this Section to persons who the Plan Administrator determines have the ability to repay the loan.

(b)      **Maximum Loan Amount.** No loan to any Participant can be made to the extent that such loan when added to the outstanding balance of all other loans to the Participant would exceed the lesser of:

(1)      \$50,000 reduced by the excess (if any) of the highest outstanding balance of loans during the one-year period ending on the day before the loan is made, over the outstanding balance of loans from the Plan on the date the loan is made; or

(2)      one-half the present value of the vested Account balance of the Participant or, if greater and so provided by the Plan Administrator, the total vested Account balance up to \$10,000; provided that additional security is given to the extent such loan exceeds 50% of the vested Account balance.

For the purpose of the above limitation, all loans from all qualified plans of the Employer are aggregated.

(c)      **Loan Term and Amortization.** Any loan shall by its terms require that repayment (principal and interest) be amortized in level payments, not less frequently than quarterly, over a period not extending beyond five years from the date of the loan. If so provided by the Plan Administrator, a loan term may extend beyond five years if the loan is used to acquire a dwelling unit which within a reasonable time (determined at the time the loan is made) will be used as the principal residence of the Participant.

(d)      **Minimum Loan Amount - Maximum Number of Loans.** The Plan Administrator shall specify a minimum loan amount and the maximum number of loans outstanding at any one time.

(e)      **Security.** All loans shall be secured by no more than one-half of the vested portion of the Participant's Accounts (determined immediately after the origination of the loan) and such additional security as the Plan Administrator may deem necessary. All loans made to Participants under this Section are to be considered Trust investments and shall be segregated as provided in Article 9 hereof unless the Plan Administrator provides otherwise.

(f)      **Repayment.** Loans shall be repaid in accordance with the foregoing and the Plan Administrator may require as a condition to granting such loan that it be repaid through payroll deductions. Unless the loan note provides otherwise, the principal amount of the loan and accrued interest shall become immediately due and payable upon a Termination of Employment. Repayment may be suspended pursuant to Code section 414(u).

(g)      **Loan Fees.** Fees properly chargeable in connection with a loan may be charged, in accordance with a policy established by the Plan Administrator, against the Account of the Participant to whom the loan is granted.

(h)      **Default.** In the event of default, foreclosure on the note and attachment of security shall not occur until a distributable event occurs in the Plan.

(i)      **Ordering Rule.** The Plan Administrator shall determine from which Accounts a Participant may receive a loan and the ordering rule for loans. Such ordering rule may provide that the Participant may elect to have loans made first or last from his Voluntary Contribution Account or Grandfathered Roth 401(k) Contribution Account or in any combination of such Accounts and any other Account to the extent permitted in the Adoption Agreement.

**ARTICLE 9 INVESTMENT AND TRUST VALUATION****Section 9.01 INVESTMENT OF ASSETS**

All existing assets of the Trust and all future contributions shall be invested in accordance with the terms of this Article 9. All assets of the Trust may be commingled for investment purposes with the assets of any retirement plan which is maintained by the Employer and which qualifies under Code section 401(a) and may be held as a single fund under one or more trust instruments; provided that the value of each plan's assets can be determined at any time. The assets allocable to each such plan shall in no event be used for the benefit of Participants in the other plans.

**Section 9.02 PARTICIPANT SELF-DIRECTION**

(a) In General. To the extent provided for in the Adoption Agreement, the Plan Administrator may permit Participants to direct the investment of their Accounts pursuant to this Section 9.02. Any Participant self-direction shall be made pursuant to such uniform guidelines and procedures as the Plan Administrator may establish from time to time.

(b) Investment Elections. To the extent provided in Subsection (a), each Participant shall direct in the form and manner and at the time or times prescribed by the Plan Administrator the percentage of the applicable Accounts to be invested in one or more of the available Investment Funds, subject to such rules and limitations as the Plan Administrator may prescribe. After the death of the Participant, a Beneficiary shall be entitled to make investment elections as if the Beneficiary were the Participant. Notwithstanding the foregoing, the Plan Administrator may restrict investment transfers to the extent required to comply with applicable law.

(c) Loans. If the Adoption Agreement does not permit Participant self-direction, any assets that are held in the form of a Participant loan made pursuant to Article 8 shall be treated as a segregated investment unless otherwise provided by the Plan Administrator.

**Section 9.03 INDIVIDUAL ACCOUNTS**

To the extent provided in the Adoption Agreement, there shall be maintained on the books of the Plan with respect to each Participant, as applicable, a Mandatory Employee Contribution Account, Mandatory After-tax Employee Contribution Account, Matching Contribution Account, Employer Contribution Account, Pension Contribution Account, Voluntary Contribution Account, Grandfathered 401(k) Contribution Account, Grandfathered Roth 401(k) Contribution Account, Rollover Contribution Account, Transfer Account and any other Account established by the Plan Administrator. Each such Account shall separately reflect the Participant's interest in the Trust relating to such Account. A Participant's interest in the Trust shall be determined and accounted for based on his beneficial interest in such fund.

**Section 9.04 ALLOCATION OF EARNINGS AND LOSSES**

(a) Reinvestment. The dividends, capital gains distributions, and other earnings received on the Trust shall be allocated to such fund and reinvested.

(b) Valuation. The assets of each Investment Fund shall be valued at their current fair market value as of each Valuation Date, and Accounts of each Participant with interests in that Investment Fund shall be credited with such Participant's allocable share of the earnings and losses of each Investment Fund since the immediately preceding Valuation Date. Such allocation shall be done on the basis of such Participant's interest in the applicable Investment Fund. For purposes of the allocation of investment earnings and losses, the Plan Administrator may adjust the value of interests of Investment Funds in Accounts as of the preceding Valuation Date to account for any contributions, distributions or withdrawals that occur after such preceding Valuation Date.

(c) Allocation to Individual Accounts. The Accounts of each Participant shall be adjusted as of each Valuation Date by: (1) reducing such Accounts by any distributions and withdrawals made therefrom since the preceding Valuation Date; (2) increasing or reducing such Accounts by the Participant's share of earnings and losses and reasonable fees charged against such Accounts at the direction of the Plan Administrator; and (3) crediting such Accounts with any contributions made thereto since the preceding Valuation Date.

(d) Allocation of Expenses. The Plan Administrator may allocate all, none or any portion of the Plan's expenses to Participant Accounts. Such methods may include, but not be limited to: (1) allocating expenses only to current or former Employees (or among any other classification(s) of Employees); (2) allocating expenses directly to individual Employees; (3) allocating expenses using the per capita or pro rata method; and (4) any combination of the foregoing.

(e) Valuation for Distribution. For the purposes of paying the amounts to be distributed to a Participant or Beneficiary pursuant to Articles 7 and 8, the value of the Participant's interest shall be determined in accordance with the provisions of this Article as of the Valuation Date related to the date benefits are paid.

(f) No Rights Created by Allocation. An allocation of contributions or earnings to the separate Account of a Participant under this Article 9 shall not cause the Participant to have any right, title or interest in any assets of the Plan except at the time and under the terms and conditions expressly provided for in the Plan.

(g) Dividends and Credits. Any dividends or credits earned on insurance contracts will be allocated to the Participant's Account for whose benefit the contract is held. No contract will be purchased under the Plan unless such contract or a separate definite written agreement between the Employer and the insurer provides that no value under contracts providing benefits under the Plan or credits determined by the insurer (on account of dividends, earnings, or other experience rating credits, or surrender or cancellation credits) with respect to such contracts may be paid or returned to the Employer or diverted to or used for other than the exclusive benefit of the Participants or their Beneficiaries. However, any contribution made by the Employer may be returned to the Employer pursuant to Article 12.

Section 9.05      VOTING RIGHTS

To the extent provided in the Adoption Agreement, a Participant and a Beneficiary of a deceased Participant shall have the right to direct the person designated by the Employer (for purposes of this Section the "Designee") as to the exercise of voting rights with respect to his allocable share of any investment in the Trust that provides for such voting. An individual's allocable share shall be determined in the discretion of the Plan Administrator. As soon as practicable prior to the occasion for the exercise of such voting rights, the Designee shall deliver or cause to be delivered, to each Participant and Beneficiary of a deceased Participant entitled to vote all notices, prospectuses, financial statements, proxies and proxy soliciting material relating to such investment allocated to the Participant's Account. Instructions by Participants and Beneficiaries to the Designee shall be in such form and pursuant to such regulations as the Plan Administrator shall prescribe. Any such instructions shall remain in the strict confidence of the Designee. Any investments for which no instructions are received by the Designee within such time specified by notice and, unless otherwise required by applicable law, any shares which are not allocated to Participants' Accounts shall be voted in the same proportion that the shares for which instructions are received are voted. With respect to fractional shares for which instructions are received by the Designee, the Designee shall aggregate all such fractional shares for which the same instructions are received into whole shares and shall vote such whole shares as instructed. Any remaining fractional shares shall be voted in the same proportion that the shares for which instructions are received are voted.

Section 9.06      LIFE INSURANCE

(a) Purchase of Life Insurance. To the extent provided in the Adoption Agreement, a Participant may request that a portion of his Account be invested in insurance on his life, the life of his spouse, the life (or lives) of his child(ren), the life of a family member, or the life of any person with an insurable interest. If the Plan Administrator, in its discretion, approves such request, it shall direct the Trustee to apply for and be the owner of any insurance contract purchased under the terms of this Section. The insurance contract(s) must provide that proceeds will be payable to the Trust; however, the Plan Administrator shall direct the Trustee to pay over all proceeds of the contract(s) to the Participant's Beneficiary in accordance with the distribution provisions of this Plan. The form and type of contract purchased shall be determined by the Plan Administrator. The Plan Administrator may also establish rules that prohibit the purchase of life insurance where the annual premium is estimated to be less than a certain minimum amount.

(b) Maximum Insurance Amounts. The total premiums paid for a Participant's ordinary life insurance shall be less than 50% of the aggregate Employer contributions allocated to such Participant's Account. If term insurance or universal life insurance is purchased, the aggregate premiums shall not exceed 25% of aggregate Employer contributions allocated to

the insured Participant's Account. If both ordinary life insurance and either term insurance or universal life insurance is purchased for a Participant, the aggregate premiums for such term insurance or universal life insurance plus one-half of the total premiums for such ordinary life insurance shall not in the aggregate exceed 25% of the aggregate Employer contributions allocated to the insured Participant's Account. However, the foregoing restrictions shall not apply to funds that may be withdrawn or distributed from the Plan in accordance with applicable law even if such withdrawals/distributions are not permitted under the terms of the Plan.

(c) **Beneficiary.** The Trust shall be designated as the beneficiary to receive death benefits payable pursuant to the provisions of any life insurance policy purchased pursuant to this Section. Any death proceeds received by the Trust shall be added to the deceased Participant's Account and distributed pursuant to Article 7 hereof. Under no circumstances shall the Trust retain any part of the proceeds. In the event of any conflict between the terms of this Plan and the terms of any insurance contract purchased hereunder, the Plan provisions shall control.

(d) **Conversion of Policies.** If an insured Participant does not die prior to retirement, the Plan Administrator may direct the Trustee to: (1) convert the entire value of any such life insurance contract at or before retirement into cash to provide the retirement benefits set forth in Article 7 so that no portion of such value may be used to continue life insurance protection beyond retirement; or (2) distribute any such contract to the Participant. Nothing provided herein shall be construed to prohibit the purchase, sale, transfer or exchange of any individual life insurance contract which would otherwise be permitted under applicable prohibited transaction class exemptions.

(e) **Distributions.** Any distribution of an insurance policy or the proceeds of an insurance policy purchased pursuant to this Section shall be subject to the requirements of Article 7.

Section 9.07      QUALIFYING LONGEVITY ANNUITY CONTRACT (QLAC)

(a) **Purchase.** To the extent provided in the Adoption Agreement, a Participant may request that a portion of his Account be invested in a QLAC. The QLAC must meet all requirements as stated under Treasury Regulation 1.401(a)(9)-6.

(b) **Maximum Premiums Paid.** The total amount of premiums paid for the QLAC under the plan will not exceed the lesser of:

(1) An amount equal to the excess of \$125,000 (as adjusted by the Commissioner) over the sum of:

(A) The premiums paid before that date with respect to the contract, and

(B) Premiums paid on or before that date with respect to any other contract that is intended to be a QLAC and that is purchased for the Participant under the plan, or any other plan, annuity or account described in sections 401(a), 403(a), 403(b), or 408, or eligible governmental plan under section 457(b), or

(2) An Amount equal to the excess of:

(A) 25% of the employee's account balance (as of the last valuation date preceding the date of the premium payment) under the plan (including the value of any QLAC held under the plan for the employee) as of the contract date, over

(B) The sum of the premiums paid before that date with respect to the contract and premiums paid on or before that date with respect to any other contract that is intended to be a QLAC and that is held or was purchased for the employee under the plan.

(c) **Excess Premiums.** If an annuity fails to be a QLAC solely because a premium for the contract exceeds the above limits, the excess premium will be returned (either in cash or in the form of contract that is not intended to be a QLAC) to the non-QLAC portion of the Participant's account by the end of the calendar year following the calendar year in which the excess premium was originally paid.

(d) Distributions. Distributions under the QLAC portion of the Participant's account will commence not later than the first day of the month next following the Participant's 85th birthday. After distributions commence, those distributions will satisfy all applicable minimum distributions requirements from that point forward (other than the requirement that annuity payments commence on or before the Required Beginning Date).

**ARTICLE 10 PLAN ADMINISTRATION**

**Section 10.01 PLAN ADMINISTRATOR**

(a) Designation. The Plan Administrator shall be specified in the Adoption Agreement. In the absence of a designation in the Adoption Agreement, the Plan Sponsor shall be the Plan Administrator. If a Committee is designated as the Plan Administrator, the Committee shall consist of one or more individuals who may be Employees appointed by the Plan Sponsor and the Committee may elect a chairman and may adopt such rules and procedures as it deems desirable. The Committee may also take action with or without formal meetings and may authorize one or more individuals, who may or may not be members of the Committee, to execute documents in its behalf.

(b) Authority and Responsibility of the Plan Administrator. The Plan Administrator shall have total and complete discretionary power and authority:

(1) to make factual determinations, to construe and interpret the provisions of the Plan, to correct defects and resolve ambiguities and inconsistencies therein and to supply omissions thereto. Any construction, interpretation or application of the Plan by the Plan Administrator shall be final, conclusive and binding;

(2) to determine the amount, form or timing of benefits payable hereunder and the recipient thereof and to resolve any claim for benefits in accordance with this Article 10;

(3) to determine the amount and manner of any allocations or benefit accruals hereunder, including whether the Plan maintains an ERISA Account;

(4) to maintain and preserve records relating to Participants, former Participants, and their Beneficiaries and Alternate Payees;

(5) to prepare and furnish to Participants, Beneficiaries and Alternate Payees all information and notices required under applicable law or the provisions of this Plan;

(6) to prepare and file or publish with the Secretary of the Treasury, delegates and all other appropriate government officials all reports and other information required under law to be so filed or published;

(7) to approve and enforce any loan hereunder including the repayment thereof;

(8) to provide directions to the Trustee with respect to the purchase of life insurance (to the extent permitted in the Adoption Agreement), methods of benefit payment, valuations at dates other than regular Valuation Dates and on all other matters where called for in the Plan or requested by the Trustee;

(9) to hire such professional assistants and consultants as it, in its sole discretion, deems necessary or advisable; and shall be entitled, to the extent permitted by law, to rely conclusively on all tables, valuations, certificates, opinions and reports which are furnished by same;

(10) to determine all questions of the eligibility of Employees and of the status of rights of Participants, Beneficiaries and Alternate Payees;

(11) to arrange for bonding, if required by law;

(12) to adjust Accounts in order to correct errors or omissions;

(13) to determine whether any domestic relations order constitutes a Qualified Domestic Relations Order and to take such action as the Plan Administrator deems appropriate in light of such domestic relations order;

(14) to retain records on elections and waivers by Participants, their spouses and their Beneficiaries and Alternate Payees;

(15) to supply such information to any person as may be required;

(16) to establish, revise from time to time, and communicate to the Trustee or the Investment Fiduciary and Investment Manager(s), a funding policy and method for the Plan; and

(17) to perform such other functions and duties as are set forth in the Plan that are not specifically given to the Investment Fiduciary or Trustee.

(c) Procedures. Unless otherwise provided in the Adoption Agreement and to the extent that the Adoption Agreement provides that the governing body of the Plan Sponsor adopts procedures for the Plan Administrator and the governing body of the Plan Sponsor fails to adopt such procedures, the Plan Administrator may adopt such rules and procedures as it deems necessary, desirable, or appropriate for the administration of the Plan. When making a determination or calculation, the Plan Administrator shall be entitled to rely upon information furnished to it. The Plan Administrator's decisions shall be binding and conclusive as to all parties.

(d) Allocation of Duties and Responsibilities. The Plan Administrator or the Adoption Agreement may designate other persons to carry out any of the duties and responsibilities of the Plan Administrator.

Section 10.02 INVESTMENT FIDUCIARY

(a) Designation. In the absence of a designation, the Plan Sponsor shall be the Investment Fiduciary. The Investment Fiduciary may consist of a committee consisting of one or more individuals who may be Employees appointed by the Plan Sponsor. If a committee is appointed, the committee may elect a chairman and may adopt such rules and procedures as it deems desirable. The committee may take action with or without formal meetings and may authorize one or more individuals, who may or may not be members of the committee, to execute documents in its behalf.

(b) Authority and Responsibility of the Investment Fiduciary. The Investment Fiduciary shall have the following discretionary authority and responsibility:

(1) to manage the investment of the Trust;

(2) to appoint one or more Investment Managers;

(3) to hire such professional assistants and consultants as it, in its sole discretion, deems necessary or advisable;

(4) to establish, revise from time to time, and communicate to the Trustee or Investment Manager(s), an investment policy for the Plan; and

(5) to supply such information to any person as may be required.

(c) Procedures. Unless otherwise provided in the Adoption Agreement and to the extent that the Adoption Agreement provides that the governing body of the Plan Sponsor adopts procedures for the Investment Fiduciary and the governing body of the Plan Sponsor fails to adopt such procedures, the Investment Fiduciary may adopt such rules and procedures as it deems necessary, desirable, or appropriate in furtherance of its duties hereunder. When making a determination or calculation, the Investment Fiduciary shall be entitled to rely upon information furnished to it. Except as otherwise provided in a separate trust agreement, the Investment Fiduciary's decisions shall be binding and conclusive as to all parties.

Section 10.03 COMPENSATION OF PLAN ADMINISTRATOR AND INVESTMENT FIDUCIARY

The Plan Administrator and Investment Fiduciary shall be entitled to reasonable compensation for their services as is mutually agreed upon to the extent that such compensation would not constitute a prohibited transaction within the meaning of the Code.

Section 10.04    PLAN EXPENSES

All direct expenses of the Plan, Trustee, Plan Administrator and Investment Fiduciary or any other person in furtherance of their duties hereunder shall be paid or reimbursed by the Employer, and if not so paid or reimbursed, shall be proper charges to the Trust and shall be paid therefrom.

Section 10.05    ALLOCATION OF FIDUCIARY RESPONSIBILITY

A Plan fiduciary shall have only those specific powers, duties, responsibilities and obligations as are explicitly given him under the Plan and Trust Agreement. It is intended that each fiduciary shall not be responsible for any act or failure to act of another fiduciary. A fiduciary may serve in more than one fiduciary capacity with respect to the Plan.

Section 10.06    INDEMNIFICATION

Unless otherwise provided in an Addendum to the Adoption Agreement, the Employer shall indemnify and hold harmless any person serving as the Investment Fiduciary or Plan Administrator (and their delegates) from all claims, liabilities, losses, damages and expenses, including reasonable attorneys' fees and expenses, incurred by such persons in connection with their duties hereunder to the extent not covered by insurance, except when the same is due to such person's own gross negligence, willful misconduct, lack of good faith, or breach of its fiduciary duties under this Plan.

Section 10.07    CLAIMS PROCEDURES

Claims procedures shall be established by the policies and procedures of the Plan Administrator or Employer and applicable law.

Section 10.08    WRITTEN COMMUNICATION

To the extent permitted by applicable Treasury Regulations and accepted by the Plan Administrator and, as applicable, the Trustee, all provisions of the Plan and Trust that require written notices and elections shall be interpreted to mean authorized electronic and telephonic notices and elections. Any notice made under the terms of the Plan may be made in any electronic or telephonic method.

**ARTICLE 11 AMENDMENT, MERGER AND TERMINATION**

**Section 11.01 AMENDMENT**

The provisions of the Plan may be amended at any time and from time to time by the Plan Sponsor, provided, however, that:

(a) Amendment by Pre-Approved Plan Provider. The Pre-Approved Plan Provider may amend any part of the Plan on behalf of the adopting Employer for changes in the Code, regulations, revenue rulings, other statements published by the Internal Revenue Service, including model, sample or other required good faith amendments, but only if their adoption will not cause the Plan to be individually designed, and for corrections of prior plans.

The Pre-Approved Plan Provider will no longer have the authority to amend the Plan on behalf of any adopting Employer as of either: (1) the date the Internal Revenue Service requires the Employer to file Form 5300 as an individually designed plan as a result of an Employer amendment to the plan to incorporate a type of plan not allowable in the Pre-Approved Plan program, as described in Rev. Proc. 2017-41 and superseding guidance, or (2) as of the date the Plan is otherwise considered an individually designed plan due to the nature and extent of the amendments.

The Pre-Approved Plan Provider will maintain a record of the Employers that have adopted the Plan, and the Pre-Approved Plan Provider will make reasonable and diligent efforts to ensure that adopting Employers have actually received and are aware of all Plan amendments and that such Employers adopt new documents when necessary. In the event that the Pre-Approved Plan Provider licenses this document to a third party who has not filed for a letter in its own name as an identical adopter, such third party will be responsible for duties described in the preceding sentence.

(b) The Plan Sponsor may: (1) change the choice of optional language in the plan document; (2) add overriding language in the plan document when such language is necessary to satisfy Code sections 415 or 416 because of the required aggregation of multiple plans; (3) amend administrative provisions in the Plan (such as provisions relating to investments, plan claims procedures, and employer contact information); (4) add certain sample or model amendments published by the Internal Revenue Service or other required good faith amendments which specifically provide that their adoption will not cause the Plan to be treated as individually designed; (5) add or change provisions permitted under the Plan or specify or change the effective date of a provision as permitted under the Plan; and (6) adopt other amendments that are related to a change in qualification requirements in accordance with section 15 of Rev. Proc. 2016-37 and any superseding guidance that do not cause the Plan to become individually designed (this would include, but not be limited to, situations where a closing agreement under the Audit Closing Agreement Program or a compliance statement under the Voluntary Correction Program has been issued with respect to the Employer's Plan with regard to the amendment). An Employer that amends the Plan for any other reason other than amendments permitted under Revenue Procedure 2017-41 and any superseding guidance will no longer participate in this Pre-Approved Plan and will be considered to have an individually designed plan.

(c) An amendment or restatement of the Plan may be made by any method including a formal record of action by the governing body of the Plan Sponsor or other written document and execution of such amendment or restatement may be made by written or electronic means.

**Section 11.02 MERGER AND TRANSFER**

(a) Merger. In the event of any merger or consolidation with, or transfer of assets or liabilities to, any other plan, each Participant shall have a benefit in the surviving or transferee plan (as if such plan were then terminated immediately after such merger, consolidation or transfer) that is equal to or greater than the benefit he would have had immediately before such merger, consolidation or transfer in the plan in which he was then a Participant had such plan been terminated at that time.

(b) Transfer. The Plan Administrator may direct the Trustee to accept assets and related liabilities from another qualified plan in a form acceptable to the Trustee; provided that the Trustee receives sufficient evidence that the transferor plan is a tax-qualified plan and further provided that the Trustee shall not be liable for any breach of duty or error in respect of the other qualified plan. The Plan Administrator may direct the Trustee to transfer assets and related liabilities to another qualified plan provided that it receives sufficient evidence that the transferee plan is a tax-qualified plan.

Section 11.03    TERMINATION

(a)        It is the intention of the Plan Sponsor that this Plan will be permanent. However, the Plan Sponsor reserves the right to terminate the Plan at any time for any reason.

(b)        Each entity constituting the Employer reserves the right to terminate its participation in this Plan. Each such entity constituting the Employer shall be deemed to terminate its participation in the Plan if: (1) it is a party to a merger in which it is not the surviving entity and the surviving entity is not an affiliate of another entity constituting the Employer; or (2) it sells all or substantially all of its assets to an entity that is not an affiliate of another entity constituting the Employer.

(c)        Any termination of the Plan shall become effective as of the date designated by the Plan Sponsor. Except as expressly provided elsewhere in the Plan, prior to the satisfaction of all liabilities with respect to the benefits provided under this Plan, no termination shall cause any part of the funds or assets held to provide benefits under the Plan to be used other than for the benefit of Participants or to meet the administrative expenses of the Plan. In the event of the termination of the Plan the Account balance of each affected Participant will be nonforfeitable. In the event of a partial termination of the Plan the Account balance of each affected Participant will be nonforfeitable. In the event of a complete discontinuance of contributions under the Plan, the Account balance of each affected Participant will be nonforfeitable. Upon termination of the Plan, Participant Accounts shall be distributed in a single lump sum payment unless otherwise required pursuant to Article 7.

**ARTICLE 12 MISCELLANEOUS****Section 12.01 NONALIENATION OF BENEFITS**

(a) Except as provided in Section 12.01(b), the Trust shall not be subject to any form of attachment, garnishment, sequestration or other actions of collection afforded creditors of the Employer, Participants or Beneficiaries under the Plan and all payments, benefits and rights shall be free from attachment, garnishment, trustee's process, or any other legal or equitable process available to any creditor of such Employer, Participant or Beneficiary. Except as provided in Section 12.01(b), no Participant or Beneficiary shall have the right to alienate, anticipate, commute, pledge, encumber or assign any of the benefits or payments which he may expect to receive, contingently or otherwise, under the Plan, except the right to designate a Beneficiary. Any reference to a Participant or Beneficiary shall include an Alternate Payee or the Beneficiary of an Alternate Payee. Notwithstanding anything to the contrary, the Fund may be subject to attachment, garnishment, sequestration or other actions of collection afforded creditors of the Employer as permitted by applicable law.

(b) Notwithstanding the foregoing, the Trustee (to the extent permitted in a separate trust agreement) or Plan Administrator may:

- (1) Subject to Section 12.02 below, comply with the provisions and conditions of any Qualified Domestic Relations Order.
- (2) Comply with any federal tax levy made pursuant to Code section 6331.
- (3) Bring action to recover benefit overpayments.

**Section 12.02 RIGHTS OF ALTERNATE PAYEES**

(a) General. An Alternate Payee shall have no rights to a Participant's benefit and shall have no rights under this Plan other than those rights specifically granted to the Alternate Payee pursuant to a Qualified Domestic Relations Order that are consistent with this Section 12.02.

(b) Distribution. Notwithstanding any provision of the Plan to the contrary, the Plan Administrator may direct the Trustee to distribute all or a portion of a Participant's benefits under the Plan to an Alternate Payee in accordance with the terms and conditions of a Qualified Domestic Relations Order. The Plan hereby specifically permits and authorizes distribution of a Participant's benefits under the Plan to an Alternate Payee in accordance with a Qualified Domestic Relations Order prior to the date the Participant has a Termination of Employment, or prior to the date the Participant attains his earliest retirement age.

(c) Investment Funds. If the Qualified Domestic Relations Order does not specify the Participant's Accounts, or Investment Funds in which such Accounts are invested, from which amounts that are separately accounted for shall be paid to an Alternate Payee, such amounts shall be distributed, or segregated, from the Participant's Accounts, and the Investment Funds in which such Accounts are invested (excluding any amounts invested as a Participant loan), on a pro rata basis. A Qualified Domestic Relations Order may not provide for the assignment to an Alternate Payee of an amount that exceeds the balance of the Participant's vested Accounts after deduction of any outstanding loan.

(d) Default Rules. Unless a Qualified Domestic Relations Order provides to the contrary:

(1) Death Benefits. An Alternate Payee shall have the right to designate a Beneficiary who shall receive benefits payable to an Alternate Payee which have not been distributed at the time of the Alternate Payee's death. If the Alternate Payee does not designate a Beneficiary, or if the Beneficiary predeceases the Alternate Payee, benefits payable to the Alternate Payee which have not been distributed shall be paid to the Alternate Payee's estate. Any death benefit payable to the Beneficiary of an Alternate Payee shall be paid in a single sum as soon as administratively practicable after the Alternate Payee's death.

(2) Investment Direction. An Alternate Payee shall have the right to direct the investment of any portion of a Participant's Accounts payable to the Alternate Payee under such order in the same manner with respect to a Participant, which amounts shall be separately accounted for by the Trustee in the Alternate Payee's name.

(3) Voting Rights. An Alternate Payee shall have the right to direct the Trustee as to the exercise of voting rights in the same manner as provided with respect to a Participant.

(e) Withdrawals/Loans. An Alternate Payee shall not be permitted to make any withdrawals under Article 8 and shall not be permitted to make a loan from the separate Account established for the Alternate Payee pursuant to the Qualified Domestic Relations Order.

(f) Treatment as Spouse. A former spouse may be treated as the spouse or surviving spouse and a current spouse will not be treated as the spouse or surviving spouse to the extent provided under a Qualified Domestic Relations Order.

(g) Plan Procedures. The Plan Administrator shall be responsible for establishing reasonable procedures for determining whether any domestic relations order received with respect to the Plan qualifies as a Qualified Domestic Relations Order, and for administering distributions in accordance with the terms and conditions of such procedures and any Qualified Domestic Relations Order.

Section 12.03    NO RIGHT TO EMPLOYMENT

Nothing contained in this Plan shall be construed as a contract of employment between the Employer and the Participant, or as a right of any Employee to continue in the employment of the Employer, or as a limitation of the right of the Employer to discharge any of its Employees, with or without cause.

Section 12.04    NO RIGHT TO TRUST ASSETS

No Employee, Participant, former Participant, Beneficiary or Alternate Payee shall have any rights to, or interest in, any assets of the Trust upon Termination of Employment or otherwise, except as specifically provided under the Plan. All payments of benefits under the Plan shall be made solely out of the assets of the Trust.

Section 12.05    GOVERNING LAW

This Plan shall be construed in accordance with and governed by the laws of the state or commonwealth specified in the Adoption Agreement to the extent not preempted by applicable federal law.

Section 12.06    SEVERABILITY OF PROVISIONS

If any provision of the Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and the Plan shall be construed and enforced as if such provisions had not been included.

Section 12.07    HEADINGS AND CAPTIONS

The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan, and shall not be employed in the construction of the Plan.

Section 12.08    GENDER AND NUMBER

Except where otherwise clearly indicated by context, the masculine and the neuter shall include the feminine and the neuter; the singular shall include the plural, and vice-versa.

Section 12.09 DISASTER RELIEF

Notwithstanding any provision of the Plan to the contrary, the Plan may grant temporary disaster relief in compliance with Code sections 1400M and 1400Q, section 15345 of the Food, Conservation, and Energy Act of 2008, and section 702 of the Heartland Disaster Tax Relief Act of 2008 ("Applicable Law"). This Section only applies to the extent the Plan has provided some or all of the disaster relief listed below in compliance with Applicable Law.

(a) Qualified Distributions

(1) "Qualified Distribution" means a distribution to a qualified individual within the applicable time periods as defined in the relevant sections of Applicable Law which may not exceed \$100,000 in aggregate from all plans maintained by the Employer.

(2) If the Plan permits rollover contributions, at any time during the 3-year period beginning on the day after the Qualified Distribution was received, an individual may contribute as a rollover to the Plan an aggregate amount that does not exceed the amount of the Qualified Distribution.

(3) If the Plan permits rollover contributions, a Qualified Individual who received a withdrawal for the purchase of a home not due to the disaster, may contribute as a rollover to the Plan in an aggregate amount that does not exceed the amount of the Qualified Disaster Distribution.

(b) Expanded Loan Provisions

(1) The maximum loan limit under Code section 72(p)(2)(A) shall be applied by substituting "\$100,000" for "\$50,000" and substituting "the present value" for "one-half the present value" under the Loan Procedures for a qualified individual within the applicable time periods as defined in the relevant sections of Applicable Law.

(2) The loan repayment may be delayed for 1 year for a qualified individual within the applicable time periods as defined in the relevant sections of Applicable Law.

(3) Subsequent repayments will be adjusted to reflect the 1-year delay and any interest accrued during such delay.

(4) The 1 year delay will be disregarded in determining the 5-year maximum term of loans under Code section 72(p)(2)(B) and (C).

Section 12.10 EXCLUSIVE BENEFIT

All contributions made to the Plan are made for the exclusive benefit of the Participants and their Beneficiaries, and such contributions shall not be used for, nor diverted to, purposes other than for the exclusive benefit of the Participants and their Beneficiaries (including the costs of maintaining and administering the Plan and corresponding Trust).

Section 12.11 RETURN OF CONTRIBUTIONS

Notwithstanding any other provision of the Plan: (1) contributions made prior to the Commissioner of Internal Revenue's determination as to the initial qualified status of the Plan under Code section 401(a), if the Plan receives an adverse determination, then any such contribution may be returned to the Employer within one year after such determination, provided the application for qualification is made by the time prescribed by law; (2) contributions made by the Employer based upon mistake of fact may be returned to the Employer within one year of such contribution; (3) as all contributions to the Plan are conditioned upon their deductibility under the Code, if a deduction for such a contribution is disallowed, such contribution may be returned to the Employer within one year of the disallowance of such deduction; and (4) after all liabilities under the Plan have been satisfied, the remaining assets of the Trust shall be distributed to the Employer if such distribution does not contravene any provision of applicable law.

In the case of the return of a contribution due to mistake of fact or the disallowance of a deduction, the amount that may be returned is the excess of the amount contributed over the amount that would have been contributed had there not been a mistake or disallowance. Earnings attributable to the excess contributions may not be returned to the Employer but losses attributable thereto must reduce the amount to be so returned. Any return of contribution or distribution of assets made by the Trustee pursuant to this Section shall be made only upon the direction of the Employer, which shall have exclusive responsibility for determining whether the conditions of such return or distribution have been satisfied and for the amount to be returned.

**GOVERNMENTAL PLANS' DISASTER RELIEF INTERIM AMENDMENT**

The current Section 12.09 is replaced with the following:

**Section 12.09 DISASTER RELIEF**

Notwithstanding any provision of the Plan to the contrary, the Plan may grant temporary disaster relief in compliance with Code sections 1400M and 1400Q, section 15345 of the Food, Conservation, and Energy Act of 2008, section 702 of the Heartland Disaster Tax Relief Act of 2008, section 502 of the Disaster Tax Relief and Airport and Airway Extension Act of 2017, section 11028 of the Tax Cuts and Jobs Act of 2017, section 20102 of the Bipartisan Budget Act of 2018, and any subsequent legislation ("Applicable Law"). This Section only applies to the extent the Plan has provided some or all of the disaster relief listed below in compliance with Applicable Law. The terms "Qualified Disaster Distribution," "Qualified Individual," and "Applicable Period" are defined in the relevant sections of Applicable Law.

(a) Qualified Disaster Distributions

- (1) Qualified Disaster Distribution received by a Qualified Individual for Applicable Period (from all plans maintained by the Employer) may not exceed \$100,000 in aggregate.
- (2) If the Plan permits rollover contributions, a Qualified Individual may at any time during the 3-year period beginning on the day after the Qualified Disaster Distribution was received contribute as a rollover to the Plan in an aggregate amount that does not exceed the amount of the Qualified Disaster Distribution.
- (3) If the Plan permits rollover contributions, a Qualified Individual who received a withdrawal for the purchase of a home not due to the disaster, may contribute as a rollover to the Plan in an aggregate amount that does not exceed the amount of the Qualified Disaster Distribution.

(b) Disaster Loan Provisions

- (1) The maximum loan limit under Code section 72(p)(2)(A) shall be applied by substituting "\$100,000" for "\$50,000" and substituting "the present value" for "one-half the present value" under the Loan Procedures for a Qualified Individual.
- (2) The loan repayment for a Qualified Individual may be delayed for 1 year.
- (3) Subsequent repayments will be adjusted to reflect the 1 year delay and any interest accrued during such delay.
- (4) The 1 year delay will be disregarded in determining the 5-year maximum term of loans under Code section 72(p)(2)(B) and (C).

## Attachment B

**Incorporated County of Los Alamos  
Incorporated County of Los Alamos, NM Pension Plan & Trust  
Summary of Participant Accounts  
From 10/01/2024 to 12/31/2024**

<u>Accounts</u>	<u>Beginning Balance</u>	<u>Contributions</u>	<u>Forfeitures</u>	<u>Gains/Losses</u>	<u>Transfers</u>	<u>Distributions</u>	<u>Ending Balance</u>	<u>Vested Balance</u>
Baird Aggregate Bond Inst								
Total	1,739,690.45	20,309.31	0.00	(53,055.11)	(12,829.75)	(19,168.06)	1,674,946.84	1,673,416.87
Total Units	172,759.725	2,066.793	0.000	1,948.797	(1,264.506)	(1,941.192)	173,569.617	
AB Relative Value I								
Total	9,814,236.49	82,557.80	0.00	(201,261.34)	(89,522.56)	(358,541.66)	9,247,468.73	9,244,461.85
Total Units	1,357,432.430	11,473.401	0.000	140,182.740	(12,337.073)	(49,573.285)	1,447,178.213	
Fee Adjustment								
Total	0.00	0.00	0.00	(60.69)	60.69	0.00	0.00	0.00
Total Units	0.000	0.000	0.000	(60.690)	60.690	0.000	0.000	
Loan Fund								
Total	1,595,040.81	0.00	0.00	33,523.99	(155,670.48)	314,845.69	1,787,740.01	1,777,770.98
Total Units	1,595,040.810	0.000	0.000	33,523.990	(155,670.480)	314,845.690	1,787,740.010	
Parnassus Core Equity Institutional								
Total	288,384.83	5,508.52	0.00	(808.66)	537.30	(114,710.85)	178,911.14	155,898.52
Total Units	4,425.795	85.461	0.000	252.598	8.350	(1,777.875)	2,994.329	
PIMCO Stable Value Fund Class 1								
Total	2,936,366.70	27,976.10	0.00	31,803.60	396,246.73	(93,362.62)	3,299,030.51	3,298,985.98
Total Units	24,339.909	231.223	0.000	111.444	3,279.122	(771.138)	27,190.560	
flexPATH Index+ Agg 2025 Fund CL R1								
Total	92,613.16	3,739.72	0.00	(423.85)	(95,929.03)	0.00	0.00	0.00
Total Units	4,951.834	201.931	0.000	(2.128)	(5,151.637)	0.000	0.000	
flexPATH Index+ Mod 2045 Fund CL R1								
Total	7,568,153.16	196,021.59	0.00	(153,092.50)	24,367.11	(75,717.67)	7,559,731.69	7,234,015.20
Total Units	319,564.627	8,280.808	0.000	(243.671)	1,022.757	(3,159.796)	325,464.725	
flexPATH Index+ Agg 2035 Fund CL R1								
Total	2,382,897.40	76,577.41	0.00	(51,378.54)	58,442.08	0.00	2,466,538.35	2,279,162.98
Total Units	109,066.574	3,512.064	0.000	(71.630)	2,695.267	0.000	115,202.275	
flexPATH Index+ Cons 2025 Fund CL R1								
Total	44,664.17	53.28	0.00	(474.08)	(44,243.37)	0.00	0.00	0.00
Total Units	2,923.469	3.530	0.000	(1.218)	(2,925.781)	0.000	0.000	
flexPATH Index+ Cons 2035 Fund CL R1								
Total	242,663.47	4,943.09	0.00	(5,828.10)	105.26	0.00	241,883.72	241,243.38
Total Units	14,164.505	291.331	0.000	(8.896)	6.218	0.000	14,453.158	
flexPATH Index+ Cons 2045 Fund CL R1								
Total	1,949.02	127.79	0.00	(46.05)	0.00	0.00	2,030.76	1,421.46
Total Units	97.967	6.460	0.000	(0.062)	0.000	0.000	104.365	
flexPATH Index+ Cons 2055 Fund CL R1								
Total	29,332.51	1,599.36	0.00	(590.46)	0.00	0.00	30,341.41	17,409.05
Total Units	1,300.961	70.889	0.000	(0.828)	0.000	0.000	1,371.022	
flexPATH Index+ Cons Retire Fund CL R1								
Total	1,873.93	202.33	0.00	(555.68)	44,243.37	(14,194.39)	31,569.56	30,394.62
Total Units	128.523	14.047	0.000	(0.968)	3,065.708	(991.949)	2,215.361	
flexPATH Index+ Agg 2055 Fund CL R1								
Total	2,428,678.12	246,768.95	(16,338.26)	(45,172.05)	4,581.99	(24,063.59)	2,594,455.16	1,807,353.21
Total Units	103,159.684	10,449.153	(699.005)	(87.734)	192.368	(1,024.722)	111,989.744	
flexPATH Index+ Mod Retire Fund CL R1								

**Incorporated County of Los Alamos  
 Incorporated County of Los Alamos, NM Pension Plan & Trust  
 Summary of Participant Accounts  
 From 10/01/2024 to 12/31/2024**

<u>Accounts</u>	<u>Beginning Balance</u>	<u>Contributions</u>	<u>Forfeitures</u>	<u>Gains/Losses</u>	<u>Transfers</u>	<u>Distributions</u>	<u>Ending Balance</u>	<u>Vested Balance</u>
Total	592,218.21	42,921.85	0.00	(85,412.51)	4,545,043.76	(30,136.04)	5,064,635.27	4,958,296.60
Total Units	36,743.345	2,690.672	0.000	(88.870)	284,148.988	(1,895.283)	321,598.852	
flexPATH Index+ Mod 2035 Fund CL R1								
Total	7,563,177.65	145,811.66	0.00	(176,627.62)	160,507.16	(23,900.88)	7,668,967.97	7,452,581.11
Total Units	364,281.572	7,062.932	0.000	(246.343)	7,731.850	(1,146.940)	377,683.071	
flexPATH Index+ Mod 2055 Fund CL R1								
Total	4,373,197.87	138,381.93	(10,754.51)	(74,869.30)	8,916.95	(50,271.57)	4,384,601.37	3,997,063.10
Total Units	177,739.757	5,608.109	(431.607)	(137.293)	361.831	(2,006.827)	181,133.970	
flexPATH Index+ Agg Retire Fund CL R1								
Total	10,107.81	5,066.39	0.00	(2,143.83)	96,784.03	0.00	109,814.40	94,595.11
Total Units	595.008	300.574	0.000	(1.621)	5,722.679	0.000	6,616.640	
flexPATH Index+ Agg 2045 Fund CL R1								
Total	2,245,472.44	122,286.72	0.00	(41,357.46)	11,267.64	(102,626.78)	2,235,042.56	1,877,126.48
Total Units	96,287.081	5,233.656	0.000	(67.919)	483.303	(4,410.538)	97,525.583	
flexPATH Index+ Mod 2025 Fund CL R1								
Total	5,010,219.80	26,812.15	0.00	(41,298.45)	(4,872,566.31)	(123,167.19)	0.00	0.00
Total Units	285,697.493	1,546.000	0.000	(118.746)	(279,959.118)	(7,165.629)	0.000	
BlackRock Equity Index Fund CL 1								
Total	1,439,052.36	28,220.96	0.00	31,547.23	173,669.41	0.00	1,672,489.96	1,659,352.39
Total Units	1,767.973	33.664	0.000	(1.147)	206.028	0.000	2,006.518	
BlackRock U.S. Debt Index Fd CL 1								
Total	55,844.40	1,335.69	0.00	(1,813.39)	65.46	0.00	55,432.16	50,426.98
Total Units	316.866	7.742	0.000	(0.200)	0.000	0.000	324.408	
BlackRock EAFE Equity Index Fund CL 1								
Total	57,156.12	908.54	0.00	(4,714.43)	0.00	(13,604.76)	39,745.47	37,268.60
Total Units	382.340	6.423	0.000	(0.264)	0.000	(98.234)	290.265	
Small Cap Growth Fund II CL I1								
Total	3,340,802.80	39,611.90	0.00	(3,954.88)	(9,675.74)	(167,259.84)	3,199,524.24	3,197,778.37
Total Units	275,866.858	3,156.780	0.000	(179.870)	(790.955)	(13,869.474)	264,183.339	
Large Cap Growth Fund III CL I1								
Total	13,287,030.40	108,757.60	0.00	537,149.18	(90,044.13)	(423,309.64)	13,419,583.41	13,392,046.54
Total Units	940,534.886	7,374.726	0.000	(616.025)	(6,303.338)	(29,494.783)	911,495.466	
American Funds American Balanced R5								
Total	3,548,798.17	20,009.09	0.00	11,902.94	(77,398.32)	(32,855.71)	3,470,456.17	3,456,856.40
Total Units	97,628.563	551.150	0.000	5,880.582	(2,247.800)	(897.805)	100,914.690	
International Stock Fund CL I1								
Total	9,394,881.69	97,999.46	0.00	(752,762.20)	(79,961.28)	(354,380.19)	8,305,777.48	8,304,738.61
Total Units	714,086.706	7,860.255	0.000	(467.744)	(6,282.291)	(28,235.355)	686,961.571	
Small Cap Value Fund CL I1								
Total	103,097.17	3,354.91	0.00	3,120.66	3,047.19	0.00	112,619.93	112,619.93
Total Units	6,320.325	197.744	0.000	(4.197)	186.704	0.000	6,700.576	
<b>Total Account Balances</b>	<b>\$80,187,601.11</b>	<b>\$1,447,864.10</b>	<b>\$(27,092.77)</b>	<b>\$(1,048,653.58)</b>	<b>\$45.16</b>	<b>\$(1,706,425.75)</b>	<b>\$78,853,338.27</b>	<b>\$76,352,284.32</b>
				Current base suspense account is	\$308,385.31			
				Current match suspense account is	\$0.00			
				Current post-tax match suspense account is	\$0.00			
				Current other suspense account is	\$0.00			
				Total all accounts including suspense accounts	\$79,161,723.58			

Incorporated County of Los Alamos  
Incorporated County of Los Alamos, NM Pension Plan & Trust  
Summary of Participant Accounts  
From 10/01/2024 to 12/31/2024

<u>Accounts</u>	<u>Beginning</u> <u>Balance</u>	<u>Contributions</u>	<u>Forfeitures</u>	<u>Gains/</u> <u>Losses</u>	<u>Transfers</u>	<u>Distributions</u>	<u>Ending</u> <u>Balance</u>	<u>Vested</u> <u>Balance</u>
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**Addendum 1  
Attachment C  
RFP25-39**

**Provider(s) of Pension Services for Incorporated County of Los Alamos**

**Funds with cusips/tickers attached**

Fund Name	Ticker
flexPATH Index+ Aggressive Retirement R1	97182T847
flexPATH Index+ Aggressive 2055 R1	97182P571
flexPATH Index+ Aggressive 2045 R1	97182T243
flexPATH Index+ Aggressive 2035 R1	97182T441
flexPATH Index+ Moderate Retirement R1	97182T771
flexPATH Index+ Moderate 2035 R1	97182T375
flexPATH Index+ Moderate 2055 R1	97182P514
flexPATH Index+ Moderate 2045 R1	97182T177
flexPATH Index+ Conservative Retirement R1	97182T714
flexPATH Index+ Conservative 2035 R1	97182T318
flexPATH Index+ Conservative 2045 R1	97182P647
flexPATH Index+ Conservative 2055 R1	97182P449
American Funds American Balanced R5	RLBFX
AB Relative Value I	CBBIX
Parnassus Core Equity Institutional	PRILX
BlackRock Equity Index Fund CL 1	97183J632
Large Cap Growth III I1 (AB Large Cap Growth)	97184D766
Small Cap Value I1 (PIMCO RAE SCV)	97181N296
Small Cap Growth II I1 (AB Small Cap Growth)	97182E220
International Stock I1 (PIMCO RAE International)	97182U109
BlackRock EAFE Equity Index Fund CL 1	97183J616
BlackRock U.S. Debt Index Fd CL 1	97183J624
Baird Aggregate Bond Inst	BAGIX
PIMCO Stable Income Fund Class I	72200A104
Loan Fund	